

703. INTOXICATING LIQUOR

703.010. LICENSE REQUIRED. It shall be unlawful for any person, firm or corporation to keep or operate an on-sale or off-sale intoxicating liquor establishment within the limits of the City without first having obtained a license to do so as hereinafter provided.

703.020. TYPES OF LICENSES. There shall be six (6) types of licenses issued for the sale of intoxicating liquor, namely:

(a) On-sale restaurant intoxicating liquor license shall permit the sale of intoxicating liquor for consumption on the premises in conjunction with the consumption of food.

(b) On-sale intoxicating liquor license shall permit the sale of intoxicating liquor for consumption on the premises.

(c) On-sale restaurant-event center intoxicating liquor license shall permit the sale of intoxicating liquor for consumption on the premises in conjunction with the consumption of food.

(d) Off-sale intoxicating liquor license shall permit the sale of intoxicating liquor in original packages for consumption off the premises only.

(e) Temporary on-sale intoxicating liquor licenses shall permit the sale of intoxicating liquor for a specific period pursuant to Section 703.110.

(f) On-sale 2:00 a.m. intoxicating liquor license shall permit the sale of intoxicating liquor for consumption on the premises between the hours of 1:00 a.m. and 2:00 a.m.

703.030. MINIMUM STANDARDS FOR "ON-SALE RESTAURANT" INTOXICATING LIQUOR LICENSE. The following minimum requirements must be satisfied prior to the issuance of an "On-Sale Restaurant" intoxicating liquor license.

(1) Building Area. A restaurant building containing a minimum of 1,500 square feet used for seated dining purposes, including the bar area but excluding the area used for kitchen, storage, restroom facilities, waiting areas, and entrance and exit purposes.

(2) Seating Capacity. A restaurant building having appropriate facilities and adequate staff to serve meals at tables and, for seating not less than 90 guests at one time for meals, including seating available for food service in the bar area but excluding seating in a lounge or waiting area.

(3) Maximum Liquor Sales. The combined sale of intoxicating liquor, wine or 3.2 percent malt beverages shall not exceed 40 percent of the restaurant's gross yearly sales. Evidence of compliance with this requirement shall be furnished by licensee with annual renewal information submitted to City.

(4) Full-Service Commercial Kitchen. A restaurant shall have a full-service commercial kitchen equipped with adequate personnel, equipment, and food to prepare meals. Full menu food service shall be required during all business hours where intoxicating liquors are sold, served, or consumed.

(5) An on-sale 2 a.m. intoxicating liquor license cannot be held in conjunction with an on-sale restaurant intoxicating liquor license.

703.035. MINIMUM STANDARDS FOR “ON-SALE RESTAURANT-EVENT CENTER” INTOXICATING LIQUOR LICENSE. The following requirements must be satisfied prior to the issuance of an “On-Sale Event Center” intoxicating liquor license.

(1) **Building Area.** An event center building shall have a minimum of 10,000 square feet.

(2) **Full-Service Kitchen.** An event center shall have a full-service kitchen equipped with adequate personnel, equipment, and food to prepare meals. Food service shall be required at all events where intoxicating liquors are sold, served, or consumed.

(3) **Security.** The event center shall provide adequate security for the Event. The City reserves the right to require enhanced security if any of the conditions in Section 703.035(6)(a)-(c) arise.

(4) **Events.** For purposes of this ordinance, an “Event” shall be no more than eight (8) hours and shall not be open to the public. There shall be no more than one hundred four (104) Events in each calendar year. Events held on the same day by different customers shall be considered to be separate Events for purposes of calculating the maximum number of annual Events. The sale, service, or consumption of intoxicating liquor shall only be permitted during an Event provided Paragraph (2) of this section is met.

(5) The event center shall not advertise the sale of intoxicating liquors anywhere on the premises, either inside or outside.

(6) Adverse action can be taken against the event center license for any violations of state or local law that stem from an Event. Adverse action may be taken against a licensed establishment acting as a liquor caterer who provides or serves alcohol at an establishment that is in violation of this chapter.

