



Legislation Details (With Text)

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Title: Amending Chapter 409 of the Legislative Code to align with recent changes in Minnesota Statute following the passage of the legislative omnibus bill that affects small brewers, distillers and wineries.

Sponsors: Amy Brendmoen

Indexes:

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Attachments:

Date	Ver.	Action By	Action	Result
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7/13/2022	1	City Council	Adopted	Pass
6/22/2022	1	City Council	Laid Over to Final Adoption	Pass
6/15/2022	1	City Council	Laid Over to Second Reading	

Amending Chapter 409 of the Legislative Code to align with recent changes in Minnesota Statute following the passage of the legislative omnibus bill that affects small brewers, distillers and wineries.

Section 1

WHEREAS, on May 22, 2022, Governor Walz signed Bill SF3008 into effect; and

Whereas, SF3008 brings relief to Minnesota's growing craft beer and spirits community without disturbing the market for retailers; and

WHEREAS, under this new legislation, the annual production limits have increased for small brewers, the packaging that malt liquor produced for off-sale purposes have been adjusted to include 4-pack and 6-pack cans and bottles in addition to growlers, and the daily limit permitted for individual off-sale transactions increases from 64 ounces to 128 ounces per person; and

WHEREAS, the passage of the omnibus bill provides for the Coleman Act Fix preserving Minnesota's spirits open wholesaling law; and

WHEREAS, the passage of the omnibus bill allows any distillery otherwise meeting the cocktail room requirements to operate a cocktail room and excludes spirits bottled under a third-party contract from the 50 percent Minnesota annual production threshold for operating a cocktail room; and

WHEREAS, the passage of the omnibus bill allows micro distilleries to sell more of their own product, increasing from 375 ml to 750 ml of spirits per customer of any approved size; and

WHEREAS, the passage of the omnibus bill increases the annual production threshold to sell off-sale malt liquor from 20000 barrels to 150,000 barrels; and

WHEREAS, the passage of the omnibus bill allows a small brewer, one with annual production of less than

7,500 barrels, to sell up to 128 ounces of beer per customer per day; and

WHEREAS, the passage of the omnibus bill requires any brand of beer sold under the new authority to be made available to a wholesaler; and now therefore be it

RESOLVED, that the Council of the City of Saint Paul does hereby ordain that Saint Paul Admin Code 409 be amended to align with these changes in State law.

SECTION 2

Chapter 409.02 of the Saint Paul legislative code is hereby amended as follows:

Sec. 409.02. Definitions.

As used in this chapter, the following terms shall 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.

Catering permit shall mean that permit provided for in Minnesota Statutes, Section 340A.404, subdivision 12.

Club shall mean 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 shall 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.

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 shall mean 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 shall mean 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. ~~used only for off sale and on-sale sales of intoxicating liquor, except that, upon obtaining proper state or city licenses for such sales, cigars, cigarettes, all forms of tobacco and nonintoxicating malt beverages and soft drinks may also be sold in said exclusive liquor store at retail; provided, further, that such nonintoxicating malt beverages and soft drinks, when sold pursuant to an off sale liquor license, shall be sold for consumption off the premises only.~~

General food store shall mean 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 shall mean 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 shall meet the definition of full service kitchen under the definition of restaurant below.

Intoxicating liquor or liquor shall mean and include 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 means any person holding a liquor license within an entertainment district.

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.

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

Medicines shall 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.

Off-sale shall mean the sale of liquor in original packages in retail stores for consumption off or away from the

premises where sold.

Off-sale/brew pub shall mean 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 ~~shall mean~~ a brewer licensed under Minn. Stat. §340A.301, who manufactures fewer than 20,000 ~~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 microdistillery ~~shall mean a distiller of spirits licensed under Minn. Stat. § 340A.22. The distiller may not sell more than one (1) 375-milliliter bottle of sprits per day to any one (1) customer at off-sale. Such off-sale must be of spirits manufactured on-site only.~~ 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 shall mean an off-sale license issued under section 409.29 of this Code.

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

Package or original package shall mean and include 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 shall mean a postsecondary institution of learning, not administered by a unit of government or operated for profit, which awards undergraduate or graduate degrees.

