STATE OF MINNESOTA)
) ss.
COUNTY OF RAMSEY)

AFFIDAVIT OF SERVICE BY U.S. MAIL

Riddhi Mistry, being first duly sworn, deposes and says that on the fifteenth day of April she served the attached **NOTICE OF VIOLATION AND REQUEST FOR REVOCATION OF LICENSE** and a correct copy thereof in an envelope addressed as follows:

The Neighborhood Café Inc.
d/b/a The Neighborhood Cafe
1570 Selby Ave.
Saint Paul, MN 55104
Attn: Kristina Masanz

Kristina Masanz
1570 Selby Ave.
Saint Paul, MN 55104

1564 Selby LLC
1564 Selby Ave, Unit # 9
St. Paul, MN 55104

Leah Timberlake Sullivan, Executive Director
Union Park District Council
1600 University Avenue West
Suite # 301
Saint Paul, MN 55104

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

Riddhi Mistry

Subscribed and sworn to before me
This 15th day of April 2025

Notary Public

KAREN M. DOUMANY
Notary Public-Minnesota
My Commission Expires Jan. 31, 2030

SAINT PAUL
CITY ATTORNEY

OFFICE OF THE CITY ATTORNEY
LYNDSEY M. OLSON, CITY ATTORNEY

Civil Division, 15 Kellogg Blvd. West, 400 City Hall
Saint Paul, MN 55102
Tel: 651-266-8710 | Fax: 651-298-5619

April 15, 2025

NOTICE OF VIOLATION AND
REQUEST FOR REVOCATION OF LICENSE

The Neighborhood Café Inc.
d/b/a The Neighborhood Cafe
1570 Selby Ave.
Saint Paul, MN 55104
Attn: Kristina Masanz

RE: Wine on Sale, Malt on Sale (Strong), Liquor Outdoor Service Area (Patio) and Liquor Outdoor Service Area (Sidewalk) license held by The Neighborhood Café Inc. d/b/a The Neighborhood Cafe for the premises located at 1570 Selby Ave., in Saint Paul.
License ID #: 20120000960

Dear Licensee:

The Department of Safety and Inspections ("Department") has recommended adverse action against the Wine on Sale, Malt on Sale (Strong), Liquor Outdoor Service Area (Patio) and Liquor Outdoor Service Area (Sidewalk) license held by The Neighborhood Café Inc. ("Licensee") herein for the premises known as The Neighborhood Café at 1570 Selby Ave. (Licensed Premises").

Legal Basis for Action:

Saint Paul Legislative Code §310.01, defines Adverse Action as:

"the revocation or suspension of a license, the imposition of conditions upon a license, the denial of an application for the grant, issuance or renewal of a license, the imposition of a fine, the assessment of the costs of a contested hearing, and any other disciplinary or unfavorable action taken with respect to a license, licensee, or applicant for a license. Adverse action includes any of the foregoing directed at one (1) or more licenses held by a licensee at any location in the city. Adverse action also includes disapproval of licenses issued by the state under statutory provisions which permit the governing body to disapprove the issuance of the license."

Saint Paul Legislative Code §310.03 (a) states:

(a) "*Adverse Action*; notice and hearing requirements. In any case where the council may or intends to consider any adverse action, including the revocation or suspension of a license, the imposition of

The Saint Paul City Attorney's Office does not discriminate based on race, color, national origin, religion, sex/gender, disability, sexual orientation, gender identity, age, or veteran status in the delivery of services or employment practices.

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conditions upon a license, or the denial of an application for the grant, issuance or renewal of a license, or the disapproval of a license issued by the State of Minnesota, the applicant or licensee must be given notice and an opportunity to be heard as provided herein. The council may consider such adverse actions when recommended by the director, by the director of any executive department established pursuant to Chapter 9 of the Charter, by the city attorney or on its own initiative."

Saint Paul Legislative Code Section 310.04(b) states:

(b) *"Basis for action*. Such adverse action may be based on one (1) or more of the following reasons, which are in addition to any other reason specifically provided by law or in these chapters."

Saint Paul Legislative Code Section 310.04(14) states:

(14) "The licensee has failed to pay license fees within sixty (60) days of the fees are due. Licensee must pay any outstanding fees and delinquent fees in total. Failure to do so within sixty (60) days of the due date may result in revocation of the license. A revocation for this reason, however, is not considered a revocation resulting from misconduct or unfitness of the licensee, evidence of violation of law involving licensed premises, evidence that the applicant had been involved in the operation of a nuisance, or fraud or deception in the license application. Therefore, the requirement of section 310.02 prohibiting re-application within one (1) year of revocation shall not apply to revocations under this paragraph."

Adverse Action Recommendation:

The Department of Safety and Inspections will recommend a revocation of license for violating Saint Paul Legislative Code § 310.01, 310.03 (a), 310.04(b), and 310.04(14).

Factual Basis for revocation of license:

On August 6, 2024, you received a letter from Licensing Manager, Eric Hudak at the Department of Safety and Inspections (DSI). The letter requested that you complete a renewal of your license by August 27, 2024. You were informed that DSI could submit your delinquent/expired license to the City Attorneys' office for adverse action. You were provided with a copy of the renewal invoice. On August 6, 2024, an email was sent to you at krismasanz@gmail.com from DSI Inspector, Jeffrey Fischbach who also provided you with a copy of the letter, renewal invoice, and paperwork informing you that the license is delinquent. You were given a deadline of August 27, 2024, to provide the required information to DSI

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SAINT PAUL
CITY ATTORNEY

OFFICE OF THE CITY ATTORNEY
LYNDSEY M. OLSON, CITY ATTORNEY

Civil Division, 15 Kellogg Blvd. West, 400 City Hall
Saint Paul, MN 55102
Tel: 651-266-8710 | Fax: 651-298-5619

On October 8, 2024, the City Attorney's Office mailed you a Notice of Violation and Request for Imposition of a $500 Matrix Penalty and License Suspension. You were requested to complete the renewal process including payment of the renewal fee. You were given a deadline of October 18, 2024, to provide the required information. The City Attorney's Office and the Department of Safety and Inspections have not heard from you, nor have they received payment and requested information from you to date.

On December 11, 2024, a resolution (RES 24-1700) was passed on December 11, 2024, through City Council directing the Department of Safety and Inspections to proceed with the $500 matrix penalty and suspension of your Wine on Sale, Malt on Sale (Strong), Liquor Outdoor Service Area (Patio) and Liquor Outdoor Service Area (Sidewalk)license.

You have three (3) options to proceed:

1. You may do nothing. If I have not heard from you by **April 25,2025**, I will presume that you have chosen not to contest the revocation of your Wine on Sale, Malt on Sale (Strong), Liquor Outdoor Service Area (Patio) and Liquor Outdoor Service Area (Sidewalk) license and the matter will be placed on the City Council Consent agenda for imposition of the proposed adverse action.

2. If you wish to admit the facts but you contest the revocation of Wine on Sale, Malt on Sale (Strong), Liquor Outdoor Service Area (Patio) and Liquor Outdoor Service Area (Sidewalk) license, you may have a 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 Council hearing no later than **April 25,2025.** The matter will then be scheduled before the City Council to determine whether to revoke your license. You will have an opportunity to appear before the Council and make a statement on your own behalf.

3. 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 **April 25,2025.** 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 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.

4. If you prefer to cancel your license, you can fill out the enclosed Request to Cancel form no later than **April 25, 2025**, and provide it to the Department of Safety and Inspections located at, 375 Jackson Street, Suite 220, Saint Paul, MN 55101-1806. If you wish to speak to someone at the Department of

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SAINT PAUL
CITY ATTORNEY

OFFICE OF THE CITY ATTORNEY
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Civil Division, 15 Kellogg Blvd. West, 400 City Hall
Saint Paul, MN 55102
Tel: 651-266-8710 | Fax: 651-298-5619

Safety and Inspections you can give them a call at 651-266-8989. The Department of Safety and Inspections will guide you accordingly with the process of cancelling your license application.

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 § 310.03 (k).

If you have not contacted me by April 25,2025, I will assume that you do not contest the revocation of your Wine on Sale, Malt on Sale (Strong), Liquor Outdoor Service Area (Patio) and Liquor Outdoor Service Area (Sidewalk) license. 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 contact my paralegal Riddhi Mistry at riddhi.mistry@ci.stpaul.mn.us , (651) 266-8835.

