

..Title

Amending Chapter 409 of the Saint Paul Legislative Code to eliminate petition requirements, reference and incorporate Uniform License Procedures as outlined in Saint Paul Legislative Code section 310 and update gender specific language and other outdated terms.

SECTION 1

..Body

WHEREAS, current individual City Licensing Ordinances contain notification, hearing, and petition requirements for specific business license types; and

WHEREAS, different license processes in different City Licensing Ordinances have created confusion among city staff and prospective license applicants as to the proper process to follow; and

WHEREAS, some of these requirements also unnecessarily increase the time it takes individuals to open a business; and

WHEREAS, the city seeks to improve the process by which community members learn about and provide input to support Council decision making related to business licenses; and

WHEREAS, time costs entrepreneur's money and impacts their interest and ability to open a business in Saint Paul; and

WHEREAS, throughout the life cycle of a license, the City Council has the same rights, requirements, and abilities to take Adverse License Action (e.g., imposing conditions on a license); and

WHEREAS, after community listening sessions a stakeholder workgroup discussed business and administrative needs and brainstormed/researched solutions; and

WHEREAS, the workgroup recommended uniform license procedures, the removal of petition requirements, a shortened notification process, elimination of the license renewal public hearing provision and retaining the requirement that all Class N License Applications be put before City Council; and

WHEREAS, the City Attorney has determined, based on the opinion of other legal experts, that laws that exclude references to gender do not promote gender equality, and advises that gender-specific words should be replaced with gender-neutral words that have the same meaning when possible; and

WHEREAS, because the city attorney has determined, based on the opinion of other legal experts, that the use of the word "shall" in legal instruments is ambiguous depending upon context, and advises that the best practice of substituting the word "shall" with a more precise term, such as *must, will, may, should, or is* should be followed when possible, and

WHEREAS, implementation of these procedures requires amendments to individual licenses;

Now, therefore be it

RESOLVED, that the Council of the City of Saint Paul does hereby ordain:

SECTION 2

Saint Paul Legislative Code Section 409.01 is hereby amended as follows:

Sec. 409.01. License required; catering approval Class T - Temporary On-Sale Liquor License - Caterer and Class N - On-Sale Caterer's License.

- (a) Unless otherwise allowed under Minn. Stat. Ch. 340A, No person may directly or indirectly, on any pretense or by any device, sell, barter, keep for sale, charge for possession, or otherwise dispose of alcoholic beverages as part of a commercial transaction without having obtained the required license or permit. Rental of or permission to use a public facility is not a commercial transaction for the purposes of this chapter.
- (b) Class T - Temporary On-Sale Liquor License. No person holding a catering permit issued under the provisions of Minnesota Stat. §340A.404, Subd. 12, who does not have an appropriate on-sale liquor license issued by the city shall sell intoxicating liquor at any time or place in the city without first obtaining the required Class T - Temporary On-Sale Liquor License as prescribed in this chapter. The applicant must follow the procedures for obtaining a Class T license as laid out in Saint Paul Legislative Code Section 310.

The sale of intoxicating liquor must be incidental to food service as required under Minnesota Stat. 340A.404, Subd. 12.

The applicant shall provide adequate security for the event or occasion which must be described in the application. All requirements of law or ordinance relating to the sale and/or service of intoxicating liquor must apply to distribution made pursuant to a State issued Caterer's permit and Class T - Temporary On-Sale Liquor License including but not limited to insurance coverages.

- (c) Class N - On- Sale Caterer's License. A holder of a State of Minnesota caterer's permit issued under the provisions of Minnesota Stat. § 340A.404, Subd. 12 to a restaurant that holds an on-sale intoxicating liquor license within the City may apply to sell intoxicating liquor as an incidental part of food service at a place other than the premises for which the holder's on-sale intoxicating liquor license is issued by obtaining a Class N - Caterer's License for the City of Saint Paul. The applicant must follow the procedures for a Class N License Application laid out in Saint Paul Legislative Code Chapter 310.02(2). Holders of a Class N On-Sale Caterer's License must comply with all provisions of the statutes, ordinances, and rules governing the retail sale of alcoholic beverages.

(d) Class T - Temporary On-Sale Liquor License and Class N - On-Sale Caterer's Licensees must comply with the following provisions for all events that are catered within the City of Saint Paul:

- (1) A license holder must receive written permission from the director to hold the event, or to provide ongoing catering services at a rental/dance hall. The written permission may contain reasonable conditions that must be followed during the event. Grounds for denial of a request for permission to hold an event include, but are not limited to:
 - a. The license holder has had prior adverse actions arising out of a private event.
 - b. The license holder has previously failed to obtain permission to host a private event;
 - c. The license holder has had other violations which relate to the licensed establishment.
- (2) A license holder must keep a record of each event they cater in Saint Paul. The record must include the location of the event, the date and time, the event contact name(s) and phone number(s). The license holder must provide this register to city staff upon request.
- (3) The city council may by resolution establish a list of premises for which a liquor caterer may not provide services at an event without explicit approval of city council.
- (4) A private event cannot last more than one (1) day.
- (5) Any licensee that is not a licensed rental hall being used for a private event may provide liquor catering services to the public up to four (4) times per calendar year for the duration of no more than three (3) consecutive days so as not to exceed twelve (12) days in a calendar year at one (1) location. Licensed rental halls, when used for a private event, are exempt from the limitation outlined in this section.
- (6) No sale of beverage alcohol may occur after 1:00 a.m.
- (7) All servers of alcohol at a catered event must have received alcohol server training as approved by the director and shall be at least eighteen (18) years of age.
- (8) A license holder shall notify the Saint Paul Police Department and department of safety and inspections at least fifteen (15) full business days prior to any alcohol catered event or prior to the beginning of ongoing catering services at a rental/dance hall and provide pertinent details about the event using a form provided by the director.
- (9) In addition to general grounds for denial of an application for a Class T—Temporary on-sale liquor license and Class N—On-sale caterer's licensees referenced in chapter 310 of the Saint Paul Legislative Code, a license application may be denied, and an issued Class T—Temporary on-sale license may be suspended or revoked without refund, for any of the following reasons:
 - a. The operation of an event does or will unreasonably disturb the peace, quiet or repose of surrounding residential or commercial areas.
 - b. The operation of an event does or will contribute to crime, disorderly behavior, noise, traffic, litter or parking problems in the area near the event's location.

- c. Any violation of the laws relating to the sale or service of alcoholic beverages.
 - d. License holder's refusal to supply books of account and contracts pertaining to an event as set forth in this section.
 - e. Any violation of the terms of this section.
 - f. Any other good cause related to the operation of the business or venue.
- (10) Both state and city permits/licenses must be available for display upon request of any law enforcement officer or investigator designated by the licensing official for any catered event.
- (11) License holders shall maintain adequate security at catered events in Saint Paul. The license holder may coordinate this with the host facility.
- (12) If an event is to be held outside, the applicant shall indicate how the alcohol will be confined to a particular area. Exclusive outdoor events must provide at least one (1) portable toilet per every fifty (50) attendees.
- (13) License holders shall submit to and/or facilitate any site inspections by police, fire, or other regulatory or health agency.

(e) 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.

SECTION 3

Saint Paul Legislative Code Section 409.02 is hereby amended as follows:

Sec. 409.02. Definitions.

As used in this chapter, the following terms have the meanings ascribed to them in this section:

Beer means any beverage meeting the definition of Malt liquor under this subdivision.

Brewer means a person who manufactures Malt liquor for sale.

Caterer's permit means that permit provided for in Minnesota Statutes, Section 340A.404, subdivision 12.

Class T - Temporary On-Sale Liquor License means a License granted to the holder of a State of Minnesota caterer's permit issued under the provisions of Minnesota Statutes section 340A.404, Subd. 12, who does not hold an on-sale liquor license issued by the City.

Class N - On-Sale Caterer's License means a license issued to the holder of a State of Minnesota caterer's permit granted under the provisions of Minnesota Statutes, section 340A.404, Subd. 12 to a restaurant that holds an on-sale intoxicating liquor license in the City.

Club means a corporation organized under the laws of the state for civic, fraternal, social or business purposes or for intellectual improvement or promotion of sports which has more than fifty (50) members and for more than a year owned, hired or leased a building or space in a building of such extent and character as may be suitable and adequate for the reasonable and comfortable accommodation of its members, and whose affairs and management are conducted by a board of directors, executive committee or other similar body chosen by the members at a meeting held for that purpose, none of whose members, officers, agents or employees are paid, directly or indirectly, any compensation by way of profit from the distribution or sale of beverages to the members of the club or to its guests beyond the amount of such reasonable salary or wage as may be fixed and voted each year by the directors or other governing body. A club must also, in order to be licensed, meet the provisions of Minnesota Statutes, Section 340A.404, subdivision 1(4), which requires that the organization shall have been in existence for at least three (3) years, and liquor sales will be only to members and bona fide guests. The above term will include private clubs licensed under former Chapter 404 of this Code, so long as they meet the above requirements upon application for an on-sale license.

Creative enterprise zone entertainment district means that portion of the City of Saint Paul lying within and bounded by the following streets: Beginning at the intersection of North Eustis Street with Wabash Avenue, Wabash Avenue to Vandalia Street, Vandalia Street to the train tracks, follow the train tracks South East to Cleveland Avenue North, Cleveland Avenue North across University Avenue West where it turns into Transfer Road to a point one (1) block due west across the train tracks from West Minnehaha Ave, from the point one (1) block due west across the train tracks from West Minnehaha Ave intersecting Transfer Road to the intersection of Prior Avenue North and West Minnehaha Avenue, Prior Avenue North to the intersection of Hewitt Avenue, from the intersection of Prior Avenue North and Hewitt Avenue due west to Transfer Road, Transfer Road south to Ellis Avenue, Ellis Avenue to Vandalia Street, Vandalia Street to Capp Road, Capp Road North West as it wraps around South to Wycliff Street continued on to the intersection of Wycliff Street and Hersey Street, Hersey Street to West Territorial Road, West Territorial Road to North Eustis Street, and then North Eustis Street to Wabash Avenue.

Director means the Director of the Department of Safety and Inspections or their designee.

Distilled spirits manufacturer means a distillery operated within the state producing distilled spirits in a total quantity exceeding the proof gallons limit for a microdistillery in a calendar year.

Downtown business district means that portion of the City of Saint Paul lying within and bounded by the following streets: Beginning at the intersection of Shepard Road with Chestnut Street, Chestnut Street to Interstate Freeway 35E, Interstate Freeway 35E to Tenth Street, Tenth Street to Interstate Freeway 94, Interstate Freeway 94 to Lafayette Bridge, Lafayette Bridge to where the bridge crosses over Warner Road, Warner Road to Wabasha Bridge, Wabasha Bridge across the Mississippi River to the water line on the south bank of the river, thence in a westerly direction along the shore line to the point at which it intersects with "Line A," and then in a straight line across the Mississippi River to the intersection of Chestnut Street with Shepard Road. The location and legal description of "Line A" is indicated on the map attached hereto and incorporated and adopted herein by reference.

Downtown entertainment district means that portion of the City of Saint Paul lying within and bounded by the following streets: Beginning at the intersection of Shepard Road with Eagle Parkway, Eagle Parkway to Exchange Street, Exchange Street to N Walnut Street, North Walnut Street to Smith Avenue, Smith Avenue to N Chestnut Street, N Chestnut Street to Interstate Freeway 35E, Interstate Freeway 35E to Tenth Street, Tenth Street to Interstate Freeway 94, Interstate Freeway 94 to Lafayette Bridge, Lafayette Bridge to where the bridge crosses over Warner Road, Warner Road to Wabasha Bridge, Wabasha Bridge across the Mississippi River to the water line on the south bank of the river, thence in a westerly direction along the shore line to the point at which it intersects with "Line A," and then in a straight line across the Mississippi River to the intersection of Eagle Parkway with Shepard Road.

Exclusive liquor store means an establishment licensed for on-sale or combination on-sale and off-sale intoxicating liquor. After obtaining any necessary state or city licenses for such sales or offerings, an Exclusive liquor store may sell any item authorized under Minn. Stat. §340A.412, Subd. 14.

General food store means any place of business carrying a stock of food supplies and primarily engaged in selling food and grocery supplies to the public.

Great lawn entertainment district means that portion of the City of Saint Paul lying within and bounded by the following streets: Starting at the northwest corner of the Northwest Gate of Allianz Field, moving north across Shields Avenue, following the western side of North Asbury Street across Spruce Tree Avenue to the northern most portion of the street. Following Spruce Tree Avenue East to the east side of Simpson Street, then south across Spruce Tree Avenue continuing along the eastern edge of Simpson Street until reaching the south side of Shields Avenue. From this corner, moving west across Simpson Street directly to the northeast corner of the Allianz Field Northeast Gate and following the northern border of the stadium to the northwest corner of the northwest gate.

Hotel means an establishment with resident proprietor or manager, where, for payment, food and lodging are regularly furnished to transients, and which maintains, for use of its guests, no fewer than fifty (50) guest rooms with bedding and other suitable and necessary furnishings in each room, and which has a main entrance with suitable lobby, desk and office for the registration of guests on the ground floor and which employs an adequate staff to provide suitable and usual service, and which maintains, under the same management and control as the rest of the establishment and as an integral part thereof, a dining room with appropriate facilities for seating not less than thirty (30) guests at one (1) time, where the general public is, in consideration of payment, served with meals at tables, whose gross receipts from the sales of food and liquor are at least sixty (60) percent attributable to the sale of food during each and every calendar month, and having a full service kitchen and a menu, offering meals and full menu service on a daily basis to at least 11:00 p.m. or to the closing time of the entire establishment. A full-service kitchen must meet the definition of full-service kitchen under the definition of restaurant below.

