

## **TITLE 300 – LICENSES AND REGULATED BUSINESSES**

### **CHAPTER 300 – TITLE**

This Ordinance shall be known, cited and referred to as the “CITY OF SPRING GROVE LICENSES AND REGULATED BUSINESSES ORDINANCE” except as referenced to herein, where it shall be known as “this Ordinance.”

### **CHAPTER 302 - LIQUOR REGULATIONS**

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## **GENERAL PROVISIONS**

### **ADOPTION OF STATE LAW BY REFERENCE.**

The provisions of M.S. Chapter 340A, as they may be amended from time to time, with reference to the definition of terms, conditions of operation, restrictions on consumption, provisions relating to sales, hours of sale, and all other matters pertaining to the retail sale, distribution, and consumption of intoxicating liquor and 3.2 percent malt liquor are hereby adopted by reference and are made a part of this Chapter as if set out in full. It is the intention of the City Council that all future amendments to M.S. Chapter 340A are hereby adopted by reference or referenced as if they had been in existence at the time this Chapter was adopted.

### **CITY MAY BE MORE RESTRICTIVE THAN STATE LAW.**

The Council is authorized by the provisions of M.S. §340A.509, as it may be amended from time to time, to impose, and has imposed in this chapter,

additional restrictions on the sale and possession of alcoholic beverages within its limits beyond those contained in M.S. Chapter 340A, as it may be amended from time to time.

#### A. DEFINITIONS.

In addition to the definitions contained in M.S. §340A.101, as it may be amended from time to time, the following terms are defined for purposes of this chapter:

1. APPLICANT. Any person or business entity making an application for a license under this chapter.
2. APPLICATION. A form with blanks or spaces thereon, to be filled in and completed by the applicant at their request for a license, furnished by the City Clerk and Title 300 – Adopted January 1, 2004 Revised February 19, 2008, March 3, 2009 and May 19, 2015 2 uniformly required as a prerequisite to the consideration of the issuance of a license for a business.
3. 3.2 BEER. Beer which contains more than one-half (1/2) of one (1) percent alcohol by volume and not in excess of 3.2 percent alcohol by weight.
4. FRATERNAL CLUB. A club which serves only members and their guests and which uses any profits derived from liquor sales principally for sponsoring activities beneficial to the community and not for the profit of any individual.
5. GUEST. A person not a member of the club licensed but present on this club's licensed premises in the company of a host member.
6. HOST MEMBER. A member who is entertaining a guest who is in the member's company at all times such guest is on the licensed premises.
7. HOTEL AND MOTEL. Includes any establishment having a resident proprietor or manager, where, in consideration of payment thereof, food and lodging are regularly furnished to transients; which contains not less than 40 guest rooms with bedding and other suitable and necessary furnishings in each room; which is provided with a suitable lobby, desk, and office for the registration of its guests at the main entrance.
8. LICENSE. A document issued by the City to an applicant permitting him to carry on and transact the business stated therein.

9. LICENSE FEE. The money paid to the City pursuant to an application and prior to issuance of a license to transact and carry on the business stated therein.
10. LICENSEE. An applicant, who, pursuant to his approved application, holds a valid, current, unexpired license, which has neither been revoked nor suspended, from the City for carrying on the business stated therein.
11. LICENSED PREMISES. The premises described in the approved license application, subject to the provisions of §340A.410, Subd. 7. In the case of a restaurant, club, or exclusive liquor store licensed for on-sales of alcoholic beverages and located on a golf course, “licensed premises” means the entire golf course except for areas where motor vehicles are regularly parked or operated.
12. LIQUOR. As used in this chapter, without modification by the words “intoxicating” or “3.2 percent malt”, includes both intoxicating liquor and 3.2 percent malt liquor.
13. MEMBER. Any person in good standing according to rules and regulations of the licensed club, wherever located, and having evidence of current membership upon his person.
14. PACKAGE AND ORIGINAL PACKAGE. Any container or receptacle holding liquor, wine, or beer, which container or receptacle is corked, capped or sealed by a manufacturer or wholesaler.
15. PERCENT MALT LIQUOR. Malt liquor containing not less than one-half of one percent alcohol by volume nor more than 3.2 percent alcohol by weight.
16. PUBLIC PLACE. For the purposes of this ordinance “public place” is defined as in public view outside of building or enclosure, such as on a sidewalk and such place is not privately owned.
17. SALE, SELL AND SOLD. All barter and all manners or means of furnishing beer, wine, or liquor to persons, including such furnishing in violation or evasion of law.

B. APPLICATION. All applications shall be made at the office of the City Clerk upon forms if prescribed by the proper Department of the State of Minnesota, together with such additional information as the City Council may require. If not so prescribed, then Applications shall be made upon forms furnished by the City

Clerk. Information required may vary with the type of business organization making application. All questions asked or information required by the application forms shall be answered fully and completely by the applicant prior to acceptance of the application by the City Clerk.

1. For all applicants:

a. Whether the applicant is a natural person, corporation, partnership or other form of organization.

b. The type of license the applicant seeks.

c. The legal description of the premises to be licensed, together with a plot plan of the areas showing dimensions, location of buildings, street access, parking facilities, and the locations of the nearest place of Worship or school.

d. The street numbers where the sale of intoxicating liquor is to be conducted and the rooms where intoxicating liquor is to be sold or consumed. The applicant shall submit a floor plan of the dining rooms that shall be open to the public, that shows dimensions and that indicates the number of persons intended to be served in each of the rooms.

e. The names and addresses of all persons, other than the applicant, who have any ownership, in whole or in part, in the business, buildings, premises, fixtures, furniture, stock in trade; the nature of such ownership; the amount thereof; and terms for payment or other reimbursement. Those with an ownership shall include, but not be limited to, any lessees, lessors, mortgagees, mortgagors, lenders, lien holders, trustees, trustors and persons who have consigned notes or otherwise loaned, pledged, or extended security for any indebtedness of the applicant.

f. The names, residences, and business addresses of three (3) persons of good moral character, not related to the applicant and not holding any ownership in the premises or business, who may attest to the applicant's character or, in the case of a club, partnership, corporation, or other organization, the manager's character.

g. Whether all real estate and personal property taxes that are due and payable for the premises to be licensed have been paid, and if not paid, the years and amounts that are unpaid.

- h. Whenever the application is for premises either planned or under construction or undergoing substantial alteration, the application shall be accompanied by a set of preliminary plans showing the design of the proposed premises to be licensed.
- i. The name and street address of the business, if it is to be conducted under a designation, name, or style other than the name of the applicant, and a certified copy of the certificate as required by Minnesota Statutes, Section 333.02 and as amended from time to time.
- j. Such other information as the City Council or issuing authority shall require.

