

**ORDINANCE NO. 2009-02**

**AN ORDINANCE  
TO ADD CHAPTER 3 TO TITLE 8  
TO THE CITY OF LOUDON MUNICIPAL CODE**

**WHEREAS**, The City of Loudon desires to amend the City of Loudon Municipal Code.

**NOW, THEREFORE, BE IT ORDAINED** by the City Council of the City of Loudon, Tennessee as follows:

**SECTION 1.** That Title 8 of the City of Loudon Municipal Code be amended to provide an additional chapter entitled "Chapter 3 - Liquor Stores".

**SECTION 2.** That such additional chapter include the following provisions:

*Division I – Generally*

8-301 Definitions. Whenever used in this Title, the following terms shall have the following meanings unless the context necessarily requires otherwise:

(1) *Alcoholic Beverage*. Alcoholic Beverage means and includes alcohol, spirits, liquor, wine, and every liquid containing alcohol, spirits, and wine capable of being consumed by a human being other than medicine or beer where the latter contains an alcohol content of five percent by weight or less. Alcoholic beverage also includes any liquid product containing distilled alcohol capable of being consumed by a human being, manufactured or made with distilled alcohol irrespective of alcoholic content. Products or beverages including beer containing less than one-half (½) percent alcohol by volume, other than wine as defined in this Section, shall not be considered alcoholic beverage and shall not be subject to regulation or taxation pursuant to this Chapter unless specifically provided.

(2) *Applicant*. A Person applying for a Local Liquor Store Privilege License or a Certificate of Compliance, as the context provides.

(3) *Applicant Group*. More than one Person joining together to apply for a Local Liquor Store Privilege License or Certificate of Compliance, as the context provides, to operate a single Liquor Store pursuant to the same Application.

(4) *Application*. The form or forms or other information an Applicant or Applicant Group is required to file with the City in order to attempt to obtain a Local Liquor Store Privilege License or Certificate of Compliance, as the context provides.

(5) *Certificate of Compliance*. The Certificate required in T.C.A. § 57-3-208, as the same may be amended, supplemented or replaced, and subject to the provisions set forth in this Chapter for issuance of such a certificate.

(6) *City*. The City is the City of Loudon, Tennessee.

(7) *Co-Licensees*. Persons who together hold a single Local Liquor Store Privilege License for a single Liquor Store.

(8) *Federal Statutes*. The Statutes of the United States now in effect or as they may hereafter be changed.

(9) *Inspection Fee.* The monthly fee a Licensee is required by this Chapter to pay, the amount of which is determined by a percentage of the gross purchase price of all alcoholic beverages acquired by the licensee for retail sale from any wholesaler or any other source. In the event of Co-Licensees holding a Local Liquor Store Privilege License for a single Liquor Store, such Inspection Fee shall be the same as if the Local Liquor Store Privilege License were held by a single Licensee.

(10) *License Fee.* The annual fee a Licensee is required by this Chapter to pay prior to the time of the issuance or renewal of a Local Liquor Store Privilege License. In the event of Co-Licensees holding a Local Liquor Store Privilege License for a single Liquor Store, only one License Fee is required.

(11) *Licensee.* The holder or holders of a Local Liquor Store Privilege License. In the event of Co-Licensees, each Person who receives a Certificate of Compliance and Local Liquor Store Privilege License shall be a Licensee subject to the rules and regulations herein.

(12) *Liquor Store.* The building or part of a building where a Licensee conducts any of the business authorized by the Local Liquor Store Privilege License and State Liquor License held by such Licensee.

(13) *Local Liquor Store Privilege License.* A Local Liquor Store Privilege License issued under the provisions of this Chapter for the purpose of authorizing the holder or holders thereof to engage in the business of selling Alcoholic Beverages at Retail in the City at a Liquor Store. Such a Local Liquor Store Privilege License will only be granted to a Person or Persons who has or have a valid State Liquor Retailer's License. One Local Liquor Store Privilege License is necessary for each Liquor Store to be operated in the City.

(14) *Manufactured.* A structure, transportable in one or more sections, and which is built on a permanent chassis and designed to be used as a dwelling with or without permanent foundation.

