

4800 Ashford Dunwoody Road Dunwoody, Georgia 30338 dunwoodyga.gov | 678.382.6700

MEMORANDUM

To: Mayor and City Council

From: Richard McLeod, Community Development Director

September 29, 2025 Date:

Subject: Text Amendment to Amend Eligibility Requirements for Alcohol Licenses

ITEM DESCRIPTION

This item presents changes to the eligibility standards for alcohol licenses. Under current rules, any Dunwoody alcohol license is required to have a registered agent who is a resident of DeKalb County. Under the proposed requirements, the registered agent may also be a resident of Fulton County or Gwinnett County.

DISCUSSION

Under current rules, every licensee for an alcohol license is required to have at least one person residing in DeKalb County, named the registered agent. Currently, business owners residing in Fulton County or Gwinnett County often hire a law firm employing a DeKalb County resident to act as the registered agent, which is an added expense.

Councilmember Lambert requested this amendment to allow a broader range of registered agents to act as registered agents for alcohol businesses. Due to Dunwoody's location in the very north of DeKalb County, large parts of Fulton County and Gwinnett County are closer to Dunwoody than the southern parts of DeKalb County. Removing the residence requirement will make it easier for Fulton County and Gwinnett County residents to open businesses in Dunwoody.

ATTACHMENTS

Ordinance

AN ORDINANCE TO AMEND CHAPTER 4 (ALCOHOLIC BEVERAGES) OF THE CITY OF DUNWOODY CODE OF ORDINANCES; TO AMEND ELIGIBILITY REQUIREMENTS FOR ALCOHOL LICENSES.

- **WHEREAS**, the City of Dunwoody is charged with preserving the health, safety and welfare of the citizens of the City; and
- **WHEREAS,** the City of Dunwoody issues licenses for the sale and pouring of alcoholic beverages and collects all appropriate fees and taxes; and
- **WHEREAS**, the City of Dunwoody currently requires licensees to live within the boundaries of DeKalb County; and
- **WHEREAS**, the City borders both Fulton County and Gwinnett County, with many potential licensees in either county living in close proximity; and
- **WHEREAS**, currently, businesses owned by Fulton County or Gwinnett County residents sometimes hire a DeKalb County resident to act as registered agent, adding additional cost; and
- **WHEREAS**, the City of Dunwoody intends to allow people living in Fulton County or Gwinnett County to act as holders of alcohol licenses.

NOW, THEREFORE, the Mayor and City Council of the City of Dunwoody HEREBY ORDAIN that Chapter 4 is amended as follows:

Section I: That Chapter 27 of the City Code is amended by amending Code Section 4-2, to be entitled "Definitions", to read as follows:

Sec. 4-2. - Definitions.

Unless a contrary intention is clearly apparent from the context, any term used in this chapter shall have the same meaning as when used in a comparable provision of the Georgia Alcohol Beverage Code, O.C.G.A. §§ 3-1-1 through 3-12-3. The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Adult use includes the following:

- (1) Body art service, which means establishments providing any of the following procedures: body piercing, tattooing, cosmetic tattooing, branding or scarification. This definition does not include practices that are considered medical procedures by the composite medical board, which may not be performed in a body art services establishment.
- (2) Sexually oriented business, which means an adult bookstore, an adult cabaret, an adult motion picture theater, a semi-nude model studio or a sexual device shop. It shall also include the definitions in section 27-149 of the zoning ordinance.

Alcohol means ethyl alcohol, hydrated oxide of ethyl, or spirits of wine, from whatever source or by whatever process produced.

STATE OF GEORGIA CITY OF DUNWOODY

ORDINANCE 2025-XX-XX

Alcoholic beverage means and includes all alcohol, distilled spirits, beer, malt beverage, wine, or fortified wine.

Alcoholic beverage caterer means any retail dealer licensed pursuant to the alcoholic beverage ordinance of the city who provides alcohol at authorized events or functions, special events, or special events facilities.

Beer or malt beverage means any alcoholic beverage obtained by the fermentation of any infusion or decoction of barley, malt, hops, or any other similar product, or any combination of such products in water, containing not more than 14 percent alcohol by volume and including ale, porter, brown, stout, lager beer, small beer, and strong beer. The term does not include sake, known as Japanese rice wine.

Barrel means 31 gallons when applied to brewers and 53 gallons when applied to distillers.

Bottle club means any restaurant, music hall, theater or other establishment providing food or entertainment in the normal course of business, and in which the owners or their agents knowingly allow patrons to bring in and consume the patrons' own alcoholic beverages.