(7) An on-sale 2 a.m. intoxicating liquor license cannot be held in conjunction with an on-sale restaurant-event center intoxicating liquor license.

703.040. WRITTEN APPLICATION.

(1) Every application for a license to sell intoxicating liquor shall be made to the City Administrator on a form supplied by the City and containing such information as the City Administrator or the City Council shall require. Each application shall include, at a minimum, the name and place of residence of the applicant, and the exact location of the place at which the applicant proposes to carry on the business of selling intoxicating liquor. It shall be unlawful to make any false statement in an application. Every application for the issuance or renewal of a license shall include a copy of each Summons received by the applicant under Minnesota Statutes Section 340A.082 during the preceding year.

(2) Temporary On-Sale License. Temporary On-Sale licenses shall be issued only to clubs or charitable, religious, or other nonprofit organizations in existence for at least three (3) years prior to the date of application. Proof of eligibility must accompany an application for Temporary On-Sale license. Applications shall be made thirty (30) days in advance on forms prescribed by the City Administrator. No licenses shall be valid prior to approval by the Commissioner of Public Safety. The application must state the days of sale for which a license is requested, and a new application must be completed and submitted for each additional period. The minimum requirement for proof of financial responsibility is the same as outlined in 703.040 Paragraph (5) (a) through (c) and Paragraph (6) below:

(3) Off-Sale License. An off-sale license may only be granted to an exclusive liquor store.

(4) On-Sale Restaurant Intoxicating Liquor License. Each application and "On-Sale Restaurant" intoxicating liquor license shall include sufficient evidence to confirm that the applicant has satisfied the requirements of Section 703.030 of this Chapter.

(5) On-Sale Restaurant-Event Center Intoxicating Liquor License. Each application for "On-Sale Event Center" intoxicating liquor license shall include sufficient evidence to confirm that the applicant has satisfied the requirements of Section 703.035 of this Chapter.

(6) Proof of Financial Responsibility. Prior to the issuance of an intoxicating liquor license, the applicant shall demonstrate proof of financial responsibility as defined in Minnesota Statutes Section 340A.409, Subdivision 1, with reference to liability under Minnesota Statutes Section 340A.801. The applicant shall demonstrate that such proof has been filed with the Commissioner of Public Safety where required under Minnesota Statutes Section 340A.409. Proof of financial responsibility shall be required prior to the issuance of any intoxicating liquor license, including temporary on-sale licenses, regardless of the provisions of Minnesota Statutes Section 340A.409, Subdivision 4. Any liability insurance policy filed as proof of financial responsibility under this subdivision shall conform to the requirements of Minnesota Statutes Section 340A.409. The minimum requirement for proof of financial responsibility may be given by filing:

(a) a certificate that there is in effect for the license period an insurance policy or pool providing at least \$50,000 of coverage because of bodily injury to any one person in any one occurrence, \$100,000 because of bodily injury to two or more persons in any one

occurrence, \$10,000 because of injury to or destruction of property of others in any one occurrence, \$50,000 for loss of means of support of any one person in any one occurrence, and \$100,000 for loss of means of support of two or more persons in any one occurrence; or

(b) a bond of a surety company with minimum coverages as provided in paragraph (a); or

(c) a certificate of the state treasurer that the licensee has deposited with the state treasurer \$100,000 in cash or securities which may legally be purchased by savings banks or for trust funds having a market value of \$100,000.

(7) Approval of Security. Liability insurance policies required by this Chapter shall be approved as to form by the City Attorney. Operation of a business licensed by this ordinance without having on file with the State Insurance Commissioner or the City at all times effective security as required in Subdivision 2 is cause for immediate revocation or suspension of the license.

(8) Special Event on City Property: A liability insurance policy for a special event to be held on City property shall name the City as an additional insured.