(15) *Person.* Person means any natural person as well as any corporation, limited liability company, partnership, firm or association or any other legal entity recognized by the laws of the State of Tennessee.

(16) *Retail Sale or Sale At Retail.* The sale to a consumer or to any Person for any purpose other than for resale.

(17) *State Law, Rules and Regulations.* All applicable laws, rules and regulations of the State of Tennessee applicable to Alcoholic Beverages as now in effect or as they may hereafter be changed including, without limitation, the Local Option Liquor Rules and Regulations of the Tennessee Alcoholic Beverage Commission.

(18) *State Liquor Retailer's License.* A License issued by the Alcoholic Beverage Commission of the State of Tennessee pursuant to T.C.A. Section 57-3-201 et. seq. permitting its holder to sell Alcoholic Beverages at Retail in Tennessee.

(19) *Wholesaler.* Wholesaler means any person who sells at wholesale any beverage for the sale of which a License is required under the provisions of this Chapter.

(20) *Wine.* Wine means the product of normal alcoholic fermentation of juice of fresh, sound, ripe grapes, with the usual cellar treatment and necessary additions to correct defects due to climactic, saccharine, and seasonal conditions, including champagne, sparkling and fortified wine of an alcoholic content not to exceed 21 percent by volume.

8-302 Selling and Distributing Generally. It shall be unlawful for any Person to engage in the business of selling or distributing Alcoholic Beverages within the corporate limits of the City

except as provided by T.C.A. Title 57 and by the rules and regulations promulgated thereunder and as provided under this Title.

8-303 Licenses Required for Sale of Alcoholic Beverages At Retail. It shall be lawful for a Licensee to sell Alcoholic Beverages At Retail in a Liquor Store provided that such sales are made in strict compliance with all Federal Statutes, all State Laws, Rules and Regulations, and all provisions of this Chapter and provided that such Licensee has a valid and duly issued State Liquor Retailer's License and a valid and duly issued Local Liquor Store Privilege License from the City permitting him or her to sell Alcoholic Beverages At Retail. Transfer of ownership or possession of any Alcoholic Beverage by a Licensee in any manner other than by Retail Sale is prohibited.

8-304 Licensee Responsible for Officers and Agents. Each Licensee shall be responsible for all acts of such Licensee as well as the acts of a Co-Licensee, and acts of the Licensee's officers, employees, agents and representatives so that any violation of this Chapter by any Co-Licensee, officer, employee, agent or representative of a Licensee shall constitute a violation of this Chapter by such Licensee.

8-305 Location of Liquor Store. It shall be unlawful for any person to operate or maintain a Liquor Store for the retail sale of alcoholic beverages in the City unless at a location approved by City Council. All such stores shall be located within the C-1, C-2, or C-4 zones as appears on the official zoning map of the City of Loudon on the date of application. Such liquor store shall not be located within two-hundred (200) feet of any church or school as measured along a straight line from the nearest property line of any such establishment to the front door of the Liquor Store. No Liquor Store shall be located where the operation of a Liquor Store at the premises contemplated by an Application would unreasonably interfere with public health, safety or morals.

8-306 Limitations on Building containing Liquor Store. All Liquor Stores shall be a permanent type of construction in a material and design approved by City Council. No Liquor Store shall be located in a Manufactured or other movable or prefabricated type of building. All Liquor Stores shall have night light surrounding the outside of the premises and shall be equipped with a functioning burglar alarm system on the inside of the premises. The minimum square footage of the Liquor Store display area shall be fifteen-hundred (1,500) square feet. Full, free and unobstructed vision shall be afforded to and from the street and public highway to the interior of the Liquor Store by way of large windows in the front and to the extent practical to the sides of the building containing the Liquor Store. All Liquor Stores shall be subject to applicable zoning, land use, building and life safety regulations, as adopted within the City of Loudon Municipal Code, unless specifically state otherwise herein.

8-307 Restrictions Generally.