Brewer means a manufacturer of malt beverages.

Brewery means a facility involved in the creation of malt beverages that produces 15,000 barrels or more (or the equivalent) per year of malt beverages.

Brewpub means any eating establishment in which beer or malt beverages are manufactured or brewed, subject to the barrel production limitation prescribed in O.C.G.A. § 3-5-36 for retail consumption on the premises and solely in draft form. In calculating the total annual gross food and beverage sales for any such establishment for the purpose of determining whether the establishment constitutes an eating establishment as defined herein, barrels of malt beverages sold to licensed wholesale dealers, as authorized pursuant to subparagraph (D) of paragraph (2) of O.C.G.A § 3-5-36, or to the public for consumption off the premises in accordance with subparagraph (A) and (D) of paragraph (2), paragraph (3) and paragraph (4) of O.C.G.A. § 3-5-36, shall not be used.

Chief of police means the chief of police of the City of Dunwoody, or his designate.

Church means any permanent place of public religious worship.

Distance means the measurement in horizontal lineal feet.

Distilled spirits or spirituous liquor means any alcoholic beverage obtained by distillation or containing more than 21 percent alcohol by volume including, but not limited to, all fortified wines.

Distiller means a manufacturer. In the case of distilled spirits, "manufacturer" means any person engaged in distilling, rectifying, or blending any distilled spirits; provided, however, that a vintner that blends wine with distilled spirits to produce a fortified wine shall not be considered a manufacturer of distilled spirits.

Entertainment and spectator sports means the provision of cultural, entertainment, athletic and other events, such as typically occurs in theaters, cinemas, auditoriums, special events facilities, stadiums and arenas. Entertainment and spectator sports do not include adult uses.

Food caterer means any person who prepares food for consumption off the premises.

Fortified wine means any alcoholic beverage containing more than 21 percent alcohol by volume made from fruits, berries, or grapes either by natural fermentation or by natural fermentation with brandy added. The term includes, but is not limited to, brandy.

Full-service kitchen means a kitchen consisting of a commercial sink and refrigerator and either a commercial stove, grill or microwave oven approved by the city manager or his designee.

Growler means a container made of a material customary to the industry provided that the container is capable of being sealed with a tamper-proof cap, top or other seal for the purpose of complying with open container laws, and further provided that the container may hold less than 12 ounces, but not to exceed 68 ounces, and is filled with malt beverage drawn from a barrel, cask, tank, or keg by a licensee, or an employee of a licensee, holding a package malt beverage license issued by the City of Dunwoody.

STATE OF GEORGIA CITY OF DUNWOODY

ORDINANCE 2025-XX-XX

Immediate family of a person means all persons related to such person by consanguinity or affinity within the first degree, as computed according to state law.

Interest includes any pecuniary interest and any ownership interest, whether present or future, whole or partial, legal or beneficial, contingent or vested, direct or indirect, and any right, power, or authority of control.

Licensee means the individual to whom a license is issued or, in the case of a partnership, corporation, or company, all partners, officers, members, managers, and directors of the partnership, corporation, or company.

Manufacturer means any maker, producer, or bottler of an alcoholic beverage. The term also means:

- (1) In the case of distilled spirits, any person engaged in distilling, rectifying, or blending any distilled spirits;
- (2) In the case of malt beverages, any brewer; and
- (3) In the case of wine, any vintner.

Microbrewery means a facility involved in the creation of malt beverages that produces fewer than 15,000 barrels per year.

Package means a bottle, can, keg, barrel, or other original consumer container.

Personal improvement service means informational, instructional, personal improvement services of a nonprofessional nature. These are distinguished from professional services such as attorneys, architects, or doctors by generally not requiring special training in the arts or sciences. Typical personal improvement services uses include hair salons, barber shops, beauty shops, nail salons, esthetician services, yoga or dance studios, personal fitness training studios, and martial arts schools. Personal improvement services include neither adult uses, nor massage establishments, nor spa establishments,

Premises means a definite closed or partitioned establishment, whether a room, shop or building, wherein alcoholic beverages are sold or consumed. The term "premises" also includes any privately owned or leased courtyard or patio which is architecturally visibly defined.

Registered agent means that individual who is a resident of <u>DeKalb County</u>, <u>Fulton County</u>, <u>or Gwinnett County</u> and at least 21 years of age, required to be designated by a licensee to receive any process, notice, or demand required or permitted by law or under this chapter to be served upon a licensee or owner.

Retail consumption dealer means any person who sells distilled spirits for consumption on the premises at retail only to consumers and not for resale.