2. If the applicant is a natural person:

- a. The name, place and date of birth, and street residence address of the applicant.
- b. Whether the applicant has ever used or been known by a name other than the applicant's given name, and if so, what was such name or names and information concerning dates and places where used.
- c. Whether the applicant is a citizen of the United States or a resident alien.
- d. Whether the applicant is married or single. If the applicant is married, the name, place of birth and street residence address of the applicant's present spouse.
- e. Street addresses at which the applicant and present spouse have lived, during the preceding ten (10) years.
- f. The type, name, and location of every business or occupation the applicant or present spouse have been engaged in during the preceding ten (10) years.
- g. Names and addresses of the applicant's and the applicant's present spouse's employers and partners, if any, for the preceding ten (10) years.
- h. Whether the applicant or the applicant's spouse has ever been engaged in the operation of a saloon, hotel, restaurant, cafe, tavern or other business which served 3.2 percent malt liquor, wine, or intoxicating liquor. If so, applicant shall furnish information as to the time, place and length of time of the involvement in such establishment.
- i. Whether the applicant has ever been in military service. If so, the applicant shall, upon request, exhibit all discharges.
- j. The name, address and business address of each person who is engaged in Minnesota in the business of selling, manufacturing or distributing intoxicating

liquor and who is nearer of kin to the applicant or the applicant's spouse than second cousin, whether of the whole or half blood, computed by the rules of civil law, or who is a brother-in-law or sister-in-law of the applicant or the applicant's spouse.

3. If the applicant is a partnership, the names and addresses of all general and limited partners and all information concerning each general partner as is required in Paragraph 2 of this Chapter. The managing partners shall be designated, and the interest of each general and limited partner in the business shall be disclosed. A true copy of the partnership agreement shall be submitted with the application and if the partnership is required to file a certificate as to a trade name under Minnesota Statutes, Section 333.02, and as amended from time to time a certified copy of such certificate shall be submitted. The license shall be issued in the name of the partnership.

4. If the applicant is a corporation or other organization:

- a. The name of the organization, and if incorporated, the state of incorporation.
- b. A true copy of the Certificate of Incorporation or, if a foreign corporation, a Certificate of Authority as described in Minnesota Statutes, Section 303.03, and as amended from time to time.
- c. The name of the general manager, food/beverage manager, four (4) principal corporate officers, proprietor and other person in charge of the premises to be licensed and all the information about said persons as is required in Paragraph B of this Chapter.
- d. A list of all persons who, together with their spouse, parent, brother, sister, or child, own or control an interest as defined herein in the corporation or organization, together with their addresses and all the information regarding such persons as is required in paragraph (2) of this Section.

5. If the applicant is a Club:

- a. The name of the club, and, where appropriate, the name of the establishment serving the club.

- b. The date that the club was first incorporated, and, where appropriate, the date that the establishment serving the club was incorporated. True copies of the Articles of Incorporation, By-Laws, or other similar governing documents shall be submitted with the application.
- c. The date that the club was first organized and the place of such organization.
- d. A sworn statement that the club has been in existence for at least three (3) years. The statement shall be made by a person who has personal knowledge of the facts stated therein. In the event that no person can make such a statement, satisfactory documentary proof may be submitted in support of such facts.
- e. The number of members of the club.
- f. The name of the general manager, proprietor, food/beverage manager, corporate officers, and other person as is required in Paragraph 2 of this Chapter.
- g. Application for a Sunday liquor license may refer to, and incorporate therein by reference, the information contained in the licenses, application for an on-sale license, club, or sports facility to the extent that such information is current and applicable at the time of such application for a Sunday liquor license.

## C. LICENSING

### NUMBER OF LICENSES WHICH MAY BE ISSUED.

- a. State law establishes the number of liquor licenses that a city may issue. However, the number of licenses which may be granted under this chapter is limited to the number of license which were issued as of the effective date of this chapter, even if a larger number of licenses are authorized by law or election. The Council in its sound discretion may provide by ordinance that a larger number of licenses may be issued up to the number of licenses authorized by M.S. Chapter 340A, as it may be amended from time to time. If a larger number of licenses in a particular category has been authorized by a referendum held under the provisions of M.S. §340A.413, Subd. 3, as it may be amended from time to time, but not all of them have been issued, the larger number of licenses is no longer in effect until the Council by ordinance determines that any or all of the licenses may be issued.



- b. TERM AND EXPIRATION OF LICENSES. Each license shall be issued for a maximum period of one year. All licenses, except temporary licenses, shall expire on June 30 of each year. All licenses shall expire on the same date. Temporary licenses expire according to their terms. Consumption and display permits issued by the Commissioner of Public Safety, and the accompanying city consent to the permit, shall expire on March 31 of each year.

D. KINDS OF LIQUOR LICENSES.

The Council of a city that does not have a municipal liquor store and is authorized to issue the following licenses and permits.

- a. 3.2 percent malt liquor on-sale licenses, which may be issued only to restaurants, hotels, clubs, bowling centers, and establishments used exclusively for the sale of 3.2 percent malt liquor with the incidental sale of tobacco and soft drinks.
- b. 3.2 percent malt liquor off-sale licenses, which may include Sunday sales.
- c. Temporary 3.2 percent malt liquor licenses which may be issued only to a club, charitable, religious, or nonprofit organization for events held in a public facility and dispensed only to persons attending the event.
- d. Off-sale intoxicating liquor licenses, which may be issued only to exclusive liquor stores. The fee for an off-sale intoxicating liquor license established by the Council and shall not exceed \$100 or a greater amount which may be permitted by M.S. §340A.408, Subd. 3, as it may be amended from time to time. Any person licensed to sell intoxicating liquor at off-sale may also sell 3.2 percent malt beverages without further license.
- e. On-sale intoxicating liquor licenses, which may be issued to the following establishments as defined by M.S. §340A.101, as it may be amended from time to time, and this chapter: hotels, restaurants, bowling centers, clubs or congressionally chartered veterans' organizations, and exclusive liquor stores. Club licenses may be issued only with the approval of the Commissioner of Public Safety. The fee for club licenses established by the Council shall not exceed the amounts provided for in M.S. §340A.408, Subd. 2b, as it may be amended from time to time. The Council may in its sound discretion authorize a retail on-sale licensee to dispense intoxicating liquor

off the licensed premises at a community festival held within the city under the provisions of M.S. §340A.404, Subd. 4b, as it may be amended from time to time. The Council may in its sound discretion authorize a retail on-sale licensee to dispense intoxicating liquor off the licensed premises at any convention, banquet, conference, meeting, or social affair conducted on the premises of a sports, convention, or cultural facility owned by the city, under the provisions of M.S. §340A.404, Subd. 4a, as it may be amended from time to time; however, the licensee is prohibited from dispensing intoxicating liquor to any person attending or participating in an amateur athletic event being held on the premises. Any person licensed to sell intoxicating liquor at on-sale may also sell 3.2 percent malt beverages without further license.

