CHAPTER 6.

BUSINESS REGULATIONS AND LICENSES

625. ALCOHOLIC BEVERAGE LICENSES

<u>Section 625.01.</u> Provisions of State Law Adopted. Except as may be provided for in this ordinance, the provisions of Minnesota Statutes Chapter 340A, as it may be amended from time to time, are hereby adopted and made a part of this ordinance as though fully set out herein.

<u>Section 625.02.</u> Definitions. The following terms shall have the meanings given to them unless the context clearly indicates otherwise.

- **Subd. 1.** Alcoholic Beverage. "Alcoholic beverage" is any beverage containing more than one-half of one percent alcohol by volume.
- **Subd. 2. Bottle Club.** "Bottle Club" is any private club or public place which permits members, guests or patrons to provide, display and consume their own intoxicating liquor on the premises, while providing by retail sale liquid mixes, glasses, and other services and goods used in the consumption of intoxicating liquor.
- Subd. 3. Brewer. "Brewer" is a person who manufactures malt liquor for sale.
- **Subd. 4. Brewer Taproom.** "Brewer Taproom" means the on-sale of malt liquor produced by a brewer for consumption on the premises of or adjacent to one brewery location owned by the brewer. The holder of a brewer taproom license may also operate a restaurant at the brewery.
- **Subd. 5. Brew Pub.** "Brew Pub" means a brewer who also holds one or more retail on-sale licenses and who manufactures fewer than 3,500 barrels of malt liquor in a year, at any one licensed premises, the entire production of which is solely for consumption on tap on any licensed premises owned by the brewer, or for off-sale from those licensed premises as permitted by this Section.
- **Subd. 6.** Club. "Club" is an incorporated organization organized under the laws of Minnesota for civic, fraternal, social and business purposes, for intellectual improvement, for sports promotion, or a congressional charter veterans' organization, which:
 - (a) has more than 30 members;
 - (b) has owned or rented a building or space in a building for more than one year that is suitable and adequate for the accommodation of its members; and
 - (c) is directed by a board of directors, executive committee, or other similar body chosen by the members at a meeting held for that purpose. No member, officer, agent, or

employee shall receive any profit from the distribution or sale of beverages to the members of the club, or their guests, beyond a reasonable salary or wages fixed and voted each year by the governing body.

- **Subd. 7. Commissioner**. "Commissioner" means the commissioner of public safety of the state of Minnesota.
- **Subd. 8. Hotel.** "Hotel" is an establishment where food and lodging are regularly furnished to transients and which has:
 - (a) a dining room serving the general public at tables and having facilities for serving at least 30 persons at one time; and
 - (b) at least 10 guest rooms.
- **Subd. 9. Intoxicating Liquor.** "Intoxicating Liquor" or "liquor" is ethyl alcohol, distilled, fermented, spirituous, vinous, and malt beverages containing more than 3.2% of alcohol by weight.
- **Subd. 10.** License Period. "License Period" of "License Year" is the effective period of all liquor licenses, that is, from July 1 in the year of license issue to June 30 of the following year.
- **Subd. 11. Licensed Premises.** "Licensed premises" is the premises described in the approved license application.
- **Subd. 12. Malt Liquor**. "Malt liquor" is any beer, ale, or other beverage made from malt by fermentation and containing not less than one-half of one percent alcohol by volume.
- Subd. 13. Minor. A minor is any person under 21 years of age.
- **Subd. 14. Off-Sale.** "Off-Sale" is the sale of alcoholic beverages in original packages for consumption off the licensed premises only.
- **Subd. 15. On-Sale.** "On-Sale" is the sale of alcoholic beverages for consumption on the licensed premises only.
- **Subd. 16. Required Packaging.** "Required Packaging" means that malt liquor authorized for off-sale pursuant to this Section must be packaged in 64-ounce containers, commonly known as "growlers" or in 750 milliliter bottles. The containers or bottles must bear a twist-type closure, cork, stopper, or plug. At the time of sale, a paper or plastic adhesive band, strip, or sleeve must be applied to the container or bottle and extended over the top of the twist-type closure, cork, stopper, or plug forming a seal that must be broken upon opening the container or bottle. The adhesive band, strip, or sleeve shall bear the name and address of the brewer. The containers or bottles shall be identified as malt liquor, contain the name of the malt liquor, and bear the name and address of the brewpub or brewer selling the malt liquor.

