

City of Northfield, Minnesota
New Liquor License Background Check

Mark Elliott
City of Northfield, Police Chief

RE: Froggz LLC

Froggz LLC is the listed applicant for the Liquor and Cannabinoid license to sell on-sale liquor and edible cannabinoid products at Froggy Bottoms. I have completed a background check and investigation on this LLC and its principals pursuant to the application, the results of which are outlined below. This investigation report is submitted to the City Council pursuant to Minnesota Statutes, Section 340A.412 and Northfield City Code, Chapter 6, Section 6-63.

The LLC is registered with the Minnesota Secretary of State office with a filing date of 7/16/2024. The application for the City of Northfield listed 2 principals for the LLC, and the Minnesota Alcohol Gambling Enforcement application lists 3 principals. The applicant was asked to correctly list all 3 on the city application and did so. The 3 are:

1. Perry Lynn Bruget
2. Nicolas Michael Erickson
3. Nathan Miles Bran

Background checks for a liquor license include a check of local records where the owners live and work as well as criminal history checks through Minnesota Court Records Online. During the background check the following information was discovered and is summarized in this report.

Perry Lynn Bruget

Law Enforcement Data Base

Local Northfield police reports name Bruget in a police report from last year.

In September 2023 a disturbance was called in by a neighbor at Bruget's residence. Officers investigated and found an argument between two guests at Bruget's residence had taken place. No crime was found and all were advised to keep the noise down.

Civil Court

Bruget filed for bankruptcy in 2020 and was also civilly committed in the same year. Both cases are discharged (Closed).

Nicolas Michael Erickson

Criminal History

Erickson has been convicted of driving after revocation 7 times in the past 4 years.

Erickson was convicted of a misdemeanor assault from an incident in December of 2020 in Aitkin County.

Erickson was convicted of a petty misdemeanor theft from an incident in July 2020 in Morrison County.

He has 3 more cases pending a court disposition, including one on August 9, 2024 in Sherburne county and one in Northfield in May 2024, in which he first gave the officer a false name when asked for his license and said he didn't have it with him. According to the police report, after the officer went to his squad and checked and did not find a license for him, Erickson told the officer his true name and was arrested for giving an officer a false name and driving after revocation. This case is pending in Rice County court.

Erickson has a pending criminal complaint for a felony domestic assault from March, 2024 in Mille Lacs County.

Nathan Miles Bram

Law Enforcement Data Base

Nothing of significance noted in the criminal records checks.

On the arrest of Co-Applicant Erickson in May 2024 in Northfield, Bram was the passenger in the vehicle when Erickson was arrested for giving a false name and at the time Erickson gave the false name. According to the police report, Bram shook his head, did not speak up and tell the officer that Erickson had given a false name even though Erickson gave the name of Nathan Miles Braham. In Fact, Bram gave the officer the date of birth when Erickson paused in giving it to the officer. Bram was not charged with a crime.

Civil Court

He has had several judgments filed against him in court in the past 5 years. All are closed.

Findings Regarding Froggz LLC Application to City of Northfield for Issuance of a Liquor and Cannabinoid License at Froggy Bottoms Location and Applicable City Code and State Law

Northfield City Code section 6-63 covers the investigation and city council discretion in issuing a liquor license and requires the Police Chief to make a recommendation to the city council. The City Council should consider the recommendation but ultimately has the discretion to issue or not issue a license regardless of the Police Chief recommendation.

- **Eligibility to Receive a Liquor License**

In this case, the police chief recommends the issuance of the license. I am concerned with the pattern of criminal behavior exhibited by the applicant Nicolas Erickson. He has repeatedly violated various laws over the last 5 years. In the current pending case, the charges include giving a false name to a Northfield Police Officer when stopped for a traffic violation in May of this year. There is no disposition in this most recent case at this time.

Minnesota Statutes, Section 340A.402 covers disqualifiers for a retail liquor license. Minnesota Statutes, Section 340A.402 , subdivision 1(3) states that no license may be issued to “a person not of good moral character and repute.” Additionally, Minnesota Statutes, Section 340A.412, subdivision 2(b) states that with regard to on-sale licenses, that “No license may be issued, transferred, or renewed if the results of the investigation show, to the satisfaction of the governing body, that issuance, transfer, or renewal would not be in the public interest.” Northfield City Code Section 6-96 states that a person with a liquor license is responsible for the conduct in the licensed establishment.