- f. Sunday on-sale intoxicating liquor licenses, only after authorization to do so by voter approval at a general or special election as provided by M.S. §340A.504, Subd. 3, as it may be amended from time to time. Sunday on-sale intoxicating liquor licenses may be issued only to a restaurant, club, bowling center, or hotel which has a seating capacity of at least 30 persons, which holds an on-sale intoxicating liquor license, and which serves liquor only in conjunction with the service of food. The maximum fee for this license, which shall be established by the Council, shall not exceed \$200, or the maximum amount provided by M.S. §340A.504, Subd. 3c, as it may be amended from time to time.
- g. Temporary on-sale intoxicating liquor licenses, with the approval of the Commissioner of Public Safety, which may be issued only in connection with a social event sponsored by a club, charitable, religious, or other nonprofit corporation that has existed for at least three years. No license shall be for longer than four consecutive days, and the city shall issue no more than 12 days' worth of temporary licenses to any one organization in one calendar year.
- h. On-sale wine licenses, with the approval of the Commissioner of Public Safety to: restaurants that have facilities for seating at least 25 guests at one time and meet the criteria of M.S. §340A.404, Subd. 5, as it may be amended from time to time, and to licensed bed and breakfast facilities which meet the criteria in M.S. § 340A.401, Subd. 1, as it may be amended from time to time. The fee for an on-sale wine license established by the

Council shall not exceed one-half of the license fee charged for an on-sale intoxicating liquor license. The holder of an on-sale wine license who also holds an on-sale 3.2 percent malt liquor license, whose gross receipts are at least 60 percent attributable to the sale of food, is authorized to sell malt liquor with a content over 3.2 percent (strong beer) without an additional license. A restaurant licensed to sell intoxicating liquor or wine at on-sale under this section may permit a person purchasing a full bottle of wine in conjunction with the purchase of a meal to remove the bottle on leaving the licensed premises provided that the bottle has been opened and the contents partially consumed. Removal of a bottle under these conditions is not an off sale of intoxicating liquor.

- i. One-day consumption and display permits, with the approval of the Commissioner of Public Safety, to a nonprofit organization in conjunction with a social activity in the city sponsored by the organization. A permit issued under this section authorizes the establishment to permit the consumption and display of intoxicating liquor on the premises but does not authorize the sale of intoxicating liquor.
- j. Approval of the issuance of a consumption and display permit by the Commissioner of Public Safety. The maximum amount of the additional fee which may be imposed by the Council on a person who has been issued a consumption and display permit shall not exceed \$300, or the maximum amount permitted by M.S. §340A.14, Subd. 6, as it may be amended from time to time. Consumption and display permits shall expire on March 31 of each year.

E. FALSE STATEMENTS. It is unlawful for any applicant to intentionally make a false statement or omission upon any application form. Any false statement in such application or any willful omission to state any information called for on such application form shall, upon discovery of such falsehood, work an automatic refusal of license or, if already issued, shall render any license issued pursuant thereto void and of no effect to protect the applicant from prosecution for violation of this Chapter or any part thereof.

F. APPLICATION AND INVESTIGATION FEES. At the time of the initial application, applicants for on-sale liquor licenses, beer licenses and on-sale wine

licenses shall pay a nonrefundable application and investigation fee, to cover the costs of the City in processing the application and the investigation thereof. The fees are as established according to the schedule of fees as amended from time to time by resolution of the City Council. The fee shall be required of an applicant for a temporary beer license or for a temporary license for the sale of intoxicating liquor as set forth by the City Council and as amended from time.

G. ACTION.

- a. Granting. The Council may approve any application for the period of the remainder of the then current license year or for the entire ensuing license year. All applications including proposed license periods must be consistent with this Title. Prior to consideration of any application for a license, the applicant shall pay the license fee and, if applicable, pay the investigation fee. Upon rejection of any application for a license or upon withdrawal of an application before approval of the issuance by the Council, the license fee shall be refunded to the applicant, less actual expenses incurred by the City. Failure to pay any portion of a fee when due shall be cause for revocation.
- b. City Council Consideration. The application shall be added to the City Council agenda its regular scheduled meeting and the City Council may, in its discretion, grant or deny the application.
- c. Issuing. If an application is approved by the City Council, the City Clerk shall forthwith issue a license pursuant thereto in the form prescribe by the City or the proper Department of the State of Minnesota. For licenses issued and which are to become effective other than on the first day of the licensed year, the fee to be paid with the application shall be a pro rata share of the annual license fee. Licenses shall be valid only at one location and on the premises therein described.
- d. License Refund in Certain Cases. In the event that, during the license year, the licensed premises shall be destroyed or so damaged by fire, or other catastrophe, that the licensee shall cease to carry on the licensed business, or in case the business of the licensee shall cease by reason of illness or death, it shall become unlawful for the licensee to carry on the licensed business under the license, except when such license is revoked, the City shall, upon the request of the licensee, upon the happening of any such event, refund to the licensee, or to his/her estate, such pro rata portion of the license fee paid as corresponds to the time such license had yet to run.

In the event of death of the licensee, his personal representative is hereby authorized to continue operation of said business for not more than 90 days after the death of such licensee.

- e. Transfer. No license shall be transferable between persons or locations without the approval of the Council.
- f. Refusal and Termination. The Council may, in its sole discretion and for any reasonable cause, refuse to grant any application. No license shall be granted to a person of questionable moral character or business reputation. Licenses shall terminate only by expiration or revocation.
- g. Corporate Applicants and Licensees. A corporate applicant, at the time of application, shall furnish the City with a list of all persons that have an interest as provided herein in such corporation and the extent of such interest. In the case of publicly traded corporations, the list shall name all shareholders holding more than 5 percent of all issued and outstanding stock of the corporation and show the number of shares held by each, either individually or beneficially for others; in the case of privately held corporations, the list shall include all shareholders. It is the duty of each corporate licensee to notify the City Clerk of any change in legal ownership or beneficial interest in such corporation or in such shares. Any change in the ownership or beneficial interest in the shares entitled to be voted at a meeting of the shareholders of a corporate licensee, which results in the change of voting control of the corporation by the persons owning the shares therein, shall be deemed equivalent to a transfer of the license issued to the corporation; and any such license shall be revoked 30 days after any such change in ownership or beneficial interest of shares unless the Council has been notified of the change in writing and has approved it by appropriate action. The Council or an officer of the City designated by it may at any reasonable time examine the stock transfer records and minute books of the corporate licensee in order to verify and identify the shareholders, and the Council or its designated officer may examine the business records of any other licensee to the extent necessary to disclose the interest which persons other than the licensee have in the licensed business. The Council may revoke any license issued upon its determination that a change of ownership of shares in a corporate licensee, or any change of ownership of any interest in the business of any other licensee, has actually resulted in the change of control of the licensed business so as materially to affect the integrity and character of its management and its

operation; but no such action shall be taken until after a hearing by the Council on notice to the licensee.

