



Legislation Text

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**City Council Meeting Date:** February 18, 2020

**To:** Mayor and City Council  
City Administrator

**From:** Deb Little, City Clerk  
Monte Nelson, Chief of Police

**Subject:**  
Consider Approval of Liquor License Renewals.

**Action Requested:**

The Northfield City Council hereby approves liquor license renewals for April 1, 2020 - March 31, 2021 as shown on the attached list, subject to the following conditions:

1. Liquor licenses will be issued upon receipt of:
  - All required documents
  - Payment of all delinquent taxes, assessments, utility bills or other financial claims of the city
  - Payment of all remaining liquor license fees
  - Successful completion of background investigations
2. Renewal of Outdoor Dining Permits are approved for Heart of Lion LLP dba Alibi at Froggy Bottoms and The Hideaway subject to the following conditions:
  - Final review and approval of layout and barriers proposed to be used by the Chief of Police
  - Compliance with all terms and conditions noted in City Code Section 6-70 - Temporary expansion of licensed premises/outdoor sales and service
  - Alibi at Froggy Bottoms hours of operation: Monday - Thursday 4 - 10 pm and Friday - Sunday 11 am - 10 pm: with all tables, chairs and barriers removed from the Riverwalk each night after 10 pm.

**Summary Report:**

The City Council is being asked to approve the 2020 liquor license renewals. Current liquor licenses expire on March 31, 2020. The list contains a total of 37 licenses in the following categories:

- 1 - Club license
- 19 - On-Sale Intoxicating licenses
- 9 - On-Sale Wine/3.2 licenses
- 5 - Off-sale 3.2 licenses
- 1 - Cocktail Room license
- 2 - Taproom licenses

Staff has been working on the license renewals since early January. Licensees were provided with copies of applicable state laws, and Chapters 6 and 50 of the City Code. Each liquor license renewal application is being

checked for compliance, which covers the provisions of Minnesota State law and City Code. These provisions include:

- Background investigations on licensees
- Review of premises layout
- Review of liquor law violations for the previous five years
- Review of insurance certificates
- Review of delinquent utilities, taxes, assessments or other financial claims

Holders of on-sale intoxicating licenses are permitted to pay the license fee in two installments, one-half when the application is submitted and one-half before the license is issued. Once licenses are approved by the City Council, they will be sent to the Department of Public Safety Alcohol and Gambling Enforcement Division (DPS-AGE) for review and approval. Licenses will be issued after receipt of all required documents, any delinquent payments, and remaining fees, and successful completion of background checks.

Compliance checks of license holders were conducted February 22 and August 20, 2019 by the Northfield Police Department. The following licensee violations occurred:

- February 22, 2019 - Employee at Chapati sold alcohol to an underage buyer. The criminal penalties and civil penalties have been completed
- February 22, 2019 - Employee at Northfield Golf Club sold alcohol to an underage buyer. The criminal violation was dismissed in the interest of justice by the Rice County Attorney’s Office. The Chief reviewed the case with the Rice County Attorney’s Office after the case had been closed. Due to the dismissal, no criminal penalty was issued and no civil penalty could be issued.
- February 22, 2019 - Employee at Smoqehouse sold alcohol to an underage buyer. Criminal penalties have been completed. Civil penalties are pending.
- February 22, 2019 - Employee at Hogan Bros. sold alcohol to an underage buyer. Criminal penalties have been completed. The owner surrendered the liquor license and is no longer serving alcohol.
- August 20, 2019 - Employee at Smoqehouse sold alcohol to an underage buyer. Criminal penalties have been completed. Civil penalties are pending. Penalties will include a three-day suspension.
- August 20, 2019 - Employee at Northfield Entertainment Inc. (Northfield Ballroom) sold alcohol to an underage buyer. Criminal penalties have been completed. Civil penalties are pending.
- August 20, 2019 - Employee at Froggy Bottoms River Pub (under previous ownership) sold alcohol to an underage buyer. Criminal and civil penalties have been completed.
- August 20, 2019 - Employee at Ole Store (under previous ownership) sold alcohol to an underage buyer. Criminal and civil penalties have been completed.

The City of Northfield policy regarding civil penalties for violation of liquor laws provides for penalties as follows:

1 <sup>st</sup> offense	\$250 civil penalty and require verification of retraining
2 <sup>nd</sup> offense within 2 years	\$500 civil penalty and 3 day suspension of license and require verification of retraining

3 <sup>rd</sup> offense within 3 years	\$2,000 civil penalty and 18 day suspension of license
4 <sup>th</sup> offense within 5 years	Revocation of license

Staff will be working with the City Attorney to review possible ordinance changes related to the process for assessing civil penalties to try and shorten the time between the violation and the assessment of the penalties. In addition, staff will be reviewing the penalty policy and amounts.

**Alternative Options:**

N/A

**Financial Impacts:**

The City will receive \$68,500 for liquor license renewal fees. Staff will be reviewing fee increases during the first half of 2020.

**Tentative Timelines:**

Liquor licenses need to be approved by the City and forwarded to the Alcohol and Gambling Enforcement Division for review and approval a minimum of 30 days prior to expiration.