I have concerns that Erickson has repeatedly demonstrated that he is not responsible for his own conduct and that may transfer to conduct of others at the business as well. Repeated law violations and giving a false name to a police officer in the pending charge may not meet the standard of good moral character and repute. However, the pending criminal matters should not be considered in your approval or denial even though they are public record and have been included in this report.

This application is from an LLC in which Erickson is one of the three owners. The other two owners do not seem to meet that standard for denial at this time. Based on this, I do not believe that approval is contrary to the public interest and therefore recommend approval. In the event that there are violations of code and statute, law enforcement and city administration will bring those matters forward for enforcement at that time in accordance with City Code.

EXHIBIT A
Applicable City Code Sections and State Statutes referenced

City Code Sec. 6-63. - Investigation; hearing; effect of delinquent taxes or assessments.

(a) All applications for licenses and for renewal of licenses under this division shall be referred to the chief of police for investigation of the facts set forth in the application and other relevant matters. The initial investigation shall include a list of all violations of federal, state and local laws by the applicant, including the applicant's owner(s), partner(s), officer(s) or manager(s), as applicable. The initial investigation and any subsequent investigation may include any other inquiry deemed necessary or advisable by the chief of police. The chief of police shall make a written report and recommendation to the city council before the council approves the issuance of any initial license and, in the discretion of the chief of police, before the council approves renewal of such a license. The council may order and conduct such additional investigation as it shall deem necessary; may consider the general health, safety and welfare of the public in issuing licenses; and may grant or refuse to grant such license in its discretion.

City Code Sec. 6-96. - Responsibility for conduct in establishment.

Every person licensed under this article is responsible for the conduct in the licensed establishment, and any sale of alcoholic beverages by any employee authorized to sell alcoholic beverages in the establishment is the act of the licensee for the purposes of all sections of this chapter and Minn. Stat. ch. 340A, except as otherwise provided by Minn. Stat. ch. 340A.

Minnesota Statutes, Section 340A.402 PERSONS ELIGIBLE.

Subdivision 1. Disqualifiers. No retail license may be issued to:

- (1) a person under 21 years of age;
- (2) 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 owns 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;
- (3) a person not of good moral character and repute;
- (4) a person who:
 - (i) has had a license or registration issued pursuant to chapter 342 or section 151.72, subdivision 5b, revoked;
 - (ii) has been convicted of an offense under section 151.72, subdivision 7; or

(iii) has been convicted under any other statute for the illegal sale of marijuana, cannabis flower, cannabis products, lower-potency hemp edibles, hemp-derived consumer products, or edible cannabinoid products and the sale took place on the premises of a business that sells intoxicating liquor or 3.2 percent malt liquor to customers; or

(5) a person who has a direct or indirect interest in a manufacturer, brewer, or wholesaler.

In addition, no new retail license may be issued to, and the governing body of a municipality 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 or distribution of an alcoholic beverage. The Alcohol and Gambling Enforcement Division or licensing authority may require that fingerprints be taken and forwarded to the Federal Bureau of Investigation for purposes of a criminal history check.

Minnesota Statutes, Section 340A.412 LICENSE RESTRICTIONS; INTOXICATING LIQUOR LICENSES.

Subd. 2. Investigation of on-sale licenses.

(a) The city or county having jurisdiction over on-sale licenses to sell intoxicating liquor shall on initial application for an on-sale license or on application for a transfer of an existing license conduct a preliminary background and financial investigation of the applicant. The application must be in the form prescribed by the commissioner and with any additional information as the governing body of the city or county having jurisdiction over the license requires. If the governing body of the city or county having jurisdiction determines or if the commissioner on the commissioner's own initiative determines that a comprehensive background and investigation of the applicant is necessary, the governing body may conduct the investigation itself or contract with the commissioner for the investigation. In addition, an investigation may be required prior to renewal of an existing on-sale license when the governing body of the city or county deems it in the public interest. An investigation fee not to exceed \$500 shall be charged an applicant by the city or county if the investigation is conducted within the state, or the actual cost not to exceed \$10,000 if the investigation is required outside the state.

(b) No license may be issued, transferred, or renewed if the results of the investigation show, to the satisfaction of the governing body, that issuance, transfer, or renewal would not be in the public interest.