Restaurant shall mean:

- (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 shall 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 Chapter 331 of the Legislative Code and 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 shall mean and include 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 7,500 barrels or less to sell malt liquor at its licensed premise up to 128 ounces per customer, per day.

SECTION 3

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

409.06 Licensing Requirements.

Application. Any person desiring a license to sell intoxicating liquor shall make his verified application in writing upon a form approved by the liquor control commissioner of the state and shall file the same with the inspector. Such application form shall require that the following information be set forth upon the application, and such further information as may be required:

- (1) The name and place of residence of the applicant.
- (2) The location of the premises upon which the applicant proposes to sell such liquor and an exact description, including the proposed floor plan and seating capacity, of the particular place within the building structure where such sales are proposed.
- (3) Whether the applicant has ever been engaged in a similar business and, if so, the location thereof and the date when so engaged. The application shall be signed and verified by the applicant in person and, if the applicant is a corporation, by an officer of the corporation.
- (4) Whether applicant has ever used or been known by a name other than his true name; and if so, what was such name or names and information concerning dates and places where used.

- (5) Street addresses at which applicant and present spouse have lived during the preceding ten (10) years.
- (6) Kind, name and location of every business or occupation applicant has been engaged in during the preceding ten (10) years.
- (7) Names and addresses of applicant's employers and partners, if any, for the preceding ten (10) years.
- (8) Whether applicant has ever been convicted of any felony, crime or violation of any ordinance other than traffic. If so, the applicant shall furnish information as to time, place and offense for which convictions were had. The inspector and council shall not make use of any conviction or criminal record not available for lawful use under Minnesota Statutes, Chapter 364.
- (9) Whether applicant has ever been engaged as an employee of or in operating a saloon, hotel, restaurant, cafe, tavern or other business of similar nature. If so, applicant shall furnish information as to the time, place and length of time.
- (10) If the applicant is a partnership, the names and addresses of all partners and all information concerning each partner as is required of a single applicant. A managing partner or partners shall be designated. The interest of each partner in the business shall be disclosed. A true copy of the partnership agreement shall be submitted with the application; and if the partnership is required to file a certificate as to a trade name under the provisions of Chapter 333, Minnesota Statutes, a copy of such certificate certified by the clerk of district court shall be attached to the application.
- (11) If the applicant is a corporation or other organization and is applying for an on-sale or off-sale license, the following:
 - a. Name, and if incorporated, the state of incorporation.
 - b. A true copy of certificate of incorporation, articles of incorporation, or association agreement and bylaws; and if a foreign corporation, a certificate of authority as described in Chapter 303, Minnesota Statutes.
 - c. The name of the manager or proprietor or other agent in charge of the premises to be licensed, the assistant manager(s), the food manager(s), and the beverage manager(s), giving all the information about said person(s) as is required of a single applicant in subparagraph (3) of this section.
 - d. The application shall contain a list of all persons who, singly or together with any other person, own or control an interest in said corporation or association in excess of five (5) percent or who are officers of said corporation or association, together with their addresses and all information as is required of a single applicant, except that applications for off-sale shall list all persons who own or control any interest in said corporation.
- (12) Reserved.
- (13) A copy of the Minnesota buyer's card or application therefor, and a copy of the federal retail dealer tax stamp or application therefor, received or submitted by the applicant.
- (14) The amount of the investment that the applicant has in the business, building, premises, fixtures, furniture, stock-in-trade, and any other asset, and proof of the source of such money.
- (15) The names and addresses of all persons, other than the applicant, who have any financial interest in the business, buildings, premises, fixtures, furniture and stock-in-trade; the nature of such interest, amount thereof, terms for payment or other reimbursement. This shall include, but not be limited to, any lessees, mortgagees, mortgagors, lenders, lien holders, trustees, trustors and persons who have cosigned notes or otherwise loaned, pledged or extended security for any indebtedness of the applicant.
- (16) Whether or not all real estate and personal property taxes for the premises to be licensed that are due and payable have been paid, and if not paid, the years and amounts which are unpaid.

