A RESOLUTION OF THE LAS VEGAS CITY COUNCIL ENACTING A MORATORIUM ON THE ACCEPTANCE AND PROCESSING OF CERTAIN LAND USE ENTITLEMENT APPLICATIONS WHICH ALLOW FOR THE SALE OF SEALED OR CLOSED CONTAINERS OF PACKAGE LIQUOR FOR A PERIOD OF NINETY DAYS.

WHEREAS, the City Council for the City of Las Vegas ("Council") is the governing body responsible for approving land use entitlements allowing for the sale of alcohol and alcoholic beverages within the corporate boundaries of the City of Las Vegas.

WHEREAS, the Council continues to review and consider issues regarding the sale and consumption of package liquor in its community, both in the urban core and suburban areas.

WHEREAS, the Council is currently focusing its review and consideration of package liquor issues on the possible over-saturation of the City as a whole, and the negative secondary effects that may arise from over-saturation by the sellers of package liquor.

WHEREAS, the term "package liquor" and the provision of "off-sale" liquor, for purposes of Las Vegas Municipal Code ("LVMC") Title 6, the liquor control section, generally refers to the sale of alcoholic beverages in sealed or corked containers for consumption off the premises where the alcoholic beverages are sold. See, generally, LVMC 6.50.170. Generally speaking, package liquor licenses are intended for issuance to grocery stores, drug stores, liquor stores (such as Lee's Liquor or Total Wine), and convenience stores. Increasingly, the City has noticed a rise in small retail locations that are eligible for accessory package liquor sales as a secondary business to its primary business, such as souvenir shops, wedding chapels and proprietors of stores that indicate that the primary business of the establishment is the sale of household goods and foodstuffs, but in reality the sales of alcoholic beverages far exceeds the sale of the primary goods. In the case of the convenience store-*cum*-liquor store, the Council never intended for a Title 19 land use approval allowing for the accessory sale of alcoholic beverages to permit the primary source of sales and revenue for such small retail operations to come from alcoholic beverages.

WHEREAS, within the City's corporate boundaries, there are 569 establishments that are currently authorized to sell package or off-sale hard alcohol (distilled spirits) and/or beer and wine. There are 145 package liquor licensees, 218 tavern licensees, 6 urban lounge licensees and 200 beer/wine/cooler off-sale licensees. This equates to approximately four establishments per square mile of the City's gross land area where one can buy package liquor. One of the reasons for this moratorium is to better understand where the sale of package liquor is concentrated, and if those neighborhoods are negatively affected by the abundance of package liquor sales.

WHEREAS, LVMC 6.50.340 only permits the issuance of a Title 6 liquor license for a specific establishment if a person was issued a land use entitlement permit pursuant to Title 19 for the sale of alcoholic beverages at a specific location. The specific language follows:

> "No alcoholic beverage license shall be issued by the Department to a location which requires a special use permit pursuant to the provisions of LVMC Title 19 unless such location is first approved for a special use permit pursuant to the procedures provided for in LVMC Title 19." LVMC 6.50.340.

WHEREAS, pursuant to LVMC 6.50.340, the first step in obtaining a liquor license is to obtain a Title 19 land use entitlement from the City to sell alcohol at or upon a specific location. The Title 19 land use entitlements that permit the sale of package and off-sale liquor are special use permits for: 1) Package Liquor Off-Sale Establishment; 2) Retail Establishment with Accessory Package Liquor Off-Sale; 3) Liquor Establishment (Tavern); 4) Urban Lounge; and 5) Beer/Wine/Cooler Off-Sale Establishment.

WHEREAS, the Council is most concerned with the proliferation of small establishments that are authorized to sell package and "off-sale" liquor secondary to its primary business, but end up with alcohol sales as a very high percentage of the establishment's total sales. Examples of these establishments are souvenir shops, wedding chapels and small stores close to residential neighborhoods that hold themselves out as a convenience store for household goods and foodstuffs, but in actuality are little liquor stores, with a large majority of sales coming from the sale of alcoholic beverages.

WHEREAS, City staff compared the criteria for consideration of a land use entitlement for the sale of package and off-sale liquor in Clark County and North Las Vegas, and have found that each of those jurisdictions utilize "distance separations" to combat possible negative secondary effects that can arise from the over-saturation of establishments selling package liquor within a jurisdiction. For example, in Clark

County, a "Package Liquor Store" cannot be located within 1,500 feet of another "Package Liquor Store." See, CCC 8.20.020.270. In North Las Vegas, an establishment that desires to sell "Full Off-Sale" cannot be located within 1,500 feet of another establishment that sells "Full Off-Sale." See, NLVCC 17.20.020(C)(14)(c).

WHEREAS, City staff found that no mandatory distance separation requirements currently exist to combat the negative secondary effects that can arise from an oversaturation of package liquor sales in the City from certain types of land use entitlements, and more particularly, the types that cause the most concern to the Council--"Package Liquor Off-Sale Establishment" and "Retail Establishment with Accessory Package Liquor Off-Sale" land uses.

WHEREAS, the Council is concerned that because the City Code does not require distance separation between package liquor land use entitlements, and that the lack of such requirements may lead to the over-saturation of establishments permitted to sell package liquor in the City, there is a real potential of negative secondary effects for the community flowing therefrom, if such negative secondary effects do not already exist in certain parts of the City where the concentrations of package liquor sales are the highest.

WHEREAS, based upon the above-stated concerns, the City Council desires to take a responsible amount of time to study the over-saturation issue and the possibility of the negative secondary effects from such over-saturation, as well as thoughtfully considering the policy and legal implications of mandating a distance separation between establishments that sell package liquor. As such, the Council desires the City Manager to refuse to accept and consider any and all Title 19 land use applications to allow: 1) a Package Liquor Off-Sale Establishment that has a gross floor area of less than 5000 square feet; or 2) a Retail Establishment with Accessory Package Liquor Off-Sale that has a gross floor area of less than 5000 square feet.

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NOW, THEREFORE, BASED UPON THE FOREGOING, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LAS VEGAS that:

Section 1: A moratorium is hereby declared on the acceptance or consideration of any Title 19 land use entitlement application filed after the effective date of this resolution to allow: 1) a Package Liquor Off-Sale Establishment that has a gross floor area of less than 5000 square feet; or 2) a Retail Establishment with Accessory Package Liquor Off-Sale that has a gross floor area of less than 5000 square feet.

Section 2: During the pendency of this moratorium, the City Manager shall not accept nor process any of the above-listed land use entitlement applications filed after the effective date of this resolution.

Section 3: This moratorium commences upon the adoption of this resolution by the City Council and shall terminate ninety days from the date of commencement, unless earlier terminated by the City Council, or an extension of the moratorium is approved at a public meeting.

PASSED, ADOPTED, AND APPROVED this 3rd day of June, 2015.

CITY OF LAS VEGAS

BY [signature]
CAROLYN G. GOODMAN, Mayor

ATTEST:

[signature]
LUANN D. HOLMES, MMC
Acting City Clerk

APPROVED AS TO FORM

[signature] 5/21/15
James B. Lewis, Date
Deputy City Attorney