- (1) Entertainment devices and seating forbidden. No form of entertainment, including pinball machines, music machines or similar devices shall be permitted in any Liquor Store. No seating facilities, other than for employees of the Liquor Store, shall be permitted in any Liquor Store.
- (2) Time and Days of Operation. No Liquor Store shall be open and no Licensee shall sell or give away any Alcoholic Beverage on any Sunday. On other days, no Liquor Store shall be open and no Licensee shall sell or give away any Alcoholic Beverage before eight o'clock in the morning or after eleven o'clock at night. No Liquor Store shall be open for business on Christmas, Thanksgiving, New Year's Day, Labor Day or the Fourth of July.
- (3) Selling or Furnishing to Person(s) Below the Age of Twenty-One (21) Years, etc. It

shall be unlawful for any Licensee to sell, furnish or give away any Alcoholic Beverage to a person below the age of twenty-one (21) years or to a person visibly intoxicated. It shall be unlawful for such person to enter or remain in a Liquor Store (except that employees with appropriate employee permits issued pursuant to State Law who are age eighteen (18) years and older are permitted in a Liquor Store for the purpose of engaging in paid employment only) or to loiter in the immediate vicinity of a Liquor Store. It shall be unlawful for a person below the age of twenty-one (21) years to misrepresent his or her age in an attempt to gain admission to a Liquor Store or in an attempt to buy any Alcoholic Beverage from a Licensee.

- (4) Consumption on Premises of Liquor Store. It shall be unlawful for any Licensee to sell any Alcoholic Beverage for consumption in such Licensee's Liquor Store or on the premises used by the Licensee in connection therewith. It shall be unlawful for any person to consume any Alcoholic Beverage in a Liquor Store or in the immediate vicinity of a Liquor Store.
- (5) Advertising. There shall be no advertising signage of any kind whatsoever outside the building containing a Liquor Store either for the Liquor Store or to advertise any matter pertaining to Alcoholic Beverages sold at Liquor Stores except as set forth herein. The provisions of the City of Loudon Zoning and Land Use Control Regulations, Chapter 6, and any other City ordinances or regulations addressing signs shall not apply to Liquor Stores unless any specific restrictions on signs or advertising in the zone where a Liquor Store is located are more restrictive than the restrictions contained herein, in which case the more restrictive provision shall apply. There may be placed on the front of a Liquor Store, but not extending therefrom over twelve (12) inches, a sign setting out the name of the Liquor Store. Such sign shall not exceed twenty (20) square feet in dimension. No such sign shall contain letters of neon or tube lighting so as to produce lighting within the letters themselves though signs lit by back lighting are permitted. No reader board or changeable copy signs shall be permitted. One (1) free-standing sign shall be allowed on the premises. No off-premises signs shall be allowed within the City. Regarding signage inside a Liquor Store, no banner or temporary or permanent signage shall be placed so that it obstructs free and clear vision of the interior of the Liquor Store from outside of the Liquor Store.
- (6) Off Premises Business. All Retail Sales of Alcoholic Beverages shall be confined to the premises of the Liquor Store. No curb service is permitted, nor shall there be permitted drive-in windows. No Licensee shall employ any canvasser, agent, solicitor, or other representative for the purpose of receiving an order from a consumer for any Alcoholic Beverages at the residence or place of business of such consumer nor shall any Licensee receive or accept any such order which shall have been solicited and received at the residence or place of business of such consumer. This paragraph shall not be construed as to prohibit the solicitation by a state licensed Wholesaler of any order from any licensed retailer at the licensed premises.

#### 8-308 Fees.

- (1) Amounts Generally. There is hereby levied on each Licensee an Inspection Fee of eight percent (8%) on the gross purchase price of all Alcoholic Beverages acquired by the Licensee for Retail Sale from any Wholesaler or any other source.
- (2) Collection. Collection of such Inspection Fee shall be made by the Wholesaler or other source vending to the Licensee at the time the sale is made to the Licensee. Payment of

the Inspection Fee by the collecting Wholesaler or other source shall be made to the City Recorder on or before the twentieth day of each calendar month for all collections in the preceding calendar month. Nothing herein shall relieve the Licensee of the obligation of payment of the Inspection Fee, and it shall be the Licensee's duty to see that the payment of the Inspection Fee for his or her Liquor Store is made to the City Recorder on or before the twentieth day of each calendar month for the preceding month. Wholesalers collecting and remitting the Inspection Fee to the City shall be entitled to reimbursement for this collection service in a sum equal to five percent of the total amount of Inspection Fees collected and remitted, such reimbursement to be deducted and shown on the monthly report to the City.