Sincerely,

Sly Onyia
Assistant City Attorney
License No. 0402320

Cc: Kristina Masanz, 1570 Selby Ave., Saint Paul, MN 55104
1564 Selby LLC, 1564 Selby Ave. Unit #9, Saint Paul, MN 55104
Leah Timberlake Sullivan, Executive Director, Union Park District Council, 1600 University Avenue West, Suite #301, Saint Paul, MN 55104

Attachments: Renewal Invoice – 9/25/2024
Renewal Invoice – 8/6/2024
Letter from Licensing Manager, Eric Hudak to The Neighborhood Café – 8/6/2024
Email from DSI Inspector, Jeffrey Fischbach to krismasanz@gmail.com – 8/6/2024
Email from DSI Inspector, Jeffrey Fischbach to krismasanz@gmail.com – 7/19/2024
Email from DSI Inspector, Jeffrey Fischbach to krismasanz@gmail.com – 7/18/2024
Notice of Violation and Request for Imposition of $500 Matrix Penalty and License Suspension – 10-08-2024
RES 24-1700 – 12/11/2024

The Saint Paul City Attorney's Office does not discriminate based on race, color, national origin, religion, sex/gender, disability, sexual orientation, gender identity, age, or veteran status in the delivery of services or employment practices.

SAINT PAUL
CITY ATTORNEY

OFFICE OF THE CITY ATTORNEY
LYNDSEY M. OLSON, CITY ATTORNEY

Civil Division, 15 Kellogg Blvd. West, 400 City Hall
Saint Paul, MN 55102
Tel: 651-266-8710 | Fax: 651-298-5619

Request to Cancel Form
Minnesota Department of Public Safety Alcohol & Gambling Enforcement Division Renewal Certificate of Compliance Minnesota Worker's Compensation Law
Saint Paul Legislative Code §310.02 (2)(e)(3)
Saint Paul Legislative Code §310.03 (m)2(10)(12)
Saint Paul Legislative Code §310.04 (b)(14)

The Saint Paul City Attorney's Office does not discriminate based on race, color, national origin, religion, sex/gender, disability, sexual orientation, gender identity, age, or veteran status in the delivery of services or employment practices.

SAINT PAUL
SAFETY & INSPECTIONS

DEPARTMENT OF SAFETY & INSPECTIONS (DSI)
RICARDO X. CERVANTES, DIRECTOR

375 Jackson Street, Suite 220
Saint Paul, MN 55101-1806
Tel: 651-266-8989 | Fax: 651-266-9124

August 6, 2024

The Neighborhood Cafe
1570 Selby Ave
St Paul MN 55104

RE: License ID # 20120000960
@ 1570 Selby Ave

Dear Licensee:

Our records indicate the above referenced license(s) which were issued to you have expired and are now delinquent. Renewal of the license(s) is required if you intend to engage in the licensed activity within the City of St Paul.

You must complete the renewal of your license(s) byAug 27, 2024 or we may submit your delinquent/expired license(s) to the City Attorney's office for adverse action. To complete the renewal process, submit to this department payment of the renewal fee (including any late fees) and all required supporting documentation as stated on the enclosed invoice.

For your convenience, a copy of the referenced invoice and a self-addressed return envelope is enclosed. If you are no longer working within the City of Saint Paul, please advise our office of the information in writing.

If you have questions regarding this notice or wish to dispute your license is delinquent/expired, please contact our office at 651-266-8989, Monday through Friday, between 8:00 AM and 4:30 PM.

Sincerely,

Eric Hudak
Licensing Manager
Department of Safety and Inspections

Enclosure(s)

LICENSE ID: 20120000960

SAINT PAUL
MINNESOTA

Renewal Invoice

☐ Check this box if making any name, mailing address or phone # corrections. Please write the changes on this form. If your business license address is changing, please request a new business license application.

August 6, 2024

CITY OF SAINT PAUL

Department of Safety and Inspections
375 Jackson Street, Suite 220
Saint Paul, MN 55101-1806
PHONE: (651) 266-8989
FAX: (651) 266-9124
www.stpaul.gov

THE NEIGHBORHOOD CAFE INC
THE NEIGHBORHOOD CAFE
1570 SELBY AVE
ST PAUL MN 55104

BUSINESS PHONE: 651-644-8887

Invoice #: 1162874

Invoice Due Date: 08/27/2024

Account Balance: $4,189.00

Pay this Amount: $2,389.00

Transaction Description	Transaction Total
Inv: 1159076 120000960 Patio Service Expired: 05/10/2024 @ 1570 SELBY AVE	85.00
Inv: 1159076 120000960 Malt On Sale (Strong) Expired: 05/10/2024	712.00
Inv: 1159076 120000960 Liquor - Outdoor Service Area (Sidewalk) Expired: 05/10/2024	40.00
Inv: 1159076 120000960 Wine On Sale Expired: 05/10/2024	1,000.00
Inv: 1161266 Late Fee 7-30 days late (10%)	184.00
Inv: 1161952 Late Fee 31-60 days late (10%)	184.00
Late Fee 61-90 days late (10%)	184.00

Requirements

Invoice Amount Due: $2,389.00

Your account is overdue. Please mail payment today!!
*Submit current insurance

*License must be in conjunction w/ Wine-On Sale License
*Submit current insurance
*Send a copy of your state sales and use tax statements for the previous 12 months from the Department of Revenue for verification of gross food and beverage sales.

Please complete the following information for your First Half renewal (disregard if invoice is for the 2nd half payment):
Company & DBA Names (if different than above): _____
Business Phone #s (include fax, cell, & pager if applicable): _____
Applicant Name, Date of Birth, Home Address, & Phone #'s: _____
Manager Name, Date of Birth, Address & Phone #'s: _____
Liquor is served in the following rooms: _____
*For Wine On Sale licenses:
Submit current insurance
Send a copy of your state sales and use tax statements for the previous 12 months from the Department of Revenue for verification of gross food and beverage sales.
If sales were less than $25,000 for the preceding year, insurance is not required. Licensee may submit an affidavit stating that sales were less than $25,000.

Submit with first half payment only:
*State Wine renewal certificate
*Proof of current liquor liability insurance (expiration must coincide with your license expiration date) or waiver letter if your sales are less than $10,000 per year and you do not hold an On Sale Malt (Strong Beer) license.

Your Taxpayer Identification is on file. Thank you.

Please give us your email address: _____

Please return this invoice with your payment!

Remit Payment to:

City of Saint Paul Department of Safety and Inspections
375 Jackson Street, Suite 220
Saint Paul, MN 55101-1806

Make Checks Payable to: The City of Saint Paul

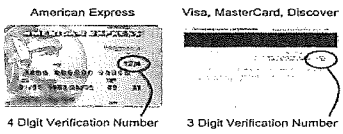
Cardholder Signature (required for all charges): _____

Beginning April 1, 2021, a 2.49% convenience fee will be charged for credit card transactions and will appear as a separate transaction on your card statement. This fee is charged by the service provider the Department of Safety and Inspections uses to handle credit card transactions. The City will not receive any of the convenience fees. **Checks and cash payments will still be accepted at 375 Jackson St., #220.**

IF PAYING BY CREDIT CARD PLEASE COMPLETE THE FOLLOWING INFORMATION:

INVOICE # : 1162874 **CUSTOMER:** THE NEIGHBORHOOD CAFE INC

☐ **American Express** ☐ **Discover**



☐ **MasterCard** ☐ **Visa** **Security Code:** ☐☐☐☐

Expiration Date: **Account Number:** **Amount:** $ _____

☐☐/☐☐ ☐☐☐☐ ☐☐☐☐ ☐☐☐☐ ☐☐☐☐

Minnesota Department of Public Safety
Alcohol & Gambling Enforcement Division
445 Minnesota Street, 1600
St Paul , Minnesota 55101
651-201-7507

RENEWAL OF LIQUOR , WINE, CLUB OR 3.2% LICENSES

No license will be approve or released until the $20 Retailer ID Card fee is received by Alcohol and Gambling Enforcement

Licensee: Please verify your license information contained below. Make corrections if necessary and sign. City Clerk/County Auditor should submit this signed renewal with completed license and licensee liquor liability for the new license period. City Clerk/County Auditor are also required by M.S. 340A.404 S.3 to report any license cancellation.

License Code: MWNONSB **License Period Ending:** 5/10/2024 **Iden:** 36014

Issuing Authority: St. Paul

Licensee Name: The Neighborhood Cafe Inc.

