

**CIVIL EMERGENCY PROCLAMATION AND EXECUTIVE ORDER OF THE
MAYOR OF THE CITY OF CHATTANOOGA REGARDING A TEMPORARY
OPERATIONS PERIOD OF RELIEF FOR CURRENT BEER LICENSE
ESTABLISHMENTS TO SUBMIT NEW PERMIT APPLICATIONS**

No.2026-05

WHEREAS, pursuant to Section 8.28 of the City Charter, the Mayor is authorized to supervise and control all divisions of the city, except as otherwise provided to see that the ordinances and the provisions of the Charter and State law are observed; and

WHEREAS, it has come to the city's attention that various local previously licensed beer establishments may be operating with expired beer permits due to unrecognized administrative permit end terms, despite having no changes in ownership or operational standards; and

WHEREAS, the requirement in Chattanooga City Code 5-48 to apply for a "New Permit" rather than seeking a "Renewal" for licenses that have been lapsed for more than thirty (30) days may create a significant time gap between application and approval, during which a business may be forced to temporarily suspend sales; and

WHEREAS, temporarily creating a bridge to compliance that encourages current beer licensed business owners to self-report and enter the legal permitting pipeline without the immediate threat of a multi-month revenue loss is in the best interest of the residents and taxpayers of the City.

NOW, THEREFORE, I, TIM KELLY, MAYOR OF THE CITY OF CHATTANOOGA, do hereby order and direct the following:

1. Establishment of the "Amnesty Temporary Operating Period" by license and law enforcement employees.

A temporary stay of enforcement of beer permit requirements is allowed for current operating businesses to have an amnesty period of 90 days from the date of a submitted application to obtain a new beer permit. This amnesty period is intended to provide a safe harbor for businesses to continue legally permissible operations while their new beer permit applications are processed by the CPD Regulatory Unit and the Beer Board. Business owners are

required to follow the requirements of the application process per the City Code during this Amnesty Operating Period.

2. Eligibility Criteria

To qualify for this Amnesty, a business must meet the following criteria:

- Prior Licensure: The establishment must have held a valid City of Chattanooga beer permit at some point since January 1, 2024.
- Consistency of Ownership: There must have been no change in the ownership or the legal entity holding the previous permit.
- Triggering Action: The amnesty is triggered immediately upon the submission of a complete application for a new beer permit and payment of the required application fees.

3. Scope of Authorization

- Operational Continuity: Eligible businesses may continue selling beer under the authority of this Executive Order while their applications are pending.
- Regulatory Compliance: This Order does not exempt any business from existing safety codes, health regulations, or state laws. It specifically addresses the city-level permitting gap for established owners.
- Duration: This temporary authorization shall expire upon the Beer Board's final decision on the new application or after 90 days, whichever occurs first.

4. Implementation

The CPD Regulatory Unit is authorized to provide applicants who meet these criteria with a "Letter of Temporary Authorization" which shall be displayed or readily available at the business. This letter shall serve as proof of the business's good-faith effort to comply with all requirements of the city beer code and shall stay any administrative enforcement actions by the CPD Regulatory Unit related specifically to the expiration of the previous beer permit.

A determination that any provision of this Order is invalid will not affect the enforceability of any other provision of this Order. The remaining provisions shall remain in full force and effect. Any invalid provision will be modified to the extent necessary for enforceability.

5. This Order shall be effective at 9:00 a.m. on Thursday, May 7, 2026, and shall remain in effect until withdrawn or extended pursuant to Tennessee law.

6. PURSUANT TO TENN. CODE ANN. § 38-9-103 the duration of this Civil Emergency Proclamation and Executive Order is limited to fifteen (15) days initially for new permit applications to be submitted and may be extended, as necessary, for any additional fifteen (15)-day increments. To the extent that this Order conflicts with any prior Orders by my office this Order shall control.

Issued this 6th day of May 2026, pursuant to Tenn. Code Ann. §§ 38-9-101, et seq. and 58-2-104 and 58-2-110 (3) by the Mayor of the City of Chattanooga, Tennessee.

A handwritten signature in black ink, appearing to read 'Tim Kelly', is positioned above a horizontal line.

TIM KELLY, MAYOR OF THE CITY OF CHATTANOOGA