- (3) Reports. The City Recorder shall prepare and make available to each Wholesaler and other source vending Alcoholic Beverages to Licensees sufficient forms for the monthly report of Inspection Fees payable by such Licensee making purchases from such Wholesaler or other source. Such Wholesaler shall timely complete and return the forms and the required information and Inspection Fees within the time specified above.
  - (4) Failure to Pay Fees. The failure to pay the Inspection Fees and to make the required reports accurately and within the time required by this Chapter shall, at the sole direction of the City Manager, be cause for suspension of the offending Licensee's Local Liquor Store Privilege License for as much as thirty (30) days and, at the sole discretion of the City Council, be cause for revocation of such Local Liquor Store Privilege License. Each such action may be taken by giving written notice thereof to the Licensee, no hearing with respect to such an offense being required. If a Licensee has his or her License revoked, suspended or otherwise removed and owes the City Inspection Fees at the time of such suspension, revocation, or removal the City Attorney may timely file the necessary action in a court of appropriate jurisdiction for recovery of such Inspection Fees. Further, each Licensee who fails to pay or have paid on his or her behalf the Inspection Fees imposed hereunder shall be liable to the City for a penalty on the delinquent amount due in an amount of 10% of the Inspection Fee.
  - (5) Use of Fees. All funds derived from Inspection Fees imposed herein shall be used to defray expenses in connection with the enforcement of this Title including particularly the payment and compensation of officers, employees, and other representatives of the City in investigating and inspecting Licensees and Applicants and in seeing that all provisions of this Title are observed. The City Council finds and declares that the amount of these Inspection Fees is reasonable, and that the funds expected to be derived from these Inspection Fees will be reasonably required for such purposes.
- 8-309 Records Kept by Licensee. In addition to any records specified in the State Rules and Regulations, each Licensee shall keep on file, at such Licensee's Liquor Store, the following records:
- (1) The original invoices of all Alcoholic Beverages bought by the Licensee;
  - (2) The original receipts for any Alcoholic Beverages returned by such Licensee to any Wholesaler;
  - (3) A current daily record of the gross sales by such Licensee with evidence of cash register receipts for each day's sales; and
  - (4) An accurate record of all Alcoholic Beverages lost, damaged, or disposed of other than by sale and showing for each such transaction the date thereof, the quantity and brands of Alcoholic Beverages involved and the name of the person or persons receiving the same.

All such records shall be preserved for a period of at least fifteen (15) months unless the City Recorder gives the Licensee written permission to dispose of such records at an earlier time. In the event of Co-Licensees holding a single License, one set of records per Liquor Store satisfies the requirements of this part.

8-310 Inspections Generally. The City Manager, the City Recorder, the City Finance Director, the Chief of Police or the authorized representatives or agents of any of them are authorized to examine the premises, books, papers and records of any Liquor Store at any time the Liquor Store is open for business for the purpose of determining whether the provisions of this Chapter are being observed. Refusal to permit such examination shall be a violation of this Chapter and shall constitute sufficient reason for revocation of the Local Liquor Store Privilege License of the offending Licensee or for the refusal to renew the Local Liquor Store Privilege License of the offending Licensee.

8-311 Enforcement – Violations - Penalties. Any violation of the provisions of this chapter shall constitute a misdemeanor and shall, upon conviction, be punishable by a fine of not less than fifty dollars (\$50.00). Upon conviction of any person under this chapter, it shall be mandatory for the city judge to immediately certify said conviction, whether on appeal or not, directly to the Tennessee Alcoholic Beverage Commission, together with petition that all licenses be revoked, pursuant to the provisions of Chapter 3 of Title 57 of the Tennessee Code Annotated, and the rules and regulations of said commission.

#### Division II - Certificates of Compliance

8-312 Certificate of Compliance. As a condition precedent to the issuance of a State Liquor Retailer's License by the State Alcoholic Beverage Commission, City Council may authorize the issuance of Certificates of Compliance by the City according to the terms contained herein:

8-313 Application.