703.050. LICENSE FEES.

(1) Each application for a license shall be accompanied by a receipt for payment in full of the required fee for the license. All fees shall be paid into the general fund of the City. Upon rejection of any application for a license, the City shall refund the amount paid.

(2) Every license, except a temporary license, shall run for a period of one (1) year from July 1 of each year. A temporary on-sale license shall run for a specified period pursuant to Section 703.110. If a portion of the license year has elapsed when the license is granted, the license shall be issued for the remainder of the year for a pro rata fee. In computing such a fee, any unexpired fraction of a month shall be counted as one (1) month.

(3) The license fees for an on-sale restaurant intoxicating liquor license, on-sale intoxicating liquor license, off-sale license, temporary on-sale license, Sunday liquor license, and an on-sale 2:00 a.m. intoxicating liquor license, shall be as set forth by City Council resolution.

703.060. INSPECTION OF PREMISES. The Council shall direct such investigation of said application as it may deem necessary, and each application shall require written consent permitting the representatives of any City Department to inspect and examine the place of business described in the application together with all the appliances and instruments used or to be used in the transaction of the business for which a license is sought, and upon receipt of such report the Council shall thereafter consider the application to grant or deny the same.

703.070. INVESTIGATION FEE. A non-refundable investigation fee of Five Hundred Dollars (\$500.00) shall be submitted with each initial application for an on-sale intoxicating liquor license. No investigation fee is required when the applicant has previously qualified for a 3.2 percent or intoxicating liquor license within the City of Little Canada.

703.080. APPROVAL OR DENIAL OF LICENSE APPLICATION.

(1) The City Council shall investigate all facts set out in the application. The investigation shall include an inspection of the premises by the local Fire Marshal and a search to determine whether or not the applicant has a police record. After such investigation and hearing, the Council shall grant or refuse the application in its discretion.

(2) Each license shall be issued to the applicant only and shall not be transferrable to another holder. Each license shall be issued only for the premises described in the application. No license may be transferred to another place without the approval of the Council. Upon the death of an intoxicating liquor license, his or her personal representative may continue operation of the business within the terms of the license for a period of up to but not exceeding 90 days.

703.090. PERSONS INELIGIBLE FOR LICENSE. No license shall be granted to or held by any person who:

(1) Is under 21 years of age;

(2) Has, within five (5) years prior to the application for such license, been convicted of violating any law of this State or local ordinance relating to the manufacture, sale, distribution, or possession for sale or distribution of intoxicating or 3.2 percent malt liquor, and cannot show competent evidence under Minnesota Statutes Section 364.03 of sufficient rehabilitation and present fitness to perform the duties of an intoxicating liquor licensee;

(3) Is a manufacturer of intoxicating liquor or is interested in the control of any place where intoxicating liquor is manufactured;

(4) Is not a citizen or resident alien;

(5) Is not of good moral character;

(6) Is not the proprietor of the establishment for which the license is to be issued;

703.100. CONDITIONS OF LICENSE AND GROUNDS FOR SUSPENSION OR REVOCATION.

(1) Every license shall be granted subject to the conditions in the following paragraphs and all other provisions of this ordinance and of any other applicable ordinances of City or State law.

(2) Compliance with financial responsibility requirements of State law and of this ordinance is a continuing condition of any license granted pursuant to this chapter.

(3) No 3.2 percent malt liquor or intoxicating liquor shall be sold or served to any obviously intoxicated person or to any person under 21 years of age.

(4) No person under the age of 21 years shall be permitted to consume 3.2 percent malt liquor or intoxicating liquor on a licensed premise.

(5) No corporation to which a license has been granted shall transfer any stock in such corporation without the consent of the City Council. The officers of any corporation holding a license shall notify the City Council of any proposed sale or transfer of any stock in the corporation. The transfer of any stock without the knowledge and consent of the City Council shall be deemed sufficient cause for revocation of the license by the Council.

