

## CITY OF FORT SASKATCHEWAN

### Notice of Motion – Retail Liquor Store Restrictions

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#### Motion:

That Council direct Administration to prepare a Land Use Bylaw amendment for Council's consideration regarding liquor stores which would:

- 1) Strike a balance between market choice and community safety;
- 2) Create a distance requirement for all new liquor stores of 750m from previously established liquor store sites; and
- 3) Grandfather existing liquor store locations.

#### Purpose:

To consider the notice of motion from Councillor Randhawa related to restrictions on where new liquor stores can locate within the City.

#### Background:

Residents in many municipalities feel that there are too many retail liquor stores in their communities. The abundance of liquor stores generates concerns that the growing number of retail liquor stores could lead to social issues and to an increase in crime.

Several municipalities in the Capital Region have restrictions on where retail liquor stores can locate within the community in proximity to schools, public spaces, religious gatherings, and other retail liquor stores. Other municipalities, including the City of Fort Saskatchewan, regulate the location of retail liquor stores by listing them as permitted or discretionary uses within the Land Use Bylaw but do not include specific proximity based restrictions.

#### Number of Liquor Stores

There are currently 12 retail liquor stores in Fort Saskatchewan licensed by the Alberta Liquor and Gaming Commission (AGLC) to sell retail alcohol. Compared with the 9 largest urban municipalities in the Edmonton metro region, Fort Saskatchewan does not have a higher number of liquor stores (total number or on a per-capita basis). We rank 5<sup>th</sup> overall in per capita liquor stores, with Stony Plain, Morinville, Spruce Grove, and Leduc having more stores per capita than Fort Saskatchewan, while Sherwood Park, St. Albert, Beaumont, and Edmonton having less.

Municipality	Population	# of Stores	Per Capita
Stony Plain	16,127	9	1,792
Morinville	9,893	5	1,979
Spruce Grove	33,640	17	1,979
City of Leduc	30,498	15	2,033
Fort Saskatchewan	24,569	12	2,047
Sherwood Park	68,782	29	2,372
St. Albert	64,645	22	2,938
Beaumont	17,720	6	2,953
Edmonton	899,447	241	3,732

Source: AGLC

## **Current Regulations**

Capital region municipalities that have specific proximity based restrictions on retail liquor stores include the City of Edmonton, the City of Leduc, the City of Spruce Grove, and the Town of Beaumont.

The City of Edmonton has a minimum separation of 500m between retail liquor stores, and a minimum 100m distance from parks, public recreational spaces, and schools. Recently the City relaxed the 500m restriction between stores for large commercial districts and newer neighbourhoods. The 100m minimum distance from schools, parks, and recreational facilities remains unchanged.

The City of Leduc requires a minimum distance of 100m from a park or school, but this regulation does not apply for sites larger than 2 ha and zoned DC – Direct Control or CSC – Commercial Shopping Centre. There is no regulation on distance between stores or how many can be located in a single area.

The City of Spruce Grove requires a minimum distance of 100m from a park, public recreation space, or school, but does not require a minimum distance between stores, or restrict the number of stores in one location.

The Town of Beaumont requires a minimum separation of 500m between stores but does not require a minimum distance from parks, schools, or public spaces.

Strathcona County stipulates that retail liquor stores should not be located in close proximity to a park, recreational facility, school, or religious gathering but does not specify a minimum distance.

Capital region municipalities that regulate the location of liquor stores through their Land-Use Bylaw by listing them as discretionary or permitted uses but do not have specific proximity based restrictions include the City of Fort Saskatchewan, City of St. Albert, and the Town of Morinville.

Under the current Land Use Bylaw for Fort Saskatchewan, retail liquor stores are a discretionary use under all commercial zonings, with the exception of C5 – Fort Mall Redevelopment which list them as a permitted use. As a discretionary use, retail liquor stores can be restricted in all other commercial areas if the City believes there to be a strong case against allowing that type of development or a successful appeal is brought before the Subdivision & Development Appeal Board by anyone who feels they may be impacted by the development.

The Town of Stony Plain does not have any regulations or restrictions on the location of retail liquor stores within the municipality.

No comparable municipality within the Capital Region has proximity related restrictions on retail liquor stores that exceed 500m.

## **Public Safety and Social Issues**

There is concern that an increased number of retail liquor stores in the City could create increased social issues and crime. Some studies have shown alcohol to be a contributing factor to social issues and crime. A common theme in the prevention of these issues is a reduction in the availability of alcohol, particularly to more vulnerable members of society. However, crime analytics from the City of Edmonton gathered from January 2012 – December 2015, do not

conclusively support the effectiveness of these restrictions. In consultation with Protective Services and FCSS Departments, it is not believed that restricting new retail liquor stores would have a significant impact on reducing alcohol related incidents in the City given the overall accessibility through existing liquor stores, off-sale locations, and drinking establishments.

Additional studies have shown that restricting operating hours of liquor stores to be closed during late night hours can have a significant reduction in alcohol related incidents. The validity of this approach and impact on staff resources would need to be further investigated.

### **Market Impact**

From a market perspective, restricting any type of business limits consumer choice and creates a monopoly for existing locations by restricting competition. Consumers benefit from a competitive market as retailers strive to offer better pricing and selection to increase and maintain market share. Restricting competition could increase prices and limit choice and selection for consumers. This would have implications to the retail market in Fort Saskatchewan beyond retail liquor stores.

Retail alcohol resulted in \$30.4 million in trade area spending within the City last year, of which 21% came from outside the municipality. Convenience spending (retail alcohol, grocery, pharmacy, etc.) is the key driver for local retail spending in Fort Saskatchewan and results in spin-off benefits for other sectors such as specialty retailers and personal services. For these reasons, retail liquor stores serve as anchor tenants for commercial areas, to attract increased consumer spending to the commercial site. Restricting the number of liquor stores in the City will limit consumer convenience and impact consumer spending overall.

Restrictions will also impact future commercial development within the City by limiting the type of anchor tenant a developer could attract. Given the geographic size of the community and current retail liquor store locations that would be grandfathered, only one additional retail liquor store could be permitted in the existing commercial areas at the southern end of the City. This means additional future commercial development planned for Fort Saskatchewan could not have a retail liquor store as an anchor tenant.

Compared regionally, the Cities of Spruce Grove and Leduc, as well as Strathcona County share similar populations and demographics with Fort Saskatchewan, and both municipalities have some sort of restriction on where liquor stores can locate. Yet they have the same number of retail liquor stores per-capita as Fort Saskatchewan. This indicates that the size of the market is the deciding factor in the number of retail liquor stores a municipality will have, and not the restrictions placed on them. Therefore the effectiveness of regulations and restrictions on limiting the number of retail liquor stores in a municipality is questionable.

### **Recommendation:**

Administration recommends not implementing a 750m separation between retail liquor stores within the municipality as the negative impacts to commercial development, and the restrictions of competition in the market place does not strike an appropriate balance between market choice and public safety.

Alternatively, Council could implement regulations similar to those in Spruce Grove, Leduc, Edmonton, and Strathcona County by creating a minimum distance of 100m from schools. Council could also implement restrictions on operating hours, prohibiting stores from operating

late at night. These option would have less of an impact to commercial development and the market.

**Attachments:**

1. Appendix A – Proximity of Schools to Liquor Retail Locations
2. Appendix B – 100m radius around schools

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Prepared by:	Mark Morrissey Economic Development Director	Date: January 10, 2017
Reviewed by:	Troy Fleming Acting, City Manager	Date: January 18, 2017
Submitted to:	City Council	Date: January 24, 2017