OFFICE OF THE CITY ATTORNEY
Samuel J. Clark, City Attorney

CITY OF SAINT PAUL
Christopher B. Coleman, Mayor

Civil Division
400 City Hall
15 West Kellogg Blvd.
Saint Paul, Minnesota 55102

Telephone: 651 266-8710
Facsimile: 651 298-5619

July 1, 2015

NOTICE OF VIOLATION

Michael Krenik, Owner
Trend Bar
1537 University Avenue West
St. Paul, MN 55104

RE: All licenses held by KIB Properties, Inc. d/b/a Trend Bar for the premises located at 1537 University Avenue West in Saint Paul.
License ID #: 20070003867

Dear Mr. Krenik:

The Department of Safety and Inspections (DSI) has recommended adverse action all licenses held by KIB Properties, Inc. d/b/a Trend Bar for the premises located at 1537 University Avenue West in Saint Paul. The basis for the recommendation is as follows:

> **On April 8, 2015, the Department of Safety and Inspections received a report from the Minnesota Gambling Board indicating a bartender/employee was involved in personal gambling on site. She collected approximately $3,800 in pull-tab winnings from March 3, 2015 through March 22, 2015.**
>
> **Minn. Stat. § 349.181, Subd. 3 - Restrictions On Who May Participate in Lawful Gambling states:** ***"An employee or volunteer who is involved in the conduct of pull-tabs, tipboards, or paddlewheels at a permitted premises may not participate directly or indirectly as a play in a pull-tab, tipboard of paddlewheel game at the same premises."***
>
> **Saint Paul Legislative Code § 409.21 (b) (7) states:** ***"Employees and agents of the on-sale establishment not involved in the conduct of lawful gambling on the premises or non -gambling employees or agents of a licensed organization conducting lawful gambling on the premises may participate in lawful gambling on the premises."***

As a result of this violation, per Saint Paul Legislative Code § 310.05 (m) (2), the licensing department will recommend a $500.00 matrix penalty.

At this time, you have four (4) options to proceed:

1. If you do not contest the imposition of the proposed adverse action, you may do nothing. If I have not heard from you by **Monday, July 13, 2015**, I will presume that you have chosen not to contest the proposed adverse, and the matter will be placed on the City Council Agenda for approval of the proposed remedy.

2. You can pay the recommended $500.00 matrix penalty. If this is your choice, you should send the payment directly to the Department of Safety and Inspections, at 375 Jackson Street, Ste. 220, St. Paul, Minnesota 55101-1806 no later than **Monday, July 13, 2015**. A self-addressed envelope is enclosed for your convenience. Payment of the $500.00 matrix penalty will be considered to be a waiver of the hearing to which you are entitled.

3. If you wish to admit the facts but you contest the penalty, you may have a public hearing before the Saint Paul City Council. You will need to send me a letter with a statement admitting to the facts and requesting a public hearing. I will need to receive your letter by **Monday, July 13, 2015.** The matter will then be scheduled before the City Council for a public hearing to determine whether to impose the $500.00 matrix penalty. You will have an opportunity to appear before the Council and make a statement on your own behalf.

4. If you dispute the facts outlined above, you may request a hearing before an Administrative Law Judge (ALJ). You will need to send me a letter disputing the facts and requesting an administrative hearing no later than **Monday, July 13, 2015.** At that hearing both you and the City will appear and present witnesses, evidence and cross-examine each other's witnesses. After receipt of the ALJ's report (usually within 30 days), a public hearing will need to be scheduled. At that time, the City Council will decide whether to adopt, modify or reject the ALJ's report and recommendation.

   Please note: If you choose an administrative hearing, the Department of Safety and Inspections reserves the right to request that City Council impose the costs of the administrative hearing per Saint Paul Legislative Code § 310.05 (k).

If you have not contacted me or DSI by Monday, July 13, 2015, I will assume that you do not contest the imposition of the $500.00 matrix penalty. In that case, the matter will be placed on the City Council Consent Agenda for approval of the recommended penalty.

If you have questions about these options, please feel free to contact me at 266-8710.

Sincerely,

Geoffrey Karls/jk

Geoffrey Karls
Assistant City Attorney

Cc: Dan Niziolek, DSI Deputy Director
Michael Krenik, 1263 Sherburne Avenue, St. Paul, MN 55104
Michael Jon Olson, Executive Director, Hamline Midway Coalition, 1558 Minnehaha Avenue West St. Paul, MN 55104-1264
Edward B. Hughes & Dianne M. Hughes, 1437 Marshall Avenue, St. Paul, MN 55104-6345

STATE OF MINNESOTA)
) ss. **AFFIDAVIT OF SERVICE BY U.S. MAIL**

COUNTY OF RAMSEY)

Julie Kraus, being first duly sworn, deposes and says that on the 1st day of July she served the attached **NOTICE OF VIOLATION** and correct copy thereof in an envelope addressed as follows:

Michael Krenik, Owner
Trend Bar
1537 University Avenue West
St. Paul, MN 55104

Michael Krenik
1263 Sherburne Avenue
St. Paul, MN 55104

Michael Jon Olson, Executive Director
Hamline Midway Coalition
1558 Minnehaha Avenue West
St. Paul, MN 55104-1264

Edward B. Hughes & Dianne M. Hughes
1437 Marshall Avenue
St. Paul, MN 55104-6345

(which is the last known address of said person) depositing the same, with postage prepaid, in the United States mail at St. Paul, Minnesota.

Julie Kraus

Subscribed and sworn to before me
this 1st day of July, 2015

Notary Public

RITA M. BOSSARD
NOTARY PUBLIC - MINNESOTA
My Commission Expires
January 31, 2020