

TO: FRUITA CITY COUNCIL AND MAYOR

FROM: DEB WOODS, DEPUTY CITY CLERK

DATE: SEPTEMBER 27, 2022

AGENDA TEXT: ORDINANCE 2022-21 – FIRST READING - An introduction of an Ordinance amending the Fruita Municipal Code to allow for spirituous tastings for public hearing on October 18, 2022

BACKGROUND

At the July 26, 2022 Council workshop meeting, the Council directed staff to draft an Ordinance concerning Alcoholic Beverage Tastings Permits that would allow spirituous liquors at Retail Liquor Stores who have been issued a Tastings Permit by the City of Fruita pursuant to Fruita Municipal Code Section 5.20.090. The First Reading of Ordinance 2022-21 went before the Fruita City Council on August 16, 2022 and was approved on the Consent Agenda at that meeting. The Ordinance was scheduled for its Second Reading at the September 20, 2022 Regular Council Meeting, but staff by mistake neglected to include it on that agenda under Legislative Public Hearings.

After learning of the mistake, staff rescheduled another First Reading of Ordinance 2022-21 for the Special City Council meeting of September 27, 2022. Assuming the City Council will again approve the First Reading of Ordinance 2022-21, staff will send another notice of a Legislative public hearing (Second Reading) to the Daily Sentinel for the October 18, 2022 Regular Council meeting.

The information that follows is what staff presented to the Council for the original First Reading of Ordinance 2022-21 that appeared on the Consent Agenda for the Regular Meeting of August 16, 2022:

On October 4, 2011, the Fruita City Council adopted Ordinance No. 2011-17 to allow "tastings" at Fruita retail liquor stores or liquor-licensed drugstores. The Colorado Liquor Code defines "tastings" as "the sampling of malt (beer), vinous (wine), or spiritous liquors (alcohol) that may occur on the premises of a retail liquor store licensee or liquor-licensed drugstore licensee by adult patrons of the licensee pursuant to the provisions of section 44-3-301 (10)."

When Fruita adopted its "Tastings" Ordinance, the tastings were limited to beer and wine, as there were no distilleries at the time. In March of 2022, the City Clerk's Office was contacted by Dave Proietti, owner of Highlands Distillery located at 782 24 Road in Grand Junction to inquire as to whether the City of Fruita would consider allowing spirituous tastings in its liquor stores. Mr. Proietti said he believes it has gone well in Grand Junction and that not only has his family's distillery benefited from the exposure, it has also improved local commerce in a safely regulated environment.

At the July 26, 2022 Fruita City Council workshop meeting, staff provided a draft Ordinance that would amend Fruita Municipal Section 5.20 to allow spirituous tastings in addition to beer and wine tastings that are already allowed at retail liquor stores or liquor-licensed drugstores. The City Council reviewed the process for the issuance and renewal of liquor licenses in general and for Tastings Permits with staff and subsequently directed staff to prepare a draft Ordinance for First Reading at the next Council meeting.

Attached is draft Ordinance 2022-21 which, if approved, will amend the Fruita Municipal Code to accomplish the following:

- 1. Allow spirituous alcohol in Tastings at licensed retail liquor stores and liquor-licensed drugstores.
- 2. Increased the number of tastings per year per licensee from 104 to 156 days per year with 156 days being the maximum allowed pursuant to C.R.S.
- 3. Removes the restriction of "no more than 4 of the 6 days between Monday and Saturday" and limits only the number of tastings to no more than one hundred fifty-six days per year.

FISCAL IMPACT

None.

APPLICABILITY TO CITY GOALS AND OBJECTIVES

The City of Fruita is charged with protection of the public health, safety and welfare. The review and renewal of liquor licenses and tastings permits ensures that licensed retail liquor stores and liquor-licensed drugstores are operating by the rules and regulations adopted by the City and State concerning the sale or service of beer and alcoholic beverages.

OPTIONS AVAILABLE TO THE COUNCIL

- 1. Publish a synopsis of Ordinance 2022-21, an Ordinance amending the Fruita Municipal Code to allow for spirituous tastings for publication of public hearing on October 18, 2022
- 2. Deny Ordinance 2022-21

RECOMMENDATION

It is the recommendation of staff that the Council move to:

• PUBLISH A SYNOPSIS OF ORDINANCE 2022-21 - AN ORDINANCE AMENDING THE FRUITA MUNICIPAL CODE TO ALLOW FOR SPIRITUOUS TASTINGS FOR PUBLIC HEARING ON OCTOBER 18, 2022