Intoxicating liquor or liquor means and includes ethyl alcohol, and any distilled, fermented, spirituous, vinous or malt liquid of any kind potable as a beverage, which contains an alcoholic content in excess of three and two-tenths (3.2) percent thereof by weight or four (4) percent by volume.

Licensee/License Holder means any person holding a liquor license issued in accordance with this chapter. Person includes all persons or parties associated with a firm, corporation, association or partnership on the license.

Malt Liquor means any beverage made from malt by fermentation, or by the fermentation of malt substitutes, including rice, grain of any kind, glucose, sugar, molasses, or other malt substitute that has not undergone distillation, and that contains not less than one-half of one percent alcohol by volume.

Medicines mean and include only such potable liquids as prescribed by licensed physicians and dentists for therapeutic purposes and United States Pharmacopoeia and National Formulary preparations and preparations used for the mitigation of disease for external and internal purposes which are usually sold in drug stores and intended for therapeutic purposes and not for beverage purposes.

Microdistillery means a distillery producing premium distilled spirits in total quantity not to exceed 40,000 proof gallons in a calendar year.

Off-sale means the sale of liquor in original packages in retail stores for consumption off or away from the premises where sold.

Off-sale/brew pub means a brewer licensed under Minn. Stat. § 340A.301, Subd. 6(d) who sells malt liquor produced and packaged on the licensed premises for consumption off or away from the premises.

Off-sale brewery license means a brewer licensed under Minn. Stat. §340A.301, who manufactures fewer than one hundred fifty thousand (150,000) barrels of malt liquor in a year. The barrels intended for off sale must be produced and packaged on the licensed premises for consumption away from the premises in 64-ounce containers commonly known as growlers in accordance with Minn. Stat. § 340A.301.

Off-sale micro distillery license means a microdistillery licensed by the city for off-sale of distilled spirits. An Off-sale microdistillery must comply with all applicable provisions of Minn. Stat. §340A.22.

Off-sale wine only means an off-sale license issued under section 409.29 of this Code.

On-sale means the sale of liquor by the glass for consumption on the premises only.

Package or original package means and includes any container or receptacle holding liquor, which container or receptacle is corked or sealed.

Person shall include individuals, corporations, partnerships and associations.

Private nonprofit college means a postsecondary institution of learning, not administered by a unit of government or operated for profit, which awards undergraduate or graduate degrees.

Restaurant means:

- (1) For establishments licensed to serve liquor at on-sale prior to February 1, 2016, an establishment other than a hotel, whose food and liquor services are under the control of a single proprietor or manager, having appropriate facilities for the serving of meals for no fewer than fifty (50) guests at one (1) time, having a full service kitchen and a menu, offering meals and full menu service on a daily basis to at least 11:00 p.m. or to the closing time of the entire establishment, and whose gross receipts are at least sixty (60) percent attributable to the sale of food during each and every calendar month. A full service kitchen for the purpose of this chapter must include at the least a cooking line with mechanical ventilation, having two (2) or more ovens and ranges;

food preparation areas having sinks, cutting boards, and facilities and equipment for the preparation, holding at safe temperatures, and processing of food on site; refrigerators and/or coolers for the safe storage of food; and mechanical dishwashing facilities and equipment; all of the foregoing meeting the requirements of the NSF International standards.

- (2) For establishments first licensed to serve liquor at on-sale on February 1, 2016, or thereafter, an establishment other than a hotel, whose food and liquor services are under the control of a single proprietor or manager, serving food and beverages, meeting the definition in Minn. Stats. § 157.15, Subd. 12, and classified as a high or medium-risk establishment under Minn. Stats. § 157.20, Subd. 2a, that meets the following additional criteria:
- a. Derives a substantial amount of its income from the sale of foods and non-alcoholic beverages.
 - b. Has a full-service kitchen, including:
 - 1. At least one (1) cooking line with required ventilation;
 - 2. One (1) or more ovens and ranges, or other cooking equipment as approved by the director;
 - 3. Food preparation areas having sinks;
 - 4. Refrigerators and/or coolers for the safe storage of food;
 - 5. All of the above elements meeting relevant NSF International standards.
 - c. Maintains all food and health-related licenses and permits necessary to operate as a high or medium risk establishment as defined in Minn. Stats. § 157.20, Subd. 2a.
 - d. Offers adequate interior seating for not less than thirty (30) guests at a time.
 - e. Prepares meals on-premises, which are served to guests seated at tables or other eating surfaces.
 - f. Only sells intoxicating liquors to patrons who are seated at an eating surface unless the patron being served is on a bona fide waiting list for available seating.
 - g. Ends all food and beverage service no later than 12:00 a.m., and closes no later than 12:30 a.m.
 - h. Offers a menu including at least four (4) entrees, or as otherwise approved by the department.
 - i. Offers full menu service during all hours of operations, with the exception of the hour prior to closing.
 - j. Actively promotes food sales to all guests within the licensed premises of the restaurant during all hours of full menu service.
 - k. Maintains a kitchen open for meal service, which is appropriately staffed and supplied to fulfill orders from the menu in effect during all hours of full menu service.
 - l. Allows no greater than ten (10) percent of the area of the licensed premises to be used for entertainment purposes, including, but not limited to, dancing or musical performance.

- m. Makes business records, including, but not limited to, federal and state tax returns, available for inspection by the Director or the Director's designee at all reasonable times.

The failure of a restaurant holding an on-sale liquor license to abide by the above criteria shall constitute grounds for adverse action against said license. Restaurants holding an on-sale liquor license prior to February 1, 2016, may elect to operate pursuant to the definition outlined in subsection (2), above, by notifying the department in writing. Any restaurant electing to operate pursuant to the definition outlined in subsection (2) may not subsequently elect to operate under the definition outlined in subsection (1).

Sale and *sell* means and includes all barbers and all manner or means of furnishing intoxicating liquor or liquors in violation or evasion of law.

Small Brewer off-sale - 128 ounces license means a brewer licensed under Minn. Stat. §340A.301, subd. 6, (c), (i) or (j) clause with an annual malt liquor production volume of seven thousand five hundred (7,500) barrels or less to sell malt liquor at its licensed premise up to one hundred twenty-eight (128) ounces per customer, per day.

SECTION 4

Saint Paul Legislative Code Section 409.03 is hereby amended as follows:

Sec. 409.03. Number of licenses.

- (a) In the downtown business district, and in all commercial development districts as defined in section 17.07.1 of the City Charter, on-sale licenses must be issued only to hotels, clubs, restaurants and establishments for the sale of on-sale liquors exclusively. In all other areas of the city, licenses must be issued only to hotels, restaurants and private nonprofit colleges, provided however, that establishments holding licenses on August 16, 1995, are affected by this limitation, but are be entitled to have such licenses renewed so long as they are in compliance with all other requirements of law and there exist no grounds for adverse actions against such licenses. Notwithstanding the foregoing, the following exceptions apply:
 - (1) A new license may be issued for a location in such other areas of the city if there had previously been an on-sale intoxicating liquor license issued for that location, unless:
 - a. The previous license had been revoked by the council for any reason other than nonpayment of license fees within the previous fifteen (15) years; or
 - b. The previous license had terminated or expired more than two (2) years before the new license had been first applied for; or
 - (2) An existing on-sale intoxicating liquor license may be allowed to move into another location in the city if the previous location of the license was acquired by purchase or condemnation by a public body having the power of eminent domain, and if the distance between the old and new locations is less than one-half ($\frac{1}{2}$) mile.
- (b) Off-sale licenses are be granted subject to the approval of the liquor control commissioner only to proprietors of exclusive liquor stores, and only one (1) such license shall be issued for every five thousand (5,000) inhabitants in the city.

- (c) Notwithstanding any other provision of law to the contrary, the city shall not issue any on-sale intoxicating liquor licenses in excess of two hundred (200). This limitation does not apply to on-sale intoxicating liquor licenses issued to restaurants, as defined in section 409.02 of the Legislative Code.
- (d) Consumption and display permits, as set forth in Minn. Stats. § 340A.414, may not be issued within the city.

SECTION 5

Saint Paul Legislative Code Section 409.04 is hereby amended as follows:

Sec. 409.04. Exceptions.

This chapter must not be construed to prohibit the sale of wine for sacramental purposes by any person duly licensed by the state liquor control commissioner so to do; nor may this chapter be construed to prohibit the sale of medicines as herein defined; nor of industrial alcohol designed for mechanical, chemical, scientific, pharmaceutical or industrial purposes; nor to compounds or preparations containing alcohol, if such compounds or preparations are not potable as a beverage; nor may it be construed to prohibit the sale of intoxicating liquor for medicinal purposes by a duly licensed and registered pharmacist or druggist upon bona fide prescription, in writing, by a physician or dentist.

SECTION 6

Saint Paul Legislative Code Section 409.05 is hereby amended as follows:

Sec. 409.05. On- and off-sale licenses; term; fees.

- (a) *Term.* All licenses for the sale of intoxicating liquor are for a term of one (1) year from the date of issuance or renewal, except as provided herein. The date shall be determined by the inspector and entered upon the license.
- (b) *License fees, on-sale; semiannual installments.* The fees required for licenses is established by ordinance as specified in section 310.01 of the Legislative Code. Said sum must be paid in two (2) equal amounts, the first to be paid before the license is issued or renewed, the second payment to be made within six (6) months from the date of issuance or renewal.
- (c) *On-sale license; replacement after revocation.* If, for any reason, the on-sale license in this chapter provided for is revoked by the council of the City of Saint Paul, no replacement license shall be issued until the full license fee for the new license due for the remainder of the license year is first paid; provided, however, that in no event shall a licensee pay less than the applicable annual license fee together with the applicable issuance tax for a license, or combination of licenses, during a license year.
- (d) *Increase in on-sale license fee; notice to licensees.* The Director is hereby directed to notify in writing via U.S. mail all on-sale licensees of the public hearing date for council consideration of any amendments to this section increasing the license fees. At said public hearing, the department of safety and inspections must present evidence to the council showing the relationship between the proposed fee increase and the costs borne by the city for liquor-related regulating and policing.

- (e) *Late fees.* Notwithstanding the provisions of section 310.01, an applicant for renewal of an on-sale liquor license must be charged a late fee in an amount of ten (10) percent of the installment due for such license for each thirty-day period or portion thereof which had elapsed after the expiration date of such license or semiannual period, and the late fee must not exceed fifty (50) percent of the annual life.
- (f) *Annual license fees for clubs and private clubs.* The annual license fee for a club and a private club must be in conformity with Minnesota Statutes, Section 340.408, subdivision 2(b).
- (g) *License fee lawful gambling locations.* The license fee for lawful gambling locations must be as provided in section 310.01 of the Legislative Code.
- (h) *Application with family members.* Notwithstanding subsection (a) of this section, where an existing on-sale intoxicating liquor license holder makes application for a new on-sale license for the same location together with one (1) or more family members as additional license holders, the term of the new license must coincide with the end of the existing license and end on the same date. No additional license fee for the new license must be paid for the remainder of the term of the existing license, so long as the license fees for the existing license are fully paid. The normal license fee must be paid in any case for the remainder of the term of the existing license. Each additional family member becoming a license holder must fill out an application form for purposes of the background investigation by the license division and provide such other information as may reasonably be required by the license division and must pay a fee of with the application in an amount as set forth in section 310.01 of the Saint Paul Legislative Code. The term "family members," for the purpose of this subsection shall include parents, children, grandchildren, brothers and sisters, together with the spouses of such parents, children, grandchildren, brothers and sisters.
- (i) *Fee waived for government agencies.* The fee for any license under Chapter 409 must be waived for any license issued to and used by a division or department of the city.

SECTION 7

Chapter 409.06 of the Saint Paul Legislative Code is hereby amended as follows:

Chapter 409.06 - Licensing requirements.

For Class N Licenses issued under this Chapter, the Uniform License Procedures laid out in Chapter 310.02 (2) of the Saint Paul Legislative Code pertaining to Applications, New Applications Investigation and Review, Notice, Levels of Approval, Objections and Renewal Procedures for Class N Licenses apply.

For any Class T or Temporary License issued under this Chapter, the Uniform License Procedures laid out in Chapter 310.02 (3) of the Saint Paul Legislative Code pertaining to Applications, New Applications Investigation and Review, Notice, Levels of Approval, Objections and Renewal Procedures for Class T Licenses apply.

- (a) *Application.* In accordance with Saint Paul Legislative Code Section 310.02 (2)(a) and Minnesota Statute 340A.412, Subd. 2a. Any person desiring a license to sell intoxicating liquor must make their verified application in writing upon a form prescribed by the liquor control commissioner of the state and with any additional information as the City requires.