- **Subd. 17. Restaurant.** "Restaurant" is an establishment, other than a hotel, under the control of a single proprietor or manager, where meals are regularly prepared on the premises and served at tables open to the general public and having a minimum seating capacity of 30.
- Subd. 18. Retail. "Retail" is sale for consumption.
- **Subd. 19. Sale.** "Sale" or "sell" means to furnish any intoxicating liquor, or 3.2 percent malt liquor through exchange, barter, gift, trade, prize, or purchase.
- **Subd. 20. Small Brewer.** "Small Brewer" means a brewer who manufactures fewer than 3,500 barrels in a year.
- **Subd. 21. 3.2 Percent Malt Liquor.** "3.2 percent malt liquor" is malt liquor containing not less than one-half of one percent alcohol by volume nor more than 3.2 percent alcohol by weight.
- **Subd. 22.** Wine. "Wine" is the product made from the normal alcoholic fermentation of grapes, including still wine, sparkling and carbonated wine, wine made from condensed grape must, wine made from agricultural products other than sound, ripe grapes, imitation wine, compounds sold as wine, vermouth, cider, perry and sake, in each instance containing not less than one-half of one percent nor more than 24 percent alcohol by volume for nonindustrial use. Wine does not include distilled spirits as defined in state statute.

Section 625.03. License Required.

- **Subd. 1.** Except as provided in this ordinance, no person may directly or indirectly, on any pretense or by any device, sell, barter, keep for sale, charge for possession, allow the display or consumption, or otherwise dispose of alcoholic beverages as part of a commercial or retail transaction without having first obtained the appropriate license or permit.
- **Subd. 2.** Notice to Commissioner. Within 10 days of the issuance of a license for intoxicating liquor, wine or 3.2 percent malt liquor, the City shall inform the commissioner, on the form the commissioner prescribes, of the licensee's name and address and trade name, the effective date and expiration date of the license. The City shall also inform the commissioner of a license transfer, cancellation, suspension, or revocation during the license period.
- **Subd. 3. Types of Licenses: Intoxicating Liquor.** The following licenses may be issued by the City:
 - (a) Off-Sale Licenses.
 - (1) Exclusive Liquor Store. The city may issue an off-sale intoxicating liquor license to an exclusive liquor store as authorized by Minnesota Statutes Section 340A.405, subdivision 1.
 - (2) Off-Sale 3.2 Percent Malt Liquor. The city may issue an off-sale 3.2

percent malt liquor license as authorized by Minnesota Statutes Section 340A.403, subdivision 1. Any person licensed to sell intoxicating liquor at off-sale shall not be required to obtain an off-sale 3.2 percent malt liquor license under this section and may sell 3.2 percent malt liquor at off-sale without obtaining an additional license.

