



#### **MEMORANDUM**

To: Mayor and City Council

From: Paul Leonhardt, Planning & Zoning Manager

Date: August 22, 2022

**Subject:** Discussion of Options for Easing Alcohol Permitting Requirements for

Businesses

#### **ITEM DESCRIPTION**

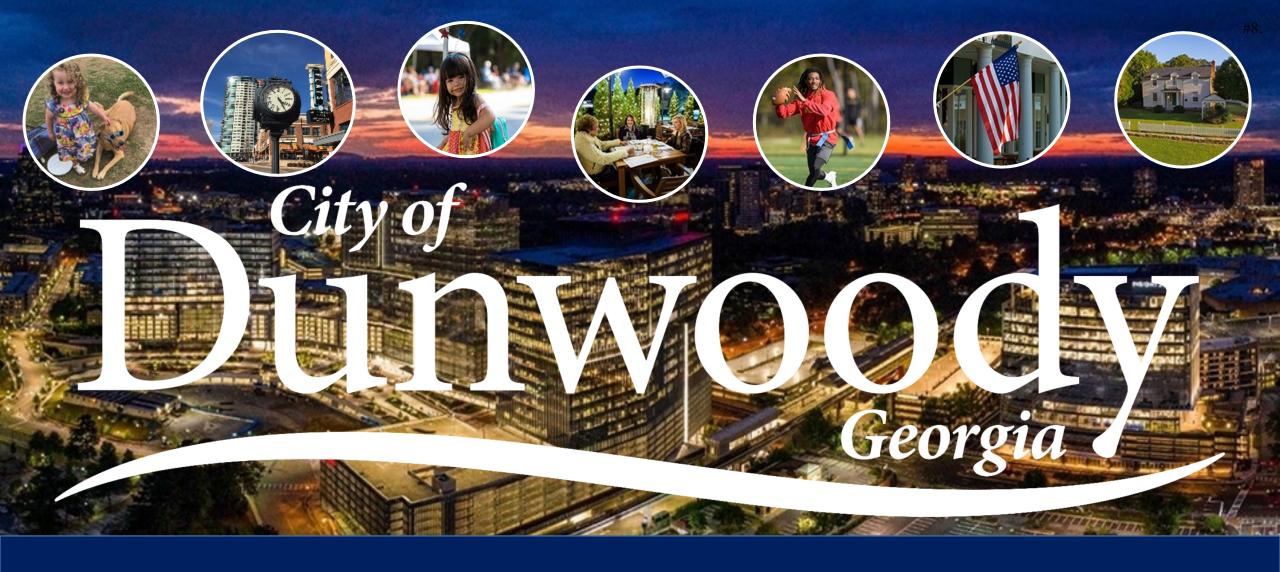
This item presents options for easing the requirements for obtaining an alcohol permit for businesses in Dunwoody. Should the City Council express interest, the staff will prepare a text amendment for consideration at a future City Council meeting.

#### **DISCUSSION**

Dunwoody currently only provides liquor on-the-premises licenses to restaurants who generate at least 60% of their revenue through food sales. The attached presentation slides provide two options to ease these regulations.

#### **ATTACHMENTS**

Presentation slides



## **Alcohol Licensing Options**

August 22, 2022

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### **Current Regulations**

- All businesses serving alcoholic beverages for consumption on the premises require a state and a municipal license
- Limited pouring license (beer and/or wine) is available to a variety of businesses
- Full pouring license (including liquor) requires a full service kitchen and at least 60% of annual sales from food sales



### **Economic Challenge**

- Retail market continues to evolve, remaining difficult for traditional retail
- Trend towards selling experiences in traditional retail spaces
  - Axe throwing, Topgolf, The Friends Experience, "Paint and Sip"
- Alcohol as a component to provide additional revenue and to support the experiential component



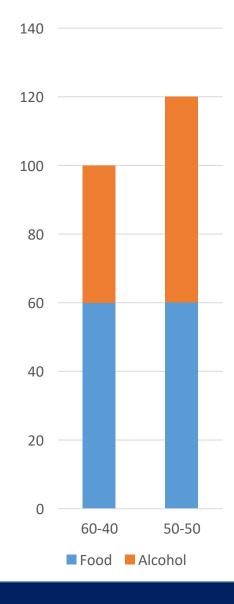
### **Proposed Options**

- Dunwoody does currently not accommodate liquor sales without food sales;
   this includes mix drinks like Margaritas
- Goal is to allow support new and experiential businesses to sustain Dunwoody's role as a retail destination
- Danger of creating regional nightlife destinations with associated crime and nuisance
- Option 1: Reducing food sales required for restaurants
- Option 2: Allowing new categories of businesses to sell liquor drinks



### Restaurant Food – Alcohol Split

- Currently 60% food 40% alcohol
- Eating establishments also must provide a full-service kitchen and food sales every hour they are open and
- Option to change to 50% food 50% alcohol
- 50% 50% split is common across the region
  - Sandy Springs, Alpharetta, Chamblee have 50% 50% split
  - Brookhaven has 60% 40% split
  - Tucker has no minimum food requirement, but requires food service during every open hour





# Alcohol license for personal service/entertainment providers

- Currently, businesses without food service can obtain a limited pouring license (beer/wine)
- Businesses are interested in providing a full bar to serve liquor, mix drinks, and cocktails; liquor
- Alcohol sales would be tied to the primary purpose of the business, e.g. concert tickets, hair cutting, bowling
- No alcohol sales as primary use, e.g. bars, lounges, etc.
- To contain negative impacts, the City can consider the following:
  - Earlier closing hours, currently last sale 2:00am
  - Requiring minimum sales of the primary use
  - Excluding potentially problematic uses massage, adult uses, etc.

