



Request for City Council Committee Action from the Department of Regulatory Services

Date: November 7, 2011

To: Council Member Elizabeth Glidden, Chair – Regulatory, Energy & Environment Committee

Subject: Alcohol License Proximity to Churches and Religious Institution Places of Assembly Ordinance Amendment

Recommendation: That the Regulatory, Energy and Environment Committee approve amending Chapter 360.120 of the Minneapolis Code of Ordinances by removing distance requirements related to churches and religious institution places of assembly for establishments licensed for on-sale alcohol and off-sale malt liquor pursuant to MCO 362.45.

Previous Actions: None

Department Information

Prepared by: Linda Roberts, Manager of Licenses and Consumer Services – (612) 673-3908

Approved by:

Henry Reimer, Interim Director of Regulatory Services

Dana Banwer, Director of Licenses & Environmental Services

Grant Wilson, Manager of Business Licenses

Presenter in Committee: Grant Wilson

Financial Impact

- No financial impact

Community Impact

- Neighborhood Notification: Public hearing notices were posted on the Business Licenses' website and electronically sent to Minneapolis neighborhood organizations, business associations, and beverage alcohol establishments.
- City Goals: Jobs & Economic Vitality Businesses — big and small — start here, stay here, thrive here

Supporting Information

The Minneapolis Code of Ordinances (MCO) restricts several activities, such as adult entertainment businesses and alcohol establishments, in close proximity to churches, religious institution places of assembly, and schools. Alcohol establishments are currently restricted from locating within 300 feet from a church, religious institution place of assembly, or school.

MCO allows exceptions to the 300 foot restriction for churches, religious institution places of assembly, and schools for establishments that operate as restaurants. However, the cumbersome list of exceptions leads to onerous regulations on these establishments. Alcohol establishments within 300 feet are required to be restaurants that have food sales of at least 70% of their gross sales annually, they cannot have a bar area, and they cannot have signs that advertise alcoholic beverages on the exterior of the building. Establishments located within the B4 or Downtown districts are exempt from these regulations. Documenting these establishments with the allowed exceptions is challenging and can lead to unfair competition for businesses operating even within a block of each other. If this amendment is passed, it could provide economic opportunities and more regulatory freedom for both current and future on-sale alcohol and off-sale malt liquor establishments.

Type of Economic Development	Potential Regulatory Freedom
New Off-Sale Malt Liquor Establishment (Brewery)	Operate near churches and religious institutions
New On-Sale Alcohol Establishment	No longer required to meet exception regulations
Current On-Sale Alcohol Establishment on Seven Acres	No longer required to meet exception regulations
Current On-Sale Alcohol Establishment on less than Seven Acres	Allowed to have exterior alcoholic beverage signs and a bar area

The growth opportunity is particularly significant for off-sale malt liquor establishments. Since the brewery amendment was passed in July 2010, two new breweries have begun operating in Minneapolis. Additionally, Minneapolis has recently provided the opportunity for breweries to qualify for an on-sale "taproom" license without the requirement of operating as a restaurant. As the trend is growing, there are more breweries interested in Minneapolis but without this amendment options may be limited.

Distance requirements for on-sale alcohol establishments to churches and religious institution places of assembly may not be necessary as there appears to be little or no conflict between these two types of operations. Thus far in 2011 there have been 27 temporary alcohol licenses granted to churches or religious institution places of assembly allowing them to serve alcohol during their events.

In contrast, there has been interest in regulating proximity to schools. In February 2011 the Minneapolis City Council passed an amendment that strengthened measuring the distance from schools by including the entire school grounds when determining the 300 foot distance requirement. This was supported by the public interest to reduce youth access to alcohol.

Best practices research (see attached summary) does not indicate that removing distance requirements for on-sale alcohol establishments from churches and religious institution places of assembly is a trend.

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Liquor Establishment Distance Requirements from Churches and Schools Survey October 2011

City (Population)	DISTANCE FROM CHURCHES		DISTANCE FROM SCHOOLS	
	On-Sale	Off-Sale	On-Sale	Off-Sale
Atlanta (565,076)	500 ft	250 ft	600 ft	600 ft
Austin, TX (812,025)	300 ft	300 ft	300 ft	300 ft
Baltimore (638,515)	300 ft	300 ft	300 ft	300 ft
Boston (621,673)	500 ft	500 ft	500 ft	500 ft
Chicago (2,845,070)	100 ft	100 ft	100 ft	100 ft
Dallas (2,377,282)	300 ft	300 ft	300 ft	300 ft
Denver (606,970)	No restrictions	500 ft	No restrictions	500 ft
Detroit (951,270)	500 ft	500 ft	500 ft	500 ft
Houston (1,953,631)	300 ft	300 ft	300 ft	300 ft
Kansas City, MO (447,306)	300 ft	300 ft	300 ft	300 ft
Los Angeles (3,833,995)	600 ft	600 ft	600 ft	600 ft
Miami (560,614)	300 ft in the central commercial district		300 ft in central commercial district and 1,000 ft in the combination residential / commercial district	
New York (8,363,710)	200 ft	200 ft	200 ft	200 ft
Philadelphia (1,447,395)	300 ft	300 ft	300 ft	300 ft
Portland (583,776)	No restrictions	No restrictions	No restrictions	No restrictions
Phoenix (1,567,924)	300 ft	300 ft	300 ft	300 ft
Riverside (293,761)	600 ft	600 ft	600 ft	600 ft
San Diego (1,279,329)	Not within immediate vicinity	600 ft	Not within immediate vicinity	600 ft
San Francisco (808,976)	Not within immediate vicinity	600 ft	Not within immediate vicinity	600 ft
Seattle (866,675)	500 ft	500 ft	500 ft	500 ft
St. Louis, MO (354,361)	100 ft	100 ft	100 ft	100 ft
St. Paul, MN (287,151)	300 ft	300 ft	300 ft	300 ft
	Exceptions include on-sale culinary, on-sale wine, intoxicating malt liquor license issued to a restaurant off-sale/ brew pub, and off-sale brewery.			
Tampa (340,882)	1000 ft	1000 ft	1000 ft	1000 ft
	Exceptions include convenience store, gas station, grocery store, hotel with more than 100 rooms, bowling alley.			
Washington, DC (591,833)	No restriction	No restriction	400 ft	400 ft