



Request for City Council Committee Action from Licenses and Consumer Services

Date: May 19, 2015

To: Council Member Lisa Goodman, Chair
Community Development and Regulatory Services Committee

Subject: Ordinance Amendment related to outdoor bars and bar areas
for microdistilleries and taprooms

Recommendation: That the Community Development and Regulatory Services
Committee approve amending Chapter 360 of the Minneapolis
Code of Ordinances to allow approved outdoor bar and bar areas
at microdistilleries and taprooms located outside of the central
commercial district.

Previous Directives: None

Department Information

Prepared by: Grant Wilson, Manager of Business Licenses, 673-3902

Approved by:

D. Craig Taylor, Executive Director

Grant Wilson, Manager of Business Licenses

Presenters in Committee: Grant Wilson

Financial Impact

- No financial impact

Community Impact

- Neighborhood Notification: Public Hearing notices were sent to all license holders, business associations, neighborhood organizations and posted on the Business Licenses' website.
- City Goals: Businesses – big and small – start, move, stay and grow here.

Supporting Information

Over the past five years, Minneapolis has enjoyed the entrepreneurial and recreational benefits of the thriving industry related to brewpubs, cocktail rooms, growlers, microbreweries, microdistilleries, and taprooms. Not only is this credited to individuals in the craft brewing and distilled spirits business, but to the updating of state and local regulations supporting these newly emerging ventures.

Staff's recommendation is to allow microdistilleries with cocktail rooms and microbreweries with taprooms, which are located outside the central commercial district of the city, to operate outdoor bars and bar areas. This proposal is intended to encourage business growth while maintaining adequate regulations.

**AN ORDINANCE
of the
CITY OF
MINNEAPOLIS**

By Gordon

**Amending Title 14, Chapter 360 of the Minneapolis Code of Ordinances relating to Liquor and Beer:
In General.**

The City Council of the City of Minneapolis do ordain as follows:

Section 1. That Section 360.100 of the above-entitled ordinance be amended to read as follows:

360.100. - Regulation of outdoor areas in on-sale liquor, wine, and beer establishments. The following regulations shall apply to all outdoor areas in on-sale liquor, wine, and beer establishments, including establishments holding sidewalk café permits:

(a) Every outdoor area must be approved as part of the original licensed premises or by the granting of an application for expansion of the licensed premises. Any expansion of the outdoor area of a licensed premises shall require a public hearing and notification as described in section 265.300 of this Code.

(b) Entertainment:

(1) Every outdoor area shall be deemed presumptively to be licensed as Class E, unless a higher class of license has been expressly granted to the outdoor area by the city council in the manner required by this Code.

(2) In the central commercial district described in section 360.10, the city council may grant a license to an outdoor area in any class.

(3) Outside the central commercial district described in section 360.10, no outdoor area shall be granted a license higher than Class D and entertainment shall only be permitted on private property on street level.

(4) Regardless of the class of license issued to an outdoor area, the city council may further restrict the days, hours, nature, volume, and other aspects of entertainment in any outdoor area, including a prohibition against all forms of nonlive music, radio, television, and other entertainment, to protect the safety, repose, and welfare of residents, businesses and other uses near the establishment.

(5) The city council may authorize an establishment to conduct entertainment not otherwise allowed under its license in an outdoor area by permit temporarily for special events. Application for such permit shall be filed with the licensing official on a form prescribed by the licensing official. The fee for a temporary entertainment permit shall be as established in the License Fee Schedule.

~~(c) Service and capacity restrictions outside the downtown/eastbank commercial district. It is the policy of the city council that outdoor areas, located outside the downtown and eastbank commercial district described in section 360.10, are intended primarily for the service of patrons at tables and for the consumption of alcoholic beverages in conjunction with food service. Outside the downtown and eastbank commercial district described in section 360.10, no bar shall be located in an outdoor area except a service bar for the exclusive use of employees. In any approved outdoor area located outside of the Central Commercial District, service shall be provided only at tables, located within the approved outdoor area and not at any outdoor bar or other location within the outdoor area, except that service may be provided at an approved outdoor bar or bar area of the licensed brewer taproom or cocktail room. However, this shall not prohibit patrons from carrying beverages from an inside area to the outdoor area. Customers shall not be allowed to occupy the outdoor area in greater numbers than the seating or service area capacity permits. An exemption to the service bar requirement of this subsection may be granted to an establishment which demonstrates that it regularly maintained a bar open for service to customers in its outdoor area prior to April 1, 1989.~~

(d) The licensee shall provide food service in all outdoor areas during all hours of operation. Food service may consist of less than the full menu, but shall at all times offer a substantial choice of main courses, other food items, and nonalcoholic beverages.

(e) All new and remodeled outdoor areas shall be handicap accessible. All existing outdoor areas shall comply with building codes relating to handicap accessibility. No outdoor area shall reduce existing handicap accessibility.

(f) The city council may restrict the hours of operation of an outdoor area based upon proximity of the area to residential dwelling units, and upon considerations relating to the safety, repose, and welfare of residents, businesses, and other uses near the establishment.

(g) The city council may require that access to and egress from an outdoor area only be through the door connecting it to the remainder of the premises, or to property controlled by the licensee.

(h) The licensee shall be responsible for picking up trash and litter generated by the operation of the outdoor area within a reasonable distance from the area.

(i) The city council may review the operation of any outdoor area in connection with the renewal of the on-sale license for the establishment, or at any other time for good cause. Violation of the terms and conditions of this section shall be grounds for revocation, suspension, or refusal to renew the on-sale license for that portion of the licensed premises pertaining to the outside area.

(j) All special restrictions relating to the hours of operation and types of entertainment in an outdoor area shall be endorsed on an addendum to the license certificate and posted in the establishment with the license certificate.

(k) In any on-sale liquor, wine, and beer establishment where the licensee has city council approval to operate an outdoor area, and which is located within the Central Commercial District, as defined in section 360.10, the licensee is prohibited from serving any alcoholic malt beverage or non-alcoholic beverage in an original container manufactured from glass after 11:00 p.m. In addition to the prohibition on serving alcoholic malt beverages or non-alcoholic beverages in original containers manufactured from glass, the licensee shall not allow patrons to carry such beverage containers from an indoor area into an outdoor area.