Trade Name: The Neighborhood Cafe

Address: 1570 Selby Ave

St. Paul, MN 55104

Business Phone: 651-644-8887

License Fees: **Off Sale:** $0.00 **On Sale:** $0.00 **Sunday:** $0.00

By signing this renewal application, applicant certifies that there has been no change in ownership on the above named licensee. For changes in ownership, the licensee named above, or for new licensees, full applications should be used. See back of this application for further information needed to complete this renewal.

Applicant's signature on this renewal confirms the following: Failure to report any of the following may result in civil penalties.

1. Licensee confirms it has no interest whatsoever, directly or indirectly in any other liquor establishments in Minnesota. If so, give details on back of this application.
2. Licensee confirms that it has never had a liquor license rejected by any city/township/county in the state of Minnesota. If ever rejected, please give details on the back of this renewal, then sign below.
3. Licensee confirms that for the past five years it has not had a liquor license revoked for any liquor law violation (state or local). If a revocation has occurred, please give details on the back of this renewal, then sign below.
4. Licensee confirms that during the past five years it or its employees have not been cited for any civil or criminal liquor law violations. If violations have occurred, please give details on back of this renewal, then sign below.
5. Licensee confirms that during the past license year, a summons has not been issued under the Liquor Liability Law (Dram Shop) MS 340A.802. If yes, attach a copy of the summons, then sign below.
6. Licensee confirms that Workers Compensation insurance will be kept in effect during the license period.Licensee has attached a liquor liability insurance certificate that corresponds with the license period in city/county where license is issued.

Licensee has attached a liquor liability insurance certificate that corresponds with the license period in city/county where license is issued. $100,000 in cash or securities or $310,000 surety bond may be submitted in lieu of liquor liability.(3.2 liquor licenses are exempt if sales are less than $25,000 at on sale, or $50,000 at off sale).

Licensee Signature DOB SSN Date
(Signature certifies all above information to be correct and license has been approved by city/county.)

City Clerk/Auditor Signature Date
(Signature certifies that renewal of a liquor, wine or club license has been approved by the city/county as stated above.)

County Attorney Signature Date
County Board issued licenses only(Signature certifies licensee is eligible for license).

Police/Sheriff Signature Date
Signature certifies licensee or associates have been checked for any state/local liquor law violations (criminal/civil) during the past five years.
Report violations on back, then sign here.

Indicate below changes of corporate officers, partners, home addresses or telephone numbers:

Indicate below any direct or indirect interest in other liquor establishments:

Report below details of liquor law violations (civil or criminal) that have occurred within the last five years. (Dates, offenses fines or other penalties, including alcohol penalties):

Report below details involving any license rejections or revocations:

City/County Comments:

Certificate of Compliance
Minnesota Workers' Compensation Law

PRINT IN INK or TYPE.

Minnesota Statutes, Section 176.182 requires every state and local licensing agency to withhold the issuance or renewal of a license or permit to operate a business or engage in any activity in Minnesota until the applicant presents acceptable evidence of compliance with the workers' compensation insurance coverage requirement of Minnesota Statutes, Chapter 176. The required workers' compensation insurance information is the name of the insurance company, the policy number, and the dates of coverage, or the permit to self-insure. If the required information is not provided or is falsely stated, it shall result in a $2,000 penalty assessed against the applicant by the commissioner of the Department of Labor and Industry.

A valid workers' compensation policy must be kept in effect at all times by employers as required by law.

BUSINESS NAME (Individual name only if no company name used)	LICENSE OR PERMIT NO (if applicable)

DBA (doing business as name) (if applicable)

BUSINESS ADDRESS (PO Box must include street address)	CITY	STATE	ZIP CODE

YOUR LICENSE OR CERTIFICATE WILL NOT BE ISSUED WITHOUT THE FOLLOWING INFORMATION. You must complete number 1, 2 or 3 below.

NUMBER 1 COMPLETE THIS PORTION IF YOU ARE INSURED:

INSURANCE COMPANY NAME (not the insurance agent)

WORKERS' COMPENSATION INSURANCE POLICY NO.	EFFECTIVE DATE	EXPIRATION DATE

NUMBER 2 COMPLETE THIS PORTION IF SELF-INSURED:

☐ I have attached a copy of the permit to self-insure.

NUMBER 3 COMPLETE THIS PORTION IF EXEMPT:

I am not required to have workers' compensation insurance coverage because:

☐ I have no employees.
☐ I have employees but they are not covered by the workers' compensation law. (See Minn. Stat. § 176.041 for a list of excluded employees.) Explain why your employees are not covered:

☐ Other:

ALL APPLICANTS COMPLETE THIS PORTION:

I certify that the information provided on this form is accurate and complete. If I am signing on behalf of a business, I certify that I am authorized to sign on behalf of the business.

APPLICANT SIGNATURE (mandatory)	TITLE	DATE

NOTE: If your Workers' Compensation policy is cancelled within the license or permit period, you must notify the agency who issued the license or permit by resubmitting this form.

This material can be made available in different forms, such as large print, Braille or on a tape. To request, call 1-800-342-5354 (DIAL-DLI) Voice or TDD (651) 297-4198.

Jeffrey Fischbach

From: Jeffrey Fischbach
Sent: Tuesday, August 6, 2024 3:52 PM
To: krismasanz
Cc: Tom Ferrara; Stephanie Harrington
Subject: RE: 1570 Selby Ave - The Neighborhood Cafe Inc - Delinquent Wine On Sale (and supporting) Lic. ID #20120000960
Attachments: 20240806160930124.pdf

Hello,

See attached letter and renewal invoice/paperwork informing you the above referenced license is delinquent and action is required by 08/27/2024.

The original has been placed in the US mail.

I've copied DSI staff Tom Ferrara and Stephanie Harrington, who are involved in the processing of alcohol related license renewals.

Please let me know if you have any questions regarding this matter.

Jeff Fischbach
DSI Inspector III
Cityof Saint Paul, Department of Safety & Inspections
375 Jackson Street, Suite 220
Saint Paul, MN 55101
P: (651) 266-9106
Email: Jeffrey.Fischbach@ci.stpaul.mn.us
www.StPaul.gov

SAINT PAUL
MINNESOTA

From: krismasanz <krismasanz@gmail.com>
Sent: Friday, July 19, 2024 12:44 PM
To: Jeffrey Fischbach <jeffrey.fischbach@ci.stpaul.mn.us>
Subject: RE: 1570 Selby Ave - The Neighborhood Cafe Inc - Delinquent Wine On Sale (and supporting) Lic. ID #20120000960

Think Before You Click: This email originated **outside** our organization.

Still want it yes!

Would also like to take Michael Noyes off of it.

I understand you need a handwritten letter for that, yes?

Sent from my T-Mobile 5G Device

-------- Original message --------
From: Jeffrey Fischbach <jeffrey.fischbach@ci.stpaul.mn.us>
Date: 7/18/24 4:49 PM (GMT-06:00)
To: THENEIGHBORHOODCAFE@GMAIL.COM, KRISMASANZ@GMAIL.COM
Cc: mtnoyz@gmail.com
Subject: RE: 1570 Selby Ave - The Neighborhood Cafe Inc - Delinquent Wine On Sale (and supporting) Lic. ID #20120000960

Hello,

I realized I missed an email address so I'm resending this.

Please note, if there are any changes to this business or if you want to cancel the license is needs to be done in a signed written statement.

Let me know if either of you have any questions regarding this matter.

Thanks,

Jeff Fischbach
DSI Inspector III
Cityof Saint Paul, Department of Safety & Inspections
375 Jackson Street, Suite 220
Saint Paul, MN 55101
P: (651) 266-9106
Email: Jeffrey.Fischbach@ci.stpaul.mn.us
www.StPaul.gov

SAINT PAUL
MINNESOTA

From: Jeffrey Fischbach
Sent: Thursday, July 18, 2024 4:35 PM
To: THENEIGHBORHOODCAFE@GMAIL.COM; KRISMASANZ@GMAIL.COM
Subject: 1570 Selby Ave - The Neighborhood Cafe Inc - Delinquent Wine On Sale (and supporting) Lic. ID #20120000960

Hello Michael and Kristina,

The above referenced license expired on 05/10/2024 and is now delinquent.

Could you confirm you are still wanting to sell wine/beer and I'll send you a renewal invoice (which will include delinquent license fees owed).

Or, if you no longer wanting this license, please let me know you want to cancel it and I'll take care of that.