The applicant shall file with the inspector, with his application, the amount of the license fee herein fixed for the particular license for which he makes application.

- (b) *Investigation; issuance; etc.* The license inspector shall register the application in books kept for that purpose, one (1) for on-sale licenses and one (1) for off-sale licenses. He or she shall notify immediately the chief of police and the chief of the department of fire and safety services of the fact that such application is filed. It is hereby made

the duty of the license inspector, the chief of police and the fire chief to inspect and examine or have inspected and examined the premises described in the application and inquire into the character of the applicant and make report to the inspector of their opinion, whether the applicant is a proper person to receive such a license and whether the premises are suitable for such a business. Upon receipt of the reports, the inspector shall examine them and transmit them to the city council, together with his or her recommendations respecting the applicant or the place of business. Upon receipt of such reports and recommendations, the council shall consider the same and shall, by resolution, grant or deny the application.

Where the application is for an off-sale liquor license and the applicant is the holder of an on-sale nonintoxicating malt liquor license heretofore issued by the city council to sell such nonintoxicating malt liquor for consumption on the premises, the council shall not grant such off-sale liquor license until the applicant surrenders his license to sell nonintoxicating malt liquor for consumption on the premises. If an off-sale license is granted, the resolution granting it shall direct the inspector to issue the license whenever the bond hereinafter provided for has been approved and the liquor control commissioner advises the inspector that he approves of the issuance of the license to the particular applicant. If an on-sale license is granted, such resolution shall direct the inspector to issue the same whenever the bond hereinafter provided for has been approved.

Should the application for a license not be granted, the resolution refusing the same shall authorize and direct the proper city officers to refund to the applicant the deposit made at the time of the filing of the application.

- (c) *License qualifications.* No license shall be issued to anyone other than a person twenty-one (21) years of age or older, of good moral character and repute, nor, consistent with and subject to Minnesota Statutes, Chapter 364, to any person convicted of any federal, state or local crime or offense involving the manufacture, sale, distribution or possession for sale or distribution of intoxicating liquor, or of any crime under Minnesota Statutes, Section 152.09, Subdivisions 1(1), 1(3) and 2, or of any crime usable under Minnesota Statutes, Chapter 364, which directly relates to the occupation or business for which the license is sought.
- (d) *Public hearing; notices.* No new license for either on-sale or off-sale shall be issued without a public hearing on the application. The notification requirements applicable to license transfers or change in licensed areas in section 409.11 shall be applicable in the issuance of such new licenses; provided, however, that such notice requirements may be waived by the city council by motion on the affirmative vote of five (5) members upon the following findings:
- (1) That the application is in order and there exist no grounds for denial of the license;
 - (2) That the citizens' district council whose geographical area encompasses the proposed licensed premises consents to the waiver;
 - (3) That failure to grant the waiver, with the consequent delay in approving the license, would either cause exceptional and unusual hardship to the license applicant or would cause substantial hardships to the community for which the license is sought; and
 - (4) Agreement by the licensee that all licensed operations may be immediately discontinued, waiving all requirements of further notice and hearing, in the event of a directive from the department of safety and inspections as provided hereinbelow.

In any case in which the forty-five-day notice period has been waived, if the department of safety and inspections receives a complaint prior to the date the public hearing was originally scheduled or would have been scheduled, the said department shall immediately investigate the claim and recommend an appropriate course of action to the city council. If the complaint provides a basis for adverse action against the license, the said department shall direct that the licensee immediately discontinue all operations, and shall reschedule the public hearing before the city council or initiate an adverse action.

- (e) *One license only.* Not With the exception of Off-sale brewers who meet the requirements under Minn. Stat §340A.29. no more than one (1) off-sale retailer's license shall be directly or indirectly issued to any one (1) person or for any one (1) place in this city, nor shall 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 shall not be 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 shall have at least one hundred fifty (150) or more rental units.
- (f) *Premises of license.* No on-sale or off-sale license shall be 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 shall be made upon the premises of an on-sale licensee except upon the ground floor; provided, however, that this limitation shall 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 shall set forth the exact location within the building structure where such sales may be made and no sale shall be permitted except in that part of the premises defined in the license, except as provided in the following subsection (g).