- (3) Small Brewer. The city may issue an off-sale malt liquor license to a small brewer as authorized by Minnesota Statutes Section 340A.28 for the off-sale of malt liquor at its licensed premises that has been produced and packaged by the brewer. The license must be approved by the Commissioner of Public Safety. The amount of malt liquor sold at off-sale may not exceed 500 barrels annually. Malt liquor sold at off-sale under this license must be packaged in the required packaging.
- (4) Brew Pub. The city may issue an off-sale malt liquor license to a brew pub as authorized by Minnesota Statutes Section 340A.24 for the off-sale of malt liquor at its licensed premises that has been produced and packaged on the licensed premises. Malt liquor sold at off-sale under this license must be packaged in the required packaging.
- (5) Microdistillery. The city may issue an off-sale intoxicating liquor license to a microdistillery as allowed by Minnesota Statutes Section 340A.22 for the off-sale of distilled spirits. The license may allow the sale of one 375 milliliter bottle per customer per day of product manufactured on-site. No brand of distilled spirits may be sold at the microdistillery unless it is also available for distribution by wholesalers.
- (b) On-Sale Licenses.
 - (1) Intoxicating Liquor. The city may issue an intoxicating liquor license as authorized by Minnesota Statutes Section 340A.404, subdivision 1.
 - (2) Wine. The city may issue an on-sale license to sell wine as authorized by Minnesota Statutes Section 340A.404, subdivision 5. Holders of an on-sale wine license, who are also licensed to sell 3.2 percent malt liquors at on-sale pursuant to Minnesota Statutes Section 340A.411, are authorized to sell intoxicating malt liquors at on-sale without an additional license.
 - (3) 3.2 Percent Malt Liquor. The city may issue an on-sale 3.2 percent malt liquor license as authorized by Minnesota Statutes 340A.403, subdivision 1. Any person licensed to sell intoxicating liquor at on-sale shall not be required to obtain an on-sale 3.2 percent malt liquor license under this section and may sell 3.2 percent malt liquor at on-sale without further license.
 - (4) Brew Pub. The city may issue an on-sale intoxicating liquor license or a

3.2 percent malt liquor license as authorized by Minnesota Statutes Section 340A.24 for a restaurant operated by a brewpub in the place of manufacture.

- (5) Brewer Taproom. The city may issue a brewer taproom license as authorized by Minnesota Statutes Section 340A.26 for the 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. A holder of a brewer taproom license may operate a restaurant at the brewery. A brewer taproom license will not be issued to a brewer or anyone having an economic interest in the brewer seeking the license or exercising control over the brewer seeking the license that is a brewer that brews more than 250,000 barrels of malt liquor annually or a winery that produces more than 250,000 gallons of wine annually. No single entity shall hold both a microdistillery cocktail room and brewer taproom license. A microdistillery cocktail room and a brewer taproom must not be colocated.
- (6) Microdistillery Cocktail Room. The city may issue a microdistillery cocktail room license as authorized by Minnesota Statutes Section 340A.22 for the on-sale of distilled liquor produced by the distiller for consumption on the premises of or adjacent to one distillery location owned by the distiller. The holder of a microdistillery cocktail room license may also operate a restaurant at the distillery. No single entity shall hold both a microdistillery cocktail room and a brewer taproom license. A microdistillery cocktail room and a brewer taproom must not be co-located.
- (7) Culinary Classes. The city may issue a limited on-sale intoxicating liquor license to a business establishment for culinary or cooking classes as authorized by Minnesota Statutes Section 340A.4041.
- (c) Temporary Licenses.
 - (1) Social Event Sponsored by a Club, Charitable, Religious or Nonprofit Organization. The city may issue a temporary on-sale license to sell intoxicating liquor to a club or to a charitable, religious, or other nonprofit organization in existence for at least three years in connection with a social event within the city sponsored by such organization as authorized by Minnesota Statutes Section 340A.404.
 - (2) 3.2 Percent Malt Liquor Served by Club, Charitable, Religious or Nonprofit Organization. The city may issue a temporary license to a club or to a charitable, religious, or nonprofit organization for the on-sale of 3.2 percent malt liquor as authorized by Minnesota Statutes Section 340A.403, subdivision 2.

- (3) Social Event Sponsored by a Small Brewer or Microdistillery. The city may issue a temporary on-sale intoxicating liquor license to a small brewer or microdistillery in connection with a social event sponsored by such entity as authorized by Minnesota Statute Section 340A.404, subdivision 10 (c).
- (4) Farm Winery at a County Fair. The city may issue a temporary license to a farm winery for the on-sale of intoxicating liquor at a county fair as authorized by Minnesota Statute Section 340A.404, subdivision 10a.
- (5) Wine Auction. The city may issue a temporary license for the off-sale of wine at an auction as authorized by Minnesota Statute Section 340A.405, subdivision 4.
- (6) Wine Festival. The city may issue a temporary license to a bona fide association of owners and operators of wineries sponsoring an annual festival to showcase wines produced by members of the association as authorized by Minnesota Statutes Section 340A.4175.
- (7) Community Festivals. The city council may authorize a holder of a retail on-sale intoxicating liquor license issued by the city to dispense intoxicating liquor off premises at a community festival held within the city as authorized by Minnesota Statutes Section 404, subdivision 4 (b).

