

REPORT / RECOMMENDATION



To: MAYOR AND CITY COUNCIL

Agenda Item #: VIII. B.

From: Scott H. Neal, City Manager

Action

Discussion

Date: October 14, 2013

Information

Subject: Ordinance No. 2013-10 Regarding Chapter 9 Liquor

Action Requested:

Adopt Ordinance No. 2013-10 Regarding Chapter 9 Liquor

Information / Background:

City Code section 900.08 prohibits any single person or entity from possessing more than three On Sale Intoxicating Liquor Licenses simultaneously. This municipal code provision was common during the regulatory era when State Statute proscribed a defined number of On Sale licenses to city governments based on population. The intent of the provision was to limit any one person or business entity from controlling a majority of the available On Sale liquor licenses in a city. When that element of State Statute was eliminated in 1990's, many cities deleted the provision of their codes.

The City has been approached by Parasole with a request to eliminate the liquor license limit in 900.08. If the provision is eliminated, Parasole plans to make application for an On Sale Intoxicating Liquor License as part of a plan to open a new restaurant in Edina in 2014.

I have reviewed this request with City staff and the City Attorney. We support the request to eliminate section 900.08 from City Code. We recommend the City Council adopt Ordinance No. 2013-10. Further, we recommend the Council consider waiving second reading to make the amendment to the Code effectively immediately.

ATTACHMENTS:

Ordinance No. 2013-10

**ORDINANCE NO. 2013-13
AN ORDINANCE AMENDING THE EDINA CITY CODE
CONCERNING LIQUOR**

THE CITY OF EDINA ORDAINS:

Section 1. Section 900.08 of the Edina City Code is hereby amended by deleting Paragraph M.

~~If for an On-Sale Intoxicating Liquor License, any person who holds an interest in an On-Sale Intoxicating Liquor License or has made application for such a license for more than three locations in the City. It is the intent hereof that no person may possess or hold an interest in more than three On-Sale Intoxicating Liquor Licenses at one time in the City. For purposes hereof, "interest" includes any pecuniary interest in the ownership, operation, management or profits of the establishment, but does not include: i) bona fide loans, rental agreements, open accounts or other obligations held with or without security arising out of the ordinary and regular course of business or selling or leasing merchandise, fixtures or supplies to such establishment or ii) any interest of five percent or less in any corporation holding an On-Sale Intoxicating Liquor License.~~

Section 2. This ordinance is effective immediately upon its passage and publication.

First Reading:

Second Reading:

Published:

Attest

Debra A. Mangen, City Clerk

James B. Hovland, Mayor