Omaha's proposed restrictions on alcohol retailers could face major alterations after some City Council members raised doubts about the plan.

Tuesday, after nearly two hours of testimony from people on both sides of the issue, some council members said they were concerned about plans to create “alcohol impact districts” in areas with problem businesses.

Councilmen Pete Festeren and Franklin Thompson said they worried about two of the three tenets of the proposal, which would use city zoning laws to give the city more control over liquor license issues.

The first would allow the city to designate certain areas with high rates of alcohol-related problems as impact zones with additional restrictions on businesses' operating hours, lighting and signage, among others. It also would give the council the power to limit the number of businesses selling alcohol in a particular area.

The second would impose a $75 fee on all businesses that sell alcohol.

Councilwoman Jean Stothert said she wants to know more about the target of the restrictions and what would happen to the approximately $90,000 generated by the new fee.

Stothert said city officials have estimated that less than 1 percent of the city's alcohol-selling businesses cause enough issues to require the restrictions. She said she worries the new rules would unfairly punish others in an attempt to take out the problem.

“These (restrictions) are pretty frightening to a well-run business, to think they end up in this overlay district,” she said.

But Councilman Ben Gray, who is sponsoring the proposal, said the city lacks the tools to tackle growing problems that stem from alcohol use. He said the fee is a much smaller cost than the price of sending police to deal with the same problems again and again.

“We're not opposed to bars and not opposed to good bars operating,” Gray said. “This came from the neighbors — they are the ones asking for it.”

While Festeren and Thompson questioned the new fee and the alcohol impact districts, they generally supported using zoning to help with nuisance problems.

Gray said he would look further at the impact districts to see if the proposal needed to go as far.

Twenty people spoke in favor of the plan, while 13 people were opposed.

Supporters of the proposal included a few neighborhood association representatives, as well as researchers who talked about the links between alcohol sales and crime. They argued that it makes sense to handle the issue with zoning rules.

“The Centers for Disease Control ... have determined regulation of outlet density is a useful public health tool,” said David Jernigan, director of the Center on Alcohol Marketing and Youth at Johns Hopkins University in Maryland.
Urban Village Development principal Jerry Reimer said he's concerned about adding more regulations and fees for businesses — but more worried about out-of-control alcohol retailers contributing to the decay of neighborhoods.

“One of the things we have clearly learned is that there are liquor establishments — while not all of them — liquor establishments in these neighborhoods that do suck the economic viability and livelihood out of these neighborhoods,” he said. “Once they've been there long enough, you will notice there are no other businesses around them.”

A few business owners said the new rules are overly restrictive.

Mary Barrett, who runs Barrett's Barleycorn pub near 43rd and Leavenworth Streets, said she doesn't have a problem with the fee. The bigger issue, she said, is being treated differently from other businesses, even if they've never caused trouble.

“We're being held to different (standards) than other businesses,” she said. “Clothing stores have shoplifters all the time — why don't we charge them fees at their stores? It's just not a way we see to do things. If a bar has been negligent in their duties, fine them.”

The council is scheduled to vote on the proposal next week.

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