(d) Sunday Licenses. The city may issue licenses to sell intoxicating liquor on-sale on Sundays to a hotel, restaurant, club or bowling center as allowed by Minnesota Statute 340A.504, subdivision 3.

Subd. 4. "Consumption and Display Permit" shall allow a bottle club the on-premise consumption or display of intoxicating liquor. The permit does not authorize the sale of intoxicating liquor. The permit may be issued by the commissioner but must be approved by the city council. All permits issued under this section expire on March 31 of each year.

Subd. 5. License Classes: Intoxicating Liquor.

- (a) The on-sale licenses under which intoxicating liquor may be sold shall be divided into the following four classes, which shall be based upon the size of the licensed premises:
 - (1) <u>Class A</u>: A licensed premises of 20,000 square feet or greater in area;
 - (2) <u>Class B</u>: A licensed premises of at least 12,000 square feet, but less than 20,000 square feet in area; or
 - (3) <u>Class C</u>: A licensed premises of at least 6,000 square feet, but less than 12,000

square feet in area; or

- (4) <u>Class D</u>: A licensed premises less than 6,000 square feet in area.
- (b) In the case of a restaurant or club licensed for on-sale of alcoholic beverages and located on a golf course, the licensed premises means the entire golf course except for areas where motor vehicles are regularly parked or operated.
- **Subd. 6. Outdoor Areas.** A licensee whose license permits the on-sale of alcoholic beverages shall be permitted to sell, serve and allow consumption of alcoholic beverages in an outdoor area, provided that the following conditions are met:
 - (a) the outdoor area is immediately adjacent to the building or structure comprising the remainder of the licensed premises and such outdoor area is specifically described as part of the licensed premises in the approved license application;
 - (b) the outdoor area is completely enclosed by a fence or other barrier preventing any external ingress or egress from the area;
 - (c) access to the outdoor area is available only through the interior portions of the licensed premises;
 - (d) no bars or pass-through windows shall be permitted in the outside area;
 - (e) there shall be no music audible off the property and exterior lighting shall be designed and installed so that the globe is recessed and enclosed on all sides except the bottom and no light is cast directly on any other property;
 - (f) no alcoholic beverages shall be served after 10:00 p.m. nor consumed after 10:30 p.m. in the outside area; and
 - (g) outside area shall be compact in size and shall not exceed an area as may be considered reasonably by city council.

For the purpose of determining the appropriate on-sale license class, the outdoor area shall be included in the licensed premises but at a rate equal to one-half the actual square footage of the outdoor area.

Section 625.04. License Application.

Subd. 1. Every license application shall be verified and filed with the city clerk. An on-sale license application shall be in a form and request information of the applicant as determined by the city council. The off-sale license application shall be on the form approved by the Minnesota commissioner of public safety. The application shall be completed in its entirety according to the instructions provided with the application. The city clerk shall return any application not properly completed. No applicant shall knowingly make any false statement on the license application.

- **Subd. 2.** Application Fee. Every license application shall be accompanied by the application fee, as established by the city council from time-to-time by resolution.
- **Subd. 3. Proof of Financial Responsibility.** Prior to the issuance of any license under this ordinance, the applicant shall demonstrate proof of financial responsibility as defined in Minnesota Statutes, Section 340A.409, with regard to liability under Minnesota Statutes, Section 340A.801. This proof will be filed with the city and the commissioner. Any liability insurance policy filed as proof of financial responsibility under this section shall conform to Minnesota Statutes, Section 340A.409. Operation of a business which is required to be licensed by this ordinance without having on file with the city at all times effective proof of financial responsibility is a cause for revocation of the license.

