Lyndsey M. Olson



CITY OF SAINT PAUL Mayor Melvin Carter

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

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

June 29, 2018

NOTICE OF VIOLATION

Isaac Gebreyesus, Owner 7 White Bears Liquor 1785 – 7th Street East St. Paul, MN 55119

RE:

Cigarette/Tobacco and Liquor Off Sale licenses held by 7 White Bears Liquor, LLC d/b/a 7 White Bears

Liquor for the premises located at 1785 - 7th Street East in Saint Paul

License ID #: 20170000483

Dear Licensee:

The Department of Safety and Inspections (DSI) has recommended adverse action against the Cigarette/Tobacco and Liquor Off Sale licenses held by 7 White Bears Liquor, LLC d/b/a 7 White Bears Liquor for the premises located at 1785 – 7th Street East in Saint Paul. The basis for the recommendation is as follows:

On February 23, 2016 and again on December 20, 2016, all Cigarette/Tobacco license holders were sent a letter regarding annual inspections/compliance checks on all establishments that sell tobacco products. These letters also reminded every license holder of the regulations concerning Cigar Pricing & Flavored Tobacco.

On April 23, 2018, a menthol education and a compliance inspection was conducted by DSI Inspector Barry Brown at 7 White Bear Liquors located at 1785 7th Street East. During the compliance inspection, Inspector Brown observed single cigars priced at \$2.39; cigar 2-packs priced at \$2.99 and cigar 5-packs priced at \$10.19. This is a violation of Saint Paul Legislative Code §324.07(e).

Saint Paul Legislative Code § 324.07 (e) states: "No person shall sell, offer for sale, or otherwise distribute cigars in original packages containing three (3) or fewer cigars for a sale price, after any coupons, multipack or buy-one/get-one promotions, or any other discounts are applied and prior to applicable sales taxes being imposed, of less than two dollars and sixty cents (\$2.60) per cigar contained within. In addition, no person shall sell, offer for sale, or otherwise distribute cigars in original packages of four (4) or more cigars for a sale price, after any coupons, multipack or buy-one/get-one promotions, or any other discounts are applied and prior to applicable sales taxes being imposed, of less than ten dollars and forty cents (\$10.40) per package."

This is a first violation and the licensing office is recommending a \$500.00 matrix penalty.

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You have four (4) options:

- 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 9**, **2018**, I will presume that you have chosen not to contest the proposed adverse, and the matter will be placed on the **July 25**, **2018** City Council Agenda for approval of the proposed remedy.
- 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 9, 2018. A self-addressed envelope is enclosed for your convenience. Payment of the \$500.00 matrix penalty will be considered 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 no later than **Monday**, **July 9**, **2018**. The matter will then be scheduled before the City Council 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 <u>dispute the facts</u> 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 9**, **2018**. 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 by Monday, July 9, 2018, 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 July 25, 2018 City Council Consent Agenda for approval of the recommended penalty.

If you have questions about these options, please contact Julie Kraus, my Legal Assistant at (651) 266-8710.

Sincerely,

Therese Skarda

Assistant City Attorney

Thereae Skarda JK

License No. 024989

cc: Isaac Gebreyesus, 7418-31st Street North, Oakdale, MN 55128
Lisa Theis, Community Organizer, District 2 Community Council, 1365 Prosperity Avenue, St. Paul, MN 55106
Anita Yann Silker, 8107 Interlachen Road, Lake Shore, MN 56468-2529

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 29th day of June she served the attached **NOTICE OF VIOLATION** and a correct copy thereof in an envelope addressed as follows:

Isaac Gebreyesus, Owner 7 White Bears Liquor 1785 – 7th Street East St. Paul, MN 55119

Isaac Gebreyesus 7418-31st Street North Oakdale, MN 55128

Lisa Theis, Community Organizer District 2 Community Council 1365 Prosperity Avenue St. Paul, MN 55106

Anita Yann Silker 8107 Interlachen Road Lake Shore, MN 56468-2529

(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 29th day of June, 2018

Notary Public