(6) No manufacturer or wholesaler of intoxicating liquor shall have any ownership of, or interest in, an establishment licensed to sell at retail contrary to the provisions of Minnesota Statutes Section 340A.301, Subdivision 7. No retail licensee or manufacturer or wholesaler of intoxicating liquor shall be a party to any exclusive purchase contract. No retail licensee shall receive any benefits contrary to law from a manufacturer or wholesaler of intoxicating liquor and no such manufacturer or wholesaler shall confer any benefits contrary to law upon a retail licensee.

(7) No person under 18 years of age may serve or sell intoxicating liquor in a retail intoxicating liquor establishment.

(8) All music, by whatever means provided, shall be moderated so as not to annoy the occupants of nearby premises.

(9) No licensee shall keep, possess or operate or permit the keeping, possession or operation of, on any licensed premises, or in any room adjoining the licensed premises, any slot machine, dice, or any gambling device or apparatus, whether or not said devices are being used in violation of M.S. 609.755 or 609.76. A black jack table which is not being used in violation of M.S. 609.755 or 609.76 shall be exempt from this prohibition. No licensee shall permit any gambling on licensed premises. This Section shall not preclude lawful gambling pursuant to M.S. 349 nor shall it preclude the possession of properly licensed and registered gambling equipment as defined in M.S. 349.12, Subd. 15. No licensee shall permit the licensed premises or any room therein or any room in any adjoining building, directly or indirectly under his control, to be used as a resort for prostitutes or other disorderly persons.

703.101. RESTRICTIONS ON LICENSES.

When a basis is found by the Council to impose reasonable restrictions upon a license held under this chapter, the Council may impose reasonable conditions and restrictions pertaining to the manner and circumstances in which the business shall be conducted to preserve the public

peace and protect and promote good order and security. The reasonable conditions or restrictions may be implemented upon the issuance of a new license, renewals of an existing license, on a voluntary basis with the licensee, or as a result of a suspension or revocation action whereby the licensee was afforded due process. These reasonable conditions or restrictions may pertain to the following:

(1) A limitation as to hours when intoxicating liquor may be sold and/or consumed on the licensed premises.

(2) Security requirements to ensure that nuisances or any illegal activity will be prevented. Also, if determined, hiring sufficient licensed and insured security personnel to patrol the business premises and business-controlled parking lots.

(3) A limitation and restriction as to the exact location within a building where intoxicating liquor will be served and/or sold and/or consumed.

(4) A limitation and restriction as to the means of ingress to or egress from the licensed establishment.

(5) A requirement that certain off-street parking facilities be provided.

(6) Documenting ongoing communication efforts with the Sheriff's department regarding nuisance behavior activities.

(7) Installing and maintaining improved lighting at each point of entry to and exit from the licensed premises and designated common areas.

(8) Displaying signage identifying prohibited behavior at the property.

(9) Maintaining an internal log or incident reporting system documenting the owner's response to specific incidents of illegal activity inside the licensed property or on the parking lot abutting the licensed business.

(10) Participating in regular meetings with the city administrator at which specific efforts to address issues that may result from activity on the licensed premises.

(11) Any other measures deemed likely to abate or prevent conduct that impacts public peace and security.

ANY VIOLATION OF THESE REASONABLE CONDITIONS OR RESTRICTIONS MAY LEAD TO REVOCATION OF THE LIQUOR LICENSE.

703.110. RESTRICTIONS ON NUMBER OF LICENSES.

(1) The number of "off-sale" licenses within the City shall not exceed three (3) until

such time as the population of the City reaches twenty thousand (20,000) residents. At such time one (1) additional "off-sale" license shall become available.

(2) No more than six (6) on-sale intoxicating liquor licenses, no more than two (2) "on-sale restaurant" intoxicating liquor licenses, and no more than one (1) "on-sale restaurant-event center" intoxicating liquor license shall be issued within the City of Little Canada. It is hereby noted that State Statute allows the City up to six (6) on-sale intoxicating liquor licenses, plus two (2) additional on-sale intoxicating liquor licenses authorized by Chapter 240, 1987 Laws. State Statute also allows the City an unlimited number of "on-sale restaurant" intoxicating liquor licenses.