- h. Suspension and Revocation. The Council shall either suspend for a period not to exceed 60 days or revoke any liquor license upon finding that the licensee has failed to comply with any applicable statute, regulation, or provision of this chapter relating to liquor. Except in cases of lapse of proof of financial responsibility, no suspension or revocation shall take effect until the licensee has been afforded an opportunity for a hearing pursuant to the Administrative Procedures Act, M.S. §14.57 to 14.70, as it may be amended from time to time. The Council may act as the hearing body under that act, or it may contract with the office of Hearing Examiners for a hearing officer. The following are the minimum periods of suspension or revocation which shall be imposed by the Council for violations of the provisions of this chapter or M.S. Chapter 340A, as it may be amended from time to time, or any rules promulgated under that Chapter as they may be amended from time to time:

(1) For commission of a felony related to the licensed activity, sale of alcoholic beverages while the license is under suspension, sale of intoxicating liquor where the only license is for 3.2 percent malt liquor, the license shall be revoked.

(2) The license shall be suspended by the Council after a finding under division (A) that the licensee has failed to comply with any applicable statute, rule, or provision of this chapter for at least the minimum periods as follows:

(a) For the first violation within any three-year period, at least one day suspension in addition to any criminal or civil penalties which may be imposed.

(b) For a second violation within any three-year period, at least three consecutive days suspension in addition to any criminal or civil penalties which may be imposed.

(c) For the third violation within any three-year period, at least seven consecutive days; suspension in addition to any criminal or civil penalties which may be imposed.

(d) For a fourth violation within any three-year period, the license shall be revoked.

(3) The council shall select the day or days during which the license will be suspended.

- i. Lapse of required proof of financial responsibility shall cause an immediate suspension of any license issued pursuant to this chapter or state law without further action of the Council. Notice of cancellation or lapse of a current liquor liability policy shall also constitute notice to the licensee of the impending suspension of the license. The holder of a license who has received notice of lapse of required insurance or of suspension or revocation of a license may request a hearing thereon and, if a request is made in writing to the City Administrator/Clerk-Treasurer, a hearing before the Council shall be granted within ten days. Any suspension under this division (B) shall continue until the Council determines that the financial responsibility requirements of state law and this chapter have again been met.
- j. The provisions pertaining to administrative penalty may be imposed in addition to or in lieu of any suspension or revocation under this chapter.

H. DUPLICATE LICENSES. Duplicates of all original licenses under this chapter may be issued by the City Clerk without action by the Council upon licensee's affidavit that the original has been lost and upon payment of a fee, as set forth in the fee schedule set by the City Council, for issuance of the duplicate. All duplicate licenses shall be clearly marked DUPLICATE.

I. POSTING OF LICENSES. All licensees shall conspicuously post their licenses in the premises for which it is issued.

J. MANAGER OR AGENT. Before a license is issued under this Chapter to an individual who is a nonresident of the City, or more than one individual whether they are residents of the City, or to a corporation, partnership, or association, the applicant or applicants shall appoint in writing a natural person who is its manager or agent. Such manager or agent shall, by the terms of his written consent, take full responsibility for the conduct of the licensed premises and serve as agent for service of notices and other process relating to the license and such manager or

agent must be a person who by reason of age, character, reputation, and other attributes could qualify individually as a licensee. If such manager or agent ceases to act in such capacity for the licensee without appointment of a successor, the license issued pursuant to such appointment shall be subject to revocation or suspension.

K. PERSONS DISQUALIFIED. In addition to any other provision of law, no person shall qualify for a license under this Chapter has been convicted within the past five years, who has been convicted of a felony or of violating any law relating to the manufacture, sale, or distribution of beer, liquor, or wine or whose license therefore has been revoked within such period. Nor shall any person qualify as a licensee who has not attained the age of 21 years.

L. RENEWAL OF LICENSES. Applications for renewal of all licenses under this Chapter shall be made at least 60 days prior to the date of expiration of the license and shall contain such information as is required by the City Clerk. This time requirement may be waived by the Council for good and sufficient cause.

M. DELINQUENT TAXES AND CHARGES. No license under this Chapter shall be granted for operation on any premises upon which taxes, assessments, or installments thereof or other financial claims of the City are owed by the applicant and are delinquent and unpaid. For this Section, "applicant" includes persons and related persons:

- a. owning, directly or indirectly, at least a 50 percent beneficial interest in the proposed license or in the entity making the application and
- b. at least an undivided one-half interest in the premises proposed to be licensed or at least a 50 percent beneficial interest in the entity owning such premises.

N. LIMITATION OF OWNERSHIP. No person shall be granted liquor or wine licenses at more than one location within the City. For the purpose of this Section, any person owning any interest of 5 percent or more of the entity to which the license is issued, or such ownership by a member of his immediate family, shall be deemed to be a licensee.

O. CONDITIONAL LICENSES. Notwithstanding any provision of law to the contrary, the Council may, upon a finding of the necessity, place such special



conditions and restrictions, in addition to those stated in this Chapter, upon any license as it, in its discretion, may deem reasonable and justified.

P. PREMISES LICENSED. Unless expressly stated therein, a license issued under the

provisions of this Chapter shall be valid only in the compact and contiguous building or structure situated on the premises described in the license, and all transactions relating to a sale under such license must take place within such building, structure, or licensed premise. For the purposes of this Chapter, the licensed premises for the Municipal Liquor Store include any public building and grounds that are normally used for celebratory purposes. No person shall consume alcoholic beverages on the premises licensed pursuant to this Title that are not sold by the licensee of the premises.

Q. UNLAWFUL ACTS.

1. Consumption. It is unlawful for any person to consume, or any licensee to permit consumption of beer, wine, or liquor on licensed premises more than 20 minutes after the hour when a sale thereof can legally be made.
2. Consumption-Public Places. No person shall consume liquor on a public highway or in a public place, unless a permit has been issued for the community celebration, festival or event when such consumption is taking place.
3. Hours of Operation - Removal of Containers. It is unlawful for any on-sale licensee to permit any glass, bottle, or other container containing beer, wine, or liquor, in any quantity to remain upon any table, bar, stool, or other place where customers are served more than 20 minutes after the hour when a sale can legally be made.
4. Closing. It is unlawful for any person other than an on-sale licensee's bona fide employee actually engaged in the performance of their duties to be on the premises or grounds licensed under this Chapter more than 30 minutes after the legal time for making licensed sales; provided, however, that this subdivision shall not apply to licensees, employees of licensees, and patrons on licensed premises for the sole purpose of preparing, serving, or consuming food or beverages other than beer, wine, or liquor.
5. Lewd or Indecent Conduct Prohibited. No lewd or indecent conduct shall be allowed or permitted on the licensed premises. For the purposes herein, lewd, or indecent conduct shall include "nudity" and "sexual conduct" as

those terms are defined in Minnesota Statutes Section 617.292 and as amended from time to time. Any licensee providing live entertainment or dancing must conduct that activity entirely on or within the licensed premises.