<u>Section 625.07. General Requirements, Financial Responsibility</u>. The issuer or surety on any liability insurance policy or bond required under this ordinance shall be duly licensed to do business in Minnesota. All insurance and bond documents for on-sale licenses shall be approved as to content and form in advance of execution by the city attorney. Insurance and bond documents for off-sale licenses shall be in a form approved by the Minnesota Commissioner of public safety. The licensees and the City shall be named as joint insureds on the liability insurance policy. The bond and/or insurance policy effective dates must coincide with the licensing period.

Section 625.08. Exceptions.

Subd. 1. The following persons are exempt from the insurance provisions of this ordinance:

- (a) on-sale 3.2 percent malt liquor licensees with sales of less than \$25,000 of 3.2 percent malt liquor for the preceding year;
- (b) off-sale 3.2 percent malt liquor licensees with sales of less than \$50,000 of 3.2 percent malt liquor for the preceding year;
- (c) on-sale wine licensees with sales of less than \$25,000 of wine for the preceding year; or
- (d) holders of a temporary wine license issued under this ordinance.
- **Subd. 2.** Any applicant claiming an insurance exemption under this subdivision must submit with the completed license application a sworn affidavit demonstrating the basis for the exemption. The city clerk may require additional evidence on the basis for the claimed exemption.

<u>Section 625.09. Site Plan</u>. Each application for an on-sale intoxicating liquor license shall be accompanied by a site plan, drawn to scale. The site plan must contain the following information:

- (a) a legal description of the property upon which the proposed licensed premises is situated;
- (b) a plot plan;
- (c) the exact location on the property of the licensed premises, all customer and employee

parking areas, all accesses onto the property, all entrances into the premises, and all outdoor serving areas;

- (d) the location of and distance from the nearest church, school, hospital and residences; and
- (e) a floor plan of the licensed premises.

Section 625.10. Investigations.

- **Subd. 1.** Prior to granting an initial application, renewal of an existing license, or transfer of an existing license, the City shall conduct a preliminary background and financial investigation of the applicant. Every individual or person having any beneficial interest in the license shall be investigated. The investigation shall be conducted by the chief of police and the results shall be reported to the city council. The chief of police shall verify the facts stated in the application, and shall report all convicted violations of state or federal law or municipal ordinances involving the applicant, interested persons, or the licensed premises while under the applicant's proprietorship. The scope of the investigation and of the investigation report shall be within the sole discretion of the chief of police. The chief of police may report suspected civil or criminal law violations only if a verified complaint, indictment or tab charge has been filed in a state or federal court. If the City or the Minnesota bureau of criminal apprehension determines that a comprehensive background investigation is necessary, the chief of police may conduct such an investigation or the City may contract with the Minnesota bureau of criminal apprehension to do so.
- **Subd. 2.** Investigation Fee. All applicants shall be charged a fee for the costs of investigation of an application for initial issuance or transfer of an on-sale license or for reinvestigation for a renewal of an on-sale license. If there is more than one applicant for a license, a separate investigation fee shall be charged for each applicant. The fee shall be the actual costs incurred by the City in investigating the applicant and reporting the investigation findings to the city council, as determined by city clerk, but shall not exceed \$500 for an investigation conducted wholly within the state nor \$10,000 if investigation is required outside the state. The applicant shall be notified of the total investigation fee prior to the city council's final action on his or her license application, and the fee shall be payable upon terms established by the city clerk.

Section 625.11. Corporate Licenses. Licenses may be issued to corporations as the licensee, but only if the corporation is incorporated within the State of Minnesota. It is a condition of every license issued to a corporation that the city clerk promptly be furnished with a correct list of all stockholders of the corporation and the number of shares held by each, either individually or beneficially for others. It is the continuing duty of each corporate licensee to notify the city clerk promptly of any change in ownership or beneficial interest of such shares. Any change of ownership or beneficial interest of the stockholders of the corporation, and any such license shall be deemed equivalent to a transfer of the license issued to the corporation, and any such license shall be revoked and terminated 30 days after any such change in ownership or beneficial interest unless the city clerk shall have been notified of such change in writing and the city council approved the license transfer. The city clerk may at any reasonable time examine the stock transfer records and minutes of any corporate

licensee, and the city council may cancel and terminate any license issued to a corporation upon determination that any change of ownership of stock has resulted in a change of control of such corporation so as to materially affect the integrity and character of its management and its operation of any license premises. However, no action may be taken against any corporation licensee until after a hearing conducted by the city council on 30 days' written notice to the license.

