



## Request for City Council Committee Action from Licenses and Consumer Services

**Date:** July 22, 2014

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

**Subject:** Brewer Taprooms Ordinance Amendment

**Recommendation:** That the Community Development & Regulatory Services Committee approve an amendment to Chapter 362 of the Minneapolis Code of Ordinances to allow the sale of malt liquor produced by a brewer which is produced either on or off the licensed premises.

**Previous Directives:** This issue was introduced to the Minneapolis City Council on June 13, 2014.

### Department Information

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

Approved by:

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Cathy Polasky, Director of Economic Policy and Development

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Grant Wilson, Manager of Business Licenses

Presenters in Committee: Grant Wilson

### Financial Impact

- No financial impact

### Community Impact

- Neighborhood Notification - The public hearing notice was posted on the Business Licenses website and sent to all license holders, neighborhood groups and business associations.
- City Goals - Jobs & Economic Vitality: Businesses — big and small — start here, stay here, thrive here.

### Background and Supporting Information

Craft brewers represent not only a tradition as old as our country, but they thrive on an entrepreneurial spirit, a passion for creativity, and a commitment to quality. Minneapolis is enjoying the growth of this industry with 17 licensed operators throughout the city since 2010.

August 2010: Off-Sale Growler Ordinance

The Minneapolis City Council amended the city code to allow brewers licensed under Minn. Stat. 340A.301, Subd.1 to sell growlers, 64-ounce containers of beer, on site to individual consumers for consumption off of the premises. Prior to this amendment, brewers were limited to selling malt liquor in barrels or kegs only to retail establishments.

May 2011: On-Sale Taproom Statute

The Minnesota legislature added Subd. 6b to Section 340A.301 creating a brewer taproom license: *A brewer taproom license authorizes on-sale of malt liquor produced by the brewer for consumption on the premises of or adjacent to one brewery location owned by the brewer.*

August 2011: On-Sale Taproom Ordinance

The Minneapolis City Council amended Chapters 360 and 362 of the Minneapolis Code of Ordinances to allow a brewer licensed under Minnesota Statute 340A.301, subd. (6) (c), (i), or (j) to obtain a taproom license for the sale and consumption of malt liquor on the licensed premises. These amendments restricted sales of malt liquor to that produced by the brewer on the licensed premises.

May 2014: Sunday Sales Statute

The Minnesota legislature added 340A.504, subd. 6b (f) to the brewer taproom statute eliminating the Sunday sales restrictions: *Notwithstanding section 340A.504 subd 3, a taproom may be open and may conduct on-sale business on Sundays if authorized by the municipality.*

Staff is recommending amending Chapter 362 to eliminate the restriction of malt liquor sales to that produced "on the licensed premises." This will align our ordinances with state law that allows a brewer to sell malt liquor made at an offsite facility at their sole taproom.

2014-Or-\_\_\_\_

**AN ORDINANCE  
of the  
CITY OF  
MINNEAPOLIS**

**By Reich**

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**Amending Title 14, Chapter 362 of the Minneapolis Code of Ordinances relating to  
Liquor and Beer: Liquor Licenses.**

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

That Section 362.46 of the above-entitled Ordinance be amended to read as follows:

**362.46. Brewer taprooms.** (a) A brewer licensed under Minnesota Statute Section 340A.301, Subd. 6(c), (i), or (j) may be issued an on-sale liquor license for the "on sale" of malt liquor ~~produced on the licensed premises~~, subject to the following conditions:

- (1) The on-sale of malt liquor may only be made during the days and hours that "on-sale" of liquor may be made.
- (2) A brewer may only hold one (1) brewer taproom license under this chapter.
- (3) The only beverage alcohol that may be sold or consumed on the premises of a brewery taproom will be the malt liquor produced by the brewer ~~upon the brewery premises~~.
- (4) All other provisions of this chapter, and Chapters 259, 360, and 364 shall be applicable to such licenses and licensees unless inconsistent with the provisions of this section.
- (5) The annual license fee shall be as established in the license fee schedule for on sale beer licenses.
- (6) Licensed brewer taprooms may operate a restaurant on the premises without additional licensure.