

AGENDA ITEM SUMMARY

City Council



STAFF

Anissa Hollingshead, City Clerk
Aimee Jensen, Regulatory Licensing Specialist
Holly Coulehan, Assistant City Attorney

SUBJECT

Second Reading of Ordinance No. 167, 2023, Amending Chapters 3 and 17 of the Code of the City of Fort Collins to Update and Align City Code Regarding Alcohol Beverages with State Law Changes and Adding Municipal Code Violations for Certain Alcohol-Related Offenses.

EXECUTIVE SUMMARY

This Ordinance, unanimously adopted on First Reading on December 5, 2023, requests approval of the proposed amendments to Chapter 3 (Alcohol Beverages) and Chapter 17 (Miscellaneous Offenses).

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on Second Reading.

BACKGROUND / DISCUSSION

On January 1, 2019, full-strength beer replaced “3.2% beer” in grocery and convenience stores. Last November’s successful ballot measure, Proposition 125, allowed those types of stores to now sell wine as well as full-strength beer. Alcohol service has become a regular occurrence by unlicensed and unpermitted businesses, such as beauty salons, gyms, nail salons, furniture stores, etc. In response to this proliferation of illegal service, this last legislative session House Bill 23-1061 changed the art gallery permit to allow certain qualifying retail establishments to serve complimentary alcohol beverages for a limited number of days per year. These City Code changes will reflect this ballot measure and legislative changes.

Administrative application fees were historically included in Chapter 3 of the City Code because Council was the local liquor licensing authority until 1973, after which a separate board was created by Council. In 2000, Council designated the Municipal Judge as the local liquor licensing authority, however City Code was not modified to enable the new authority to set the administrative application fees. Staff is recommending that the administrative application fees be removed from City Code to allow the Municipal Judge, as the local liquor licensing authority, to set these fees and align with how cannabis fees are handled. This change will allow staff to quickly adjust fees as costs associated with administering liquor licensing increase and to respond quicker to modifications in State laws and regulations.

Throughout the years, liquor licensees have expressed concern that they bear the brunt of the liquor law violations due to their employees’ service of underage patrons, even though they have ensured that their employees have received appropriate training. Additionally, staff has seen an increase in crimes related to

the use of fake identification to obtain alcohol or for entry into liquor licensed establishment. However, the individuals committing these crimes are not sufficiently held accountable resulting in high rates of recidivism. In response to these concerns, City staff is recommending that these criminal offenses are written into City Code to encourage compliance and discourage others from violating these liquor related offenses.

Finally, the changes referenced above led to a comprehensive review of the City's Code with respect to liquor licensing. City staff identified several general housekeeping or ministerial-type changes to Chapters 3 and 17, that provide clarity and alignment with State laws and regulations.

CITY FINANCIAL IMPACTS

Unknown.

BOARD / COMMISSION / COMMITTEE RECOMMENDATION

None.

PUBLIC OUTREACH

None.

ATTACHMENTS

First Reading attachments not included.

1. Ordinance for Consideration