- (b) Notice requirements for applications to sell intoxicating liquor are outlined in the Uniform License Procedures for Class N Licenses section of 310.02 (2)(d) of the Saint Paul Legislative Code.
- (c) *One license only.* With the exception of off-sale brewers who meet the requirements under Minn. Stat. §340A.29 more than one (1) off-sale retailer's license may be directly or indirectly issued to any one (1) person or for any one (1) place in this city, nor may any retailer's off-sale license be directly or indirectly issued for any place for which a license of another class has been granted. It is not a violation of this paragraph for a person who owns, directly or indirectly, or who has an interest in any intoxicating liquor license in this city additionally to own directly or indirectly or to have an interest in one (1) or more corporations owning or operating a hotel holding an intoxicating liquor license in connection therewith; provided, that such hotel must have at least one hundred fifty (150) or more rental units.
- (d) *Premises of license.* No on-sale or off-sale license is effective beyond the compact and contiguous space named in such license and for which the same was granted, except that an on-sale license granted for sales in the dining room of any hotel may permit sales of liquor with meals in additional dining rooms open to the public and specified in the license if meals are regularly served to guests therein. If meals are regularly served to guests in guest rooms in any such hotel, liquor may be sold in such guest rooms but only with meals; provided, that such guest rooms must be specified in the license granted. No sales may be made upon the premises of an on-sale licensee except upon the ground floor; provided, however, that this limitation does not apply to a hotel duly licensed to sell on another floor as in this section provided; and provided further, that a licensee shall be permitted to sell at a place in a building other than the ground floor if a license has been granted for sales on a floor other than such ground floor. Licenses granted to a private nonprofit college need not be compact and contiguous as long as the space described is on the premises of the private nonprofit college. All licenses granted hereunder must set forth the exact location within the building structure where such sales may be made and no sale is permitted except in that part of the premises defined in the license, except as provided in the following subsection (e).
- (e) *Seasonal outside service areas.* The council may, by resolution, permit any licensee to sell or serve intoxicating liquors in areas outside the building structure on public or private property which are compact and contiguous with the structure containing the licensed premises. Property which is not connected to the licensed premises cannot be used as an outside service area if it is located across a right of way such as a street or alley; however curbside seating may be allowed at a sidewalk café subject to the restrictions of Chapter 106 of the Saint Paul Legislative Code. Such outside service areas shall be seasonal and must not involve an enlargement of the building structure. The seasonal outside service area license will not be granted unless all the conditions of subsections (1) through (7) and all pertinent provisions of the zoning code are satisfied.
 - (1) Seasonal Outside Seating Area Permits follow the Uniform License Procedures for the Grant, Issuance or Transfer of the License, New Application Investigation and Review, Notice, Levels of Approval, Objections and Renewal procedures for Class N licenses laid out in Saint Paul Legislative Code Section 310.02 (2) and 310.09 except that in the event that the Council wishes to revoke a Seasonal Outside Seating Area Permit, the procedures outlined in Subd. 4 must be followed.

- (2) No outside service area is permitted unless the licensee provides, in addition to other requirements of law, safety barriers or other enclosures to protect patrons from any hazards, including vehicular traffic.
 - (3) No outside service area may be located on public property or upon any street, alley or sidewalk, nor may such outside service areas hinder or obstruct vehicular or pedestrian traffic on any street, alley or sidewalk. Notwithstanding the foregoing, the sale and service of alcoholic beverages within a sidewalk cafe which is in compliance with the provisions of section 106.01 of the Legislative Code, is permitted.
 - (4) In addition to the levels of approval and grounds for denial or revocation laid out in Saint Paul Legislative Code Section 310.02 (2), the council may, by resolution, impose conditions on or deny any application for an outside service area where it has reason to believe, or may revoke its permission for such an outside service area where it is satisfied, that the impact of such outside service area on adjoining property will be, or has been, any of the following:
 - a. Loud, boisterous or disturbing noise levels;
 - b. Hazardous traffic conditions;
 - c. Offensive, obnoxious or disturbing odors;
 - d. Excessive litter;
 - e. Excessive artificial lighting;
 - f. Substantial decrease in adjoining property values; or
 - g. Any other condition inconsistent with the reasonable use and enjoyment of adjoining property and inconsistent with the health, safety, morals and general welfare of the adjoining neighbors or community.
 - (5) Revocation of a Seasonal Outside Seating Area Permits. Permission to sell and serve intoxicating liquor in or upon any outside service area may be revoked by the council on three (3) days' notice to the licensee, pursuant to information received at a public hearing before said council. The information need not be received under oath but must reasonably satisfy the council as to the existence of any or all of the conditions listed in subparagraph (4). The public hearing must be conducted with such formal or informal procedures as the council may permit, so long as the licensee and any complaining parties have an opportunity to be heard.
 - (6) The licensee shall, with respect to any outside service area, comply with all applicable provisions of law and regulations in regard to the sale and service of intoxicating liquor, including, without limitation by reason of this specification, all applicable regulations contained all sections of this chapter.
 - (7) *Private nonprofit colleges.* Private nonprofit colleges may sell or serve intoxicating liquors in areas outside of building structures as long as said areas are clearly described in the application materials submitted under section 409.06(a)(2). Such areas are exempt from the additional public hearing and consent process described in section 409(g), subdivisions 1 and 2.
- (f) *Zoning restrictions.* No license may be issued for premises located within an area wherein such use of the premises is prohibited by the zoning code, nor within an area where such sales are forbidden by the state law or any other ordinance of the city. A license issued to a

private nonprofit college must not be issued for premises located within an area where such sales are prohibited by state law.

- (g) *Off-Sale License location restrictions.* These restrictions do not apply to off-sale/brew pub license, off-sale brewery licenses, small brewer off-sale - 128 ounces licenses or off-sale micro-distillery licenses.
1. No off-sale license may be issued for any place where nonintoxicating malt beverages are sold for consumption on the premises.
 2. No off-sale license may be issued to any location within a half-mile radius of any existing off-sale establishment, subject to the following exceptions:
 - a. In the downtown business district, the distance restriction is reduced to a radius of three hundred (300) feet.
 - b. For off-sale liquor establishments outside of the downtown business district that were licensed prior to January 15, 2003, the council may waive the half-mile distance restrictions provided that council finds by resolution that:
 1. The off-sale liquor establishment is relocating to a location that is within one-half ($\frac{1}{2}$) mile radius of its current location; and
 2. The relocation of the off-sale liquor establishment is related to hardship or circumstances outside of the licensee's control; and
 3. The new location of the off-sale liquor establishment meets the intent of the ordinance in preventing the over-concentration of off-sale liquor establishments; and
 4. The new location of the off-sale liquor establishment is not inconsistent with the health, safety, morals and general welfare of the adjoining neighbors or community. Factors which may be considered include, but are not limited to, the following: the likelihood of increased noise, traffic, litter, loitering or unlawful behavior by patrons of the establishment, excessive artificial lighting, substantial decrease in adjoining property values, and the extent to which any of the potential problems can be addressed by conditions on the license.
 3. No license may be issued for an off-sale location which is within three hundred (300) feet of residentially zoned property, a park or a licensed child-care center, said three hundred (300) feet being calculated and computed as the distance measured from the property line of the premises or building proposed as the location for the off-sale liquor license to the property line of any residentially zoned property, park or child care center in the area for which the license is sought.
 - a. The council may waive the restrictions set forth in paragraph (3) above relating to distance if it makes findings that such a license is not inconsistent with the health, safety, morals and general welfare of the adjoining neighbors or community. Factors which may be considered include, but are not limited to, the following: the likelihood of increased noise, traffic, litter, loitering or unlawful behavior by patrons of the establishment, excessive artificial lighting, substantial decrease in adjoining property values, and the extent to which any of the potential problems can be addressed by conditions on the license.

- b. A request to vary the license location restrictions must be noticed in accordance with the uniform procedures for Class N licenses laid out in Saint Paul Legislative Code Section 310.02 (2) (d) and approved per Saint Paul Legislative Code Section 310.02 (2) (e).
 - c. An establishment holding a valid license on the effective date of this amendment is not affected by this limitation and will be entitled to have such license renewed so long as they are in compliance with all other requirements of law and there exist no grounds for adverse action against such license.
- (h) *Other required permit.* No license granted hereunder is effective until a permit is issued to such licensee by the United States if any such permit is, in fact, required.
- (i) *State restrictions.* No license may 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 must not prevent the granting of a license to a proper lessee by reason of the fact that they are leasing the premises of a minor, noncitizen or a person who has been convicted of a crime other than a violation of this chapter or the liquor control act.
- (j) *Renewals.*
1. An on-sale license renewal may be denied for any licensee who is delinquent in any payment or contribution to a health and welfare trust or pension trust.
 2. On-Sale - renewal of on-sale licenses are subject to the provisions of Minnesota Statute 340A.412, Subd. 13 and may not be renewed if the holder of the license has not made on-sales authorized by the license at any time during the one-year period immediately prior to the date of the renewal:
 - i. Subject to of Minnesota Statute 340A.412, Subd.13., if on or before the expiration of the license the licensed business has discontinued its operation or closed for any reason, the council must by resolution, renew said license only upon the condition that the licensee must reopen and restore the licensed business to full operation within the terms of the renewed license, or in the alternative, that the licensee must make application for and obtain passage, approval and publication of a resolution for the transfer of said license within the term of the renewed license to another person.
 - ii. No license issued upon condition pursuant to this subsection may be further renewed unless one (1) or the other of the above conditions has been fully met; provided, however, that the council may reissue a license for a business which has not been in full operation during the prior license year if the licensed premises were acquired by eminent domain or under the threat of eminent domain and the licensee has made a good faith attempt to relocate the business to another location.
 3. Off-Sale - If on or before the expiration of an Off-Sale license, the licensed business has discontinued its operation or closed for any reason, the council may, by resolution, renew said license only upon the condition that the licensee must reopen and restore the licensed business to full operation within the terms of the renewed license. In the alternative, the licensee may make application for and obtain passage, approval and publication of a resolution for the transfer of said license within the term of the renewed license to another person.

- i. No license issued upon condition pursuant to this subsection may be further renewed unless one (1) or the other of the above conditions has been fully met; provided, however, that the council may reissue a license for a business which has not been in full operation during the prior license year if the licensed premises were acquired by eminent domain or under the threat of eminent domain and the licensee has made a good faith attempt to relocate the business to another location.

- (k) *Off-Sale License location restrictions.* No license may be issued for any premises located within three hundred (300) feet from any school, said three hundred (300) feet being calculated and computed as the distance measured from the property line of the premises or building proposed as the location for the liquor license to the property line of any school in the area for which the license is sought until the notice and approval provisions outlined under Saint Paul Legislative Code Section 310.02 (2)(c) and (d) are followed. This prohibition does not apply to on-sale wine and culinary licenses issued under section 409.13 off-sale brewer licenses issued under Minn. Stat., § 340A.301, subdivision 6(d), brewer taproom licenses issued under section 409.24, a license issued to a private nonprofit college, or licenses issued or located within the Downtown Business District.

Any licenses in force and effect on November 10, 1962, the location of which license is in conflict with the provisions hereof, may be renewed, transferred or otherwise dealt with in accordance with law, it being the intent of this paragraph that it be applied prospectively for proposed locations of licenses, and further it being the intent of this paragraph that the limitations set forth in this paragraph will, in no manner be applicable to any hotel or motel.

- (l) *Unlawful use of weapons.* If during any twelve-month period there are reported two (2) or more incidents involving unlawful use or handling of firearms, assault weapons or knives, as defined in section 225.01, on any licensed on-sale premises, a public hearing must be conducted by the council. Any adverse action may be considered by the council pursuant to the hearing provisions of section 310.05.

- (m) *Prohibited interests.* A holder of a license as a manufacturer, brewer or wholesaler may not have any interest or ownership, in whole or in part in a business holding a retail intoxicating liquor license or in the license so held, but a manufacturer or wholesaler of intoxicating or nonintoxicating liquor may use or have property rented for retail intoxicating liquor sales if the manufacturer or wholesaler has owned the property continuously since November 1, 1933. This provision does not apply to off-sale/brew pub licenses, off-sale brewery licenses or small brewer off-sale 128 ounce licenses.

- (n) *Prohibited interests: off-sale/brew pub, off sale brewery, small brewer off-sale 128 ounces.* A brewer holding an off-sale/brew pub, off-sale brewery or a small brewer off-sale 128 ounces license may hold or have an interest in other retail on-sale licenses but may not have an ownership interest in whole or in part, or be an officer, director, agent, or employee of, any other manufacturer, brewer, importer, or wholesaler or be an affiliate thereof whether the affiliation is corporate or by management, direction, or control. Notwithstanding this prohibition, a brewer holding an off-sale/brew pub, off-sale brewery or a small brewer off-sale 128 ounces license may be an affiliate or subsidiary company of a brewery licensed in Minnesota or elsewhere if that brewer's only manufacture of malt liquor is:
 1. Manufacture licensed under Minn. Stat. § 340A.301, Subd. 6, clause (d);
 2. Manufacture in another state for consumption exclusively in a restaurant located in the place of manufacture; or

3. Manufacture in another state for consumption primarily in a restaurant located in or immediately adjacent to the place of manufacture if the brewer was licensed under Minn. Stat. § 340A.301, Subd. 6, clause (d), on January 1, 1995. Except as provided in Minn. Stat. § 340A.301, Subd. 7a, no brewer as defined in Minn. Stat. § 340A.304, Subd. 7a or importer may have any interest, in whole or in part, directly or indirectly in the license, business, assets, or corporate stock of a licensed malt liquor wholesaler.
- (o) *Interest.* For the purposes of paragraphs (m) and (n) of this section, the term "interest":
1. Includes any pecuniary interest in the ownership, operation, management or profits of a retail liquor establishment, and a person who receives money from time to time directly or indirectly from a licensee, in the absence of consideration and excluding gifts or donations, has a pecuniary interest in the retail license; and
 2. Does not include loans, rental agreements; open accounts or other obligations held with or without security arising out of the ordinary and regular course of business of selling or leasing merchandise, fixtures, supplies to the establishment; an interest in a corporation owning or operating a hotel but having at least one hundred fifty (150) or more rental units holding a liquor license in conjunction therewith; or ten (10) percent or less interest in any other corporation holding a license; and
 3. In determining whether an "interest" exists, the transaction must have been bona fide, and the reasonable value of the goods and things received as consideration for a payment by the licensee and all other facts reasonably tending to prove or disprove the existence of a purposeful scheme or arrangement to evade the restrictions of this paragraph must be considered.
- (p) *Nonconforming clubs; transition.* The restrictions and requirements in sections 409.06 (f) , 409.06(k), and 409.08(11) of this chapter do not apply to licenses issued to a club under this chapter which at the time of application for an on-sale license held a private club license under former chapter 404 of this Code for the same premises for which a license hereunder is sought or will be issued, for so long as the on-sale license remains at that location and the licensed premises is neither enlarged nor transferred. Such licensed premises will be deemed a lawful nonconforming use under the zoning code.