R. CONDUCT ON LICENSED PREMISES. Except as herein provided, every licensee under this Chapter shall be responsible for the conduct of their place of business and shall maintain conditions of sobriety and order therein.

S. NUDITY ON THE PREMISES OF LICENSED ESTABLISHMENTS PROHIBITED.

a. The City Council finds that it is in the best interests of the public health, safety, and general welfare of the people of the city that nudity is prohibited as provided in this section on the premises of any establishment licensed under this chapter. This is to protect and assist the owners, operators, and employees of the establishment, as well as patrons and the public in general, from harm stemming from the physical immediacy and combination of alcohol, nudity, and sex. The Council especially intends to prevent any subliminal endorsement of sexual harassment or activities likely to lead to the possibility of various criminal conduct, including prostitution, sexual assault, and disorderly conduct. The Council also finds that the prohibition of nudity on the premises of any establishment licensed under this chapter, as set forth in this section, reflects the prevailing community standards of the city.

b. It is unlawful for any licensee to permit or allow any person or persons on the licensed premises when the person does not have his or her buttocks, anus, breasts, and genitals covered with a non-transparent material. It is unlawful for any person to be on the licensed premises when the person does not have his or her buttocks, anus, breasts, and genitals covered with a non-transparent material.

c. A violation of this section is a misdemeanor punishable as provided by law, and is justification for revocation or suspension of any liquor, wine, or 3.2 percent malt liquor license or the imposition of a civil penalty.

T. CONSUMPTION IN PUBLIC PLACES. Except in the park shelters, no person shall consume intoxicating liquor or 3.2 percent malt liquor in a public park, on any public street, sidewalk, parking lot or alley, or in any public place other than

on the premises of an establishment licensed under this chapter or where the consumption and display of liquor is lawfully permitted.

U. SALE BY EMPLOYEE. Any sale of beer, wine, or liquor in or from any premises licensed under this Chapter by any employee authorized to make such sale in or from such place is the act of the employer as well as the person making the sale and every such employer is liable to all of the penalties provided by law for such sale, equally with the person actually making the sale.

V. LICENSE CONDITIONS AND UNLAWFUL ACTS.

1. All premises licensed under this Chapter shall always be open to inspection, by any police officer, to determine whether or not this Chapter and all other laws are being observed. All persons, as a condition to being issued such license, consent to such inspection by such officers and without a warrant for searches or seizures.
2. It is unlawful for any licensee or agent or employee of a licensee to hinder or  
prevent a police officer from making such inspection.

W. FIXING LICENSE AND INVESTIGATION FEES. All license and investigation fees provided for in this Chapter, including but not by way of limitation, fees for on-sale and off-sale of beer, temporary on-sale of beer, on-sale and temporary off-sale of liquor, and on-sale of wine, shall be fixed and determined by the Council, adopted by resolution, and uniformly enforced. Such fees may, from time to time, be amended by the Council by resolution. A copy of the resolution shall be kept on file in the office of the City Clerk and open to inspection during regular business hours.

X. FINANCIAL RESPONSIBILITY OF LICENSEES.

1. Proof. No beer, wine, or liquor license shall be issued, maintained, or renewed unless and until the applicant has provided proof of financial responsibility imposed by Minnesota Statutes, Section 340A.801, and as amended from time to time by filing with the City:
  - a. A certificate that there is in effect an insurance policy or pool providing liability insurance as required by Minnesota Statutes, Section 340A.409.

2. City Named as Additional Insured. The issuance or surety shall provide that the City of Spring Grove is named as an additional insured or covered party.
3. Notice of Cancellation. The liability insurance policy, bond, or certificate of The State Treasurer required above shall provide that it may not be cancelled for any cause, either by the licensee or the insurance company, bond company, or State Treasurer without first giving 10 days' written notice of intention to cancel to the municipality's City Clerk.
4. Renewal. Every application for the issuance or renewal of a license for the sale of intoxicating liquor or beer must include a copy of each summons received by the applicant under Minnesota Statutes, Section 340A.802, and as amended from time to time during the preceding year.
5. Documents Submitted To Commissioner. All proofs of financial responsibility and exemption affidavits filed with the City under this Section shall be submitted by the City to the Minnesota Commissioner of Public Safety.

Y. BEER LICENSE. It is unlawful for any person to sell or keep or offer for sale, beer without a license to do so from the City. This Section shall not apply to sales by manufacturers to wholesalers or to sales by wholesalers to persons licensed by the City to sell on-sale or off-sale beer or intoxicating liquors, nor shall this Section apply to sales to the public by persons licensed by the City to sell on-sale or off-sale intoxicating liquors.

1. Temporary Beer License - Conditions.
  - a. Applicant. A club or charitable, religious, or nonprofit organization, duly incorporated as a nonprofit or religious corporation under the laws of the State of Minnesota and having its registered office and principal place of activity within the City, shall qualify for a temporary on-sale beer license for serving beer on and off church grounds and in and out of church buildings.
  - b. Conditions.
    - i. An application for a temporary license shall state the exact dates and place of proposed temporary sale.
    - ii. No applicant shall qualify for a temporary license for more than a total of seven days in any calendar year.

- iii. The Council may grant a temporary beer license on premises owned or controlled by the City, but at no time shall the Council be under any obligation whatsoever to do so. Any such license may be conditioned, qualified, or restricted as the Council sees fit. If the premises to be licensed are owned or under the control of the City, the applicant shall file with the City, prior to issuance of the license, a certificate of liability insurance coverage in at least the sum of 100,000 for injury to anyone person and \$100,000 for injury to more than one person, naming the City as an insured during the license period.
2. Beer License Restrictions and Regulations.
    - a. No gambling or gambling device shall be permitted on any licensed premises except such as are licensed under Minnesota Statutes, Section 349, et seq. and as amended from time to time.
    - b. No licensee shall, during the effective period of such license, be the owner or holder of a federal retail liquor dealer's tax stamp for the sale of intoxicating liquor unless such owner or holder also holds a liquor license from the City; and ownership or holding thereof shall be grounds for immediate revocation without a hearing.
    - c. No license shall be granted to a wholesaler or manufacturer of beer or to anyone holding a financial interest in such manufacture or wholesaling.
    - d. No person who has not attained the age of 18 years shall be employed to sell or serve beer in any on-sale establishment.
    - e. On-sale licenses shall be granted only to bona fide clubs, exclusive liquor stores, and restaurants and motels or hotels.
    - f. Every license shall be granted subject to the provisions of this Chapter and all other applicable provisions of the City Code and other laws relating to the operation of licensee's business.
  3. Hours of Beer Sales. No sale of beer shall be made between the hours of 1:00 a.m. and 8:00 a.m. on any weekday, Monday through Saturday, inclusive.
    - a. Neither shall any beer sale be made on any Sunday between the hours of 1:00 a.m. and 10:00 a.m. The days and hours of operation shall be those set by M.S. §340A.504, as it may be amended from time to time.

