

To: **Mayor and City Council**
 Through: **Ryan Schroeder, City Manager**
 From: **Brian Sturgeon, Chief of Police**
 Date: **July 27, 2020**

First Reading - On-Sale Liquor License Ordinance Modification

BACKGROUND INFORMATION:

Staff has been contacted by an on-sale liquor license establishment that would like to sell their business to another individual who already holds a West St Paul liquor license. The potential purchaser would operate both establishments within the City of West St Paul if the sale is conducted. Currently this is not allowed under city ordinance 112.04 (A)(5) which limits the number of liquor licenses to an individual to one.

The current ordinance could also potentially hinder some companies from expanding into our community as well. The operations of a restaurant are expensive and consolidation of chain restaurants is very common. In 2018 alone, Business Insider reported more than 700 food and beverage industry mergers and acquisitions took place. For example, a company such as Darden Restaurants owns several different chains of restaurants. If Darden Restaurants were to open more than one restaurant in West St Paul, the company could only obtain one liquor license from the city under the current ordinance.

This topic was brought to the Council’s attention during the open council work session on June 22, 2020 and staff was directed to bring forth revisions to the city ordinance to eliminate the cap of liquor licenses one person can hold.

Before you today are changes to ordinance 112.04 (A) which strikes subdivision (5) which places limits on the number of licenses that one person can hold. By striking this subdivision, there will be no limits.

FISCAL IMPACT:

		Amount
Fund:		None
Department:		
Account:		

STAFF RECOMMENDATION:

Discuss the change to the ordinance and if agreeable, pass the first reading.