



**To:** Mayor and Council

**Agenda Item #:** V. A.

**From:** Jordan Gilgenbach, Communications Coordinator

**Action**

**Discussion**

**Date:** March 18, 2013

**Information**

**Subject:** February "Speak Up, Edina" Report

### **Action Requested:**

Receive report on March 2014 "Speak Up, Edina" discussion about the food-to-liquor sales ratio.

### **Information / Background:**

Since June 2012, the City of Edina has used the online engagement website, [www.SpeakUpEdina.org](http://www.SpeakUpEdina.org), to collect ideas and opinions from residents. One of the City Council's six strategic priorities for 2014-2015 is Communication and Engagement: "To clearly understand community needs, expectations and opinions, the City will consistently seek the input of a broad range of stakeholders in meaningful and interactive communication." A goal of that is to host a monthly discussion on [www.SpeakUp.Edina.org](http://www.SpeakUp.Edina.org). City Manager Scott Neal has selected topics for monthly discussions for the first half of the year. In February 2014, the discussion topic centered on the food-to-liquor sales ratio for restaurants with a liquor license. In this online discussion, the City posed the following questions:

- Should the City revise its intoxicating liquor license ratios? Why or why not?
- What do you think the food-to-liquor sales ratio for intoxicating liquor license holders be?
- If an establishment violates the current 60-40 rule, it could be fined and, if the entity has multiple violations, its liquor license could be in jeopardy. Should the City keep the ratio, but revise the penalty structure? Why or why not?

The discussion was open for comments between Feb. 1 and March 2. During that time, 32 comments were made. Additionally, 673 people visited the site 884 times, garnering 3,528 page views. Of all the visitors to the site during that period, 41 percent were from Edina (according to their internet provider).

The discussion was promoted through various means, including a press release, Facebook and Twitter posts and City Extra messages. In addition, the Communications & Technology Services Department reached out to organizations that might be interested in the topic, such as the Edina Chamber of Commerce, 50th & France Professional & Business Association, Minnesota Restaurant Association and individual restaurants.

Attached are the comments made on Speak Up, Edina!

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# Speak Up, Edina!

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## Discussion: [Food-to-Liquor Ratio](#)

The City is interested to find out how the community feels about the food-to-liquor ratio restaurants holding intoxicating liquor licenses much comply with, otherwise known as the 60-40 Rule.

Note: The City is not proposing a change at this time. By using this online discussion, feedback on topics will be compiled and given to the City Council as informational only.

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Topic: [Change the rule?](#)

Edina's restaurants with intoxicating liquor licenses are required to maintain a food-to-liquor sales ratio of 60-40 percent (Edina City Code [Chapter 4, Article III, Sec. 4-77\(3\)](#)). Restaurants with wine and beer licenses must abide to the 60-40 ratio per state law ([340A.404 Subd. 5](#)). Many cities around Edina have more relaxed ratios. However, only once has a single restaurant not complied with the rule in the last 15 years.

Should the City revise its intoxicating liquor license ratios? Why or why not?

27 Responses

27 Responses



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[Dan Atkins](#) about 1 month ago

Yes. Change it.

Seriously, why all the rules?

Two things that drive me crazy: Intellectual arrogance and Moral arrogance. Rules like this are created by people that think they are smarter than others or people that think others are amoral. Example: Beer isn't evil and I am smart enough to decide whether I want to buy it on a Sunday.

Same logic applies to "The premises shall not have more than 15 percent of its seating capacity located at a bar or service counter." Really? There must be some compelling reason behind that.

8 Supports



[Jordan Gilgenbach](#) admin

comment...

Reply to Dan Atkins



- [Delete](#)

[Barbara La Valleur](#) about 1 month ago

Yes, relax the rule.

5 Supports



[Jordan Gilgenbach](#) admin

comment...

Reply to Barbara La Valleur



- [Delete](#)

[Joel Stegner](#) about 1 month ago

I believe the real issue here is how to deal with the brew pubs that are popping up over the metro area. As I understand it, they normally offer food, but since beer is their drawing point, they tend to sell more alcohol than food. (If we were to generally relax the rule, it is likely that we would see a lot more bar-restaurants in Edina, not a development I favor, because it also means more incentive to sell customers more alcohol than they can safely drive away with as a way to maintain profitability. On the other hand, having 1-2 brew pubs in Edina would be a plus - helping to create a more active social life for young adults. I recommend that you consider brew pubs a separate category from restaurant and license them with different requirements. I also feel that there might be a rationale to loose the ratio not on a routine, but an exception basis, with anyone that say maintains as 50/50 rate paying an additional fee for all sales that go beyond the 40% ratio. If establishments have too many customers stopped after leaving their premises driving drunk, that becomes a general law enforcement issue. The liquor license is a privilege, and if it is abused, it should be suspended.

