

Citizens League
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March 24, 1967

STATEMENT ON THE AMENDMENT TO THE
MINNEAPOLIS CITY CHARTER CONCERNING
LIQUOR PATROL LIMITS, WHICH WILL BE ON THE
BALLOT AT THE MAY 2, 1967 CITY PRIMARY ELECTION

PREPARED BY: Citizens League Executive Committee, James R. Pratt, Chairman

APPROVED BY: Citizens League Board of Directors at its meeting, March 22, 1967

RECOMMENDATIONS

- I. The Citizens League recommends that Minneapolis residents vote "Yes" on May 2 on the proposed amendment, provided that, prior to that date, the City Council, as it has indicated it will, enacts an ordinance establishing a Citizens Liquor Advisory Commission.
- II. The Citizens Liquor Advisory Commission should have the same relationship to the City Council as the existing Capital Long-Range Improvements Committee (CLIC) has in the area of advising the Council on the capital improvements program. The recommendations of the new commission would be advisory only. Their force and effect would be whatever influence they might have on public opinion and on members of the City Council.

The commission should be comprised of seven residents of Minneapolis, none of whom would be an elected public official or an employee of the City. The City Council should appoint five members of the commission. The Mayor would appoint the remaining two members. Commission members should serve for six-year overlapping terms. Commission members should serve without pay, except for any per diem allowance which might be set by the City Council. The City Coordinator's office should provide the commission with such staff assistance as may be needed.

The commission should have the following purposes and duties:

- A. To review liquor licensing policies and procedures and 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:

1. Guidelines for new ordinance requirements for control of liquor establishments to be located outside of the present liquor patrol limits with respect to:
 - minimum size of and investment in such new establishments
 - provision for off-street parking
 - limiting new on-sale establishments to those operated in connection with substantial food service operations and specific standards to be applied

- limiting the number of liquor establishments at separate commercial locations outside of the present patrol area, to avoid overconcentration at such locations.
 - . Determination of the extent to which excessive profits may result from location of new "off sale" liquor establishments at outlying commercial locations and of what measures might be taken to prevent such possible excessive profits.
- B. To review applications for liquor licenses, including renewals, and proceedings for suspension and 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 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. 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 does not concern itself with procedures and rules for the regulation of liquor establishments within the city, matters which are normally provided for by ordinance rather than by provisions of the city charter document.

FINDINGS AND CONCLUSIONS

- I. 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 May 2, 1967.
- II. 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.

III. 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.

IV. 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 issuance of licenses, without prior local referendum approval, in outlying properly sized and zoned commercial centers. This is what the proposed amendment would do.

V. Providing for the transfer of liquor licenses to outlying commercial locations at the discretion of the City Council will necessitate consideration by the Council of standards and conditions which should apply to such transfers. Sound public policy and the interests of the commercial areas dictate that such standards and conditions be carefully considered and provided for by ordinance with respect to new or transferred off-sale and on-sale liquor establishments.

Specific matters which should be governed by a new ordinance covering liquor establishments in properly sized and zoned commercial areas include:

- . Minimum size and investment in such establishments
- . Provision for off-street parking
- . Limiting on-sale establishments to those operated in connection with substantial food service operations and with the standards to be applied.
- . Limitations on the number of liquor establishments at separate locations in the outlying commercial locations.
- . Prevention of possible excessive profits which might be derived from location of new "off sale" establishments at major outlying commercial locations, if the Council determines that such excessive profits are likely to result from relocation of "off sale" licenses to such locations.

VI. We believe it would be highly beneficial to involve citizens, in an advisory capacity, in reaching decisions on the important policy questions involved in connection with allowing liquor establishments in outlying commercial areas. We concur with the tentative recommendations of a 1962-64 Citizens League committee that a Citizens Liquor Advisory Committee should also be in a position to review and make advisory recommendations to the Council on the most controversial license transfers, particularly the ones to proposed new locations.

The experience of CLIC (Capital Long-Range Improvements Committee) has demonstrated the value of citizen involvement in an advisory capacity to the chief governing body of the City. However, referrals to the Citizens Liquor Advisory

Committee should be on a selective basis, since we regard it as impractical to expect non-paid citizens volunteering their time in this capacity to be able to give careful consideration to more than a small portion of the applications for liquor licenses.

We concur with the advice of the previous Citizens League study as to the size, make-up and terms of such a Citizens Liquor Advisory Commission.

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 preparing this statement, the Citizens League's Executive Committee has had the benefit of the extensive work and tentative report and recommendations of the 1962-64 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.

We have conferred with members of the City Charter Commission, which has unanimously recommended the proposed amendment. We also understand that all members of the City Council Licensing Committee are of the opinion that appointment of a Citizens Liquor Advisory Commission to study and make recommendations to the Council on standards and conditions to be included in a new ordinance to govern liquor licenses at new outlying commercial locations is needed and should be provided for and appointed at an early date.