SECTION 8

Saint Paul Legislative Code Section 409.065 is hereby amended as follows:

Sec. 409.065. Insurance requirements.

No license under this chapter may be issued, maintained or renewed unless the licensee or applicant therefor complies with the insurance requirements imposed by Minn. Stat. § 340A.409. Such insurance coverage must comply with the requirements of Minn. Stat. § 340A.409 and Chapters 7 and 8 of this Legislative Code.

SECTION 9

Saint Paul Legislative Code Section 409.07 is hereby amended as follows:

Sec. 409.07. Hours of sale; Sunday sales, etc.

(a) On-sale hours of sale.

1. *Intoxicating liquor on-sale.* No sale of intoxicating liquor may be made after 1:00 a.m. on Sunday nor until 8:00 a.m. on Monday. No on-sale may be made between the hours of 1:00 a.m. and 8:00 a.m. on any weekday.
2. *Sales after 1:00 a.m.* Establishments holding only on-sale wine and/or on-sale malt liquor licenses are not eligible to sell wine and/or malt liquor after 1:00 a.m. An establishment holding on-sale licenses other than on-sale wine and/or on-sale malt which has received a permit from the state which authorizes sale of intoxicating liquor or three and two-tenths (3.2) percent malt liquor on-sale between the hours of 1:00 a.m. and 2:00 a.m. may make such sales if it has provided a copy of the permit to the director of the department of safety and inspections. An establishment holding only on-sale wine and/or on-sale malt liquor licenses which also has a state 2:00 a.m. permit on January 1, 2009, may continue to make such sales until 2:00 a.m. unless or until the on-sale wine and/or on-sale malt liquor license is discontinued for any reason.

(b) *Off-sale hours of sale.* No off-sale may be made before 8:00 a.m. or after 10:00 p.m. Monday through Saturday. No off-sale may be made before 11:00 a.m. or after 6:00 p.m. on Sunday. No off-sale shall be made on Thanksgiving Day or Christmas Day, December 25, or after 8:00 p.m. on Christmas Eve, December 24.

(c) *Sunday sales.*

1. Notwithstanding the provisions of paragraph (a), establishments to which on-sale licenses have been issued or hereafter may be issued for the sale of intoxicating liquors which are hotels or restaurants and which have facilities for serving no fewer than fifty (50) guests at one (1) time may serve intoxicating liquors between the hours of 8:00 a.m. on Sundays and 1:00 a.m. on Monday in conjunction with the serving of food, but no liquor shall be served on Sundays other than to persons who are seated at tables; provided, that the licensed establishment is in conformance with the Minnesota Clean Indoor Air Act. Notwithstanding the foregoing, an establishment which has received a permit from the state which authorizes sale of intoxicating liquor or 3.2 percent malt liquor on-sale between the hours of 1:00 a.m. and 2:00 a.m. may make such sales if it has provided a copy of the permit to the director of the department of safety and inspections.
2. Notwithstanding the provisions of paragraph (a), establishments to which brewer taproom or microdistillery licenses have been issued or may hereafter be issued, and that have obtained a special license as set forth in subparagraph (3), may serve malt liquor between the hours of 10:00 a.m. on Sundays and 1:00 a.m. on Monday.
3. It is unlawful for any such establishment, directly or indirectly, to sell or serve intoxicating liquors as provided in subparagraph (1) or (2) above without having first obtained a license therefor.
4. Private nonprofit colleges which have obtained an on-sale license may serve intoxicating liquors between the hours of 10:00 a.m. on Sundays and 1:00 a.m. on Monday to patrons attending events at the private nonprofit college.
5. An off-sale brewery may sell growlers, as defined in section 409.08 (18), at off-sale between the hours of 8:00 a.m. and 8:00 p.m. on Sundays.

- (d) *No consumption or display when prohibited.* No person shall consume or display or allow consumption or display of liquor upon the premises of an on-sale licensee at any time when the sale of such liquor is not permitted.
- (e) *Private office parties.* Notwithstanding any other provision of the Legislative Code, the license holder of premises having an on-sale license may once a year have a private party at no charge to the guests after the lawful closing hours; provided, that a written request for said party is submitted to the Director thirty (30) days prior to the proposed date of the party; and provided further, that no sales as defined by law of intoxicating liquors or nonintoxicating malt liquor shall be made at or during said party. The inspector shall notify the chief of police of the date of each proposed party.

SECTION 10

Saint Paul Legislative Code Section 409.07.1 is hereby amended as follows:

Sec. 409.07.1. Extended service license.

- (a) *License.* Establishments holding on-sale licenses issued under this chapter may remain open for the sale of food after the hours of sale provided in section 409.07 of the Legislative Code and until 3:00 a.m. if they have first obtained an extended service license. Such license will be a Class N license. Except as provided in subsection (d) below, the notice, hearing and consent requirements in section 310.02 (1) of the Legislative Code apply to extended service licenses. Applications must be made on such forms as may be provided by the department of safety and inspections. The fee for such license is established by ordinance as provided in section 310.01 of the Legislative Code.
- (b) *Procedures.* Notwithstanding any other provision of law, the council may, at any time and with respect to any establishment, condition, deny or revoke an extended service license in order to protect the public peace, welfare and safety, or upon the grounds in section 310.04 of the Legislative Code, but without compliance with the formal contested case hearing procedures in section 310.03 of the Legislative Code. The licensee or applicant shall be given an opportunity to be heard before the council on such actions.
- (c) *Regulations.* The following regulations apply to all extended service licenses:
 1. *Food menu.* The establishment must, as a condition of issuance and throughout the term of such license, provide as a menu item during such extended hours of service at least four (4) different types of entrees and/or sandwiches and a choice of nonalcoholic beverages.
 2. *No alcohol.* No alcoholic beverages may be offered, displayed, sold or consumed by anyone in the establishment during such extended hours. No alcoholic beverage container of any kind, whether empty or containing any alcoholic beverage, may remain on the bar, tables, counters or any other place to which a customer has access, or at any location in the customer areas of the establishment, after 1:00 a.m., if the establishment has an extended service license or after 2:00 a.m. if the establishment has obtained a permit from the state pursuant to Minn. Stat. § 340A.504, Subd. 7.
 3. *Alcohol storage.* All alcoholic beverages must be stored not later than 1:15 a.m. or 2:15 for those establishments which have obtained a permit from the state pursuant to Minn. Stat. § 340A.504, Subd. 7, which permits later service, and during extended

service hours in a cabinet, locker, or storage area which is locked and secure, and which must remain locked at all times during extended service hours.

4. *Entertainment.* The provision of entertainment during any extended service hours must be in conformity with all the other requirements of law, including Chapter 411 of the Legislative Code. Notwithstanding the foregoing, no establishment may provide Class C entertainment during the hours of extended service hereunder.
5. *Conditions.* The council may further condition any extended service license issued hereunder, which conditions may include, but are not limited to, by reason of this specification:
 - a. Limitations on the time of the extended service hours, and/or the days of the week on which such extended service hours may be held;
 - b. Requirements concerning staffing or security levels and/or the provision of security during extended service hours;
 - c. Conditions relating to security, lighting, noise, litter, parking or traffic control; and
 - d. Other conditions enumerated in section 310.04(c) of the Legislative Code.

Such conditions may be imposed on, revised or added to any extended service license at any time, without compliance with the formal contested case hearing procedures in section 310.03 of the Legislative Code. The licensee or applicant shall be given an opportunity to be heard before the council on such conditions.

- (d) *Downtown business district.* Applicants for extended service license located in the downtown business district, as defined in section 409.02, shall not have to comply with the notice, hearing and consent requirements in section 411.04(b) for either the license itself or the provision of entertainment under an existing entertainment license during the extended service hours. Class C entertainment cannot be provided during the hours of extended service hereunder.

SECTION 11

Saint Paul Legislative Code Section 409.08 is hereby amended as follows:

Sec. 409.08. Regulations generally.

All licensees hereunder are hereby required to observe the following regulations; provided, however that any such regulation which specifically refers to an on-sale licensee must not bind an off-sale licensee, nor must any regulation which specifically refers to an off-sale licensee bind an on-sale licensee:

1. All sales must be made in full view of the public.
2. A "minor," as used herein, is any person under the age of twenty-one (21) years.
 - a. No licensee, or agent or employee thereof, may serve or dispense upon the licensed premises any intoxicating liquor to any minor; nor may such licensee, agent or employee permit any minor to be furnished with or to consume any such liquor on the licensed premises; nor may such licensee, agent or employee permit any minor to be delivered any such liquor.

- b. No minor may misrepresent his or her age for the purpose of obtaining intoxicating liquor nor may they enter any premises licensed for the retail sale of intoxicating liquor for the purpose of purchasing or having served or delivered to him or her for consumption of any such intoxicating liquor or beer nor may any such person purchase, attempt to purchase, consume, or have another person purchase for him or her any intoxicating liquor or beer.
 - c. No minor may induce any person to purchase, procure or obtain intoxicating liquor for him or her.
 - d. Proof of age for purposes of consuming, purchasing or possessing an alcoholic beverage, the consumption, sale or possession of which is regulated by age, may only be established by a valid driver's license or a Minnesota Identification Card issued pursuant to Minn. Stats. § 171.07, or, in the case of a foreign national, by a valid passport.
3. No sale may be made in any place or in part of a building where such sales are prohibited by state law or this chapter.
4. No person under eighteen (18) years of age may be employed in a place where intoxicating liquor is sold for consumption on the premises, except persons under eighteen (18) years of age may be employed as musicians or in bussing or washing dishes in a restaurant or hotel that is licensed to sell intoxicating liquor and may be employed as waiters or waitresses at a restaurant, hotel or motel where only wine is sold; provided, that the person under the age of eighteen (18) may not serve or sell any wine.
5. Every licensee is hereby made responsible for the conduct of his place of business and required to maintain order and sobriety in such place of business.
6. No licensee may 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, nor permit any gambling therein (whether or not licensed by the state), nor permit the licensed premises or any room in the same or in any adjoining building directly or indirectly under his or her control to be used as a resort for prostitutes or other disorderly persons, except that pull tabs, tip boards, paddlewheels and raffle tickets may be sold on licensed premises when such activity is licensed by the state pursuant to Minn. Stats. Ch. 349 and conducted pursuant to regulations contained in this Legislative Code. Notwithstanding the foregoing, a licensee may permit, for specific functions or events, up to five (5) times per calendar year, for which written notice is given to the department of safety and inspections at least forty-eight (48) hours in advance, the use of slot machines, dice and lawful gambling devices on the licensed premises if:
 - a. Their presence or use on the licensed premises does not violate state or federal law;
 - b. Their use is solely for social, recreational or amusement purposes, and not for fundraising of any kind or for any cause or purpose; and
 - c. No gambling other than lawful gambling takes place on the licensed premises.

- d. Notwithstanding other provisions of this Legislative Code to the contrary, the council may permit an on-sale licensee to permit the holding of a single event, such as a banquet, that includes the sale of raffle tickets as a part of the event activity; provided, that such events are separate from the public areas of the licensed establishment, not open to the general public, and the raffle conducted by a charitable organization licensed by the State of Minnesota.
7. No dancing wherein the public participates, and no dancing, singing or other vaudeville exhibitions or entertainment is permitted on the premises of any on-sale licensee unless such premises are duly licensed for entertainment. Each on-sale licensee shall be responsible for all entertainment of any kind that is provided on the licensed premises, and by others on property in the same building as the licensed premises which the on-sale licensee owns or has the right to control, when such property has been leased or otherwise made available to another (hereafter, "rental property"). Each such on-sale licensee shall take reasonable and adequate steps to prevent entertainment and other activities on the rental property from violating any provision of law including, but not limited to, the noise regulations in chapter 293 of the Legislative Code, and to prevent the conduct of persons present at or leaving the rental property from causing a nuisance in the community in the immediate area of the rental property. Such steps may include written lease agreements, conditions in each lease agreement for the rental property which require the provision of security guards, the limitation of the hours during which entertainment may take place, the termination of entertainment upon the receipt of two (2) or more noise complaints by the police, and consent for inspection of the rental property by the police or license division at times when the rental property is in use. Notwithstanding such steps, the on-sale licensee shall be subject to adverse action for entertainment and other activities taking place on the rental property or on the licensed premises which violate the provision of any law or ordinance, or which constitute a nuisance.
8. The license issued to said licensee must be posted in a conspicuous place in that portion of the premises for which the license has been issued.
9. No person may remain in or loiter in the parking lot of an on-sale licensee after the lawful closing hour.
10. When a licensee is notified by the police department that a parade will be held within one (1) block of the licensee's establishment, all beer and all intoxicating liquor or liquid of any type sold during the entire day of said parade must be sold only in plastic or paper containers. In addition, upon receiving such notice, the licensee must place a person at each entrance and each exit of the establishment at least one (1) hour prior to the time of parade, and the licensee must require a person to remain at those locations until one (1) hour after the parade, to ensure that patrons do not enter or exit with beer or intoxicating liquor.
11. When an existing building is converted to on-sale intoxicating liquor purposes, existing off-street parking facilities which serve the building must be provided with a visual screen where the parking facility adjoins or abuts across an alley any residential use or residential zoning district. The screen must be between four and one-half (4½) and six and one-half (6½) feet in height and of sufficient density to visually separate the parking facility from the adjacent residential use district. The screen may consist of various fence materials, earth berms, plant materials or a combination thereof. Access by patrons to

the parking facility from an adjacent alley should generally be prohibited. This regulation does not apply to a license issued to a private nonprofit college.