6 Supports



- [Delete](#)

[matt anderson](#) 26 days ago

Joel makes a great point that should definitely be taken into consideration.

0 Supports



[Jordan Gilgenbach](#) admin

comment...

Reply to matt anderson



- [Delete](#)

[Pete Lefebvre](#) at February 28, 2014 at 9:18pm CST

Ditto. An exclusion or relaxation of the rule for brew pubs or brewery taprooms (which, in many cases sell no food at all) should be considered.

0 Supports



[Jordan Gilgenbach](#) admin

comment...

Reply to Pete Lefebvre



[Jordan Gilgenbach](#) admin

comment...

Reply to Joel Stegner



- [Delete](#)

[Laurel Fischbach](#) about 1 month ago

I agree completely with what Dan Atkins had to say. Relax the rule.

2 Supports



[Jordan Gilgenbach](#) admin

comment...

Reply to Laurel Fischbach



- [Delete](#)

[Frank Thomas](#) about 1 month ago

Why fix something that's not broken.

1 Support



[Jordan Gilgenbach](#) admin

comment...

Reply to Frank Thomas



- [Delete](#)

[Russ Rubin](#) 26 days ago

It's doubtful that the 60/40 rule would have a major effect on drunkenness. So why have a rule that doesn't have a desired outcome. Secondly, there are costs associated with regulations of this type - costs to the business and costs to the city for enforcement. If we do find a problem caused by this, we need to work with the establishments to identify patrons whose behavior on leaving the premises could put themselves or others at risk.

2 Supports



[Jordan Gilgenbach](#) admin

comment...

Reply to Russ Rubin



- [Delete](#)

[Lois Ring](#) 26 days ago

Change or drop the rule would be fine with me.

2 Supports



[Jordan Gilgenbach](#) admin

comment...

Reply to Lois Ring



- [Delete](#)

[Dale Bosch](#) 26 days ago

Drop the rules or at least be consistent with surrounding communities. I'm guessing that Edina has lost significant tax revenue opportunities under the former and current rules.

2 Supports



[Jordan Gilgenbach](#) admin

comment...

Reply to Dale Bosch



- [Delete](#)

[Ken Hanson](#) 26 days ago

Drop the rule

2 Supports



[Jordan Gilgenbach](#) admin

comment...

Reply to Ken Hanson



- [Delete](#)

[matt anderson](#) 26 days ago

My issue with the rule is I think it does influence where restaurants decide to reside and where I go for entertainment. Being a younger individual who still enjoys going out, I tire of having to pay an extra \$60 in taxi rides. There is so much effort and money spent to keep anything local but these blue laws do nothing to curb over intoxication. I find it idfficult to spend an entire evening at an establishment that charges \$8 for a beer anyway. It will help make it easier to have a few drinks with friends/family while easily arrange for proper transportation. My point being is I don't see how an arbitrary ratio really influences how much alcohol a person consumes; only where they choose to go. If anything a lower ratio may encourage lower food prices and more business because food prices aren't artificially inflated to comply with the ratio. Seems like a decent amount of revenue that goes to other surrounding cities.

5 Supports



[Jordan Gilgenbach](#) admin

comment...

Reply to matt anderson



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[Randy Olinger](#) 26 days ago

Dan Atkins states it will. We supposedly live in a free society and as such we do not need local government rules such as this. I believe that the current situation has created an environment where people end up driving further than should be necessary. Go green, drink local.

1 Support



[Jordan Gilgenbach](#) admin

comment...

Reply to Randy Olinger



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[Mike Calvo](#) 25 days ago

I agree with Dan Atkins and Randy Olinger. Allow more business, more growth, more adult choices. I strongly favor removing this law as well as the rule requiring Edina to run the liquor stores. While we're at it, let's get rid of other antiquated laws based on puritanical ideas like no liquor sales on Sunday and no beer or wine sales at grocery stores. The special interest groups have had their way long enough.

0 Supports



[Jordan Gilgenbach](#) admin

comment...

Reply to Mike Calvo



- [Delete](#)

[Kitty ODea](#) 25 days ago

Don't change the law. It sounds like it is working fine the way it is now. There should be a strategic reason to change.

0 Supports



- [Delete](#)

[Sandy Radeke](#) at February 28, 2014 at 2:21pm CST

Kitty, I don't think the law is working fine the way it is -- unless by "fine" you mean it makes restaurants artificially inflate their food prices to meet the ratio and draws business away from Edina establishments and sends people to Bloomington or St. Louis Park.

0 Supports



[Jordan Gilgenbach](#) admin

comment...

Reply to Sandy Radeke



[Jordan Gilgenbach](#) admin

comment...

