

Dear Council President Stark and Councilmembers:

I am concerned about the practical implications of proposed ordinance 15-12. I only recently learned of it and spoke with a legislative aide earlier in an attempt to get a better understanding of the reasoning behind the proposal.

As I understand it, this proposed legislation is meant to targeting a few “bad actors” operating convenience stores within the City. The more I learned about it, the greater my concern became as it seems the focus of the proposal is misplaced in that practically speaking, I suspect this will have more impact on the ability to sell the property than on the current behavior of any particular licensee.

This ordinance targets tobacco licenses generally. Where does one find the background statistical information supporting the need for this proposed ordinance, i.e., what is the current number of tobacco licenses held in the City as well as the number of annual revocations? Who does this impact? Grocery stores, convenience stores (corner grocers), gas stations, and who else?

As we all know, not all convenience stores sales are related to tobacco. They serve other needs of their customers/surrounding neighborhood. They sell milk, diapers, Tylenol, etc. Essentially, they do serve a valuable function in neighborhoods. That said, it’s also safe to say that a significant portion of their profits come from the sale of tobacco in part because of the margins on various goods.

What is the potential outcome of such an ordinance? If there has been any revocation at all in the previous five years, it’s unlikely the store will be sold. Who would buy a convenience store if they know going in that they will not be able to get a license unless they have currently held one for 5 years, meet the additional requirements, and garner a supermajority vote of the council? If the answer is no one, then what is the City/neighborhood left with? Another vacant property that can sit for x number of years – would that be desirable? It would be not generating any value, I suspect property taxes would be unpaid or delinquent, maintenance would be neglected, and in general, it would likely cause a decline in surrounding property values not to mention detracting from a sense of neighborhood safety and aesthetics.

Is the thought of the council that “we’d rather have nothing than something”? If so, I would urge you to reconsider the lost opportunity costs of such thinking. If truly in response to a few bad actors, then use the power you have to enforce stricter penalties targeted at those specific bad actors, rather than adopting an overly broad ordinance that would prevent a potentially good tenant/owner from coming in and taking over. You can write an ordinance to deal with specific problem properties, i.e. develop a “probationary period post revocation” requiring compliance with certain conditions of reinstatement ascertained by frequent inspections.

I have reviewed all four attachments of comments/letters submitted to and available on the City’s webpage at:

<https://stpaul.legistar.com/LegislationDetail.aspx?ID=2230916&GUID=B6C66D6D->

[CB18-400F-9EC2-054A6F7A1BD4&Options=ID%7cText%7cAttachments%7cOther%7c&Search=15-12&FullText=1](#) Of the total of twenty letters submitted, nineteen of them are the exact same form letter. While I can appreciate the underlying concern for wanting to diminish tobacco use in the City of St. Paul, I am concerned by a seeming lack of greater insight into the ultimate impact and effect of this ordinance as proposed.

You have received comments from both state and national retailing associations specifically addressing their issues and concerns about the language of the ordinance, yet it does not appear that either the council or city staff has engaged in any conversations with them. I doubt that the City of St. Paul is the only city to have a “few bad actors” violating tobacco ordinances; and I would imagine that these associations may have some experience with this issue that they would be willing to share in collaboration with the City of St. Paul (and perhaps even District Councils) in developing responsive and responsible policies and strategies to negate this particular issue.

In summary, I, along with many others, appreciate and share the concern and position that we all want responsible retailers selling tobacco and alcohol products. However, as this ordinance is currently proposed, you’re not so much deterring tobacco use, nor punishing or deterring current practices, but rather eliminating potential opportunities for reinvestment in the area by placing an unreasonable restraint on the sale or transfer of the business and ask that prior to final adoption, that you broaden the scope of the discussion on the issue and allow input from these associations.

Please give this important issue the thought and consideration it deserves and allow others with industry experience to participate in the process.

Sincerely,

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