12. No person may give, sell, procure or purchase intoxicating liquor to or for any person to whom the sale of intoxicating liquor is forbidden by law.
13. No person may mix or prepare intoxicating liquor for consumption, or consume it, in any public place not licensed in accordance with this Code and the state.
14. No intoxicating liquor may be sold or consumed on a public highway or in an automobile.
15. Each on-sale licensee has the responsibility of taking reasonable and adequate steps to prevent persons from leaving the licensed premises with a bottle, can or glass containing any alcoholic beverage, and the failure to do so may subject such licensee to adverse action against his or her license.
16. No person, group or association applying for or holding a license under this chapter may restrict membership in its club or organization or restrict access to the licensed premises or any facilities of such person, group or association, on the basis of race, creed, religion, sex, national origin or ancestry, age, disability, marital status or status with respect to public assistance. This provision does not apply to any religious corporation, association or society with respect to membership or access based on religion, where religion is a bona fide qualification for membership or access. A violation of the foregoing constitutes sufficient grounds for adverse action against the license or license application, including revocation or denial of the license.
17. An off-sale/brew pub, off-sale brewery and small brewer off-sale - 128 ounces licensee may only sell at off-sale during legal hours for off-sale at exclusive liquor stores, except that an off-sale brewery and small brewer off-sale - 128 ounces may sell at off-sale between 8:00 a.m. and 8:00 p.m. on Sundays. The malt liquor sold off-sale must be removed from display at all times when off-sale is not authorized under this paragraph.
18. An off-sale/brew pub and off-sale brewery must package the malt liquor in sixty-four-ounce containers commonly known as growlers, bearing a twist-type closure, cork, stopper or plug. At the time of the sale, a paper or plastic adhesive band, strip or sleeve must be applied to the container and extend over the top of the closure, forming a seal that must be broken upon opening of the strip. The band, strip or seal must bear the name and address of the brewer, and the container must be identified as malt liquor, contain the name of the malt liquor and bear the name and address of the brewer selling the malt liquor and must be considered intoxicating liquor unless otherwise labeled in accordance with Minnesota Rules, part 7515.1100.
19. The total retail sales at on-sale or off-sale of a brewer licensed to sell at off-sale as an off-sale brew pub or an off-sale brewery may not exceed three thousand five hundred (3,500) barrels per year provided that off-sales may not total more than five hundred (500) barrels.

20. No licensee may sponsor, advertise and/or host events for individuals under the age of twenty-one (21) such as "18 and up" nights, "college nights", "teen nights" or other such designations unless the events are held in a portion of the establishment where liquor, including 3.2 malt, is not consumed sold or served. The licensee will be responsible for ensuring that individuals under the age of twenty-one (21) who enter to attend such events cannot gain access to an area where liquor is sold, served, permitted or consumed. Any advertisements in connection with such events must contain disclaimers that the events will be in an alcohol-free area of the establishment and that alcohol will not be sold or served to anyone under the age of twenty-one (21).
21. Licensees are responsible for ensuring that any individual under the age of twenty-one (21), other than an employee, who enters the establishment is present only for the purpose of consuming a meal or attending a social function open to the public held in a portion of the establishment where liquor is not sold, consumed, served or displayed. The requirements of this section do not apply to the River Centre complex, theaters or bowling alleys or social functions which are not open to the public.
22. Notwithstanding the provisions of paragraph (18), above, an establishment which holds an entertainment license may host up to twelve (12) live entertainment events annually at which individuals under the age of twenty-one (21) may be present, providing the establishment obtains a permit for such an event. A "live entertainment event" means live musical performances by individuals or groups. The fee for such license is set forth in Saint Paul Legislative Code § 310.01. No more than twelve (12) permits may be issued to any licensee annually and no more than one (1) event may occur within three (3) weeks of another such event. A permit issued hereunder is not effective for any premises other than the licensed premises. Application for such permit must be made at least two (2) weeks prior to the event. Any person obtaining an eighteen (18) and up permit shall be required to have in place a system of checking identification and identifying with indelible marks or non-removable wristbands those patrons who are not yet twenty-one (21). At no time during an event authorized pursuant to this section are patrons be served more than one (1) alcoholic beverage per person from the bar, and servers will be required to independently verify that patrons have been carded for age prior to serving them alcoholic beverages. Notwithstanding any other provision of law, the council or the department of safety and inspections may, at any time and with respect to any establishment, deny such request for a permit or place additional conditions on permits issue hereunder in order to protect the public peace, welfare and safety, so long as such conditions or prohibitions do not relate to the content of the entertainment. Appeal of the denial of a permit or the addition of conditions under this subdivision shall be to the city council and follow the procedures for notice and approval laid out in Saint Paul Legislative Code Section 310.02 (2)(d).
23. An off-sale micro distillery may only sell at off-sale during legal hours for off-sale at exclusive liquor stores, and the distilled spirits sold off-sale must be removed from display at all times when off-sale is not allowed under this paragraph.
24. An off-sale micro distillery may not sell spirits at off-sale unless the brand is also available for distribution by wholesalers.
25. No licensee of an exclusive liquor store which sells or displays any tobacco, tobacco-related device, electronic delivery device, or nicotine or lobelia delivery product as defined under section 324.03 may allow any person under the age of twenty-one (21) years of age to enter the store unless accompanied by an adult over the age of twenty-one (21).

26. The holder of a Small Brewer off-sale - 128 ounces license must package the malt liquor in a container or a combination of containers permitted under Minnesota Statute 340A.29 or any subsequent amendments or renumbering thereto.
27. Extended Hours for On-Sale During World Cup. Notwithstanding the restrictions on the days and hours for on-sale of intoxicating liquor in this Chapter, during a FIFA Women's World Cup competition or FIFA World Cup competition, a licensee may obtain a special World Cup Extended Hours permit from the City subject to the following conditions:
 - a. The permit will authorize the sale of alcoholic beverages 30 minutes before, during, and 30 minutes after a scheduled broadcast of a live World Cup match.
 - b. The permit will not allow sales during broadcasts of previously played matches.
 - c. Only holders of an existing on-sale intoxicating liquor license are eligible for a World Cup Extended Hours permit.'
 - d. The applicant must complete an application provided by the department of safety and inspections.
 - e. The applicant must pay the World Cup Extended Hours permit fee of \$250.
 - f. This section expires September 1, 2023.

SECTION 12

Saint Paul Legislative Code Section 409.085 is hereby amended as follows:

Sec. 409.085. Safety in on-sale establishments.

This section applies to on-sale licenses for the sale of intoxicating liquor.

- (a) *Notice to chief of police.* The licensee must notify the chief of police in writing if any firearms as defined in section 225.01 of the Legislative Code are kept on or within the licensed premises. Such notice must include a description of each firearm and the location where it is kept on the licensed premises. Thereafter, the licensee must notify the chief of police if there are any additional firearm or firearms, or changes in the location, number or description of each such firearm listed in the first notice, kept on or within the licensed premises, within five (5) days following any such change. The licensee is responsible for ensuring that the notification given to the chief is updated and accurate with respect to any changes in kind, number or location of firearms kept on or within the licensed premises.
- (b) *Training.* The licensee must, with respect to all employees who (1) are authorized to use a firearm on the licensed premises and (2) who are not prohibited by law from using such firearm, provide training in firearms safety and the lawful use of deadly force, as well as in procedures for maintaining order and peace on the licensed premises by methods other than use of firearms and/or deadly force. The training required by this subsection shall be acceptable to the chief of police and provided for all existing employees within ninety (90) days following November 4, 1994, and for future employees within sixty (60) days following their employment.

SECTION 13

Saint Paul Legislative Code Section 409.09 is hereby amended as follows:

Sec. 409.09. Certain sexual conduct prohibited.

The following acts or conduct on licensed premises are unlawful and must be punished as provided by section 1.05 of the Saint Paul Legislative Code:

1. To employ or use any person in the sale or service of alcoholic beverages in or upon the licensed premises while such person is unclothed or in such attire, costume or clothing as to expose to view any portion of the female breast below the top of the areola or of any portion of the pubic hair, anus, cleft of the buttocks, vulva or genitals.
2. To employ or use the services of any hostess while such hostess is unclothed or in such attire, costume or clothing as described in subparagraph (1) above.
3. To encourage or permit any person on the licensed premises to touch, caress or fondle the breasts, buttocks, anus or genitals of any other person.
4. To permit any employee or person to wear or use any device or covering exposed to view which simulates the breast, genitals, anus, pubic hair or any portion thereof.
5. To permit any person to perform acts of or acts which simulate:
 - a. With or upon another person sexual intercourse, sodomy, oral copulation, flagellation or any sexual act which is prohibited by law.
 - b. Masturbation or bestiality.
 - c. With or upon another person the touching, caressing or fondling on the buttocks, anus, genitals or female breast.
 - d. The displaying of the pubic hair, anus, vulva, genitals or female breast below the top of the areola.
6. To permit any person to use artificial devices or inanimate objects to depict any of the prohibited activities described above.
7. To permit any person to remain in or upon the licensed premises who exposes to public view any portion of their genitals or anus.
8. To permit the showing of film, still pictures, electronic reproduction or other visual reproductions depicting:
 - a. Acts or simulated acts of sexual intercourse, masturbation, sodomy, bestiality, oral copulation, flagellation or any sexual act which is prohibited by law.
 - b. Any person being touched, caressed or fondled on the breast, buttocks, anus or genitals.
 - c. Scenes wherein a person displays the vulva or the anus or the genitals.
 - d. Scenes wherein artificial devices or inanimate objects are employed to depict, or drawings are employed to portray, any of the prohibited activities described above.

SECTION 14

Saint Paul Legislative Code Section 409.10 is hereby deleted.

SECTION 15

Saint Paul Legislative Code Section 409.11 is hereby renumbered 409.10 and amended as follows:

Sec. 409.10. Transfer of license Class N and Class T Licenses; Class T - Temporary extensions of service area.

- (a) *Transfer.* No on-sale license granted hereunder is transferable from person to person. No on-sale license granted hereunder is transferable from place to place (including changes in licensed areas) without the consent of the city council, which consent must be evidenced by resolution passed by the city council.
- (b) *Service area; temporary extensions of service area.* No license granted for a specified part of any particular premises may permit sales of such liquor on a part of such premises not specified in the license; or in an area adjacent to such licensed premises; provided, however, that the Director or their designee may waive this limitation and allow a temporary extension of the liquor service area subject to the following criteria herein established by the city council. Failure to make a waiver and/or allow such a temporary extension is not adverse action and does not require notice and hearing in the event of denial or inaction:
 1. No such extension may be for more than a continuous twenty-four-hour period and is valid only at times that liquor sales are allowed by law;
 2. No licensee shall receive more than twelve (12) such service extensions in any calendar year;
 3. The temporary extended service area can be either indoors or outdoors, but must be immediately adjacent to the licensed premises;
 4. All business operations on or in the temporary extended service area must be in compliance with all other requirements of state law and of this chapter, and in particular must comply with the requirements of Chapter 293 of this Legislative Code relating to noise;
 5. The temporary extended service area, if outdoors, must be enclosed by a vertical fence or partition at least four (4) feet in height which allows control of access to and from the liquor service and consumption area;
 6. The licensee shall notify, at least fourteen (14) days in advance of the date of the proposed temporary extension, all owners and occupants who own property or reside within three hundred fifty (350) feet of the property line within which the licensed establishment is located of the proposed temporary extension of liquor service. Such notice must be typewritten and include the location, date and time of the proposed extension of liquor service. The notice must specifically state: "If any person has comments about this proposed temporary extension of liquor service, they are encouraged to telephone the public information and complaint office." A copy of the notice must be submitted to the Department of Safety and Inspections at least ten (10) days in advance of the proposed extension.

- (c) Transfers of stock in corporate licensees; change in officers.
1. The transfer of stock in any corporate license will be deemed a transfer within the meaning of this section, and no such transfer of stock may be made without the consent of the city council.
 2. It is hereby made the duty of the officers of any corporation holding a license issued under the authority of this chapter to notify the Department of any proposed sale or transfer of any stock in such corporation, and no such sale or transfer of stock will be effective without the consent of the council given in the manner above set forth. The transfer of any stock without the knowledge and consent of the city council will be deemed sufficient cause for revocation by the council of any license granted to such corporation under the authority of this chapter.
 3. Such corporate officers must also notify the Department whenever any change is made in the officers of any such corporation, and the failure to so notify the council will likewise be sufficient cause for revocation of any liquor license granted to such corporation.
 4. Notwithstanding the provisions of this section, publicly owned corporations whose stock is traded on the open market may comply with the requirements pertaining to stock ownership and stock transfer by furnishing the Department with the names and addresses of all stockholders of record upon each renewal of the license.
 5. An application for the transfer of such a license must be made by the transferee upon forms furnished by the department of safety and inspections. Prior to the city council's consideration of said application, the application must be read by the city clerk at the next regular meeting of the city council.
- (d) Hearings upon transfers or changes in service area. Notice and hearings on applications for permanent transfer or change in licensed area will be handled in accordance with the procedures laid out in Saint Paul Legislative Code Section 310.02 (2) (c) and (d). Notice and hearings on applications for temporary extension in service area will be handled in accordance with the procedures laid out in Saint Paul Legislative Code Section 310.02 (3).
- (e) *Notice requirement not applicable in downtown business district.* The notification requirements of this section are not applicable where the license is to be transferred to a place located within the downtown business district. For purposes of this section, downtown business district includes all that portion of the City of Saint Paul lying within and bounded by the following streets: Beginning at the intersection of Shepard Road with Chestnut Street, Chestnut Street to Interstate Freeway 35E, Interstate Freeway 35E to Tenth Street, Tenth Street to Interstate Freeway 94, Interstate Freeway 94 to Lafayette Bridge, Lafayette Bridge to where the bridge crosses over Warner Road, Warner Road to the Wabasha Bridge, the Wabasha Bridge across the Mississippi River to the water line on the south bank of the river, thence in a westerly direction along the shore line to the point at which it intersects with "Line A," and then in a straight line across the Mississippi River to the intersection of Chestnut Street with Shepard Road. The location and legal description of "Line A" is indicated on the map attached hereto and incorporated and adopted herein by reference.
- (f) *No transfers person to person.* Notwithstanding any other provision in the Saint Paul Legislative Code, no on-sale license is transferable from person to person.