- b. No person shall consume, nor shall any on-sale licensee permit any consumption of intoxicating liquor or 3.2 percent malt liquor in an on-sale licensed premises more than 30 minutes after the time when a sale can legally occur.
  - c. No on-sale licensee shall permit any glass, bottle, or other container containing intoxicating liquor or 3.2 percent malt liquor to remain upon any table, bar, stool, or other place where customers are served, more than 30 minutes after the time when a sale can legally occur.
  - d. No person, other than the licensee and any employee, shall remain on the on-sale licensed premises more than 30 minutes after the time when a sale can legally occur.
  - e. Any violation of any condition of this section may be grounds for revocation or suspension of the license.
4. Unlawful Acts (Beer). For the purpose of this Section, any person under 21 years of age shall be considered a minor. It is unlawful for any:
- a. Person other than the parent or legal guardian to procure beer for any Minor.
  - b. Person to induce a minor to purchase or procure beer.
  - c. Minor to misrepresent his age for the purpose of obtaining beer.
  - d. Minor to consume any beer unless in the company of his parent or guardian.
  - e. Minor to have in his possession any beer with intent to consume the same at a place other than the household of his parent or guardian. Possession of such beer at a place other than the household of his parent or guardian shall be prima facie evidence of intent to consume the same at a place other than the household of his parent or guardian.
  - f. Licensee or his employee to sell or serve beer to any minor or to permit any minor to consume beer on the licensed premises or to permit any minor to loiter or to remain in the room where on-sale beer is being sold or served unless accompanied by his parent or legal guardian or said minor is employed by the licensee.
  - g. Minor to purchase beer either directly from a licensee, or to procure another, not his parent or guardian, to procure beer for him.

- h. Person to knowingly induce another to make an illegal sale or purchase of beer.
- i. Licensee to sell or serve beer to any person who is obviously intoxicated.
- j. Licensee to fail, where doubt could exist, to require adequate proof of age of a person upon licensed premises. Proof of age for the purpose of consuming, purchasing, or procuring beer may be established only by a valid driver's license or current Minnesota identification card issued pursuant to Minnesota Statutes, Section 171.07, and as amended from time to time a valid alien passport or a valid military identification card.
- k. Licensee to sell beer on any day or during any hour when such sales are not permitted by law.
- l. Licensee to allow consumption of beer on licensed premises on any day when sales of beer are not permitted by law.
- m. Person to purchase beer on any day or during any hour when sales of beer are not permitted by law.

Z. LIQUOR LICENSE. It is unlawful for any person to sell or keep or offer for sale any liquor without a license therefore from the city. This Section shall not apply (1) to possession or handling for sale or otherwise of sacramental wine or to any representative of any religious order or for use in connection with a legitimate religious ceremony; (2) to such potable liquors as are prescribed by licensed physicians and dentists for therapeutic purposes; (3) to industrial alcohol and its compounds not prepared or used for beverage purposes; (4) to wine in the possession of a person duly licensed under this Chapter as an on-sale wine licensee; or (5) to sales by manufacturers to wholesalers duly licensed as such by the State of Minnesota and to sales by wholesalers to persons holding on-sale or off-sale licenses from the City.

1. Liquor License Restrictions and Regulations.
  - a. No license shall be granted to a wholesaler or manufacturer of liquor or to anyone holding a financial interest in such manufacturer or wholesaler.
  - b. No license shall be effective until a permit shall be issued to a licensee under the laws of the United States if such permit be required under such laws or the State of Minnesota.

- c. Every license shall be granted subject to the provisions of this Ordinance and all other applicable provisions of the City Code and other laws relating to the operation of the licensed business.
- d. No gambling or gambling device shall be permitted on any licensed premises except such as are licensed under Minnesota Statutes, Section 349, et seq., and as amended from time to time and authorized under Minnesota Statutes, section 609.761, and as amended from time to time.
- e. No person who has not attained the age of 18 years of age shall be employed to sell or serve liquor in any licensed establishment.
- f. No licensee shall sell, offer for sale, or keep for sale liquor in any original package which has been refilled or partly refilled.
- g. No licensee shall display liquor to the public during hours when the sale of liquor is prohibited.
- h. No more than one license shall be held by any person, within the City. For this subdivision, any person owning a beneficial interest of five (5) percent or more of any licensed establishment shall be considered a licensee.
- i. On-sale licenses shall be granted only to restaurants, clubs, fraternal clubs, congressionally chartered veterans' organizations, and the municipal liquor store.
- j. The Council may issue the number of licenses authorized by statute or restrict such number from time to time as it may, in its discretion, deem proper.
- k. Hours and Days of Liquor Sales. No sale of liquor shall be made after 1:00 a.m. on Sunday, nor until 8:00 a.m. on Monday, nor after 8:00 p.m. on December 24, nor between the hours of 1:00 a.m. and 8:00 a.m. on any weekday.
- l. Sunday Sales. Upon one public hearing, the Council may, permit sales of intoxicating liquor for consumption on the premises by restaurants or clubs, as herein defined, which have on-sale licenses and which also have facilities for serving not less than 30 guests at one time, between the hours of 10:00 a.m. on Sundays and 1:00 a.m. on Mondays in conjunction with the serving of food, provided that the licensee is in conformance with the Minnesota Clean Air Act. An establishment serving intoxicating liquor on Sunday must obtain a Sunday license for a period of one year.



5. Unlawful Acts (Liquor). For the purpose of this Chapter, any person under the age of 21 years shall be considered a minor. It is unlawful for any:
- a. Minor to misrepresent his age for the purpose of obtaining liquor.
  - b. Minor to consume liquor.
  - c. Minor to have liquor in his possession.
  - d. Minor to enter licensed premises for the purpose of purchasing or procuring liquor.
  - e. Person to knowingly induce another to make an illegal sale or purchase of liquor.
  - f. Licensee to sell liquor on any day or during any hour when sales of liquor are not permitted by law.
  - g. Person to purchase liquor on any day or during any hour when sales of liquor are not permitted by law.
  - h. Minor to be in or upon licensed premises except a restaurant, hotel, or motel, and then only if accompanied by at least one of his parents or guardians; and it is unlawful for the licensee to permit such person to remain upon licensed premises unless said minor is employed by the licensee.
  - i. Licensee to sell or serve liquor to any person who is obviously intoxicated.
  - j. Licensee to sell or serve liquor to any minor.
  - k. Licensee to fail, where doubt could exist, to require adequate proof of age of a person upon licensed premises. Proof of age for the purpose of consuming, purchasing, or possessing liquor may be established only by a valid driver's license or current Minnesota identification card issued pursuant to Minnesota Statutes, Section 171.07, and as amended from time to time a valid alien passport or valid military identification card.
  - l. Person to furnish, purchase, or procure liquor for a minor unless by parent or guardian for consumption in the household of his parent or guardian.
  - m. Minor to purchase liquor or procure another to purchase liquor for him/her.