(3) No more than three four-day, four three-day, six two-day, or twelve one-day temporary licenses, in any combination not to exceed twelve days per year may be issued for the sale of intoxicating liquor to any one organization or registered political committee, or for any one location, within a twelve-month period.

703.120. LIMITATION OF LICENSE.

(1) No license shall be issued for premises located within an area where such use of the premises is prohibited by the zoning ordinance nor within an area where such sales are forbidden by State law or any other ordinance of the City.

(2) No license shall be issued for premises located within 800 feet of any school building or church located within the City. The method of measurement to be used for determining such distance shall be the shortest distance between the buildings, measured from the point of each building which is closest to the other building. This restriction shall not apply to premises covered by a temporary "on-sale" license.

(3) No "off-sale" license shall be issued to a place where 3.2 percent malt liquor is sold for consumption on the premises.

(4) No license shall be issued to any person in connection with the premises of another to whom no license could be issued under the provisions of the State Liquor Control Act provided, however, that this provision shall not prevent the granting of a license to a proper lessee by reason of the fact that he or she shall lease the premises of a minor, non-citizen or a person who has been convicted of a crime other than a violation of this Chapter, or violations of State or local gambling laws.

(5) Not more than one (1) retailers license shall be directly or indirectly issued to any one person or for any one place in the City, nor shall any retailers "on-sale" or "off-sale" license be directly or indirectly issued for any place for which a license of another class has been granted.

(6) No more than one license shall be issued to any person in the municipality.

(7) No retail license to sell alcoholic beverages may be issued or renewed to a club which discriminates against members or applicants for membership or guests of members on the basis of race.

(8) Billiard/pool halls, determined as having a minimum of ten (10) billiard/pool tables available for play by customers, are subject to the following restrictions:

(a) No intoxicating liquors or wine may be sold with the exception of beer, malt liquors and hard ciders;

(b) Not eligible for on-sale 2 a.m. intoxicating liquor license;

(c) Hours of liquor sales are limited to: Monday through Saturdays 11:00 a.m. to 1:00 a.m., and Sundays 3:00 p.m. to 10:00 p.m.

703.130. VIOLATION BY AGENT. Every licensee is responsible for the conduct and the licensed establishment and any sale of alcoholic beverage by any employee authorized to sell such beverage is the act of the licensee.

703.140. OPERATION HOURS.

(1) Except as provided in Subpart (4) herein, no "on-sale" sale of liquor shall be made after one o'clock a.m. nor until eight o'clock a.m. any day of the week.

(2) No "off-sale" sales of such liquor shall be made before 8:00 a.m. or after the hour of 10:00 p.m. on Monday through Saturday, nor before 11:00 a.m. or after the hour of 6:00 p.m. on Sundays. No "off-sale" sales shall be made on Thanksgiving Day or on Christmas Day, December 25, or after 8:00 p.m. on Christmas Eve, December 24. No delivery of alcohol to an off-sale licensee may be made by a wholesaler or accepted by an off-sale licensee on a Sunday. No order solicitation or merchandising may be made by a wholesaler on a Sunday.

(3) Except as provided in Subpart (4) herein, no "on-sale" license shall permit the consumption of intoxicating liquor on the premises during the hours when sale is prohibited, except that the licensee shall be allowed a thirty minute period following closing to clear the premises. Any customer purchasing intoxicating liquor prior to 1:00 o'clock a.m. may consume such beverage on the premises until 1:30 o'clock a.m. Under no circumstances shall any individuals, whether or not customers, other than the owners or employees of the licensee, be allowed to remain on the premises after 1:30 o'clock a.m.

