

AGENDA ITEM SUMMARY

FORT COLLINS CITY COUNCIL

ITEM NUMBER: 14

DATE: July 15, 2008

STAFF: Aimee Jensen

SUBJECT

First Reading of Ordinance No. 083, 2008, Amending Chapter 3 of the City Code to include Art Gallery Permits.

RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

FINANCIAL IMPACT

This Ordinance will set an application fee of \$103.75 to defray the administrative costs of issuing and tracking art gallery permits. Revenue received will be placed in the City's General Fund.

EXECUTIVE SUMMARY

This Ordinance will amend the City Code to include the fees and approval process for Art Gallery Permits.

BACKGROUND

In 2008, the Colorado General Assembly adopted, and the Governor signed into law, House Bill 04-1105 (now codified as C.R.S. §12-47-422). This will allow an Art Gallery (an establishment whose primary purpose is the display and sale of fine art as defined in section C.R.S. 6-15-101, or precious or semi-precious metals or stones as defined in C.R.S. 18-16-102), to serve complimentary alcohol beverages on the licensed premises.

Under this new law, Art Gallery Permittees:

- may not charge an entrance fee or cover charge.
- may not sell directly or in directly alcohol beverages by the drink.
- may not serve more than 4 hours in any one day.
- may not serve more than 15 days per year of licensure.
- shall not intentionally allow more than 250 people to be on the licensed premises at any one time while alcohol beverages are being served.

These permits will be approved administratively by the secretary to the Liquor Licensing Authority, similar to special event and bed and breakfast permits.

In response to requests from several Councilmembers, staff has prepared an ordinance to codify the fees and approval process.

ORDINANCE NO. 083, 2008
OF THE COUNCIL OF THE CITY OF FORT COLLINS
AMENDING CHAPTER 3 OF THE CODE OF THE CITY OF FORT COLLINS
TO ALLOW ART GALLERY PERMITS

WHEREAS, in 2008, the Colorado General Assembly adopted and the governor signed into law House bill 08-1105, effective July 1, 2008, allowing local jurisdictions to permit art gallery owners within City limits to serve complimentary malt, vinous, or spirituous liquors for consumption on the licensed premises provided that the applicant is able to offer such beverages without violating state liquor law or creating a public safety risk to the neighborhood; and

WHEREAS, the City Council desires to adopt an ordinance authorizing the issuance of art gallery permits to art galleries within the City subject to certain limitations.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. That Section 3-1 of the Code of the City of Fort Collins is hereby amended as follows:

Sec. 3-1. Definitions.

...

License shall mean an official grant of permission:

- (1) to sell fermented malt beverages, malt, special malt, vinous or spirituous liquors at retail **or for on-premises consumption;**
- (2) or to offer complimentary fermented malt beverages, malt, special malt, vinous or spirituous liquors for consumption by overnight guests on the premises of a bed and breakfast establishment within the City limits as evidenced by a City-issued form, license, permit, insignia or tag; **or**
- (3) **to offer complimentary malt, vinous, or spirituous liquors for consumption by patrons on the licensed premises of an art gallery within the City limits as evidenced by a City-issued form, license, permit, insignia or tag.**

...

Licensee shall mean a person **issued a** ~~licensed~~ by law to sell fermented malt beverages, malt, special malt, vinous or spirituous liquors at retail **or for on-premises consumption** ~~or a person issued a permit to:~~

- (1) ~~or a person permitted to~~ offer complimentary fermented malt beverages, malt, special malt, vinous or spirituous liquors for consumption by

overnight guests on the premises of a bed and breakfast establishment and who is engaged at any time during the calendar year in such operation within the City; or

- (2) offer complimentary malt, vinous, or spirituous liquors for consumption by patrons on the licensed premises of an art gallery; or
- (3) sell fermented malt beverages, malt, special malt, vinous or other spirituous liquors for consumption during a special event; or
- (4) sell or offer complimentary fermented malt beverages, malt, special malt, vinous or other spirituous liquors for on-premises consumption as authorized by law.

Section 2. That Section 3-16 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 3-16. City Clerk duties.

The City Clerk shall . . .

- (5) Process all applications for temporary, art gallery, special event and bed and breakfast permits on behalf of the Liquor Licensing Authority pursuant to ~~Sec.~~§ 3-83.

...

Section 3. That Section 3-74 the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 3-74. Application fees.

- (a) Application fees shall be payable to the City as follows:

Fees

...

- (11) Art gallery permit..... 103.75.

...

Introduced, considered favorably on first reading, and ordered published this 15th day of July, A.D. 2008, and to be presented for final passage on the 19th day of August, A.D. 2008.

Mayor

ATTEST:

City Clerk

Passed and adopted on final reading on the 19th day of August, A.D. 2008.

Mayor

ATTEST:

City Clerk