Wine means any alcoholic beverage containing not more than 21 percent alcohol made from fruits, berries, or grapes either by natural fermentation or by natural fermentation with brandy added. The term "wine" includes, but is not limited to, all sparkling wines, champagnes, combinations of such beverages, vermouths, special natural wines, rectified wines, and like products. The term "wine" does not include cooking wine mixed with salt or other ingredients so as to render it unfit for human consumption as a beverage. A liquid shall first be deemed to be a wine at the point in the manufacturing process when it conforms to the definition of wine contained in this section.

Wine specialty shop means a retail establishment which has both package sales of wine and limited consumption on the premises of wine and draft craft beer.

(Comp. Ords. 2008, ch. 4, art. 1, § 2; Ord. No. 2018-04-07, § I, 4-9-2018; Ord. No. 2020-03-05, § I, 3-9-2020; Ord. No. 2022-11-14, § I, 11-28-2022

ORDINANCE 2025-XX-XX

Section II: That Chapter 27 of the City Code is amended by amending Code Section 4-33, to be entitled "Eligibility for license", to read as follows:

Sec. 4-33. - Eligibility for license.

- (a) Every applicant shall, prior to applying for a license, read and familiarize himself with the provisions of this chapter, and the application shall constitute a certification that applicant has done so. Every licensee shall maintain a copy of this chapter on the licensed premises and shall instruct each employee engaged in the sale or handling of alcoholic beverages concerning the relevant provisions of this chapter.
- (b) An applicant shall be active in the operation of the licensed business and shall be personally present on the licensed premises sufficiently to ensure compliance with the provisions of this chapter. For purposes of this section, a licensee shall not be considered active unless he is an owner, stockholder, or fulltime employee of the licensed business and is present on the licensed premises a minimum of ten hours per week.
- (c) No license for the sale of alcoholic beverages shall be granted to any person or entity, where the majority of stock or partnership interests are controlled by individuals who are not citizens of the United States or aliens lawfully admitted for permanent residence. If, an entity is owned by other entities, then this requirement shall apply to the majority stockholders of the other entities to ensure that a license is not granted to an ineligible person or entity.
- (d) No person, including members of a retail dealer licensee's immediate family, shall be issued, nor shall have a beneficial interest in, more than two package distilled spirits licenses issued in this state.
- (e) No license for the sale of alcoholic beverages shall be granted to any person, or the spouse of any person, who has been convicted under any federal, state or local law of any felony within the last ten years, has been on felony probation or parole within the last five years, or released from prison on felony charges within the last five years prior to filing an application. The term conviction includes any adjudication of guilt or a plea of guilty or nolo contendere or the forfeiture of a bond when charged with a crime.
- (f) No license for the sale of alcoholic beverages shall be granted to any person, or the spouse of any person, who has been convicted under any federal, state or local law of any misdemeanor involving moral turpitude within ten years prior to filing an application. The term "conviction" includes any adjudication of guilt or a plea of guilty or nolo contendere or the forfeiture of a bond when charged with a crime. The term "moral turpitude" shall include any violation that involves gambling, drugs, or a driving while intoxicated conviction in less than five years from a prior driving while intoxicated conviction, and sale of alcohol.
- (g) A licensee shall not have had revoked, within the two years preceding his application, any license to sell alcoholic beverages issued by any governmental entity.
- (h) No license for the sale of alcoholic beverages shall be granted to any person that has not attained the age of 18.
- (i) A licensee shall have been, and continuously maintain, as a registered agent, a resident of <u>DeKalb County</u>, <u>Fulton County</u>, or <u>Gwinnett County</u>the county, upon whom may be served any process, notice or demand required or permitted by law or under this chapter to be served upon the licensee or owner.

(Comp. Ords. 2008, ch. 4, art. 2, § 11)

STATE OF GEORGIA CITY OF DUNWOODY

ORDINANCE 2025-XX-XX

SO ORDAINED , this day of	, 2025.
	Approved:
	Lynn P. Deutsch, Mayor
ATTEST:	Approved as to Form and Content:
Sharon Lowery, City Clerk (Seal)	City Attorney



Background

- Under current rules, any Dunwoody alcohol license is required to have a registered agent who is a resident of DeKalb County.
- In practice, business owners living outside of DeKalb County often hire a law firm employing a DeKalb County resident who will act as registered agent.
- This adds an added expense and additional administrative burden for business owners.
- Proposed text amendment will allow registered agents to live in Gwinnett and Fulton Counties in addition to DeKalb County.



Recommendation

- Staff recommends adoption.
- Second read (action item) on October 14th.