<u>Section 625.12. Granting of License</u>. After review of the investigation report, the city council in its sound discretion may grant or deny the application for a new, renewed or transferred license. No applicant has a right to a license under this ordinance. No license shall be effective unless the license and proof of insurance have been approved by the commissioner. Each license so granted shall be effective only during the license period.

<u>Section 625.13.</u> Persons Ineligible For a License. No license of any type or class shall be issued to:

- (a) a person under 21 years of age;
- (b) a person who within five years of the license application date has been convicted of a willful violation of federal or state law or local ordinance governing the manufacture, sale, distribution, or possession for sale or distribution, of alcoholic beverages;
- (c) a person who has had an intoxicating liquor or 3.2 percent malt liquor license revoked within five years of the license application, or to any person who at the time of the violation owned any interest, whether as a holder of more than 5% of the capital stock of a corporation licensee, as a partner or otherwise, in the premises or in the business conducted therein, or to a corporation, partnership, association, enterprise, business, or firm in which any such person is in any manner interested;
- (d) a person whom the city council determines not to be of good moral character and repute; or
- (g) a person who has a direct or indirect interest in a manufacturer, brewer, or wholesaler.

Section 625.14. Places Ineligible For License. No license shall be issued, transferred or renewed for any place or for any business if:

- (a) taxes, assessments or other financial claims of the City or the state of Minnesota on a premise are delinquent or unpaid;
- (b) if the place is located within 300 feet of an institution of education whose primary purpose is education of individuals in grades kindergarten through 12. The distance shall be measured from the freestanding parcel or lot line upon which the business to be licensed is located or from the exterior wall of the approved area leased or owned by the business to be licensed within a shopping center to the nearest point of the parcel or lot line upon which the school is located. The location of a school within the prohibited area after

the original license application has been granted shall not, in and of itself, render such premises ineligible for renewal of the license. The provisions of this paragraph shall not apply to temporary on-sale 3.2 percent malt liquor licenses.

- (c) operation of a licenses premises would violate zoning ordinances; or
- (d) the applicant's present license was issued conditioned upon the applicant making specified improvements to the licenses premises or the property of the licenses premises which have not been completed.

<u>Section 625.15. Conditional Licenses</u>. The city council may grant any application for a new, renewed or transferred license conditioned upon the applicant making reasonable improvements to the proposed licensed premises or the property upon which the licenses premises is situated. The city council, in granting such a conditional license shall specify when such modifications must be completed. Failure to comply with the conditions of the license shall be sufficient grounds for the city council to revoke or deny renewal of the license in the future.

Section 625.16. License Fee. Every applicant who receives a new, renewed or transferred license shall pay a license fee established by the city council from time-to-time by ordinance. The applicant shall either pay the license fee in full prior to June 1 of the license year, or pay one-half prior to June 1 and one-half prior to December 1 of that license year.

<u>Section 625.17. License Limitations</u>. Each license shall be issued to the applicant only, and only for the licensed premises as described in the application. A license is only effective for the premises specified in the approved license application.

<u>Section 625.18. Term; Expiration; Pro Rata Fee</u>. Each on-sale license shall be issued for a period of one year, except that if the application is made during the license year, a license may be issued for the remainder of the licensed year for a pro rata fee not to be less than \$400.00. Any unexpired fraction of a month shall be counted as a complete month. Every license shall expire on June 30 of the license year.

<u>Section 625.19. Refunds</u>. The city clerk shall refund a pro rata share of the annual license fee for an on-sale license if:

- (a) the business ceases to operate because of destruction or damage;
- (b) the licensee dies;
- (c) the business ceases to be lawful for a reason other than a license revocation; or
- (d) the licensee ceases to carry on the licenses business under the license.