- (1) Filing - Content. An Applicant or Applicant Group for a Liquor Store shall file with the City Recorder a completed written Application on a form to be provided by the City Recorder which shall contain all of the following information and whatever additional information the City Council or City Manager may require:
  - (a) The name and street address of each Person to have an interest, direct or indirect, in the Liquor Store as an owner, partner, stockholder or otherwise. In the event that a corporation, partnership, limited liability company or other legally recognized entity is an Applicant or member of an Applicant Group, each person with an interest therein must be disclosed and must provide the information on the Application provided by the City;
  - (b) The name of the Liquor Store proposed;
  - (c) The address of the Liquor Store proposed and its zoning designation;
  - (d) The statement that an individual Applicant or at least one (1) member of an applicant group has been a resident of the City of Loudon or a resident of Loudon County, Tennessee for at least three (3) years immediately prior to the time the Application is filed or, in the case of a partnership, corporation, or limited liability company that at least fifty-one percentage (51%) of the partnership, corporation, or limited liability company be owned by natural persons who have been a resident of the City of Loudon or a resident of Loudon County, Tennessee for at least three (3) years prior to the time the Application is filed;

(e) A statement that the Persons receiving the requested License to the best of their knowledge if awarded the Certificate of Compliance could comply with all the requirements for obtaining the required licenses under State Law and the provisions of this Chapter for the operation of a Liquor Store in the City;

(f) The agreement of each Applicant or each member of an Applicant Group, as appropriate, to comply with all applicable laws and ordinances and with the Rules and Regulations of the Tennessee Alcoholic Beverage Commission with reference to the sale of Alcoholic Beverages and the agreement of each Applicant or each member of an Applicant Group as to the validity and the reasonableness of these Regulations, Inspection Fees, and Taxes provided in this Title with reference to the sale of Alcoholic Beverages.

(2) Further documentation. The Application form shall be accompanied by a copy of each questionnaire form and other material to be filled out by the Applicant or each member of the Applicant Group with the Tennessee Alcoholic Beverage Commission in connection with the same Application and shall be accompanied by five (5) copies of a scale plan drawn to a scale of not less than one inch equals twenty feet giving the following information:

(a) The shape, size and location of the lot which the Liquor Store is to be operated under the License,

(b) The shape, size, height and location of all buildings whether they are to be erected, altered, moved or existing upon the lot,

(c) The off-street parking space and off-street loading and unloading space to be provided including the vehicular access to be provided from these areas to a public street, and

(d) The identification of every parcel of land within two-hundred (200) feet of the lot upon which the Liquor Store is to be operated indicating ownership thereof and the location of any structures thereon and the use being made of every such parcel.

(3) Signature. The Application form shall be signed and verified by each Person to have any interest in the Liquor Store either as an owner, partner, stockholder or otherwise.

(4) Misrepresentation - Concealment of Fact-Duty to amend. If any Applicant, member of an Applicant Group, or Licensee misrepresents or conceals any material fact in any Application form or as to any other information required to be disclosed by this Chapter, such Applicant, member of an Applicant Group, or Licensee shall be deemed to have violated the provisions of this Chapter and his or her Application may be disregarded or his or her License restricted or revoked as deemed appropriate by City Council. Further, no sale, transfer or gift of any interest of any nature, either financial or otherwise, in a Liquor Store shall be made without first obtaining a replacement License from the City upon the approval of the City Council.

(5) Fees. Each Application shall be accompanied by a non refundable three hundred dollar (\$300.00) investigation fee. One application fee per Applicant Group is sufficient.

8-314 Consideration. In issuing the initial Certificates of Compliance sufficient for the licensing of up to two (2) Liquor Stores in the City permitted by this Chapter, the City Council will consider all Applications filed before a closing date to be fixed by it and after publication of notices published in a newspaper of general circulation in Loudon County, Tennessee required by State