Thanks,

Jeff Fischbach
DSI Inspector III
Cityof Saint Paul, Department of Safety & Inspections
375 Jackson Street, Suite 220
Saint Paul, MN 55101
P: (651) 266-9106
Email: Jeffrey.Fischbach@ci.stpaul.mn.us
www.StPaul.gov

SAINT PAUL
MINNESOTA

LICENSE ID: 20120000960

SAINT PAUL
MINNESOTA

Renewal Invoice

☐ Check this box if making any name, mailing address or phone # corrections. Please write the changes on this form. If your business license address is changing, please request a new business license application.

September 25, 2024

CITY OF SAINT PAUL

Department of Safety and Inspections
375 Jackson Street, Suite 220
Saint Paul, MN 55101-1806
PHONE: (651) 266-8989
FAX: (651) 266-9124
www.stpaul.gov

THE NEIGHBORHOOD CAFE INC
THE NEIGHBORHOOD CAFE
1570 SELBY AVE
ST PAUL MN 55104

BUSINESS PHONE: 651-644-8887

Invoice #:	1164640
Invoice Due Date:	Upon Receipt
Account Balance:	$4,555.00
Pay this Amount:	**$2,755.00**

Transaction Description	Transaction Total
Inv: 1159076 120000960 Patio Service Expires: 05/10/2024 @ 1570 SELBY AVE	85.00
Inv: 1159076 120000960 Malt On Sale (Strong) Expires: 05/10/2024	712.00
Inv: 1159076 120000960 Liquor - Outdoor Service Area (Sidewalk) Expires: 05/10/2024	40.00
Inv: 1159076 120000960 Wine On Sale Expires: 05/10/2024	1,000.00
Inv: 1161266 Late Fee 7-30 days late (10%)	184.00
Inv: 1161952 Late Fee 31-60 days late (10%)	184.00
Inv: 1162874 Late Fee 61-90 days late (10%)	184.00
Inv: 1163837 Late Fee 91-120 days late (10%)	184.00
Late Fee 121+ days late (10%)	182.00

Requirements

Invoice Amount Due: $2,755.00

Your account is overdue. Please mail payment today!!
*License must be in conjunction w/ Wine-On Sale License
*Submit current insurance
*Send a copy of your state sales and use tax statements for the previous 12 months from the Department of Revenue for verification of gross food and beverage sales.

*Submit current insurance

Please complete the following information for your First Half renewal (disregard if invoice is for the 2nd half payment):
Company & DBA Names (if different than above): _____
Business Phone #s (include fax, cell, & pager if applicable): _____
Applicant Name, Date of Birth, Home Address, & Phone #'s: _____
Manager Name, Date of Birth, Address & Phone #'s: _____
Liquor is served in the following rooms: _____
*For Wine On Sale licenses:
Submit current insurance
Send a copy of your state sales and use tax statements for the previous 12 months from the Department of Revenue for verification of gross food and beverage sales.
If sales were less than $25,000 for the preceding year, insurance is not required. Licensee may submit an affidavit stating that sales were less than $25,000.

Submit with first half payment only:
*State Wine renewal certificate

*Proof of current liquor liability insurance (expiration must coincide with your license expiration date) or waiver letter if your sales are less than $10,000 per year and you do not hold an On Sale Malt (Strong Beer) license.

Your Taxpayer Identification is on file. Thank you.

Please provide us your email address:_____

Don't forget to return this invoice with your payment!

Remit Payment to:

City of Saint Paul Department of Safety and Inspections
375 Jackson Street, Suite 220
Saint Paul, MN 55101-1806

Make Checks Payable to: The City of Saint Paul

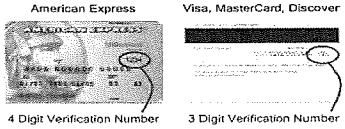
Cardholder Signature (required for all charges): _____

Beginning April 1, 2021, a 2.49% convenience fee will be charged for credit card transactions and will appear as a separate transaction on your card statement. This fee is charged by the service provider the Department of Safety and Inspections uses to handle credit card transactions. The City will not receive any of the convenience fees. **Checks and cash payments will still be accepted at 375 Jackson St., #220.**

IF PAYING BY CREDIT CARD PLEASE COMPLETE THE FOLLOWING INFORMATION:

INVOICE # : 1164640 **CUSTOMER:** THE NEIGHBORHOOD CAFE INC

☐ **American Express** ☐ **Discover**



☐ **MasterCard** ☐ **Visa** **Security Code:** ☐☐☐☐

Expiration Date: **Account Number:** **Amount:** $ _____

☐☐/☐☐ ☐☐☐☐ ☐☐☐☐ ☐☐☐☐ ☐☐☐☐

Minnesota Department of Public Safety
Alcohol & Gambling Enforcement Division
445 Minnesota Street, 1600
St Paul , Minnesota 55101
651-201-7507

RENEWAL OF LIQUOR , WINE, CLUB OR 3.2% LICENSES

No license will be approve or released until the $20 Retailer ID Card fee is received by Alcohol and Gambling Enforcement

Licensee: Please verify your license information contained below. Make corrections if necessary and sign. City Clerk/County Auditor should submit this signed renewal with completed license and licensee liquor liability for the new license period. City Clerk/County Auditor are also required by M.S. 340A.404 S.3 to report any license cancellation.

License Code: MWNONSB **License Period Ending:** 5/10/2024 **Iden:** 36014

Issuing Authority: St. Paul

Licensee Name: The Neighborhood Cafe Inc.

Trade Name: The Neighborhood Cafe

Address: 1570 Selby Ave

St. Paul, MN 55104

Business Phone: 651-644-8887

License Fees: **Off Sale:** $0.00 **On Sale:** $0.00 **Sunday:** $0.00

By signing this renewal application, applicant certifies that there has been no change in ownership on the above named licensee. For changes in ownership, the licensee named above, or for new licensees, full applications should be used. See back of this application for further information needed to complete this renewal.

Applicant's signature on this renewal confirms the following: Failure to report any of the following may result in civil penalties.

1. Licensee confirms it has no interest whatsoever, directly or indirectly in any other liquor establishments in Minnesota. If so, give details on back of this application.
2. Licensee confirms that it has never had a liquor license rejected by any city/township/county in the state of Minnesota. If ever rejected, please give details on the back of this renewal, then sign below.
3. Licensee confirms that for the past five years it has not had a liquor license revoked for any liquor law violation (state or local). If a revocation has occurred, please give details on the back of this renewal, then sign below.
4. Licensee confirms that during the past five years it or its employees have not been cited for any civil or criminal liquor law violations. If violations have occurred, please give details on back of this renewal, then sign below.
5. Licensee confirms that during the past license year, a summons has not been issued under the Liquor Liability Law (Dram Shop) MS 340A.802. If yes, attach a copy of the summons, then sign below.
6. Licensee confirms that Workers Compensation insurance will be kept in effect during the license period.Licensee has attached a liquor liability insurance certificate that corresponds with the license period in city/county where license is issued.

Licensee has attached a liquor liability insurance certificate that corresponds with the license period in city/county where license is issued. $100,000 in cash or securities or $310,000 surety bond may be submitted in lieu of liquor liability.(3.2 liquor licenses are exempt if sales are less than $25,000 at on sale, or $50,000 at off sale).

Licensee Signature DOB SSN Date
(Signature certifies all above information to be correct and license has been approved by city/county.)

City Clerk/Auditor Signature Date
(Signature certifies that renewal of a liquor, wine or club license has been approved by the city/county as stated above.)

County Attorney Signature Date
County Board issued licenses only(Signature certifies licensee is eligible for license).

Police/Sheriff Signature Date
Signature certifies licensee or associates have been checked for any state/local liquor law violations (criminal/civil) during the past five years.
Report violations on back, then sign here.

Indicate below changes of corporate officers, partners, home addresses or telephone numbers:

Indicate below any direct or indirect interest in other liquor establishments:

Report below details of liquor law violations (civil or criminal) that have occurred within the last five years. (Dates, offenses fines or other penalties, including alcohol penalties):

Report below details involving any license rejections or revocations:

City/County Comments:

Certificate of Compliance
Minnesota Workers' Compensation Law

PRINT IN INK or TYPE.

Minnesota Statutes, Section 176.182 requires every state and local licensing agency to withhold the issuance or renewal of a license or permit to operate a business or engage in any activity in Minnesota until the applicant presents acceptable evidence of compliance with the workers' compensation insurance coverage requirement of Minnesota Statutes, Chapter 176. The required workers' compensation insurance information is the name of the insurance company, the policy number, and the dates of coverage, or the permit to self-insure. If the required information is not provided or is falsely stated, it shall result in a $2,000 penalty assessed against the applicant by the commissioner of the Department of Labor and Industry.