Reply to Kitty O'Dea



- [Delete](#)

[Gabriel Harstad](#) 21 days ago

If it produces revenue and creates jobs but also doesn't create alcohol related crimes then it needs to be dropped or changed for the better.

0 Supports



[Jordan Gilgenbach](#) admin

comment...

Reply to Gabriel Harstad



- [Delete](#)

[David Frenkel](#) 21 days ago

Is the city of Edina talking to Minneapolis on issues like this that effect both cities? There is the ongoing parking ramp issue with Minneapolis. The management of the issues at 50th and France seems to be disjointed with no short or long term planning which seems to be a general weakness in Edina.

The commercial area of 50th/France seems to be growing more on the Minneapolis side which still effects Edina and would be a prime area for brew pubs.

0 Supports



[Jordan Gilgenbach](#) admin

comment...

Reply to David Frenkel



- [Delete](#)

[Doug Tidrick](#) 21 days ago

I'll go with a different line of thought. Heretofore Edina hasn't had problems with establishments going under the 60/40 ratio, and Edina didn't allow happy hours. Now happy hours are allowed. Should probably look at adjusting ratios accordingly now. Timing is everything.

0 Supports



[Jordan Gilgenbach](#) admin

comment...

Reply to Doug Tidrick



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[Cindy Stanton](#) 19 days ago

I agree with, "Why all of the rules?" Why can't people take accountability for their own actions? Do we really need a rule to restrict us from having a cocktail walking distance from our homes? And if we have too many cocktails and not enough food, isn't it safer that we are closer to home than making that mistake of getting in our car and attempting to drive home. My God people, we are all adults. More options around the neighborhood keeps people in the neighborhood and keeps money flowing in our neighborhood.

1 Support



[Jordan Gilgenbach](#) admin

comment...

Reply to Cindy Stanton



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[Tony Schenk](#) at February 27, 2014 at 4:33pm CST

DROP THE RULE. If it results in problem establishments- which it won't- use the power of liquor license regulation to address. Gen Y and the Millennials demand a more urban feel with local entertainment and dining. As they look for places to settle and raise families, they will avoid Edina which eventually will affect property values. It's not the 80s anymore. People want things in their neighborhoods they can walk and bike to.

1 Support



[Jordan Gilgenbach](#) admin

comment...

Reply to Tony Schenk



- [Delete](#)

[Mary Porter](#) at February 27, 2014 at 5:48pm CST

I generally agree with Joel Stegner and Matt Anderson. The current ratio does seem too restrictive and it is probable that menu prices are inflated in order to achieve the current ratio. I live near downtown Edina and want it to stay safe for everyone (patrons, pedestrians, residents, vehicles) but I don't think mandating a ratio will guarantee safety. If the ratio is lowered or removed, just increase the fines levied against problem establishments and have a police presence near the concentrations of restaurants at closing times. Not a complete solution but a step in a progressive direction. One of my favorite restaurants in Mpls is Rincon38 and they are currently petitioning Mpls to lower their ratio from 70-30! They are a Spanish tapas restaurant which sells lots of small plates to share so it is hard for them to survive. We want diversity in eating establishments and this is one example of the rule hindering progress.

0 Supports



[Jordan Gilgenbach](#) admin

comment...

Reply to Mary Porter



- [Delete](#)

[Douglas linder](#) at February 28, 2014 at 1:11pm CST

agree with Frank Thomas

0 Supports



[Jordan Gilgenbach](#) admin

comment . . .

Reply to Douglas linder



- [Delete](#)

[Sandy Radeke](#) at February 28, 2014 at 2:18pm CST

The current rule has the result of keeping customers from Edina restaurants. I was regularly meeting with a group of friends once a month after work just to keep in contact. Typically we would have one beer or glass of wine each, maybe a shared appetizer for the table, chat for a bit to catch up, and then leave. We very rarely met at Edina restaurants because of the 60/40 policy. Instead we went to establishments in Bloomington and St. Louis Park. The 60/40 policy also penalized restaurants that have nicer wine or beer lists. If everyone in a group orders a \$6/8 glass of wine (which is not expensive wine) or a craft beer/ale, you need to order more than a \$6/8 appetizer/food item or the restaurant is in violation -- over a single glass of wine or beer per person that is not going to make anyone impaired. Going for a better quality glass of wine or a should not make a customer order more expensive food just to keep the restaurant in compliance with the ratio. That's just silly. I also think the rule forces restaurants to artificially inflate the food prices so they can stay within the ratio and that affects my budget and makes them less affordable.

0 Supports



[Jordan Gilgenbach](#) admin

comment . . .

Reply to Sandy Radeke



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[Bob McKlveen](#) at February 28, 2014 at 2:21 pm CST

Bring the Edina rule in line with those of surrounding communities. If there is not one uniform policy among surrounding communities, then target the Edina rule to represent something close to an average of the ratios and penalties of surrounding communities. Such a change would put our businesses on par with those nearby, while not eliminating the rule and its intended benefits to the City.