- (g) *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 shall not involve an enlargement of the building structure. The seasonal outside service area license shall not be granted unless all the conditions of subsections (1) through (9) and all pertinent provisions of the zoning code are satisfied.

(1)*Public hearing; notices.* No seasonal outside service area license shall be issued without a public hearing on the application. The notification and hearing requirements applicable to license transfers or change in licensed areas in section 409.11 shall be applicable in the issuance of such seasonal outside service area licenses; provided, however, that the license may be issued prior to the expiration of the forty-five (45) days and the public hearing may be waived by the city council by motion on the affirmative vote of five (5) members upon the following findings (in addition to the findings that may be required under paragraph 2 below):

- a. That the application is in order and there exist no grounds for denial of the license;
- b. That the citizens' district council whose geographical area encompasses the proposed licensed premises consents to the waiver;
- c. That failure to grant the waiver, with the consequent delay in approving the license, would either cause exceptional and unusual hardship to the license applicant or would cause substantial hardships to the community for which the license is sought; and
- d. Agreement by the licensee that all licensed operations may be immediately discontinued, waiving all requirements of further notice and hearing, in the event of a directive from the department of safety and inspections as provided hereinbelow.

In any case in which the forty-five-day notice period has been waived, if the department of safety and inspections receives a complaint prior to the date the public hearing was originally scheduled or would have been scheduled, the said department shall immediately investigate the claim and recommend an appropriate course of action to the city council. If the complaint provides a basis for adverse action against the license, the said department shall direct that the licensee immediately discontinue all operations, and shall reschedule the public hearing before the city council or initiate an adverse action.

(2)*Consent of neighboring property:*

- a. *Consent of ninety (90) percent of owners within three hundred (300) feet:* The applicant shall present with his or her application a statement in writing with the signatures of as many of the owners of private residences, dwellings and apartment houses located within three hundred (300) feet of such premises as he or she can obtain to the effect that they have no objection to the granting of the license sought at the location proposed. Measurement shall be determined from property line of the licensed premises to the property line of the residential uses; provide, however, that where the licensed premises is located within a shopping mall or shopping center the measurements shall be determined from the nearest corner of the building in which the licensed premises is located to the property line of the residential uses.
- b. *Consent of sixty (60) to eighty-nine (89) percent of owners within three hundred feet:* If the applicant obtains the signatures of ninety (90) percent or more of such persons, the council may grant the license.

If the applicant obtains the signatures of sixty (60) percent to eighty-nine (89) percent of such persons, the council may grant the license if the licensee demonstrates to the council in writing with respect to specific properties that a good faith effort was made to fulfill all petition requirements, and upon finding that issuance of the license would not interfere with the reasonable use and enjoyment of neighboring property and residences and would not bear adversely on the health, safety, morals and general welfare of the community. Such findings shall be based on the following considerations if the license were to be granted:

1. The effect on the surrounding community and institutions;
2. Noise and likelihood of adverse effect on residential occupants;
3. The possibility of increased traffic;
4. The character of the neighborhood;
5. Other like uses in the neighborhood.

- c. *Consent of less than sixty (60) percent of owners within three hundred (300) feet.* If the applicant fails to obtain the signatures of sixty (60) percent of such persons, the license shall not in any case be granted, unless the license applicant can illustrate to the city council, in writing with respect to specific properties, that a good faith effort was made to fulfill all petition requirements, and that the results of such attempts showed a generally favorable disposition from the surrounding community toward the proposed licensed activity, and that the district council representing the area supports the request for the license by the applicant. The council may grant the license upon finding that issuance of the license would not interfere with the reasonable use and enjoyment of neighboring property and residences and would not bear adversely on the health, safety, morals and general welfare of the community. Such findings shall be based on the following considerations if the license were to be granted:

1. The effect on the surrounding community and institutions;
2. Noise and likelihood of adverse effect on residential occupants;
3. The possibility of increased traffic;
4. The character of the neighborhood;
5. Other like uses in the neighborhood.

