

CHAPTER 5
LICENSING AND REGULATION OF ALCOHOLIC BEVERAGES

SECTION 506.01. PROCESSING OF APPLICATION.

Subd. 1. Investigation and Approval. The City shall, on initial application for a license, or an application for a transfer of an existing license, conduct a preliminary background and financial investigation of the applicant. If the City determines that a comprehensive background investigation of the applicant is necessary, the City may conduct the investigation itself or contract with the Commissioner of Public Safety for the investigation. In addition, an investigation may be required prior to renewal of an existing license when the Council deems it in the public interest

Subd. 2. Manager or Agent. Before a license is issued under this Chapter to any individual who is a non-resident of the City, to more than one individual whether or not 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, (1) take full responsibility for the conduct of the licensed premises and (2) serve as agent for service of notices and other process relating to the license. Such manager or agent shall be a person who, by reason or age, character, reputation, and other attributes, could qualify individually as a licensee. The licensee shall provide written notice to the City if the appointed manager or agent ceases to act in such a capacity. 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.

Subd. 3. Issue. If an application is approved, the Clerk shall issue a license in the form prescribed by the City or the proper department of the State of Minnesota, as the case may be. All license terms shall begin on July 1 and terminate on June 30 of the following year. Licenses shall be valid only at one location and on the premises therein described.

Subd. 4. Conditional Licenses. Notwithstanding any provision of law to the contrary, the Council may, upon a finding of the necessity therefore, 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.

Subd. 5. Unavailable Building. Where a license is granted for a premises where the building is under construction or otherwise not available for occupancy, the Clerk shall not issue the license until notified by the Building Official that a certificate of occupancy has been issued and the building is ready for occupancy.

Subd. 6. Fees.

A. **License Fee.** Prior to consideration of any new application for a license or an application for renewal of a license, the applicant shall pay the license fee, which is not refundable to applicant except as provided in Minn. Stat. 340A.408, Subd. 5, to cover the costs of the City in administering the license. Licenses issued on a date other than July 1, shall be subject to a pro rata share of the annual license fee.

License fees for renewal applications may be paid in equal monthly installments upon request by the applicant and at the Council's sole discretion. If an applicant requests installments payments the license fee shall be subject to a 15% surcharge. The first installment payment shall be due

upon filing of the renewal application and all subsequent installment payments shall be due on the first of the month. If a licensee fails to make an installment payment or makes an installment payment after the first of the month, the licensee shall be charged a late fee of 20% of the installment payment. If a licensee makes an installment payment by check and the check is dishonored, the City may refuse to accept any future payments by check and may require that all future installment payments be made by cash or cashier's check. The City shall inform the licensee of such a decision in writing. In addition, if a licensee fails to make an installment payment, makes an installment payment after the first of the month, fails to pay the late fee, or pays with a check that is dishonored, the license may be revoked pursuant to Section 511.01. In the event the licensee goes out of business during the license term or the license is temporarily suspended or revoked, the full license fee, including any delinquent payments, shall be due to City upon demand, along with any other penalty or fines imposed. The Council, at its sole discretion, may reinstate a license revoked due to late payment of an installment payment upon receipt of the entire license fee, including all delinquent payments, for the current license term.

B. Investigation Fee. At the time of the initial application, or a renewal application if the Council determines an investigation is in the public interest, applicants for a license under this Chapter shall pay a fee to the City which shall be considered an investigation fee, not refundable to the applicant, to cover the costs of the City in processing the application and the investigation thereof.

All license and investigation fees provided for in this Chapter shall not exceed, and shall otherwise comply with, the provisions of Minn. Stat. §340A.408. Such fees shall be fixed and determined by the Council, adopted by resolution and uniformly enforced. No increase in the fees shall be effective, except after notice and hearing on the proposed increase. Notice of the proposed increase shall be mailed to all affected licensees at least 30 days before the date set for the hearing.

Subd. 7. Standards.

A. The Council may in its sole discretion, for any reasonable cause, refuse to grant any application for a license.

B. No license may be issued under this Chapter to:

1. A person under 21 years of age.
2. A person who within the previous five years of the license application has been convicted of a felony, or of a violation of a federal or state law or a local ordinance governing the manufacture, sale, distribution, or possession for sale or distribution of alcoholic beverages or illegal drugs or controlled substances.
3. A person who has had a license for alcoholic beverages revoked within the previous five years of the license application; or to any person who at the time of the revocation 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.
4. A person not of good moral character and repute.

5. A person who has a direct or indirect interest in a manufacturer, brewer or wholesaler, except to a brew pub, brewer taproom, or small brewer as permitted under this Chapter.
6. An applicant who has not complied with any provision of this Chapter.
7. An applicant where issuance of a license would not be in the public interest.

C. Except as otherwise provided in this Chapter, no license shall be granted for any building within 300 feet of any elementary or secondary school structure when school is in session or when children are present or within 100 feet of any religious structure, unless approved by Council. This Section shall not apply to a building that houses a licensee with a license for the building that pre-dates the arrival of an elementary or secondary school structure within 300 feet of the building or any religious structure within 100 feet of the building.

D. Except as otherwise provided in this Chapter, no license 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. A license may be issued if said taxes, assessments, installments, or financial claims are the subject of a pending legal challenge pursuant to Minnesota Statute § 278.01.

E. No person shall be granted a license under this Chapter at more than one location.

F. The Council may issue the number of licenses authorized by Minn. Statute § 340A.413 or restrict such number from time-to-time as it may, in its discretion, deem proper.