A valid workers' compensation policy must be kept in effect at all times by employers as required by law.

BUSINESS NAME (Individual name only if no company name used)	LICENSE OR PERMIT NO (if applicable)

DBA (doing business as name) (if applicable)

BUSINESS ADDRESS (PO Box must include street address)	CITY	STATE	ZIP CODE

YOUR LICENSE OR CERTIFICATE WILL NOT BE ISSUED WITHOUT THE FOLLOWING INFORMATION. You must complete number 1, 2 or 3 below.

NUMBER 1 COMPLETE THIS PORTION IF YOU ARE INSURED:

INSURANCE COMPANY NAME (not the insurance agent)

WORKERS' COMPENSATION INSURANCE POLICY NO.	EFFECTIVE DATE	EXPIRATION DATE

NUMBER 2 COMPLETE THIS PORTION IF SELF-INSURED:

☐ I have attached a copy of the permit to self-insure.

NUMBER 3 COMPLETE THIS PORTION IF EXEMPT:

I am not required to have workers' compensation insurance coverage because:

☐ I have no employees.
☐ I have employees but they are not covered by the workers' compensation law. (See Minn. Stat. § 176.041 for a list of excluded employees.) Explain why your employees are not covered:

☐ Other:

ALL APPLICANTS COMPLETE THIS PORTION:

I certify that the information provided on this form is accurate and complete. If I am signing on behalf of a business, I certify that I am authorized to sign on behalf of the business.

APPLICANT SIGNATURE (mandatory)	TITLE	DATE

NOTE: If your Workers' Compensation policy is cancelled within the license or permit period, you must notify the agency who issued the license or permit by resubmitting this form.

This material can be made available in different forms, such as large print, Braille or on a tape. To request, call 1-800-342-5354 (DIAL-DLI) Voice or TDD (651) 297-4198.

Ordinance Violations

Sec. 310.02. Uniform procedures for application for the grant or issuance of the license, new application investigation and review, application denial, notice, levels of approval, objections and renewal procedures by license type.

2) *Class N Licenses.*

(e) *Levels of Approval.*

3. Revocation or suspension. If the director determines that the application for renewal does not meet all of the requirements of law or that there exist grounds for revocation or suspension of a Class N License, the director must follow the hearing procedures as outlined in Saint Paul Legislative Code Section 310.03.

Sec. 310.03. Hearing procedures.

(m) *Presumptive penalties for certain violations*. The purpose of this section is to establish a standard by which the city council determines the amount of fines, the length of license suspensions and the propriety of revocations, the general presumptive penalty matrix applies to all license types, except that in the case of a violation involving a liquor license the penalty matrix for intoxicating liquor; nonintoxicating malt liquor applies and for a violations involving tobacco, the penalty matrix for tobacco applies. These penalties are presumed to be appropriate for every case; however the council may deviate therefrom in an individual case where the council finds and determines that there exist substantial and compelling reasons making it more appropriate to do so. When deviating from these standards, the council must provide written reasons that specify why the penalty selected was more appropriate.

2. **Intoxicating liquor; malt liquor; presumptive penalty matrix**.

Presumptive penalties for intoxicating liquor and nonintoxicating malt liquor violations. If a violation is not covered under this penalty matrix, the general presumptive penalty matrix should be used. Penalties for convictions or violations are presumed to be appropriate for every case; however, the council may deviate therefrom in an individual case where the council finds and determines that there exist substantial and compelling reasons making it more appropriate to do so. When deviating from these standards, the council must provide written reasons that specify why the penalty selected was more appropriate (unless specified, numbers below indicate consecutive days' suspension):

(10) Failure to make application for license renewal prior to license expiration date.	$500.00 fine	6-day suspension	18-day suspension	Revocation
(12) Failure to comply with statutory, and ordinance requirements for liability insurance.	10-day suspension	Revocation	NA	NA

Sec. 310.04. Revocation; suspension; adverse actions; imposition of conditions.

(b) *Basis for action.* Such adverse action may be based on one (1) or more of the following reasons, which are in addition to any other reason specifically provided by law or in these chapters:

6) a. The licensee or applicant (or any person whose conduct may by law be imputed to the licensee or applicant) has violated, or performed any act which is a violation of, any of the provisions of these chapters or of any statute, ordinance or regulation reasonably related to the licensed activity, regardless of whether criminal charges have or have not been brought in connection therewith;

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

(a) *Term.* All licenses for the sale of intoxicating liquor are be 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 be 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.

(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

STATE OF MINNESOTA)
) ss.
COUNTY OF RAMSEY)

AFFIDAVIT OF SERVICE BY U.S. MAIL

Riddhi Mistry, being first duly sworn, deposes and says that on the eighth day of October she served the attached **NOTICE OF VIOLATION AND REQUEST FOR IMPOSITION OF $500 MATRIX PENALTY AND LICENSE SUSPENSION** and a correct copy thereof in an envelope addressed as follows:

The Neighborhood Café Inc.
d/b/a The Neighborhood Cafe
1570 Selby Ave.
Saint Paul, MN 55104
Attn: Kristina Masanz

Kristina Masanz
1570 Selby Ave.
Saint Paul, MN 55104

1564 Selby LLC
1564 Selby Ave, Unit # 9
St. Paul, MN 55104

Leah Timberlake Sullivan, Executive Director
Union Park District Council
1600 University Avenue West
Suite # 301
Saint Paul, MN 55104

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

Riddhi Mistry

Subscribed and sworn to before me
This eighth day of October 2024

Notary Public

CHRISTINE M. HAAS
Notary Public-Minnesota
My Commission Expires Jan. 31, 2028

SAINT PAUL
CITY ATTORNEY

OFFICE OF THE CITY ATTORNEY
LYNDSEY M. OLSON, CITY ATTORNEY

Civil Division, 15 Kellogg Blvd. West, 400 City Hall
Saint Paul, MN 55102
Tel: 651-266-8571| Fax: 651-298-5619

October 8, 2024

NOTICE OF VIOLATION
AND REQUEST FOR IMPOSITION OF
$500 MATRIX PENALTY AND LICENSE SUSPENSION

The Neighborhood Café Inc.
d/b/a The Neighborhood Cafe
1570 Selby Ave.
Saint Paul, MN 55104
Attn: Kristina Masanz

RE: Wine on Sale, Malt on Sale (Strong), Liquor Outdoor Service Area (Patio) and Liquor Outdoor Service Area (Sidewalk) license held by The Neighborhood Café Inc. d/b/a The Neighborhood Cafe for the premises located at 1570 Selby Ave., in Saint Paul.
License ID #: 20120000960

Dear Licensee:

The Department of Safety and Inspections ("Department") has recommended adverse action against the Wine on Sale, Malt on Sale (Strong), Liquor Outdoor Service Area (Patio) and Liquor Outdoor Service Area (Sidewalk) License held by The Neighborhood Café Inc. ("Licensee"). The Neighborhood Café located at 1570 Selby Ave. (Licensed Premises").

Legal Basis for Action:

Saint Paul Legislative Code §310.01, defines Adverse Action as:

"the revocation or suspension of a license, the imposition of conditions upon a license, the denial of an application for the grant, issuance or renewal of a license, the imposition of a fine, the assessment of the costs of a contested hearing, and any other disciplinary or unfavorable action taken with respect to a license, licensee, or applicant for a license. Adverse action includes any of the foregoing directed at one (1) or more licenses held by a licensee at any location in the city. Adverse action also includes disapproval of licenses issued by the state under statutory provisions which permit the governing body to disapprove the issuance of the license."

Saint Paul Legislative Code §310.03 (m) provides for a presumptive penalty of $500 for a first-time violation of a provision of the legislative code related to the licensed activity.

The Saint Paul City Attorney's Office does not discriminate based on race, color, national origin, religion, sex/gender, disability, sexual orientation, gender identity, age, or veteran status in the delivery of services or employment practices.

SAINT PAUL
CITY ATTORNEY

OFFICE OF THE CITY ATTORNEY
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Saint Paul Legislative Code §310.02 (2)(e)(3) states: "*Revocation or suspension*. If the director determines that the application for renewal does not meet all of the requirements of law or that there exist no grounds for revocation or suspension of a Class N License, the director must follow the hearing procedures as outlined in Saint Paul Legislative Code §310.03."