<u>Section 625.20. Death of Licensee</u>. In the case of the death of a licensee, the personal representative is authorized to continue operation of the business for not more than 90 days after the licensee's death.

<u>Section 625.21. License Transfer</u>. No license issued pursuant to this ordinance may be transferred, except upon application to and approval by the city council. The application for a license transfer shall be treated as a new license application for purposes of all application forms, fees, investigations. The proposed licensee transfere shall be considered to be the applicant.

Section 625.22. License Renewal. Any license holder desiring to have an existing license renewed beyond the end of the license period shall file a completed application for renewal no later than June 1 of the license period. The city council shall grant the renewal if it determines, after review of the renewal application and investigation report, that both the licensee and the licensed premises remain eligible for a license under the provisions of this ordinance and state law.

<u>Section 625.23.</u> Conditions of License. Every license granted is subject to the provisions of this ordinance, and state law and to the following conditions:

- (a) every licensee shall be responsible for the conduct of his or her place of business and shall maintain conditions of good order and sobriety therein;
- (b) except for sales by clubs made to members in good standing who pay regular monthly membership fees, no sale of any alcoholic beverage shall be made to anyone on credit;
- (c) any peace officer, health officer, or any properly designated officer or employee of the City or the state, including representatives of the commissioner, shall have the unqualified right to enter, inspect and search the licensed premises during business hours without a warrant;
- (d) no alcoholic beverage may be served or consumed outside of the compact and contiguous space specified as the licensed premises, in the approved license application;
- (e) no person may sell or in any way procure for another an alcoholic beverage for the use of an obviously intoxicated person;
- (f) no licensee shall permit any minor to consume alcoholic beverages on the licensed premises. It shall be unlawful for any person to sell alcoholic beverages to a minor, except that a parent or guardian of a minor may give alcoholic beverages to that person solely for consumption and solely in the household of the parent or guardian; and
- (g) a violation of any term or condition of any other permit or license granted by the City regarding the property upon which the licensed premises is located shall be deemed to be a violation of the license granted under this ordinance.
- (h) all licensed establishments shall have the license therefore posted in a conspicuous place at all times.

<u>Section 625.24. Employment of Minors</u>. No person under 18 years of age may serve or sell intoxicating liquor on licensed premises.

<u>Section 625.25. Entertainment</u>. The licensee is responsible to insure that the provisions of this ordinance are fully enforced during all private social gatherings held on the licensed premises. The provisions of Section 600 of the City code are also applicable.

Section 625.26. Hours and Days of Sale.

Subd. 1. All licenses. Licensees must strictly comply with the hour and day of sale limitations set forth in Minnesota Statutes Section 340A.504, as it may be amended from time to time, for each type of license held by the licensee. In addition, the following provisions apply to Sunday sales:

- (a) On-Sale of Intoxicating Liquor. Except as provided in paragraph (b) below, the on-sale of intoxicating liquor on a Sunday requires a Sunday sales license.
- (b) On-Sale Brewer Taproom. The holder of an on-sale brewer taproom license is authorized to conduct on-sale business on Sundays between the hours of 8:00 a.m. and 11:59 p.m. without having to obtain a separate Sunday sales license.
- (c) Off-Sale Growlers. Malt liquor in growlers only may be sold by brew pubs, brewer taprooms, and small brewers at off-sale on Sundays between the hours of 8:00 a.m. on Sunday and 11:59 p.m. without having to obtain a separate Sunday sales license. Growlers must meet the definition of "required packaging" that is set forth in this Section.
- **Subd. 2.** Consumption and Display Permit. No establishment holding a consumption and display permit may permit a person to consume or display intoxicating liquor, and no person may consume or display intoxicating liquor, between 2:00 a.m. and 10:00 a.m. on Sundays, and between 2:00 a.m. and 8:00 a.m. on Monday through Saturday.

Subd. 3. Permission Requried.