Law. City Council will select from such Applications the Persons deemed by it in its sole discretion to have qualifications required by law and the most suitable circumstances for the lawful operation of a Liquor Store without regard to the order of time in which the Applications are filed. Such Persons and only such Persons shall receive the initial Certificates of Compliance issued by the City. If, thereafter, an additional License becomes available due to the cancellation, revocation or otherwise of a previously issued License, City Council will select from all pending Applications the Applicant or Applicant Group deemed by it to have the qualifications required by law and the most suitable circumstances for the lawful operation of a Liquor Store after a closing date to be fixed by it upon public notice of the availability of such License. Such Person or Persons and only such Person or Persons will receive Certificates of Compliance issued by the City sufficient to allow the operation of the Liquor Store contemplated by the chosen Application. Applications shall be retained by the City until such time as all Liquor Stores for which Certificates of Compliance have been issued by the City are opened for business. At that time, all pending Applications which did not result in the granting of Certificates of Compliance after consideration by City Council will expire and be disposed of by the City. Applications can only be submitted to the City during the time frame the City Council has set forth for receipt of such Applications. Applications and all matters submitted with or as a part of such Applications become at the time they are submitted the sole and exclusive property of the City and constitute public records open to public inspection.

8-315 Restrictions Upon Issuance.

- (1) Additional Certificates of Compliance. The City Council shall not issue a Certificate of Compliance unless there is an available Liquor Store License for which no Certificate of Compliance has been issued and License approval by the Tennessee Alcoholic Beverage Commission is pending.
- (2) No Violation of Chapter. No Certificate of Compliance shall be issued unless a License issued on the basis thereof can be exercised without violating any provisions of this Chapter.
- (3) Prerequisites of Issuance. The City Manager upon approval of City Council shall not sign any Certificate of Compliance for any Applicant or Applicant Group until:
  - (a) Such Application has been filed with the City Recorder;
  - (b) The location stated in the Certificate has been approved by the City Council as a suitable location for the operation of a Liquor Store; and
  - (c) The Application has been considered at a public meeting of the City Council and approved by a vote of at least three members thereof.
- (4) Time Period for Action. Any Applicant or Applicant Group who has obtained a Certificate of Compliance as provided herein must, unless an extension is granted by City Council, within six months open a Liquor Store in the City or said certificate will be revoked by the passage of this amount of time and a certification thereof will be sent to the Alcoholic Beverage Commission of the State of Tennessee and the Local Liquor License issued pursuant to such Application shall be considered canceled and revoked.

*Division III - Local Liquor Retailer's Licenses*

8-316 License from City to Operate Liquor Store. After an Applicant or Applicant Group receives a license from the state of Tennessee to operate a retail liquor store pursuant to T.C.A Sections 57-3-101 et. seq., he or she shall apply to the City Recorder for a Local Liquor Retailer's License to operate a retail liquor store pursuant to the following terms, conditions and restrictions.



8-317 Restrictions on Local Liquor Retailer's Licenses.

- (1) Maximum Number of Licenses. No more than two (2) Local Liquor Retailer's Licenses for the sale of Alcoholic Beverages at Liquor Stores shall be issued under this Chapter representing no more than two (2) Liquor Stores in the City.
- (2) Term Renewal. Each License shall expire on December 31<sup>st</sup> of each year. A License shall be subject to renewal each year by compliance with all applicable Federal Statutes, State Statutes, State Rules and Regulations and the provisions of this Chapter.
- (3) Display. A Licensee shall display and post and keep displayed and posted his or her License in a conspicuous place in the Licensee's Liquor Store at all times when any activity or business authorized thereunder is being done by the Licensee,
- (4) Transfer. A Licensee or Co-Licensee shall not sell, assign or transfer his or her License or any interest therein to any other person. No License shall be transferred from one location to another location without the express permission of City Council.
- (5) Fees. A License Fee of \$500.00 is due at the time of Application for a License and annually prior to January 1 each year thereafter. The initial License shall remain in effect for the remainder of the calendar year when it is first issued so that the first year may not be a full year period. The License Fee shall be paid to the City Recorder before any License shall issue.

8-318 Restrictions upon Licensees and Employees.