Saint Paul Legislative Code §310.03 (m)2(10)(12): "Presumptive penalties for certain violations" shown below:

Type of Violation	1st	2nd	3rd	4th
(10) Failure to make application for license renewal prior to license expiration date.	$500.00 fine	6-day suspension	18-day suspension	Revocation
(12) Failure to comply with statutory, and ordinance requirements for liability insurance.	10-day suspension	Revocation	N/A	N/A

Saint Paul Legislative Code §310.04(b)(14) states: "The licensee has failed to pay license fees within sixty (60) days of the date the fees are due. Licensee must pay any outstanding fees and delinquent fees in total. Failure to do so within sixty (60) days of the due date may result in revocation of the license."

Saint Paul Legislative Code § 409.05(a) states: "*Term.* All licenses for the sale of intoxicating liquor are be 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."

Saint Paul Legislative Code § 409.05(b) states: "*License fees, on-sale; semiannual installments*. The fees required for licenses is be 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 the issuance or renewal."

Saint Paul Legislative Code § 409.05(e) states: "*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

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Saint Paul, MN 55102
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after the expiration date of such license or semiannual period, and the late fee must not exceed fifty (50) percent of the annual fee."

Adverse Action Recommendation:

The Department of Safety and Inspections will recommend a $500.00 matrix penalty and suspension of your license for violating Saint Paul Legislative Code § 310.02(2)(e)(3), 310.03(m)2(10)(12), 310.04(b)(14), and 409.05(a)(b)(e). This is due to your failure to provide required information, fee payment to renewal license, failure to respond to delinquent letter of August 6, 2024, and email of August 6, 2024. Your license will stay suspended until you cure these issues.

Factual Basis for the $500 matrix penalty and license suspension:

On August 6, 2024, you received a letter from Licensing Manager, Eric Hudak at the Department of Safety and Inspections (DSI). The letter requested that you complete a renewal of your license by August 27, 2024. You were informed that DSI could submit your delinquent/expired license to the City Attorneys' office for adverse action. You were provided with a copy of the renewal invoice. On August 6, 2024, an email was sent to you at krismasanz@gmail.com from DSI Inspector, Jeffrey Fischbach who also provided you with a copy of the letter, renewal invoice, and paperwork informing you that the license is delinquent. You were given a deadline of August 27, 2024, to provide the required information to DSI.

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 **October 18, 2024,** I will presume that you have chosen not to contest the proposed adverse action and the matter will be placed on the City Council Consent agenda for imposition of the $500 matrix penalty and suspension of your License.

2. You can complete the renewal process including payment of the renewal fee. If this is your choice, you should make payment directly to the Department of Safety and Inspections, at 375 Jackson Street, Ste. 220, St. Paul, Minnesota 55101-1806 no later than **October 18, 2024**. Please contact the Department immediately.

3. If you wish to admit the facts but you contest the $500 matrix penalty and suspension of your License, you may have a 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 Council hearing no later than **October 18, 2024.** The matter will then be scheduled before the City Council to determine whether to impose the $500 matrix

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Saint Paul, MN 55102
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penalty and License suspension. 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 **October 18, 2024.** 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 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 § 310.03 (k).

If you have not contacted me by October 18, 2024, I will assume that you do not contest the suspension of your License and imposition of the $500 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 contact my Paralegal Riddhi Mistry at riddhi.mistry@ci.stpaul.mn.us , (651) 266-8835.

Sincerely,

Sly Onyia
Assistant City Attorney
License No. 0402320

Cc: Kristina Masanz, 1570 Selby Ave., Saint Paul, MN 55104
1564 Selby LLC, 1564 Selby Ave. Unit # 9, Saint Paul, MN 55104
Leah Timberlake Sullivan, Executive Director, Union Park District Council, 1600 University Avenue West, Suite # 301, Saint Paul, MN 55104

Attachments: Renewal Invoice – 9/25/2024
Renewal Invoice – 8/6/2024

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SAINT PAUL
CITY ATTORNEY

OFFICE OF THE CITY ATTORNEY
LYNDSEY M. OLSON, CITY ATTORNEY

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Letter from Licensing Manager, Eric Hudak to The Neighborhood Café – 8/6/2024
Email from DSI Inspector, Jeffrey Fischbach to krismasanz@gmail.com – 8/6/2024
Email from DSI Inspector, Jeffrey Fischbach to krismasanz@gmail.com – 7/19/2024
Email from DSI Inspector, Jeffrey Fischbach to krismasanz@gmail.com – 7/18/2024
Minnesota Department of Public Safety Alcohol & Gambling Enforcement Division Renewal
Certificate of Compliance Minnesota Worker's Compensation Law
Saint Paul Legislative Code §310.02 (2)(e)(3)
Saint Paul Legislative Code §310.03 (m)2(10)(12)
Saint Paul Legislative Code §310.04 (b)(14)
Saint Paul Legislative Code §409.05 (a)(b)(e)

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City of Saint Paul

Signature Copy

Resolution: RES 24-1700

City Hall and Court House
15 West Kellogg Boulevard
Phone: 651-266-8560

File Number: RES 24-1700

Directing the Department of Safety and Inspections to proceed with the $500 matrix penalty and license suspension adverse action against The Neighborhood Café Inc. d/b/a The Neighborhood Cafe, (License ID #20120000960) for the premises located at 1570 Selby Ave.

WHEREAS, the Wine on Sale, Malt on Sale (Strong), Liquor Outdoor Service Area (Patio) and Liquor Outdoor Service Area (Sidewalk) license ("License") held by The Neighborhood Café Inc. d/b/a The Neighborhood Cafe under License ID #20120000960 for the premises located at 1570 Selby Ave., in Saint Paul ("Licensed Premises"), which is owned by Kristina Masanz was the subject of adverse action pursuant to an October 8, 2024, Notice of Violation and Request for Imposition of $500 Matrix Penalty and License Suspension (Notice") in which the Department of Safety and Inspections ("Department") provided notice to the Licensee of its intent to suspend license until licensee provides required information, fee payment to renewal license, and respond to delinquent letter of August 6, 2024, and move forward with adverse action supported by Saint Paul Legislative Code §310.03; and

WHEREAS, on August 6, 2024, Licensee received a letter from DSI Licensing Manager, Eric Hudak requesting that you complete a renewal of your license by August 27, 2024. Licensee was also informed to submit delinquent/expired license to the City Attorney's office for adverse action, and provided with a copy of the renewal invoice.

WHEREAS, on August 6, 2024, an email was sent to the Licensee at krismasanz@gmail.com <mailto:krismasanz@gmail.com> by DSI Inspector, Jeffrey Fischbach, providing a copy of the letter, renewal invoice, and paperwork informing the Licensee that the license is delinquent. A deadline of August 17, 2024, to provide the required information to DSI.

WHEREAS, the Notice laid out the basis for adverse action and the Legislative Code upon which the Department was relying as follows:

Saint Paul Legislative Code §310.01, defines Adverse Action as: "the revocation or suspension of a license, the imposition of conditions upon a license, the denial of an application of the grant, issuance or renewal of a license, the imposition of a fine, the assessment of the costs of a contested hearing, and any other disciplinary or unfavorable action taken with respect to a license, Licensee or applicant for a license. "Adverse action" includes any of the foregoing directed at one (1) or more licenses held by a Licensee at any location in the city. "Adverse action" also includes disapproval of licenses issued by the state under statutory provisions which permit the governing body to disapprove the issuance of the license.

Saint Paul Legislative Code §310.02 (2)(e)(3) states: "*Revocation or suspension*. If the director determines that the application for renewal does not meet all of the requirements of law or that there exist no grounds for revocation or suspension of a Class N License, the director must follow the hearing procedures as outlined in Saint Paul Legislative Code §310.03."

Saint Paul Legislative Code §310.03 states: "In any case where the council may or intends to

consider any adverse action, including the revocation or suspension of a license, the imposition of conditions upon a license, or the denial of an application for the grant, issuance or renewal of a license, of the disapproval of a license issues by the State of Minnesota, the applicant or licensee must be given notice and an opportunity to be heard herein. The council may consider such adverse actions when recommended by the director, by the director of any executive department established pursuant to Chapter 9 of the Charter, by the city attorney or on its own initiative."

Saint Paul Legislative Code §310.03(m) states: a presumptive penalty of $500 for a first-time violation of a provision of the legislative code related to the licensed activity.

Saint Paul Legislative Code §310.03 (m)2(10) states: the first time violation for "Failure to make application for license renewal prior to license expiration date," is a $500.00 dollar fine.

Saint Paul Legislative Code §310.03 (m)2(12) states: the first time violation for "Failure to comply with statutory, and ordinance requirements for liability insurance," is a 10-day suspension.