- (g) *Place to place transfers limited.* Notwithstanding any other provision in the Saint Paul Legislative Code, an on-sale license may be transferable from place to place within one (1) liquor patrol limit as defined in section 17.07 of the City Charter, and from such liquor patrol limit to any location in a commercial development district, also as defined in said section of the Charter, so long as the transfer and new location meet all the requirements of law, ordinance, Code or Charter. An on-sale license may be transferable from place to place into a liquor patrol limit subject to all the restrictions and requirements of section 17.07.2 of the City Charter.
- (h) *License is a privilege.* A license issued under this chapter is a privilege accorded to the licensee to engage in all the lawful activities permitted thereunder and is neither property nor a property right. Such license may not be leased, assigned, pledged, mortgaged or liened. An agreement providing for management of the licensed business or premises (or any part thereof) must be reduced to writing, executed by the parties thereto and filed within ten (10) days after its execution in the department of safety and inspections, together with the new license application. The management agreement is not effective until it has been approved in writing by the department of safety and inspections and will remain in effect only while the new license application is pending. Failure to reduce a management agreement to writing, and failure to file the same with the Director as required above, shall each constitute separate grounds for adverse action. The licensee notwithstanding a management agreement remains fully responsible for the licensed business and/or premises, as well as the conduct of all employees, managers and agents in accordance with sections 310.14 and 409.12 of the Code.
- (i) *Addition of family members to the license.* Notwithstanding any other provision of law to the contrary, the addition of one (1) or more family members as defined in section 409.05(k h) of the Legislative Code as partners, officers or shareholders in a partnership or corporation holding a license under this chapter must not be deemed to be a transfer of the license or to require the submission of an original application for a license so long as all the additional family members comply with the provisions of section 409.05(h).

SECTION 16

Saint Paul Legislative Code Section 409.12 is hereby deleted:

SECTION 17

Saint Paul Legislative Code Section 409.13 is hereby renumbered as 409.11 and amended as follows:

Sec. 409.11. Director's duties.

It is hereby made the duty of the Director to see that no applicant for any license hereunder begins to operate such business until the license has actually been issued to such applicant so to do by the inspector.

SECTION 18

Saint Paul Legislative Code Section 409.14 is renumbered as 409.12 and amended as follows:

Sec. 409.12. Owner's responsibility.

- (a) Any act by any clerk, barkeeper, agent, servant or employee of any licensee hereunder, in violation of this chapter, shall be deemed the act of the employer and licensee of such place as well as that of such clerk, barkeeper, agent, servant or employee, and every such employer and licensee is liable to all the penalties provided for the violation of same equally with the clerk, barkeeper, agent, servant, or employee.
- (b) Any sale of intoxicating liquor by a clerk, barkeeper, agent, servant or employee made in or from any place duly licensed to sell nonintoxicating malt liquor but not duly licensed to sell intoxicating liquor is deemed the act of the employer and licensee, as well as that of the person actually making the sale, and every such employer and licensee of such place is liable to all the penalties provided in this chapter for such sale, equally with the person actually making the sale.

SECTION 19

Saint Paul Legislative Code Section 409.15 is hereby renumbered as 409.13 and amended as follows:

Sec. 409.13. Class N - On-sale wine and On-sale culinary licenses.

- (a) *Definitions.* The following definitions apply to this section:
 - 1. *Restaurant* means an establishment under the control of a single proprietor or manager, having appropriate facilities for serving meals and for seating not fewer than twenty-five (25) guests at one (1) time and where, in consideration of payment therefor, meals are regularly served at tables to the general public, and which employs an adequate staff to provide the usual and suitable service to its guests.
 - 2. *On-sale wine license* means a license authorizing the sale of wine not exceeding fourteen (14) percent alcohol by volume, for consumption on the licensed premises only in conjunction with the sale of food.
 - 3. *On-sale culinary license* means a license authorizing an establishment that offers culinary classes to furnish wine not exceeding fourteen (14) percent by volume or intoxicating malt liquor on the licensed premises only in conjunction with a cooking or culinary class.
- (b) *Issuance of license; fee; conditions for on-sale wine license.* On-sale wine licenses may be issued, subject to the approval of the liquor control commissioner, to the proprietor of any restaurant as defined in this section and without regard to section 409.03 limitations, and subject to the following conditions:
 - 1. The license fee must be paid in the amount listed in section 310.01 of this code; and
 - 2. The licenses are valid on all days of the week consistent with the hours of sale provided in section 409.07; and
 - 3. All other provisions of this chapter are applicable to such licenses and licensees unless inconsistent herewith.

- (c) *Issuance of license; fee; conditions for on-sale culinary license.* On sale culinary licenses may be issued, subject to the approval of the liquor control commissioner, to the proprietor of any establishment offering culinary classes as defined in this section, without regard to section 409.03 limitations, and subject to the following conditions:
1. The license fee shall be paid in the amount listed in section 310.01 of this code; and
 2. The licenses shall be valid on all days of the week between the hours of 12:00 p.m. and 12:00 a.m.; and
 3. The establishment must offer culinary or cooking classes as a part of its business. Each participant in each class must make an advance reservation for the class and each participant must make payment for the class in advance. A participant may attend no more than one (1) class per day; and
 4. The license allows that each participant may be furnished up to a maximum of six (6) ounces of wine or twelve (12) ounces of intoxicating malt liquor during and as part of the class, for consumption on the licensed premises only. The wine or intoxicating malt liquor must be furnished only during and as a part of the class and at no additional cost to the participant.
- (d) *Public hearing; notices.* No new on-sale wine license or on-sale culinary license may be issued until the council shall have first held a hearing on the application pursuant to Saint Paul Legislative Code Section 310.02 (2). The notification requirements applicable to change in licensed areas in section 409.11 are applicable to the issuance of new on-sale wine licenses and on-sale culinary licenses.
- (e) *On-sale malt beverages.* A holder of an on-sale wine license issued pursuant to this section who is also licensed to sell on-sale 3.2 percent malt liquor and whose gross receipts are at least sixty (60) percent attributable to the sale of food may be permitted by the city council to also sell malt liquors at on-sale in conjunction with the sale of food without having to pay any additional license fee. Such authorization, if approved by the council, must be noted upon the licenses issued by the inspector. This provision is enacted pursuant to authority granted by Minnesota Statutes, section 340A.404(5).

SECTION 20

Saint Paul Legislative Code Section 409.16 is hereby deleted.

SECTION 21

Saint Paul Legislative Code Section 409.17 is hereby renumbered as 409.14 and amended as follows:

Sec. 409.14. Violation; penalty.

Violation of any of the regulations contained in this section is a misdemeanor and will be punished as provided by section 1.05 of the Saint Paul Legislative Code.

SECTION 22

Saint Paul Legislative Code Section 409.18 is hereby renumbered as 409.15 and amended as follows:

Sec. 409.15. Phalen Park Club House; Como Park Clubhouse; Como Lakeside Pavilion.

The director of parks and recreation may authorize any holder of an on-sale liquor license issued by the city to dispense intoxicating liquor at any event of definite duration on the public premises known as Como Park Clubhouse, Como Lakeside Pavilion and Phalen Park Club House. The event may not be profit making except as a fund-raising event for a nonprofit organization or a political committee as defined in Minnesota Statutes, Section 210A.01, Subdivision 8. The licensee must be engaged to dispense intoxicating liquor at the event held by a person or organization permitted to use the premises and may dispense intoxicating liquor only to persons attending the event. A licensee's authority expires upon termination of the contracted event. The authority to dispense intoxicating liquor must be granted in accordance with the statutes applicable to the issuance of on-sale licenses in cities of the first class consistent with Laws of Minnesota for 1981, Chapter 335, Laws 1983, Chapter 259, and Laws of Minnesota for 1993, Chapter 350. The dispensing of intoxicating liquor must be subject to all laws and ordinances governing the dispensing of intoxicating liquor as are not inconsistent with Laws 1981, Chapter 335, Laws 1983, Chapter 259, and Laws of Minnesota for 1993, Chapter 350. All dispensing of intoxicating liquor must be in accordance with the terms and conditions prescribed by the director of parks and recreation and those terms and conditions may limit the dispensing of intoxicating liquor to designated areas of the facility. The director of parks and recreation may fix and assess a fee to be paid to such special fund as may be designated by said by an on-sale licensee for each event for which the licensee is engaged to dispense intoxicating liquor.

SECTION 23

Saint Paul Legislative Code Section 409.19 is hereby deleted.

SECTION 24

Saint Paul Legislative Code Section 409.20 is hereby renumbered as 409.16 and amended as follows:

Sec. 409.16. Commercial development districts.

- (a) Commercial development districts, as defined in section 17.07.1 of the City Charter, may be created or expanded by the filing in the office of the city clerk of a written petition therefor setting forth the boundaries of the expanded district, and containing the written consent of the owners of two-thirds of the several descriptions of real estate situate within the new or area of the expanded district, together with the written consent of the owners of two-thirds of the several descriptions of real estate situated within one hundred (100) feet of the new or expanded district, and after the affirmative vote in favor thereof by at least five (5) members of the city council.

- (b) The city council may waive the requirements for consent signatures only if the city council determines that a hardship exists, and in such case the council may, on its own, initiate the process of creating or expanding a commercial development district. In such case, the affirmative vote of at least five (5) members of the city council is required to create or expand any such district.
- (c) In all such cases, the planning commission must be consulted for advice concerning the proposals for consistency with the city's comprehensive plan and zoning ordinances, and the planning commission must report in writing to the city council its findings and recommendations.
- (d) Upon receipt of the report of the planning commission, the council's committee designated to hear license matters must fix a date for public hearing to consider the petition or proposal to create or expand a commercial development district and afford an opportunity to all affected persons to be heard. The city clerk must cause notice of the hearing to be published once in the official newspaper of the city and mailed notice thereof must be given by the department of safety and inspections to all owners of land within the new or area of the expanded district. Published notice and mailed notice must be made at least twenty (20) days in advance of the public hearing.

SECTION 25

Saint Paul Legislative Code Section 409.21 is hereby renumbered as 409.17 and amended as follows:

Sec. 409.17. Pull-tabs, tip boards, paddlewheel, raffle tickets and bingo in bars by state licensed charitable nonprofit organizations.

- (a) Permission of city council; endorsement; termination:
 - 1. On-sale licensees may request permission of the city council to permit qualified charitable organizations to conduct lawful gambling in the form of bingo, paddlewheels, pull-tabs, raffles and tipboards only on the licensed premises. Application for permission must be made to the Director and payment of the specified fee. If the application is granted, the on-sale license must contain an endorsement specifying this approval and the lawful gambling endorsement may be considered for renewal at the same time as the council may consider renewal of the on-sale license. Once the city council has approved the application of an on-sale licensee to allow lawful gambling conducted by a qualified charitable organization, the department may allow subsequent qualified charitable organizations to conduct lawful gambling on the licensed premises without further council approval, subject to paragraph (2) of this section and section 409.17 (b)(3).
 - 2. In the event the permission of any charitable nonprofit organization to conduct lawful gambling on the licensed premises is terminated by the licensed establishment on whose premises the organization was conducting said lawful gambling, or in the event such organization terminates its lawful gambling as a result of coercion, pressure or unreasonable or unlawful conduct by the licensee or its employees, the on-sale licensee shall not be able to make application for a gambling endorsement for a new charitable nonprofit organization to take the place of the former organization until one (1) year after discontinuance of all lawful gambling activity on the licensed premises by the former organization.

- (b) *Lawful Gambling endorsement regulations.* Lawful Gambling endorsements in on-sale licenses must be subject to the following regulations which must be deemed as a part of the license, and failure to comply with the regulations may constitute grounds for adverse action as prescribed in the Legislative Code:
1. Only charitable nonprofit organizations licensed by the State of Minnesota to conduct bingo or operate paddlewheels, tip boards and pull-tabs may be allowed to conduct bingo or sell paddlewheel tickets, pull-tabs, raffle tickets and tip boards on the licensed premises. Except as provided under 2(b) below.
 2. Use of the licensed premises must be by means of a written lease agreement between the licensee and the charitable organization. All leases shall comply with the provisions of Minn. Stat. chapter 349 and the rules promulgated pursuant thereto. The lease must expire with the premises permit; a copy must be filed with the department of safety and inspections director, and also a copy must be kept on the premises and available for public inspection upon request. Leases must be governed by the following:
 - a. In the case of pull-tab dispensing devices, the lease agreement must address cash shortages, game banks, machine repair, and prize reimbursement.
 - b. The licensee may not be reimbursed by the charitable organization for any license or permit fees, and the only compensation which the licensee may obtain from the charitable organization are the amounts fixed in the lease agreement.
 - c. All lawful gambling must be conducted either:
 - i. From a booth or pull-tab dispensing device within a leased or wholly owned area with the following exception: raffle tickets, paddlewheel tickets consisting of thirty (30) numbers or less with no table and tip boards consisting of thirty (30) or less may be sold within all of the public area of the permitted premise. Raffle drawings, winning ticket redemption, paddlewheel location and tip board seal opening must be within the leased or wholly owned area with the exception that pull-tab prize redemption from dispensing devices may be made as set forth in subdivision (6) below.
 - ii. The owner and employees of the on-sale establishment may, consistent with law and rule, conduct the sale and prize payout of lawful gambling games from within the establishment, including from the bar service area. In the case of bar bingo, food and beverages may be dispensed within the bingo leased or permitted premises.
 - d. The construction and maintenance of the booth used by the charitable organization must be the sole responsibility of the charitable organization.
 - e. The lease must contain a provision permitting the licensee to terminate the lease if the charitable organization is found guilty of any violation of state or local lawful gambling statutes, ordinances or rules and regulations.
 3. Only one (1) charitable organization shall be permitted to conduct lawful gambling on a permitted premises except on such premises where two (2) organizations are conducting lawful gambling at the time this section is passed, provided that this requirement will apply if one (1) of said organizations ceases operations.

