

**First Reading:** \_\_\_\_\_  
**Second Reading:** \_\_\_\_\_

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE TO AMEND CHATTANOOGA CITY  
CODE, PART II, CHAPTER 5, ARTICLE IV, SECTION  
5-110, RELATING TO DEVELOPMENT STANDARDS  
FOR DISTILLERIES.

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WHEREAS, a change to state law allows Distilleries to operate in the City of Chattanooga; and

WHEREAS, the Zoning Ordinance does not define Distilleries nor provide for Distilleries as a permitted use in any zone; and

WHEREAS, generally small-scale operations are recommended to be permitted as a Special Exception by the City Council in commercial zones where Wineries are currently listed; and

WHEREAS, both small and large-scale operations are recommended to be permitted as a Special Exception by the City Council in the M-1 Manufacturing Zone where Wineries are currently listed;

SECTION 1. BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHATTANOOGA, TENNESSEE, That Part II, Chattanooga City Code, Chapter 5, Article IV, Section 5-110, as impacts land use to provide development standards for distilleries:

**Sec. 5-110. Distilleries.**

Distilleries, as defined at T.C.A. § 57-3-101, are allowed only on property zoned C-2 Convenience Commercial, C-3 Central Business, UGC Urban General Commercial, and M-1 Manufacturing Zones and must comply with the following:

(a) For the C-2 Convenience Commercial, UGC Urban General Commercial, and M-1 Manufacturing Zones:

- (1) Consumption of alcoholic beverages not manufactured on the premises by the distiller shall be prohibited;
- (2) Processing and bottling of products not produced by the distiller shall be prohibited in C-2 Convenience Commercial and UGC Urban General Commercial Zones; and,
- (3) The following activities are permitted with this use:
  - A. Growing, harvesting and other products suitable for processing and bottling products produced on the premises;
  - B. Sale of alcohol manufactured on the premises by the distiller for off premise consumption;
  - C. Sale of merchandise related to alcohol or the distillery;
  - D. Tastings involving serving to the public for the purpose of sampling the alcohol manufactured or distilled at the premises by the distiller; and,
  - E. Special events such as weddings, dances, and other social occasions associated with the distillery.
- (4) Notwithstanding the prohibition in Subsection (a)(1), alcoholic beverages not manufactured on the premises by the distiller may be consumed on the site provided the alcoholic beverages are provided by a caterer holding an appropriate license from the Tennessee Alcoholic Beverage Commission and/or permit from the Beer Board of Chattanooga as required by law.

(b) For the C-3 Central Business Zone:

- (1) Consumption of alcoholic beverages not manufactured on the premises by the distiller shall be prohibited;
- (2) Processing and bottling of products not produced by the distiller shall be prohibited; and,
- (3) Three of the following activities shall be required with this use:
  - A. Growing, harvesting and other products suitable for processing and bottling products produced on the premises;
  - B. Sale of alcohol manufactured on the premises by the distiller for off premise consumption;

- C. Sale of merchandise related to alcohol or the distillery;
  - D. Tastings involving serving to the public for the purpose of sampling the alcohol manufactured or distilled at the premises by the distiller; and,
  - E. Special events such as weddings, dances, and other social occasions associated with the distillery.
- (4) Notwithstanding the prohibition in Subsection (b)(1), alcoholic beverages not manufactured on the premises by the distiller may be consumed on the site provided that the alcoholic beverage is provided by a caterer holding an appropriate license from the Tennessee Alcoholic Beverage Commission and/or permit from the Beer Board of Chattanooga as required by law.

SECTION 2. BE IT FURTHER ORDAINED, That this Ordinance shall take effect two (2) weeks from and after its passage.

Passed on second and final reading:\_\_\_\_\_

\_\_\_\_\_  
CHAIRPERSON

APPROVED:\_\_\_\_ DISAPPROVED:\_\_\_\_

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\_\_\_\_\_  
MAYOR

KJR/mms