6. Sports or Convention Facilities License. The Council may authorize any holder of an on-sale liquor license issued by the City or by an adjacent municipality to sell liquor at any convention, banquet, conference, meeting, or social affair conducted on the premises of a sports or convention facility owned by the City or instrumentality thereof having independent policy-making and appropriating authority and located within the City. The licensee must be engaged to sell liquor at such an event by the person or organization permitted to use the premises and may sell liquor only to persons attending the event. The licensee shall not sell liquor to any person attending or participating in any amateur athletic event. Such sales may be limited to designated areas of the facility. All such sales shall be subject to all laws relating thereto.
  
7. Nonprofit Organization Temporary License. The Council may issue to a club, charitable, religious, or other nonprofit organization in existence for at least three years, a temporary license for the on-sale of intoxicating liquor in connection with a social event held within the City and sponsored by the licensee. The license may authorize the on-sale of intoxicating liquor for not more than three consecutive days and may authorize on-sale on premises other than premises the licensee owns or occupies. The license may provide that the licensee may contract for intoxicating liquor catering services with the holder of a full year on-sale intoxicating liquor license issued by the City. Temporary licenses are subject to all laws and ordinances governing the sale of intoxicating liquor. Temporary licenses are not valid unless first approved by the Minnesota Commissioner of Public Safety.

AA. ON-SALE WINE LICENSE. It is unlawful for any person to sell or keep or offer for sale any wine without a license from the city. This Section shall not apply (1) to possession or handling for sale or otherwise of sacramental wine or to any representative of any religious order or for use in connection with a legitimate religious ceremony; (2) to sales by manufacturers to wholesalers duly licensed as such by the State of Minnesota; (3) to sales by wholesalers to persons holding on-sale or off-sale liquor licenses from the City; or (4) to sales by wholesalers to persons holding on-sale wine licenses from the City. The holder of an on-sale wine license who is also licensed to sell beer at on-sale pursuant to subdivision U. of this Chapter, and whose gross receipts are at least 60 percent attributable to the

sale of food may sell intoxicating malt liquors at on-sale without an additional license.

1. On-Sale Wine License Restrictions and Regulations.
  - a. No license shall be granted to a wholesaler or manufacturer of wine or to anyone holding a financial interest in such manufacture or wholesaling.
  - b. No license shall be effective until a permit shall be issued to a licensee under the laws of the United States if such permit be required under such laws or the State of Minnesota.
  - c. Every license shall be granted subject to the provisions of this Chapter and all other applicable provisions of the City Code and other laws relating to the operation of the licensed business.
  - d. No gambling or gambling device shall be permitted on any licensed premises except such as are licensed under the City Code and permitted pursuant to Minnesota Statutes, Section 349 et seq. and as amended from time to time.
  - e. No person who has not attained the age of 18 years of age shall be employed to sell or serve wine in any licensed establishment.
  - f. No licensee shall display wine to the public on days or during hours when the sale of wine is prohibited.
  - g. No more than one license shall be held by any person. For the purpose of this subdivision, any person owning a beneficial interest of five (5) percent or more of any licensed establishment shall be considered a licensee.
  - h. On-sale wine licenses shall be granted only to restaurants as defined in this Chapter; provided, however, for purposes of this Section, such restaurant shall have appropriate facilities for seating not less than twenty-five (25) guests at one time.
  
1. Hours and Days of Sales of Wine by On-Sale Wine Licensees. The hours and days of sales of wine by on-sale wine licensees shall be in conformance with subdivision W. of this Chapter. A special Sunday license is not required for sales by wine licensees.
  
2. Unlawful Acts (Wine). For the purpose of this Section, any person under 21 years of age shall be considered a minor. It is unlawful for any:

- a. Minor to misrepresent his age for the purpose of obtaining wine.
- b. Minor to consume wine.
- c. Minor to have wine in his possession.
- d. Minor to enter licensed premises for the purpose of purchasing or procuring wine.
- e. Person to knowingly induce another to make an illegal sale or purchase of wine.
- f. Licensee to sell wine on any day or during any hour when sales of wine are not permitted by law.
- g. Person to purchase wine on any day or during any hour when sales of wine are not permitted by law.
- h. Licensee to sell or serve wine to any person who is obviously intoxicated.
- i. Licensee to sell or serve wine to any minor.
- j. Licensee to fail, where doubt could exist, to require adequate proof of age of a person upon licensed premises. Proof of age for the purpose of consuming, purchasing, or possessing wine may be established only by a valid driver's license or current Minnesota identification card issued pursuant to Minnesota Statutes, Section 171.07, and as amended from time to time, a valid alien passport or current military identification card.
- k. Person to furnish, purchase, or procure wine for a minor.
- l. Minor to purchase wine or procure another to purchase wine for him.
- m. Licensee to sell wine except in conjunction with the sale of food.

**BB. ADDITIONAL CLUB LICENSEE RESTRICTIONS AND REGULATIONS AND UNLAWFUL ACTS.** The following are in addition to all other unlawful acts set forth in this Chapter relating to sales and purchases of beer or liquor.

1. Special club licenses shall be issued only to incorporated clubs which have been in existence for 15 years or more or to congressionally chartered veterans' organizations which have been in existence for 10 years.
2. It is unlawful for any club licensee to serve beer or liquor to any nonmember of the licensed club unless such nonmember is a guest.
3. It is unlawful for any club licensee to hinder or prevent a police officer from determining compliance with this Subdivision and Chapter and all other laws.
4. It is unlawful for any person to refuse, upon request of a licensee or police officer, to provide information as to whether he or she is a member, guest,

or host member or to give false, fraudulent, or misleading information in response to such request.

CC. BED & BREAKFAST FACILITIES, WHEN LICENSE IS NOT REQUIRED.

For purposes of this section, “bed and breakfast facility” means a place of lodging that:

- (1) Provides not more than eight rooms for rent to no more than 20 guests at a time;
- (2) Is located on the same property as the owner’s personal residence;
- (3) Provides no meals other than breakfast served to persons who rent rooms; and
- (4) Was originally built and occupied, or was converted to, a single-family residence prior to being used as a place of lodging.