Saint Paul Legislative Code §310.04(b)(14) states: "The licensee has failed to pay license fees within sixty (60) days of the date the fees are due. Licensee must pay any outstanding fees and delinquent fees in total. Failure to do so within sixty (60) days of the due date may result in revocation of the license."

Saint Paul Legislative Code § 409.05(a) states: "*Term.* All licenses for the sale of intoxicating liquor are be 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."

Saint Paul Legislative Code § 409.05(b) states: "*License fees, on-sale; semiannual installments*. The fees required for licenses is be 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 the issuance or renewal."

Saint Paul Legislative Code § 409.05(e) states: "*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 fee."

WHEREAS, the Licensee had failed to provide required information, the Department of Safety and Inspections will recommend a $500 matrix penalty and license suspension of the Wine on Sale, Malt on Sale (Strong), Liquor Outdoor Service Area (Patio) and Liquor Outdoor Service Area (Sidewalk) license application based on violation to Saint Paul Legislative Code §310.02(e)(3), §310.03(m), §310.03 2(10)(12), §310.04(b)(14), and §409.05(a)(b)(e).

WHEREAS, the Department of Safety and Inspections recommended a $500 matrix penalty and license suspension; and

WHEREAS, the Notice laid out options for the Licensee:

"You have four (4) options on how 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 **October 18, 2024,** I will presume that you have chosen not to contest the proposed adverse action and the matter will be placed on the City Council

Consent agenda for imposition of the $500 matrix penalty and suspension of your License.

2. You can complete the renewal process including payment of the renewal fee and vehicle inspections. If this is your choice, you should make payment directly to the Department of Safety and Inspections, at 375 Jackson Street, Ste. 220, St. Paul, Minnesota 55101-1806 no later than **October 18, 2024**. Please contact the Department immediately.

3. If you wish to admit the facts but you contest the $500 matrix penalty and suspension of your License, you may have a 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 Council hearing no later than **October 18, 2024.** The matter will then be scheduled before the City Council to determine whether to impose the $500 matrix penalty and License suspension. 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 **October 18, 2024.** 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 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.

WHEREAS, the Notice was sent to the licensee on October 8, 2024, providing that you respond by October 18, 2024, on whether you contest the proposed adverse action; and

WHEREAS, on October 23, 2024, the City Attorney's Office contacted the Department of Safety and Inspections to confirm whether the requested documents had been received and was informed that they have not heard from the Licensee/or received the requested documents.

WHEREAS, the Notice stated if the Licensee failed to contest to the denial of the license application, that the matter would be placed on the City Council Agenda to impose the recommended penalty; now, therefore, be it

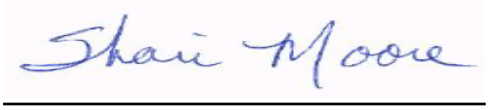
RESOLVED, the Wine on Sale, Malt on Sale (Strong), Liquor Outdoor Service Area (Patio) and Liquor Outdoor Service Area (Sidewalk) license held by The Neighborhood Café Inc. d/b/a The Neighborhood Cafe, (License ID #20120000960) for the premises located at 1570 Selby Ave., Saint Paul, MN 55104 is hereby imposed ~~to pay~~ the $500 penalty fee and suspension and provide required documents to the Department of Safety and Inspections in violation of Saint Paul Legislative Codes §310.01, §310.03, §310.04, and §409.05.

At a meeting of the City Council on 12/4/2024, this Resolution was Passed.

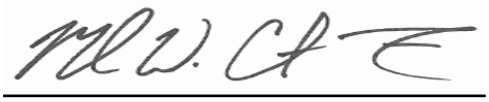
Yea: 5 Councilmember Noecker, Councilmember Jalali, Councilmember Kim, Councilmember Jost, and Councilmember Johnson

Nay: 0

Absent: 2 Councilmember Yang, and Councilmember Bowie

Vote Attested by Council Secretary  Shari Moore

Date 12/4/2024

Approved by the Mayor  Melvin Carter III

Date 12/11/2024

SAINT PAUL
SAFETY & INSPECTIONS

DEPARTMENT OF SAFETY & INSPECTIONS (DSI)
ANGIE WIESE, PE(MN), CBO, DIRECTOR

375 Jackson Street, Suite 220
Saint Paul, MN 55101-1806
Tel: 651-266-8989 | Fax: 651-266-9124

RE: Request to Cancel

License Number: _____

I/We, _____, respectfully request to cancel my/our license(s) located at _____.

List all licenses to be canceled: _____

_____

Reason(s) for the cancelation of license(s): _____

_____

_____	_____	_____	_____
License Holders Printed Name	Signature	Title	Date

_____
Phone Number

_____	_____	_____	_____
License Holders Printed Name	Signature	Title	Date

_____
Phone Number

Sec. 310.02. - Uniform procedures for application for the grant or issuance of the license, new application investigation and review, application denial, notice, levels of approval, objections and renewal procedures by license type.

1) *Class R Licenses.*

(a) *Application.*

1. *Form.* All applicants for a Class R License issued pursuant to these chapters must make both original and renewal applications to the director on such forms as are provided by the department. Such applications will not be received by the director until the director deems the application meets the substantially complete criteria. Subsequently, issuance of a license cannot occur until insurance policies, 01s, deposits, sureties, and indemnifications or certificates required by these chapters, together with the certification required in paragraph 2 below, are received and approved.
2. *Taxes.* No applicant will be granted a license or a renewal of a license required by the Saint Paul Legislative Code unless, in addition to any other requirements, rules or ordinances heretofore or hereafter required, the director determines that said applicant has paid all taxes, real or personal, before said taxes become delinquent, on any property, real or personal, situated within the City of Saint Paul and used in connection with the business operated under said license.
3. Notwithstanding the previous paragraph, the council or the director may issue or renew a license if it is found that:
   (a) The applicant has made an agreement satisfactory to the Ramsey County Attorney to pay delinquent taxes in periodic installments;
   (b) The applicant has properly commenced a proceeding to contest the amount of tax due or the valuation of their property, and has made all partial payments required by law in connection with such proceeding; or
   (c) The business property with respect to which taxes are delinquent is not owned by the applicant, but by a lessor, and it would be inequitable to require the lessee to pay such taxes.

If a license is issued or renewed because of the existence of an agreement as described in subsection (a) above, the license may be revoked if the licensee defaults upon such agreement.

4. *Additional information.* the director will prescribe the information required to be submitted by each applicant in their application, in addition to that required by specific sections in these chapters, as may be necessary to carry out and enforce any provision hereunder. The director will require in every case the applicant to submit their name;

business or corporate name; names of partners, officers, directors, shareholders, or trustees involved in the business; age; address; description or blueprint of the premises, if any, and the owner thereof, and locations and addresses of other business locations in Minnesota.

5. *No reapplication within one (1) year after denial or revocation.* Unless an applicant is claiming evidence of rehabilitation as outlined in Minn. Stats. § 364.03, subd. 3, no applicant may apply for any license within one (1) year of the denial or revocation of the same or similar license by the city council, if such denial or revocation was based solely or partially upon misconduct or unfitness of the applicant, evidence of violations of law involving licensed premises, evidence that the applicant had been involved in the operation of a nuisance, or fraud or deception in the license application. A license is "similar," within the meaning of this paragraph, if the basis upon which the revocation or denial of the original license was made would have been a relevant basis on which to deny or revoke a license of the type subsequently applied for.
6. *Reapplication after denial; "interest" of applicant in revoked license.* An application by a person having an interest in, or whose shareholders or officers have an interest in, any premises or enterprise whose license has been revoked or to which a license has been denied will be treated as an application by the person whose license was denied or revoked. The term "interest," as used in this paragraph, includes any pecuniary interest in the ownership, operation, management or profits of an establishment, but does not include: bona fide loans; bona fide rental agreements; bona fide 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 or supplies to such 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 license in conjunction therewith; or ten (10) percent or less interest in any other corporation holding a license.
7. *Prohibition on reapplication; exception.* The prohibition on reapplication herein provided will not apply in cases where it is otherwise expressly provided by statute or ordinance.