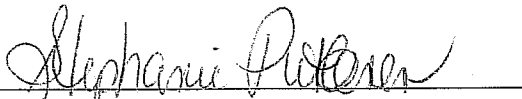
- (1) Initial Qualifications. To be eligible to apply for or to receive a License, an Applicant or in the case of an Applicant Group, each member of the Applicant Group, must satisfy all of the requirements of the State Statutes and of the State Rules and Regulations for the holder of a liquor retailer's license.
- (2) Public Officers and Employees. No License shall be issued to a Person who is a holder of a public office either appointed or elected or who is a public employee either national, state, city or county. It shall be unlawful for any such person to have any interest in such Liquor Store either directly or indirectly, either proprietary or by means of a loan or participation in the profits of any such business. This prohibition shall not apply however to uncompensated, appointed members of boards or commissions who have no duties covering the regulation of Alcoholic Beverages or beer.
- (3) Felons. No Licensee shall be a person who has been convicted of a felony within ten (10) years prior to the time he or she or the legal entity which he or she is connected shall receive a License; provided that this provision shall not apply to any person who has been so convicted but whose rights of citizenship have been restored or judgment of infamy has been removed by a court of competent jurisdiction. in case of such conviction occurring after a License has been issued and received, the License shall immediately be revoked if such convicted felon is an individual Licensee and, if not, the partnership, corporation, limited liability company or association with which he or she is connected shall immediately discharge him or her and he or she shall have no further interest therein or else such License shall be immediately revoked.
- (4) Employee Felons. No Licensee shall employ in the storage, sale, or distribution of Alcoholic Beverages any person who within ten (10) years prior to the date of his or her employment shall have been convicted of a felony. In the case that an employee is convicted of a felony while he is employed by a Licensee at a Liquor Store, he or she shall be immediately discharged after his or her conviction provided that this provision shall

not apply to any person who has been so convicted but whose rights of citizenship have been restored or judgment of infamy has been removed by a court of competent jurisdiction.

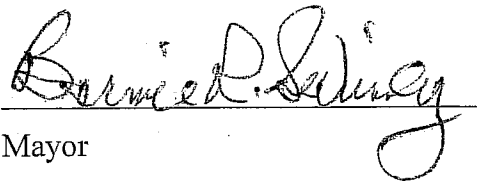
- (5) Liquor Offenses. No License shall be issued to any person who within ten (10) years preceding application for such License or permit shall have been convicted of any offense under the laws of this State or any State or of the United States regulating the sale, possession, transportation, storing, manufacturing, or otherwise handling of intoxicating liquors or beer who has during such period been engaged in business, alone or with others, in violation of any such laws or rules and regulations.
- (6) Disclosure of Interest. It shall be unlawful for any person to have ownership in or participate in, either directly or indirectly, the profits of any Liquor Store unless his or her interest in such business and the nature, extent and character thereof shall appear on the Application or if the interest is acquired after the issuance of a License unless it be fully disclosed to the City Manager and approved by him or her in a timely manner.
- (7) Age. No Licensee shall be a person under the age of twenty-one (21) years and it shall be unlawful for any Licensee to employ any person under the age of eighteen (18) years for the physical storage, sale or distribution of Alcoholic Beverages or to permit any such person under such age in his or her place of business to engage in the storage, sale or distribution of Alcoholic Beverages.
- (8) Interest In Only One Liquor Store. A Person shall have an interest, either direct or indirect, in no more than one Liquor Store licensed under this Title in the City of Loudon.

8-319 Nature of License: Suspension or Revocation. The issuance of a License does not vest a property right in the Licensee but is a privilege subject to revocation or suspension. Any License shall be subject to suspension or revocation by City Council for any violation of this Title by the Licensee or by any person for whose acts the Licensee is responsible. The Licensee shall be given reasonable notice and an opportunity to be heard before the City Council suspends or revokes a License for any violation unless provided otherwise specifically herein. If the Licensee is convicted of a violation of this Title by a final judgment in any court and the operation of the judgment is not suspended by an appeal, upon written notice to the Licensee, the City Manager may immediately suspend the License for a period not to exceed sixty (60) days, and the City Council may revoke the License on the basis of such conviction thereafter. A License shall be subject to revocation or suspension without a hearing whenever such action is expressly authorized by other provisions of this Chapter stating the effect of specific violations.

**SECTION 3.** That the provisions of this Ordinance take effect immediately upon final passage, the public welfare requiring it.



Recorder



Mayor

First Reading: 12-16-08

Second Reading: 01-19-09

Public Hearing: 01-19-09