- (3) Off-street parking spaces may not be reduced by the establishment of an outside service area below the number of off-street parking spaces which would be required if the licensed premises together with the outside service area were to be newly constructed in conformity with the zoning code; provided, however, that this requirement may be modified by the council by resolution in accordance with the procedures and substantive criteria provided in section 409.08(11)e of this legislative code.

- (4) No outside service area shall be 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.

- (5) No outside service area shall be located on public property or upon any street, alley or sidewalk, nor shall 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 by a food establishment which is licensed as a restaurant under chapter 331A of the Legislative Code and which is in compliance with the provisions of section 106.01 of the Legislative Code, is permitted.

- (6) The council may 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.

(7)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 (5). The public hearing shall 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.

(8)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 in sections 409.08 and 409.09 of this chapter.

(9)*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.

(h) *Zoning restrictions.* No license shall 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 shall not be issued for premises located within an area where such sales are prohibited by state law.

(i) *License location restrictions.* These restrictions shall not apply to off-sale/ brew pub license, off-sale brewery licenses, small brewer off-sale - 128 ounces licenses or off-sale microdistillery licenses.

(1)No off-sale license shall be issued for any place where nonintoxicating malt beverages shall be sold for consumption on the premises.

(2)No off-sale license shall 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 shall be 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 shall 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. In order to waive the restrictions relating to distance the council must first receive a petition from seventy-five (75) percent of the owners and tenants of all private residences, dwellings and apartment houses located within three hundred (300) feet of the proposed off-sale location stating that they have no objection if the waiver relates to residentially zoned property or a written statement consenting to the waiver by the director and/or owner of the child care center if the waiver relates to a licensed child care center.
 - c. An establishment holding a valid license on the effective date of this amendment shall not be affected by this limitation, but shall 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.
- (j) *Other required permit.* No license granted hereunder shall be effective until a permit shall be issued to such licensee by the United States if any such permit is, in fact, required.
- (k) *State restrictions.* No license shall be issued to any person in connection with the premises of another to whom no license could be issued under the provisions of the state liquor control act; provided, however, that this provision shall not prevent the granting of a license to a proper lessee by reason of the fact that he shall lease 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.
- (l) *Reserved.*
- (m) *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) If on or before the expiration of the license the licensed business has discontinued its operation or closed for any reason, the council shall renew said license only upon the condition that the licensee shall reopen and restore the licensed business to full operation within the terms of the renewed license, or in the alternative, that the licensee shall 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. No license issued upon condition pursuant to this subsection shall 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) Any license which is not renewed pursuant to this paragraph (m) or for any other reason lapses and may be reissued pursuant to section 409.16.
- (n) *License near school.* 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. This prohibition shall not apply to on-sale wine and culinary licenses issued under section 409.15, off-sale brewer licenses issued under Minn. Stat., § 340A.301, subdivision 6(d), brewer taproom licenses issued under section 409.28, 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 shall in no manner be applicable to any hotel or motel.

Upon written petition signed on behalf of a school, located within three hundred (300) feet of the proposed location of the license, the council may by a five-sevenths vote disregard the provisions of this paragraph insofar as location adjacent to a school.

- (o) *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 shall be conducted by the council. Any adverse action may be considered by the council pursuant to the hearing provisions of section 310.05.
- (p) *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 shall not apply to off-sale/brew pub licenses, or off-sale brewery licenses or small brewer off-sale 128 ounce licenses.
- (q) *Prohibited interests: off-sale/brew pub, off sale brewery, small brewer off-sale 128 ounces.* A brewer holding an off-sale/brew pub, or off-sale brewery license 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, or off-sale brewery license 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) 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.
- (r) *Interest.* For the purposes of paragraphs (p) and (q) 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.
- (s) *Nonconforming clubs; transition.* The restrictions and requirements in sections 409.06(h), 409.06(n), and 409.08 (11) of this chapter shall 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 4

Chapter 409.08 of the Saint Paul Legislative Code 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 shall not bind an off-sale licensee, nor shall any regulation which specifically refers to an off-sale licensee bind an on-sale licensee:

- (1) All sales shall 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, shall serve or dispense upon the licensed premises any intoxicating liquor to any minor; nor shall such licensee, agent or employee permit any minor to be furnished with or to consume any such liquor on the licensed premises; nor shall such licensee, agent or employee permit any minor to be delivered any such liquor.
 - b. No minor shall misrepresent his or her age for the purpose of obtaining intoxicating liquor nor shall he or she 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 shall 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 shall 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 shall 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 shall keep, possess or operate, or permit the keeping, possession or operation of, on any licensed premises or in any room adjoining the licensed premises any slot machine, dice or any gambling device or apparatus, 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 pulltabs, tipboards, 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 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 charitable gambling takes place on the licensed premises.