(4) With respect to a licensee who has obtained an on-sale 2:00 a.m. intoxicating liquor license, no "on-sale" sale of liquor shall be made after two o'clock a.m. on Sunday, nor until eight o'clock a.m. on Monday, except as provided herein. No such "on-sale" sale shall be made on Tuesday, Wednesday, Thursday, Friday, or Saturday between the hours of two o'clock a.m. and eight o'clock a.m. On Sunday, no such "on-sale" sale shall be made except between the

hours of ten o'clock a.m. and two o'clock a.m. on Monday. No on-sale 2:00 a.m. intoxicating liquor license shall permit the consumption of intoxicating liquor on the premises during the hours when sale is prohibited, except that the licensee shall be allowed a thirty minute period following closing to clear the premises. Any customer purchasing intoxicating liquor prior to 2:00 a.m. may consume such beverage on the premises until 2:30 a.m. Under no circumstances shall any individuals, whether or not customers, other than the owners or employees of the licensee, be allowed to remain on the premises after 2:30 a.m.

703.150. EXCEPTIONS OF SALE. This Chapter shall not be construed to prohibit the sale of wine for sacramental purposes by any person duly licensed by the State Liquor Control Commissioner, nor shall this Chapter be construed to prohibit the sale of medicine, nor of industrial alcohol designed for mechanical, chemical, scientific, pharmaceutical or industrial purposes nor to compound or preparations containing alcohol, if such compounds or preparations are not potable as a beverage, nor shall it be construed to prohibit the sale of intoxicating liquor for medicinal purposes by a duly licensed and registered pharmacist or druggist upon a bona fide prescription, in writing, by a physician or dentist.

703.160. RESTRICTIONS ON PURCHASE AND CONSUMPTION.

(1) The provisions of Minnesota Statutes Section 340A are hereby incorporated by reference into this ordinance, and the sale, purchase or possession of alcohol contrary to State law shall be a violation of this ordinance.

(2) It shall be unlawful for any person to consume intoxicating liquor in any theater, recreation hall, center, dance hall, ball park, or other place of public gathering used for the purpose of entertainment, amusement or playing of games, unless the owner or lessee of the property or sponsor of the event has obtained a license or a permit issued by the City Administrator, or his designee.

703.170. SUSPENSION AND REVOCATION. The Council shall either suspend for up to 60 days or revoke any intoxicating liquor license, or impose a civil fine not to exceed \$2,000.00, for each violation upon a finding that the licensee has failed to comply with any applicable statute, regulation, or ordinance relating to alcoholic beverages. Except in cases of failure of financial responsibility, no suspension or revocation shall take effect until the licensee has been afforded an opportunity for a hearing. The lapse of required dram shop insurance or bond, or withdrawal of a required deposit of cash or security, shall affect an immediate suspension of the license. Any suspension under this chapter shall continue until the City Council determines that the financial responsibility requirements of this chapter have met.

703.180. SPECIAL SUNDAY SALE. The holder of an "on-sale" liquor license under the Code, may apply to the Council for a special license to sell intoxicating liquor on Sunday, provided that the liquor may be served in conjunction with the sale of food. The application for such license may be made at the same time and upon the same license as the "on-sale" licensee uses to apply for his/her regular "on-sale" license. The fee for a special Sunday liquor license shall be set forth by City Council resolution. No such license shall be issued to any "on-sale"

licensee unless said licensee is operating a benefited restaurant serving meals regularly to the public and having facilities for serving at least 30 people at one time or in conjunction with the sale of food on Sunday if the applicant is in conformance with the Minnesota Clean Air Act. No intoxicating liquor shall be served before 10:00 o'clock a.m. or after 1:00 o'clock a.m. on Sunday.

(Source: Ord. 2, 14, 15, 16, 17, 18, 19, 48, 55, Amended: Ord. 20, 43, 48, 56, 87, 96, 112, 123, 132, 158, 174, 176, 178, 221, 249, 290, 302, 325, 329, 345, 348, 355, 361, 365, 435, 496, 513, 522, 555, 649, 659, 714, 774, 783, 788, 790, 814, 816, 817)