4. A pull-tab dispensing device must be protected by an alarm system that is centrally monitored and has a battery backup. Such alarm may protect just the machine or the entire premises.
5. If potentially hazardous food, as defined in section 4626.0020, subpart 62 of the Minnesota Food Code of the Legislative Code, is awarded as a prize in any lawful gambling, the storage and handling of such food shall be in compliance with all applicable requirements of the Minnesota Food Code, Chapter 4626. The licensee shall be responsible for notifying the department of safety and inspections that food, whether readily perishable or potentially hazardous or not, is being awarded as a prize in any lawful gambling taking place on the licensed premises, using such form or forms as may be prescribed by such department.
6. Winning pull-tab tickets dispensed from dispensing devices or by an owner or employee of the on-sale establishment, may be redeemed by bar personnel from the bar service area, provided that a separate accounting of pull-tab proceeds and other funds of the licensed establishment is performed and made available to enforcement personnel.
7. Employees and agents of the on-sale establishment not involved in the conduct of lawful gambling on the premises or nongambling employees or agents of a licensed organization conducting lawful gambling on the premises may participate in lawful gambling on the premises provided that if pull-tabs or tip boards are sold, the organization prominently posts within plain view at the point of sale the major prizes awarded.

(c) Large charitable nonprofit organizations regulated:

1. Notwithstanding any other provision of law or of sections 409.17 and 409.18 of this chapter, not more than five (5) charitable nonprofit organizations which qualify as "large organizations" may be permitted to conduct lawful gambling in the form of paddlewheels, pull-tabs, raffles and tip boards on licensed premises after meeting all other requirements of Chapters 310 and 409 of the Saint Paul Legislative Code and of any other applicable statute, regulation or ordinance. The term "large organization," for the purpose of this chapter, means and includes any charitable nonprofit organization which has the size and resources, as well as the public acceptance and drawing power, sufficient to dominate in the competition for licensed premises in which to conduct charitable gambling so as to make it difficult or impossible for small charitable nonprofit organizations to find suitable or desirable premises in which to raise funds by charitable gambling. Any charitable nonprofit organization whose annual gross revenues for the immediately past fiscal or calendar year from all sources are in excess of ten million dollars (\$10,000,000.00) or whose annual management and administrative expenditures for its current budget year are in excess of three million dollars (\$3,000,000.00), or twenty-five (25) percent or more of whose net profits from charitable gambling are or have been distributed in at least three (3) of the last five (5) years to another nonprofit or charitable organization of which it is a local chapter or subsidiary, shall be presumed to be a large corporation. The computation of the above dollar amounts shall be the total for both the charitable nonprofit organization in question and any other such organization, if such other organization:
 - a. Has the power to appoint a majority of the governing body of the organization in question;
 - b. Has or exercises the authority to direct or control the work of the officers or employees of the organization in question;

- c. Provides half or more of the gross revenues of the organization in question; or
 - d. Franchises or charters the organization in question-~~or~~ permits the organization in question to use its name and/or organizational symbols in the conduct of the fund-raising activities of the organization in question.
2. No endorsement to the on-sale license may be granted to any on-sale licensee for a large organization until thirty (30) days after the effective date of this ordinance [Ordinance No. 17613]. If there are more than five (5) qualified applicants for such endorsement, the council shall by motion set a future regular council meeting date at which five (5) such applicants shall be selected for the issuance of the liquor endorsements authorized herein. Such selection shall be by lot in accordance with the procedures indicated in section 409.16(e)(2) (excepting the payment of the special issuance excise tax). Not less than thirty (30) days after one (1) of such endorsements is revoked, denied or lapses for any reason, the council may establish a date for random selection among otherwise qualified applicants as provided above. If the number of applicants at any time is equal to or less than five (5), or less than the number needed to bring the total of such endorsements issued to five (5), then the council may issue such endorsements in the regular manner.
 3. The large organizations authorized to operate in on-sale licensed premises as provided for in this paragraph (c) shall be required to comply with all applicable requirements of law and of sections 409.17 through 409.20, including the payment of ten (10) percent of their net profits without allowance for cash shortages from selling paddlewheel tickets, pull-tabs, raffle tickets and tip boards as provided by section 409.19 (11).
 4. The term "large organization" for the purpose of subsection (c) must not include a club as defined in section 409.02 of this chapter where such club has an on-sale intoxicating liquor license issued under this chapter and the only charitable gambling carried out on the licensed premises is operated by the club itself in conformity with applicable state and municipal licenses and regulations thereunder.
- (d) Number of establishments restricted. No state licensed charitable organization shall sell paddlewheel tickets, pull-tabs, raffle tickets, bingo paper and/or tip boards in more than six (6) establishments licensed by the city for the sale of intoxicating liquor in accordance with section 409.18.

SECTION 26

Saint Paul Legislative Code Section 409.22 is hereby renumbered as 409.18 and amended as follows:

Sec. 409.18. Lawful gambling regulations.

The conducting of bingo and the sale of paddlewheel tickets, pull-tabs, raffle tickets and tip boards in on-sale licensed premises must be conducted only by qualified and state-licensed charitable organizations. In addition to satisfying the qualifications set forth in Minnesota Statutes, chapter 349, the following regulations and qualifications must be complied with by all such charitable organizations:

1. Must have been in existence for three (3) years.
2. Must file an annual financial audit with the department of safety and inspections.
3. Must file financial reports monthly with the department of safety and inspections.

4. Must exhibit and sell paddlewheel tickets, pull-tabs, raffle tickets and tip boards in a method as required by the department of safety and inspections.
5. Must not commingle game cards.
6. Must pay employees in compliance with applicable state and federal law, and any applicable rules and regulations promulgated thereunder.
7. Must comply with all provisions of Minnesota Statutes, chapter 349, and all orders issued by the state board pursuant to section 349 hereof.
8. Must register with the state gambling board all equipment and supplies used in a licensed on-sale liquor establishment.
9. Must post in a conspicuous place rules and regulations concerning lawful gambling as required by the department of safety and inspections.
10. Must pay to the Youth Program Fund, or to one (1) or more eligible recipients on the list established pursuant to section 409.22, following the procedures established therein, ten (10) percent of the monthly net profits from each city site at which lawful gambling operations are conducted from the sale of paddlewheel tickets, pull-tabs, raffle tickets and tip boards.
11. Must expend, in each calendar year, at least seventy-five (75) percent or more of its net proceeds from lawful gambling at city locations to or for purposes which benefit programs or activities occurring in the city trade area. Fifty-one (51) percent of the net proceeds from lawful gambling at city locations must be expended to directly benefit city residents who participate in such programs or activities. The "city trade area" is defined as the City of Saint Paul and each city contiguous to Saint Paul. Contributions to the Saint Paul Youth Fund under sections 409.20 and 409.21 of this chapter shall be presumed to benefit programs and activities which occur in the city trade area and must be presumed to directly benefit city residents who participate in such programs or activities.

SECTION 27

Saint Paul Legislative Code Section 409.225 is hereby renumbered as 409.19 and amended as follows:

Sec. 409.19. Posting.

- (a) Director's discretion. The Director may issue an order requiring an organization selling pull-tabs to post major prizes and the names of major prize winners if they have reasonable grounds to believe that the organization, or a person receiving compensation from the organization for participating in the sale of pull-tabs, has been or is providing information to a player or players that provides an unfair advantage related to the potential winnings from pull-tabs. The information posted shall comply with the requirements of Minnesota Statutes, Section 349.172, subdivision (2).
- (b) Notice. The Director must notify the organization at least fourteen (14) days before the order becomes effective. The notice to the organization must describe the organization's right to a hearing under the provisions of section 310.03 of this Legislative Code.
- (c) Hearing. An organization to which the inspector issues an order under this section may request a hearing under section 310.03 of this Legislative Code. The request for a hearing shall not delay the effective date of the order.

SECTION 28

Saint Paul Legislative Code Section 409.23 is hereby renumbered as 409.20 and amended as follows:

Sec. 409.20. Fund established; administration.

- (a) Youth program fund. There is hereby established a special fund for the administration and distribution of the proceeds contributed by lawful gambling in on-sale liquor establishments as specified in this chapter. This fund will be known as the "Youth Program Fund." The purpose of this fund must be to assist in providing fee waivers for youth programs organized and run by the Department of Parks and Recreation.
- (b) Limitations on use of funds.
 - 1. Funds are to be used solely for the purpose of waiving or reducing the fees for participation by Saint Paul residents between the ages of 2 and 18, in city-sponsored and run youth recreation or educational programs. Youth who are of age must be actively enrolled and attending school to qualify.
 - 2. No part of the funds deposited in the Youth Program Fund shall be used for any part of the costs of administration or regulation of such fund.
 - 3. Funds are not to be deposited in the city's general fund but must be placed in a special fund designated specifically for this use.
- (c) Eligibility for fee waivers.
 - 1. Eligibility for fee waivers must be determined on an annual basis.
 - 2. Annual allocations are provided per calendar year and cannot be carried forward.
 - 3. The maximum annual per qualifying child allocation must be set annually by the Director of Parks and Recreation.
 - 4. Fee waiver allocations must be based upon the Federal Poverty Level Guidelines, with qualifying youth whose family income is at or below 130% of the Federal Poverty Level Guideline eligible for a fee waiver equal to 90% of the original total program offering fee, and qualifying youth whose family income is greater than 130% but at or below 185% of the Federal Poverty Level Guideline eligible for a fee waiver equal to 75% of the original total program offering fee. The minimum amount of payment shall be \$1.00 per course offering.
 - 5. Maximum annual per child allocations must also be based upon the Federal Poverty Level Guidelines, with qualifying youth whose family income is at or below 130% of the Federal Poverty Level Guideline eligible for 100% of the annual maximum per child allocation, and qualifying youth whose family income is greater than 130% but at or below 185% of the Federal Poverty Level Guideline eligible for 75% of the annual maximum per child allocation.
 - 6. Fee waiver assistance is contingent upon a funding balance in the Youth Program Fund.

SECTION 29

Saint Paul Legislative Code Section 409.235 is hereby renumbered as 409.21 and amended as follows:

Sec. 409.21. Contributions to eligible recipients.

- (a) Eligible recipients list established. A list of recipients eligible for distribution of proceeds contributed by lawful gambling in on-sale liquor establishments as specified in this chapter, and in private clubs and other places as provided in section 402.10 of these chapters will be promulgated annually by resolution by the city council upon the advice and report of one (1) employee designated by the department of safety and inspections and one (1) employee designated by the department of parks and recreation. Such list may be amended from time to time by the city council to add or delete recipients. Such list will be maintained for public inspection in the office of the city clerk and shall be distributed at least annually to all organizations conducting lawful gambling within the City of Saint Paul by the department of safety and inspections and posted and regularly updated on the city's website.
- (b) Applicant qualifications for inclusion on list. Applicants will be required to apply annually and must meet the following requirements in order to be included on the list:
 1. Applicants must be incorporated, nonprofit organizations formed solely for the purpose of serving Saint Paul youth, or having an incorporated, nonprofit organization, which provides programs for Saint Paul youth, as a fiscal agent. Booster clubs, which provide programs for youth, organized for a recreation center will be eligible, but organized clubs, activities and teams of public or private schools, will not be eligible. Evidence that an organization has been recognized by the IRS as exempt from taxation pursuant to 26 U.S.C. Section 501 or is using an organization so recognized as a fiscal agent will be accepted as proof that it is a nonprofit organization, but such evidence is not the exclusive method of establishing nonprofit status.
 2. The majority of the organization's funding must be used for the benefit of the public in providing youth programs for youth twenty (20) and under, at least seventy-five (75) percent of whom are residents of the city. Additionally, applicants must demonstrate that they serve youth in need by showing that the majority of the participants in the program:
 - 1) are residents of neighborhoods which have been identified as areas of concentrated poverty where forty (40) percent or more of residents have family or individual incomes that are less than one hundred eight-five (185) percent of the federal poverty threshold ("ACP"), or neighborhoods which have been identified as an ACP where fifty (50) percent or more of the residents are people of color ("ACP50"); or 2) are eligible for free- or reduced-price lunch; or 3) attend a community eligibility provision (CEP) school, a non-pricing meal service option for schools and school districts in low-income areas; or 4) be a booster club organized for a recreation center located in an ACP or ACP50 area.
 3. Applicants must: address one (1) or more of the barriers (cost, lack of transportation, language, and cultural) to access to high quality youth programming.
 4. No other organization will be eligible for inclusion on the list.

