

Citizens League
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June 6, 1969

STATEMENT ON THE AMENDMENT TO THE
MINNEAPOLIS CITY CHARTER CONCERNING
THE LIQUOR PATROL AMENDMENT, WHICH WILL
BE ON THE BALLOT AT THE
JUNE 10, 1969 CITY GENERAL ELECTION

PREPARED BY: Citizens League Executive Committee, Harold D. Field, Jr., Chairman

RECOMMENDATIONS

1. The Citizens League recommends that Minneapolis residents vote "Yes" on June 10 on the proposed amendment concerning liquor patrol limits.
2. The Minneapolis City Council should act immediately following the election to establish by ordinance a Citizens Liquor Advisory Commission to review liquor licensing policies and procedures, and to review applications for liquor licenses and renewals when requested to do so by the City Council, or on its own motion.

THE PROPOSED AMENDMENT

The proposed amendment to the city charter would not increase the overall number of licenses covering liquor establishments of any type within the city. It would define, with reference to the city zoning ordinance, new locations outside of the existing liquor patrol limits into which existing liquor licenses could be moved, with City Council approval. The number of such potential new liquor locations is further restricted by requirements of state law prohibiting location of liquor establishments within 300 feet of schools or churches.

The proposed amendment specifically provides that "off sale" establishments -- stores selling bottled liquor not for consumption on the premises -- can only be located in properly zoned commercial areas containing five or more acres. With regard to location at which "on sale" liquor can be sold, the proposed amendment would restrict such establishments to properly zoned commercial areas of seven or more acres. It further restricts the issuance of "on sale" licenses to establishments deriving less than half their income from the sale of liquor. The amendment does not affect the existing regulation of liquor, except to the extent that it will allow relocation of liquor licenses now operated within the present liquor patrol limits to the prescribed new areas.

The amendment itself is not concerned with procedures and rules for the regulation of liquor establishments within the city. These matters, including a provision on the minimum distance required between liquor outlets, designed to prevent undue concentration of licenses, are provided for in an ordinance adopted by the City Council, May 23, 1969, effective on voter approval of the amendment.

FINDINGS AND CONCLUSIONS

1. According to nationwide data gathered by the 1962 Liquor Licensing Advisory Committee to the Mayor, no community or state has area limitations on the location of liquor establishments similar to the "patrol limits" which currently exist in Minneapolis. Most communities limit the areas in which liquor establishments may be located through reference to zoning ordinances, as is proposed in the amendment being submitted to the voters on June 10, 1969.
2. The tendency of the existing Minneapolis liquor patrol limits is to overconcentrate liquor licenses in a relatively small portion of the city, particularly in areas which show signs of deterioration. These are the areas least able to assimilate liquor establishments. This overconcentration has been accelerated by the vast amount of public construction, particularly in connection with the interstate highway program, which is taking place within the existing patrol limits, and which has forced the relocation of liquor establishments into ever more concentrated areas.
3. The Citizens League believes that the single most significant step which must be taken if the deficiencies in our present liquor licensing system are to be materially reduced or eliminated is to allow a greater number of licenses to be located in properly zoned commercial areas throughout the city. While this step alone is not the complete answer to existing problems, we know of no satisfactory solution which would not include this step.
4. At present, a local referendum procedure applies to location of liquor establishments outside of the liquor patrol limits areas. The purpose of the local referendum procedure is to protect nearby residents in outlying neighborhood commercial areas from unwanted liquor establishments. This protection is both inappropriate and unnecessary in substantial outlying commercial centers, where the predominant interest is citywide in scope.

We believe the City Council should be granted the discretionary authority to consider the issuance of licenses, without prior local referendum approval, in outlying properly sized and zoned commercial centers. This is what the proposed amendment would do.

5. The Citizens League, in the course of recommending approval of the patrol limits extension proposed in 1967, strongly urged that the City Council establish by ordinance a Citizens Liquor Advisory Commission which could review liquor licensing policies and procedures and could, on its own motion, if necessary, review individual applications for on or off sale licenses or renewals. Such a commission was provided for in the ordinance adopted by the City Council May 2, 1967. Provision for the Advisory Commission was deleted, however, from the ordinance adopted by the City Council in 1969. The Council has, however, indicated it will, following the election, appoint a committee advisory to its own Licenses Committee. This committee will not -- as would the commission included in the ordinance two years ago -- be able to review individual license applications.

We regret the City Council did not again provide for a Citizens Liquor Advisory Commission established by ordinance. We believe the success of the Capital

Long-Range Improvements Committee (CLIC) has demonstrated the value of citizen involvement in specific city program decisions. We believe it would be in the interests of the city, and of the city council, to move promptly to create such a committee following voter approval of the amendment.

The commission should have the following powers and duties:

- A. To review liquor licensing policies and procedures and to suggest changes or modifications, including enactment of new or revised ordinances, on liquor control.

The commission, upon its organization, should immediately undertake study and prepare recommendations to the City Council and City Coordinator on the following matters:

- * The type of establishment that should be licensed; minimum size of investment.
 - * Method of administering the provision with respect to maintaining a majority of the income from non-liquor sales.
 - * Criteria for the location of on-sale and off-sale licenses within properly-zoned locations of various sizes; the kind of commercial center which should receive one kind of license or the other.
 - * The prevention of possible excess profits which might be derived from new off-sale locations in major commercial centers.
 - * Problems arising in the administration of the requirement for 2,500-foot separation between license locations.
 - * The relationship of City Council licensing policy to city planning for the rebuilding of outlying commercial centers.
 - * The timing of the issuance of new licenses and transfers.
 - * The extent to which licenses in the outlying commercial areas should be issued to businesses now existing in these areas and operating without liquor; and the extent to which the outlets established in these commercial areas should take the form of transfers of licenses of liquor establishments now located within the old patrol limits area.
 - * The extent to which licenses in the outlying commercial areas should be issued "off the shelf" rather than transferred from other existing licensees and other existing locations.
- B. To review applications for liquor licenses, including renewals, and proceedings for suspension or revocation of licenses, when requested to do so by the City Council, the City Coordinator, or on its own motion, and to report its findings to the City Council and to the Coordinator with its recommendation either to approve or disapprove the application.

The commission would be advisory only. It should, however, be provided with the fullest information the Council can make available, from its Licenses Committee and Licenses Inspector. Its members should be residents of the city, and not otherwise elected public officials or city employees.

BACKGROUND FOR THIS STATEMENT

The Citizens League has, for many years, studied and taken positions on questions related to liquor patrol limits and liquor licensing and control in Minneapolis. For example, we studied and supported the limited extension of the patrol limits in 1959.

During 1962-64 a Citizens League committee conducted extensive hearings and held over 30 meetings in connection with Minneapolis liquor licensing policies. While this committee did not submit a formal report to the Citizens League Board of Directors, it did issue, with Board concurrence, a report and comprehensive series of tentative recommendations on liquor licensing for community consideration, including recommendations for the establishment of an advisory citizens commission to the City Council.

In the spring of 1967, with the revision of the patrol limits system coming to the ballot in the city primary election, the Citizens League's Executive Committee again reviewed the proposed change and again concluded a shift to a new system, based on Council authority to issue licenses in properly-zoned locations, would be in the best interests of the city.

In preparing this statement, the Citizens League's Executive Committee has had the benefit of the extensive work and tentative report and recommendations of the 1963-64 committee, as well as of community reaction to the recommendations of that group. In addition, the Executive Committee has utilized the extensive findings and data of the 1962 Liquor Licensing Advisory Committee to the Mayor.