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 shall be 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 shall be posted in a conspicuous place in that portion of the premises for which the license has been issued.
- (9) No person shall 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 shall be sold only in plastic or paper containers. In addition, upon receiving such notice, the licensee shall 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 shall 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 shall 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 shall 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 shall not apply to a license issued to a private nonprofit college.
- (12) No person shall 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 shall 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 shall be sold or consumed on a public highway or in an automobile.
- (15) Each on-sale licensee shall have 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 shall 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 shall 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 shall constitute sufficient grounds for adverse action against the license or license application, including revocation or denial of

the license.

- (17) An off-sale/ brew pub, and 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 shall 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 shall 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 shall 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 insuring 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 insuring 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 shall not apply to the River Centre complex, Midway Stadium, 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" shall mean live musical performances by individuals or groups. The fee for such license shall be as set forth in Saint Paul Legislative Code § 310.18. 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 shall 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 under this subdivision shall be to the city council.
- (23) An off-sale microdistillery 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 microdistillery 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 5

Chapter 409.25 of the Saint Paul Legislative Code is hereby amended as follows: Sec. 409.25. 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., Section 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 shall be established by ordinance as provided in section 310.09 (b) 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. ~~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.~~

(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 microdistillery 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 shall be as set forth in section 310.09(b) and 310.18 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.* Application for such temporary licenses shall be made on forms provided by the inspector and shall contain such information as specified by the inspector, including the following:
- (1) The name, address and purpose of the organization, together with the names and addresses of its officers, and evidence of nonprofit status or of its status as a club under section 409.02 above.
 - (2) The purpose for which the temporary license is sought, together with the place, dates and hours during which wine or intoxicating liquor will be sold.
 - (3) Consent of the owner or manager of the premises or person or group with lawful responsibility for the premises.
 - (4) Evidence that the manager or director has received alcohol awareness training provided by a bona fide instructor or the city.
- (e) *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 409.14.
- (f) *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 310.03, but the director may require the inspector to issue such license before receiving any recommendations on the application thereof if necessary to issue such license on a timely basis.

SECTION 6

Sec. 409.31. Microdistillery and Distilled spirits manufacturer cocktail room licenses.

(a) *Definitions.*

- (1) A ~~microdistillery~~ Microdistillery cocktail room license means shall mean a license authorizing the holder of Microdistillery license to offer on-sale of distilled spirits produced by a microdistillery for consumption on the premises of or adjacent to one (1) microdistillery location owned by the microdistiller.
- (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 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 under in accordance with the provisions of Minn. Stat. § 340A.22. Said ~~license~~ licenses 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 310.18 of this Code.
 - (2) The license shall 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 microdistillery 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. ~~microdistiller upon the microdistillery premises.~~
 - (6) No microdistillery cocktail room or Distilled spirits manufacturer cocktail room may ~~shall~~ 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 shall be applicable to such licenses and licensees unless inconsistent with the provisions of this section.
- (c) *Public hearing; notices.* No new microdistillery cocktail room license or Distilled spirits manufacturer cocktail room license may ~~shall~~ be issued until the council shall have first held a public hearing on the application. The notification requirements applicable to license transfers or change in section 409.11 shall be applicable in the issuance of such new licenses; provided, however, that the notification requirements may be waived by the city council under the procedure described in section 409.06(d).
- (d) Microdistilleries and Distilled Spirit Manufacturer activities are limited to those allowed under Minn. Stat. § 340A.22, Subd. 1.
- (e) Nothing in this section shall preclude the holder of a microdistillery 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 7

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