- (a) All licensees must obtain a permit from the commissioner to sell intoxicating liquor or 3.2 percent malt liquor between the hours of 1:00 a.m. and 2:00 a.m. Permits are effective for a year after issuance.
- (b) A holder of a consumption and display permit must obtain authorization from the commissioner to allow the consumption and display of intoxicating liquor between the hours of 1:00 a.m. and 2:00 a.m. The authorization may be provided in a document issued to the permit holder by the commissioner, or by a notation on the permit holder's permit. Authorizations are valid for one year from the date of issuance.
- **Subd. 4. Evacuation.** Any licensed premise named in any on-sale license, and every part thereof except those portions used exclusively for food service, shall be closed and be kept closed to the public within 30 minutes after the stated time of prohibited sales begins. It

shall be unlawful for any person or customer, other than the licensee or his or her employees, to remain on the premises after closing. The licensee and his or her employees may remain after closing for the purposes only of cleaning, repair, maintenance and security, but there shall be no consumption of alcoholic beverages by the licensee or employees during all times of prohibited sale.

Section 625.27. License Revocation and Suspension.

- **Subd. 1.** The city council may suspend for up to 60 days, revoke the license, or impose a civil fine not to exceed \$2,000 for each violation on a finding that the license or permit holder has failed to comply with an applicable statute, rule or ordinance relating to the sale of alcoholic beverages. No suspension or revocation may take effect until the license has been afforded an opportunity for a hearing.
- **Subd. 2.** The city council may revoke or suspend a license if it determines that either the licensee or the licensed premises is no longer eligible for a license pursuant to this ordinance or state law.

Amendment History of this Section

- Adopted June 6, 1989 (Ord. 242). Previous language of Section 625 was repealed in its entirety and replaced with new language from Ord. 242.
- Amended June 20, 1989 (Ord. 242-A). Deleted Subsection 625.05 regarding Bond requirements and amended Subsection 826.26 regarding On- and Off-Sale hours of operation.
- *Amended June 19, 1990 (Ord. 246). Amended Subd. 8 of Subsection 625.03 regarding to outdoor areas and alcoholic beverages.*
- Amended May 21, 1991 (Ord. 254). Amended Subd. 8 of Subsection 625.03 regarding licenses for outdoor areas.
- *Revised August 19, 2003 (Ord. 357).* Most subsections were amended. Bond requirements were added (Subsection 625.05) On-sale closing time was set at 2:00 am and the names of permits were changed (esp. Subsections 625.26 and 625.03).
- Amended June 20, 2006 (Ord. 405). Amended subsection 625.23 regarding display of licenses.
- Amended June 14, 2007 (Ord. 423). Amended Subd. 5 of subsection 625.03 relating to liquor license classes.
- *Amended October 20, 2009 (Ord. 469). Most subsections were amended. Bring ordinance into compliance with state law and to eliminate setback requirements from religious institutions.*
- Amended June 17, 2014 (Ord. 563). Amended Section 625.02 adding the definition for "Brewer". Amended Section 625.03 adding On-Sale Brewer Taproom License, Off-Sale Small Brewer License, and Microdistillery Cocktail Room License.
- Amended November 18, 2014 (Ord. 569). Amended Section 625.03, Subd. 3 allowing "Sunday Sales" to On-Sale Brewer Taproom Licenses.

- Amended July 7, 2015 (Ord. 582). Amended Section 625.02, 625.03, and 625.26 adding definitions, authorizing growler off-sale on Sundays, allows Sunday license holders to serve intoxicating liquor with food on Sundays as early as 8 a.m., and makes some technical corrections.
- Amended August 5, 2015 (Ord. 584). Amended Section 625.03, Subd. 3. (b) (2) allowing holders of an on-sale wine license, who are also licensed to sell 3.2 percent malt liquors at on-sale to sell intoxicating malt liquors at on-sale without an additional license.
- *Amended May 16, 2017 (Ord. 611). Amended Section 625.26 reaffirming the city's desire to comply with the recently amended hours and days of sale statute to allow for Sunday off-sale beginning July 2, 2017.*