Notwithstanding §340A.401, no license under this chapter is required for a bed and breakfast facility to provide, at no additional charge, to a person renting a room at the facility not more than two glasses per day, each containing not more than four fluid ounces of wine. Wine so furnished may be consumed only on the premises of the bed and breakfast facility. A bed and breakfast facility may furnish wine only if the facility is registered with the Commissioner of Public Safety. Application for such registration must be on a form the Commissioner provides, and such registration may be revoked for any violation of §340A.4011 or rules adopted under it.

DD. LICENSE FEES; PRO RATA.

- a. No license or other fee established by the city shall exceed any limit established by M.S. Chapter 340A, as it may be amended from time to time, for a liquor license.
- b. The Council may establish from time to time, in the Ordinance Establishing Fees and Charges, the fee for any of the liquor licenses it is authorized to issue. The current schedule of fees is attached to this code; see §30.11.) The license fee may not exceed the cost of issuing the license and other costs directly related to the enforcement of the liquor laws and this chapter. No liquor license fee shall be

increased without providing mailed notice of a hearing on the proposed increase to all affected licensees at least 30 days before the hearing.

c. All license fees shall be paid in full at the time the application is filed with the city.

#### EE. COUNCIL DISCRETION TO GRANT OR DENY A LICENSE.

The Council in its sound discretion may either grant or deny the application for any license or for the transfer or renewal of any license. No applicant has a right to a license under this chapter. No retail license may be issued to:

(1) A person under 21 years of age;

(2) A person not of good moral character and repute;

(3) A person who has a direct or indirect interest in a manufacturer, brewer, or wholesaler; or (4) 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 five percent of the capital stock of a corporation licensee, as a partner or otherwise, in the premises or in the business conducted thereon, or to a corporation, partnership, association, enterprise, business, or firm in which any such person is in any manner interested.

In addition, no new retail license may be issued to, and the Council may refuse to renew the license of, a person who, within five years of the license application, has been convicted of a felony or a willful violation of a federal or state law or local ordinance governing the manufacture, sale, distribution, or possession for sale of an alcoholic beverage.

#### FF. INVESTIGATION.

a. Background and financial investigation. On an initial application for a license, on an application for transfer of a license and, when in the sound discretion of the Council that it is in the public interest to do so, on an application for renewal of a license, the city shall conduct a preliminary background and financial investigation of the applicant, or it may contract with the Commissioner for the investigation. Any fees incurred will be added to the license fee and will be paid by the applicant.

## GG. ISSUANCE.

The Council shall investigate all facts set out in the application and conduct background and financial investigation. The Council shall in its sound discretion grant or deny the application. No license shall become effective until the proof of financial security has been approved by the Commissioner of Public Safety.

## HH. RESTRICTIONS ON ISSUANCE.

- a. Each license shall be issued only to the applicant for the premises described in the application.
- b. Not more than one license shall be directly or indirectly issued within the city to any one person.
- c. No license shall be granted or renewed for operation on any premises on which taxes, assessments, utility charges, service charges, or other financial claims of the city are delinquent and unpaid.
- d. No license shall be issued for any place or any business ineligible for a license under state law.
- e. No license shall be issued to any person who is not a resident of the state. If the applicant is a corporation, all of the shareholders shall be residents of the state. The provisions of this division (e) shall not apply to any license existing on the effective date of this chapter or to the renewal of an existing license. No license shall be granted within 500 feet of any school or church. The distance is to be measured from the closest side of the church to the closest side of the structure on the premises within which liquor is to be sold.

## II. CONDITIONS OF LICENSE.

The failure of a licensee to meet any one of the conditions of the license specified below shall result in a suspension of the license until the condition is met.

- a. Every licensee is responsible for the conduct of the place of business and the conditions of sobriety and order in it. The act of any employee on the licensed premises is deemed the act of the licensee as well, and the licensee shall be

liable to all penalties provided by this chapter and the law equally with the employee.

- b. Every licensee shall allow any peace officer, health officer, city employee, or any other person designated by the Council to conduct compliance checks and to otherwise enter, inspect, and search the premises of the licensee during business hours, and after business hours during the time when customers remain on the premises, without a warrant.
- c. No on-sale establishment shall display liquor to the public during hours when the sale of liquor is prohibited.
- d. Compliance with financial responsibility requirements of state law and of this chapter is a continuing condition of any license.

JJ. MINORS ON PREMISES.

- a. No person under the age of 18 years shall be employed in any rooms constituting the place in which intoxicating liquors or 3.2 percent malt liquor are sold at retail on sale, except that persons under the age of 18 may be employed as musicians or to perform the duties of a bus person or dishwashing services in places defined as a restaurant, hotel, motel or other multi-purpose building serving food in rooms in which intoxicating liquors or 3.2 percent malt liquor are sold at retail on sale.
- b. No person under the age of 21 years may enter a licensed establishment except to work, consume meals on premises that qualify as a restaurant, or attend social functions that are held in a portion of the premises where liquor is not sold.

KK. RESTRICTIONS ON PURCHASE AND CONSUMPTION.

No person shall mix or prepare liquor for consumption in any public place of business unless it has a license to sell on-sale, or a permit from the Commissioner under the provisions of M.S. §340A.414, as it may be amended from time to time, which has been approved by the Council, and no person shall consume liquor in any such place, except under the one-day consumption and display permit.



LL. PENALTIES.

- a. Any person violating the provisions of this chapter or M.S. Ch.340A as it may be amended from time to time, or any rules promulgated under that Chapter as they may be amended from time to time is guilty of a misdemeanor and upon conviction shall be punished as provided by law.
- b. The Council shall impose a civil penalty of up to \$2,000 for each violation of M.S. Ch.340A, as it may be amended from time to time, and of this chapter. Conviction of a violation in a court of law is not required for the council to impose the civil penalty. A hearing under the Administrative Procedures Act, M.S. §§14.57 to 14.70, as it may be amended from time to time, is not required before the penalty is imposed, but the Council shall hold a hearing on the proposed violation and the proposed penalty and hear any person who wishes to speak. Non-payment of the penalty is grounds for suspension or revocation of the license. The following is the minimum schedule of presumptive civil penalties, which must be imposed in addition to any suspension unless the license is revoked:

- (1) For the first violation within any three-year period, \$500.
- (2) For the second violation within any three-year period, \$1,000.
- (3) For the third and subsequent violations within any three-year period, \$2,000.

- c. The term “violation” as used in this section includes all violations of the provisions of this chapter, or of M.S. Ch.340A, as it may be amended from time to time, or any rules promulgated under that Chapter as they may be amended from time to time. The number of violations shall be determined based on the history of violations for the preceding three-year period. Revocation shall occur within 60 days following a violation for which revocation is imposed.