0 Supports



[Jordan Gilgenbach](#) admin

Reply to Bob McKlveen



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[Sandy Radeke](#) at February 28, 2014 at 2:24pm CST

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0 Supports



[Jordan Gilgenbach](#) admin

Reply to Sandy Radeke



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[Michael Braun](#) at March 01, 2014 at 9:50am CST

I would like to see a rule that is more relaxed and flexible to allow for establishments like brew pubs to open in Edina that don't serve any food or that can have food trucks like Fulton Brewery does. It would be nice to have smaller bars and restaurants in our neighborhoods that we can walk and bike to, like Linden Hills has. I agree with Joel Stegner, Matt Anderson, Mary Porter and Sandy Radeke

0 Supports



[Jordan Gilgenbach](#) admin

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## Discussion: Food-to-Liquor Ratio

The City is interested to find out how the community feels about the food-to-liquor ratio restaurants holding intoxicating liquor licenses much comply with, otherwise known as the 60-40 Rule.

Note: The City is not proposing a change at this time. By using this online discussion, feedback on topics will be compiled and given to the City Council as informational only.

3 Topics 32 Answers Closed 2014-03-02

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### 0 Attachments

Topic: [The Ratio](#)

What do you think the food-to-liquor sales ratio for intoxicating liquor license holders be?

3 Responses

### 3 Responses



[Barbara La Valleur](#) about 1 month ago

Eliminate the ratio all together.

1 Support

Reply to Barbara La Valleur



[Joel Stegner](#) about 1 month ago

I leave that to the experts to determine. As long as customers are drinking responsibly and the customer isn't promoting excessive drinking - more than three standard size drinks per person per night - the ratio should be related to actual customer behavior.

1 Support

Reply to Joel Stegner



[Geof Workinger](#) at February 28, 2014 at 3:24pm CST

comment...The ratio keeps customers from annoying the public outside the liquor establishments. To pretend to know the "right ratio" is a bit absurd. If the public incidences resulting from drinking "too much" are too high, then I recommend increasing the ratio. If intoxication is not a public issue then I would leave the current ratio in place. While I enjoy craft beers, I am not motivated by an argument which says we need to reduce the food portion of the ratio so more craft beer can be sold. Any ratio should not encourage those who want a place to drink excessively to find that place in town.

0 Supports

Reply to Geof Workinger

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3 Topics 32 Answers Closed 2014-03-02

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Topic: [Violations](#)

If an establishment violates the current 60-40 rule, it could be fined and, if the entity has multiple violations, its liquor license could be in jeopardy. [Click here](#) to view the City's penalties for violations.

Should the City keep the ratio, but revise the penalty structure? Why or why not?

2 Responses

---

2 Responses



[Barbara La Vallée](#) about 1 month ago

If the rule is eliminated, there would be no violations.

0 Supports

comment...

Reply to Barbara La Vallée



[Joel Stegner](#) about 1 month ago

The penalty for a list of violations are \$500 on a first offense up to revocation on the fourth offense. Here is a list of the things that are covered: Sale of alcoholic beverages to underage person, After/before hours sale of alcoholic beverage, After hours consumption of alcoholic beverages, Illegal gambling or prostitution on premises, Failure to take reasonable steps to stop person from leaving premises with alcoholic beverage, Sale of alcoholic beverage to obviously intoxicated person, Allowing a disorderly establishment, Person under 18 serving liquor. This structure makes no distinction on the severity of offense. If an establishment selling to 1 minor or 100, the penalty appears to be the same - right? The offense should be apply per infraction. If an establishment is caught selling to 20 under age customers, it should pay a \$10,000 fine, not a \$500 dollar one. Allowing gambling, prostitution or serving clearly intoxicated customers is much more of a offense in my mind - and particularly if the establishment is actively supporting and profiting from prostitution and gambling. Perhaps that would be an immediate felony.. What happens if a place has request reports of fighting and iolence - does that fit the disorderly house definition?. Whatever ratios are requirements the City establishes and whether or not it has the 60/40 rule, I think that harsher standards are required if the establishment intentionally violates the requirements or violates them in a flagrant way - with lots of violations caught in one report. I also think that after violations, establishments should know they will receive more frequent compliance checks. Frankly, when one issue like this is considered, I would prefer to see the City do a general review of its enforcement to determine whether its system penalties are clearly stated, comprehensive (with no loopholes) and having the desired result. Edina has always maintained tighter distribution networks for alcohol than many cities and doesn't have as many problems as a result, with clearly other places having public health and safety issues because they are too lenient,

1 Support

comment...

Reply to Joel Stegner

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