- (c) Requirements for applications for inclusion on the list.
1. Each applicant for inclusion on the list must provide a statement setting forth: 1) its stated purpose; 2) the geographic areas the organization, program, or activity serves; 3) the number of participants served, the percentage of those who are Saint Paul residents, and how they meet the criteria for need; 4) how the organization will work to reduce barriers of access to programming; and 5) identifying how it will measure results.
 2. The submitting organization must provide at the time of application:
 - a. Verification of nonprofit status and copy of organizational bylaws.
 - b. List of current officers or directors.
 - c. Letter verifying organization's approval of the proposal and, where necessary, letter verifying approval of the application and proposal by the board of the fiscal agent.
 - d. Amount requested.
 - e. Proposed budget (expenses and income) for the activity.
 - f. Evidence that insurance, if needed, can be obtained by the organization.
 3. No organization operating lawful gambling in the State of Minnesota will be eligible for inclusion on the list.
 4. An organization formed, incorporated, operated or managed by the members, officers or directors of any organization operating or conducting lawful gambling, or subject to the requirements for contributions under sections 409.18 (1) or 402.10 of the Legislative Code, or the ten (10) percent contribution requirement in this section, shall not be an eligible recipient.
 5. An eligible recipient, as a condition to continuation on the list, may not engage in or operate lawful gambling nor use any contributions received as a result of its status as an eligible recipient for anything other than a lawful purpose.
- (d) Contributions required. Organizations conducting lawful gambling within the City of Saint Paul shall, to meet requirements imposed by law, including, but not limited to, sections 402.10 and 409.18 of the Saint Paul Legislative Code, give ten (10) percent as required therein to one (1) or more eligible recipients on the list promulgated by the city council or to the youth program fund established under section 409.20.
- (e) Affidavit. Each eligible recipient shall annually, during the month of January, file an affidavit with the youth program fund manager stating that the contributions which it received during the previous calendar year have been expended for a lawful purpose and state the purpose, that all previous contributions, if any, have been expended for lawful purposes, that the calendar-year total of contributions received as a result of its status as an eligible recipient does not exceed the allowable amount under the ordinance, that it does not operate any gambling activities, and that no such contribution or any previous contribution will be or has been used for capital expenses, salaries or travel expenses except as may be allowed herein.

- (f) Limitations on award and use of funds. Funds may not be used for capital expenses, nor for salaries or travel expenses, but may be expended for an individual or team representing the city or state in the state or national championship tournament in that sport or activity, or from the city where such individual or team has qualified for the state or national championship tournament in that sport or activity by competing in and winning the championship of a tournament in the city or state; provided, that travel expenses shall not be paid for any invitational tournament, qualifying tournament or other tournament. The term "championship tournament" means that such tournament is sanctioned as such by the governing body of that sport or activity. Funds may also be expended for reasonable bus rental for same-day trips for special events or activities.
- (g) Programs will be limited to eight thousand dollars (\$8,000.00) in contributions each year.
- (h) Contribution of checks through the city. Notwithstanding any other provision of law to the contrary, an organization conducting lawful gambling shall make its contribution to an eligible recipient on the list by sending its check payable to the City of Saint Paul and indicating the intended recipient. The Director shall verify that the intended eligible recipient has complied with all requirements of this chapter and that the proposed contribution will not exceed the allowable limits, nor be in excess of eight thousand dollars (\$8,000.00) for that calendar year. If all requirements of law have been satisfied, the director of safety and inspections shall disburse a check for such contribution to the intended eligible recipient by mail.
- (i) Alternate compliance. Notwithstanding any provision of law to the contrary, any organization conducting lawful gambling within the City of Saint Paul may satisfy its obligations under paragraph (e) above and sections 402.10 and 409.19 (14) of the code to give ten (10) percent of its net profits to eligible recipients by, in lieu thereof, contributing such ten (10) percent to the youth program fund established under section 409.20 of the code.

SECTION 30

Saint Paul Legislative Code Section 409.24 is hereby deleted.

SECTION 31

Saint Paul Legislative Code Section 409.25 is hereby renumbered as 409.22 and amended as follows:

Sec. 409.22. Class T - Temporary wine and liquor licenses.

- (a) *Wine licenses.* Notwithstanding any other provision of this chapter, a club or charitable, religious or other nonprofit organization in existence for at least three (3) years, or a political committee registered under Minn. Stats., § 10A.14, or a state university may obtain an on-sale license to sell wine and strong beer not exceeding fourteen (14) percent alcohol by volume for consumption on the licensed premises only. The fee for such license must be established by ordinance as provided in section 310.01 of the Legislative Code, and such license may authorize the on-sale of wine for not more than four (4) consecutive days. The city shall not authorize more than three (3) four-day, four (4) three-day, six (6) two-day or twelve (12) one-day temporary licenses, in any combination not to exceed twelve (12) days per year for the sale of wine to any one (1) location within the city for a twelve-month period.

- (b) *Wine licenses for festivals.* The city may issue a temporary on-sale and off-sale wine license to a bona fide association of owners and operators of wineries sponsoring an annual festival to showcase wines produced by members as authorized by Minn. Stat. § 340A.4175.
- (c) *Liquor licenses.* Notwithstanding any other provision of this chapter, a club or charitable, religious or other nonprofit organization in existence for at least three (3) years, a political committee registered under Minn. Stats. § 10A.14, a state university, a brewer who manufactures fewer than three thousand five hundred (3,500) barrels of malt liquor in a year, or a micro distillery may obtain an on-sale license to sell intoxicating liquor for consumption on the licensed premises only and in connection with a social event within the city sponsored by the licensee. 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. The fee for such license must be as set forth in section 310.01 of the Saint Paul Legislative Code. The license shall not authorize the on-sale of intoxicating liquor for more than four (4) consecutive days. The city shall not authorize more than three (3) four-day, four (4) three-day, six (6) two-day, or twelve (12) one-day temporary licenses, in any combination not to exceed twelve (12) days per year for the sale of intoxicating liquor to any one (1) location within the city for a twelve-month period. The city may not issue more than one (1) such license to any one (1) organization or political committee, or any one (1) location, within a thirty-day period unless the licenses are issued in connection with an event officially designated a community festival by the municipality.
- (d) *Application of other provisions of this chapter.* No other provisions of this chapter shall apply to licenses granted under this section, except sections 409.06, 409.065, 409.07, 409.08 (except clauses (11) and (12)), and sections 409.09 through 409.12.
- (e) *Class T license.* Notwithstanding any other provision of law to the contrary, the temporary wine and liquor licenses provided in this section shall be administered as a Class T license and subject to the provisions of these chapters governing Class T licenses. The inspector shall make all referrals as provided by section 310.02 (3) Class T Licenses.

SECTION 32

Saint Paul Legislative Code Section 409.26 is hereby deleted.

SECTION 33

Saint Paul Legislative Code Section 409.27 is hereby renumbered as 409.23 and amended as follows:

Sec. 409.23. Class N - 2:00 a.m. closing licenses.

- (a) *Issuance of license.* A 2:00 a.m. closing license may be issued, subject to the approval of the liquor control commissioner, to the proprietor of any establishment that holds an on-sale intoxicating liquor license issued under this chapter provided that the licensee obtains a permit from the state and pays the license fee in the amount listed in section 310.18 of this Code.
- (b) *Notice.* Prior to the issuance of a new 2:00 a.m. closing license the provisions for Class N - Notice outlined under Saint Paul Legislative Code Section 310.02 (2)(d) must be followed.

- (c) *Existing permit holders.* Establishments holding a 2:00 a.m. permit on June 1, 2009, are eligible for a 2:00 a.m. license when the licensee's state permit is due to be renewed. The licensee shall be subject to the fee under section 310.01. Licensee's holding 2:00 a.m. permits on June 1, 2009, shall not be subject to the notification requirements outlined in (b) above.

SECTION 34

Saint Paul Legislative Code Section 409.28 is hereby renumbered as 409.24 and amended as follows:

Sec. 409.24. Class N - Brewer taproom licenses.

- (a) *Definition.* A brewer taproom license means a license authorizing the on-sale of malt liquor produced by a brewer for consumption on the premises of or adjacent to one (1) brewer location owned by the brewer.
- (b) *Issuance of license; fee; conditions of license.* Brewer taproom licenses may be issued to the holder of a brewer's license under Minn. Stat. § 3409A.301, Subd. 6(c), (i) or (j). Said license may be issued without regard to section 409.03 limitations and are subject to the following conditions:
 1. The license fee shall be paid in the amount listed in section 310.01 of this code.
 2. The license shall be valid consistent with the hours of sale provided in section 409.07(a) and (c).
 3. A brewer may only hold one (1) brewer taproom license under this section.
 4. A buyer's card is not required of an applicant for a brewer taproom license under this section.
 5. The only alcoholic beverages sold or consumed on the premises of the taproom will be malt liquor produced by the brewer upon the brewery premises.
 6. No taproom may be located across a public right-of-way such as a street or alley from the brewery location.
 7. All other provisions of this chapter are applicable to such licenses and licensees unless inconsistent with the provisions of this section.
- (c) *Notice and Approval.* Prior to the issuance of a new Brewer Taproom license the provisions for Class N - Notice outlined under Saint Paul Legislative Code Section 310.02 (2)(d) and (e) must be followed.
- (d) Nothing in this section shall preclude the holder of a brewer taproom license from also holding a license to operate a restaurant at the taproom location.

SECTION 35

Saint Paul Legislative Code Section 409.29 is hereby renumbered as 409.25 and amended as follows:

Sec. 409.25. Class N - Off-sale wine only licenses.

- (a) *Definition.* Off-sale wine only means an off-sale license that includes a license condition limiting the type of liquor sold to wine, as defined in Minn. Stat. § 297G.01, Subd. 20.

- (b) *Issuance of license; fee; conditions of license.* A holder of an off-sale wine only license is subject to the same terms as a holder of an off-sale license under Minn. Stat. § 340A.405 and chapter 409 of this code. In addition, an off-sale wine only license is subject to the following conditions:
1. The license fee must be paid in the amount listed for an off-sale license in section 310.01 of this code.
 2. The license is valid on all days of the week consistent with the hours of sale provided by section 409.07 (b).
 3. A licensee may not hold both an off-sale license and an off-sale wine only license. A licensee may hold only one (1) off-sale wine only license under this section.
 4. The only alcoholic beverages sold may be wine as defined in Minn. Stat. § 297G.01, Subd. 20, in original packages in retail stores for consumption off or away from the premises where sold.
 5. All other provisions of this chapter are applicable to such licenses and licensees unless inconsistent with the provisions of this section.
- (c) *Notice and approval.* Prior to the issuance of a new Off-sale wine only license the provisions for Class N licenses outlined under Saint Paul Legislative Code Section 310.02 (2) must be followed.

SECTION 36

Saint Paul Legislative Code Section 409.30 is hereby renumbered as 409.26 and amended as follows:

Sec. 409.26. District rules.

- (a) All licensees within the downtown entertainment district, the great lawn entertainment district and the creative enterprise zone entertainment district must comply with all laws, rules, and regulations which govern their license type, including the provisions of this section, and all license conditions.
- (b) Patrons and guests of a licensee may exit the licensed premises with open containers of alcoholic beverages within the confines of the downtown entertainment district, the great lawn entertainment district and the creative enterprise zone entertainment district only if the city has granted a block party permit pursuant to Legislative Code sections 366.03-366.07 and only within the block party permitted area. Licensee patrons and guests may not enter another licensed premises with open or closed containers of alcoholic beverages.
- (c) No licensee within the downtown entertainment district, the great lawn entertainment district or the creative enterprise zone entertainment district may allow beverages to be removed from the licensed premises in any bottles or glass containers.

SECTION 37

Saint Paul Legislative Code Section 409.31 is hereby renumbered as 409.27 and amended as follows:

Sec. 409.27. Class N - Micro distillery and distilled spirits manufacturer cocktail room licenses.

(a) Definitions.

1. A Microdistillery cocktail room license means a license authorizing the holder of a Microdistillery license to offer on-sale of distilled spirits produced by a microdistillery for consumption on the premises of or adjacent to one (1) micro distillery location owned by the micro distiller.
2. A Distilled spirits manufacturer cocktail room license means a license authorizing the holder of a Distilled spirits manufacturer license to offer on-sale of distilled liquor produced by the distiller for consumption on the premises of or adjacent to one (1) distillery location owned by the distiller.

(b) Issuance of license; fee; conditions of license. Microdistillery cocktail room licenses and Distilled spirits licenses may be issued to the holder of a Microdistiller's license or a Distilled spirits license in accordance with the provisions of Minn. Stat. § 340A.22. Said licenses may be issued without regard to section 409.03 limitations and are subject to the following conditions:

1. The license fee must be paid in the amount listed in section 310.01 of this Code.
2. The license must be valid consistent with the hours of sale provided in section 409.07(a).
3. A microdistiller or a distilled spirits manufacturer may only hold one (1) cocktail room license under this section.
4. A buyer's card is not required of an applicant for a micro distillery cocktail room license or a distilled spirits manufacturer cocktail room license under this section.
5. The only alcoholic beverages sold or consumed on the premises of the cocktail room will be distilled spirits produced by the license holder upon the licensed premises.
6. No microdistillery cocktail room or distilled spirits manufacturer cocktail room may be located across a public right-of-way such as a street or alley from the microdistillery location or the distilled spirits manufacturer location.
7. All other provisions of this chapter are applicable to such licenses and licensees unless inconsistent with the provisions of this section.

(c) Notice. Prior to the issuance of a new Off-sale wine only license the provisions for Class N Licenses outlined under Saint Paul Legislative Code Section 310.02 (2) must be followed.

(d) Microdistilleries and Distilled Spirit Manufacturer activities are limited to those allowed under Minn. Stat. § 340A.22, Subd. 1.

(e) Nothing in this section may preclude the holder of a micro distillery cocktail room license or a Distilled spirits manufacturer cocktail room license from also holding a license to operate a restaurant at the cocktail room location.

SECTION 38

This Ordinance shall take effect and be in force thirty (30) days following passage, approval and publication.