(b) *New application investigation and review.* the director will determine the sufficiency and accuracy of each new application and obtain such criminal history information as may be used under Minn. Stats., chapter 364, and is otherwise available by law. The director will make reasonable and appropriate investigation of the premises or personal property, vehicles, or facilities, involved in or related to the licensed activity, and will request, where appropriate, the assistance of DSI divisions and other city divisions or departments in making additional investigations for the purpose of determining whether the applicant is or will be in compliance with all applicable ordinances and statutes. The approval of such other divisions or departments is not required for issuance of a license unless otherwise required by specific sections in these chapters. All new applications will be reviewed by the zoning administrator

or their designee for compliance with all requirements of the Saint Paul Zoning Code, and no new license will be granted without full compliance with said requirements. All new applications involving a premise, location, building or structure will be reviewed by the building official or their designee for investigation and recommendation.

(c) *Application denial.*

1. Denial of a Class R License application is adverse action and the procedures for notice and hearing outlined in Saint Paul Legislative Code Section 310.03 must be followed.

(d) *Notice.*

1. Upon verification that an application for a Class R License is substantially complete, the notification requirements outlined in ENS Chapter A-11(11)(c) must be followed and the required ENS notice must be provided within two (2) public business days.

(e) *Levels of approval:*

1. *Approval recommended without conditions.* Where an application for the grant, issuance or renewal of a Class R License meets all the requirements of law, and there exists no grounds for denial, revocation or suspension of, or the imposition of conditions upon, such license, the director must grant, issue, or renew said license in accordance with the application.
2. *Approval recommended with conditions.* If upon review of an application for the grant, issuance, or renewal of a Class R License the director determines that there exist grounds for imposition of conditions, the director must provide the applicant or licensee notice and an opportunity to be heard in accordance with section 310.03.
3. If the prospective licensee does not object to the proposed conditions, the director will request that the matter be placed on the council consent agenda. The director shall notify the prospective licensee.
4. If the prospective licensee objects to the conditions proposed by the director, the director must follow the hearing procedures outlined in Saint Paul Legislative Code Section 310.03 and refer the matter to a hearing examiner.
5. Revocation or suspension. If the director determines that the renewal application for the renewal of a license does not meet all of the requirements of law or that there exist grounds for revocation or suspension of a Class R License the director will follow the hearing procedures as outlined in Saint Paul Legislative Code Section 310.03.

(f) *Objections.* An appeal to the city council may be taken by any person aggrieved by the grant, issuance, or renewal of a Class R License provided that:

1. The appeal must be filed with the city clerk within thirty (30) days after the action by the director.

2. The only grounds for appeal will be that there has been an error of law in the grant, issuance, or renewal of the license.
3. The appeal will be in writing and will set forth in particular the alleged errors of law.
4. The council will conduct a public hearing on the appeal within thirty (30) days of the date of filing and will notify the licensee and the appellant at least ten (10) days prior to the hearing date.
5. The procedures set forth in section 310.03, insofar as is practicable, will apply to this hearing. Following the hearing, the council may affirm or remand the matter to the director, may reverse the director's decision, or place conditions upon the license based on the council's determination that the director's decision was based on an error of law.
6. The filing of an appeal will not stay the issuance of the license.

(g) *Renewal procedures.*

1. Class R Licenses may be automatically renewed by the director.
2. No waiver by renewal. The renewal of a Class R License will not be deemed to be a waiver of any past violations or of any grounds for imposition of adverse action against such license.

2) *Class N Licenses.*

(a) *Application.*

1. *Form.* All applicants for a Class N License issued pursuant to these chapters will make both original and renewal applications to the director on such forms as are provided by the department. Such applications will not be received by the director until the director deems the application meets the substantially complete criteria. Subsequently, issuance of a license cannot occur until insurance policies, bonds, deposits, sureties, and indemnifications or certificates required by these chapters, together with the certification required in paragraph 2 below are received and approved.
2. *Taxes.* No applicant will be granted a license or a renewal of a license required by the Saint Paul Legislative Code unless, in addition to any other requirements, rules or ordinances heretofore or hereafter required, the director determines that said applicant has paid all taxes, real or personal, before said taxes become delinquent, on any property, real or personal, situated within the City of Saint Paul and used in connection with the business operated under said license.
3. Notwithstanding the previous paragraph, the council or the director may issue or renew a license if it is found that:

(a) The applicant has made an agreement satisfactory to the Ramsey County Attorney to pay delinquent taxes in periodic installments;

(b) The applicant has properly commenced a proceeding to contest the amount of tax due or the valuation of their property, and has made all partial payments required by law in connection with such proceeding; or

(c) The business property with respect to which taxes are delinquent is not owned by the applicant, but by a lessor, and it would be inequitable to require the lessee to pay such taxes.

If a license is issued or renewed because of the existence of an agreement as described in subsection (a) above, the license may be revoked if the licensee defaults upon such agreement.

4. *Additional information.* the director will prescribe the information required to be submitted by each applicant in their application, in addition to that required by specific sections in these chapters, as may be necessary to carry out and enforce any provision hereunder. The director will require in every case the applicant to submit their name; business or corporate name; names of partners, officers, directors, shareholders, or trustees involved in the business; age; address; description or blueprint of the premises, if any, and the owner thereof, and locations and addresses of other business locations in Minnesota.
5. *No reapplication within one (1) year after denial or revocation.* Unless an applicant is claiming that they have evidence of rehabilitation as outlined in Minn. Stats. § 364.03, subd. 3, no applicant may apply for any license within one (1) year of the denial or revocation of the same or similar license by the city council, if such denial or revocation was based solely or partially upon misconduct or unfitness of the applicant, evidence of violations of law involving licensed premises, evidence that the applicant had been involved in the operation of a nuisance, or fraud or deception in the license application. A license is "similar," within the meaning of this paragraph, if the basis upon which the revocation or denial of the original license was made would have been a relevant basis on which to deny or revoke a license of the type subsequently applied for.
6. *Reapplication after denial; "interest" of applicant in revoked license.* An application by a person having an interest in, or whose shareholders or officers have an interest in, any premises or enterprise whose license has been revoked or to which a license has been denied will be treated as an application by the person whose license was denied or revoked. The term "interest," as used in this paragraph, includes any pecuniary interest in the ownership, operation, management or profits of an establishment, but does not include: bona fide loans; bona fide rental agreements; bona fide 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 or supplies to such 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 license in conjunction therewith; or ten (10) percent or less interest in any other corporation holding a license.

7. *Prohibition on reapplication; exception.* The prohibition on reapplication herein provided will not apply in cases where it is otherwise expressly provided by statute or ordinance.

(b) *New application investigation and review.* the director will determine the sufficiency and accuracy of each new application and obtain such criminal history information as may be used under Minn. Stats., chapter 364, and is otherwise available by law. The director will make reasonable and appropriate investigation of the premises or personal property, vehicles, or facilities, as may be involved in or related to the licensed activity, and will request, where appropriate, the assistance of DSI divisions and other city divisions or departments in making additional investigations for the purpose of determining whether the applicant is or will be in compliance with all applicable ordinances and statutes. The approval of such other divisions or departments is not required for issuance of a license unless otherwise required by specific sections in these chapters. All new applications will be reviewed by the zoning administrator or their designee for compliance with all requirements of the Saint Paul Zoning Code, and no new license will be granted without full compliance with said requirements. All new applications involving a premise, location, building or structure will be reviewed by the building official or their designee and inspections for investigation and recommendation.

1. *Verification of Class N License District Council Notification Form.* the director must take reasonable efforts to ensure that the district council has notified the department by email that the Class N License District Council Notification Form has been received.

(c) *Application denial.*

1. Denial of a Class N License application is adverse action and the procedures for notice and hearing outlined in Saint Paul Legislative Code Section 310.03 must be followed.

(d) *Notice.*

1. Upon receipt of an application for a Class N License, the notification requirements outlined in ENS Chapter A-11(11)(c) must be followed.

   The application must then be reviewed and once the director deems the application fully reviewed as required by these chapters and makes a recommendation, both the notice requirements outlined in ENS Chapter A-11 (14) and the required mailing must be provided. Notices must describe the license application received, staff recommendations (e.g., any conditions) and the process for public comment and objections.

   (a) Required mailing. The director must notify by mail all owners and occupants who own property or reside within three hundred fifty (350) feet of the establishment to which the license is to be issued, of any such application, said three hundred fifty (350) feet

being calculated and computed as the distance measured in a straight line from the property line of the building where the prospective license will be located to the property line owned, leased or under the control of the resident and owners of the existence of an application and set the deadline for public comment at least fifteen (15) days after the date of mailing. The director must submit to the council a list of the names and addresses of each person or organization to whom notice was sent, and certification of such list by the director will be conclusive evidence of such notice and such notice will be attached to the resolution before council.

(b) The failure to give mailed notice to owners or occupants residing within three hundred fifty (350) feet, or to community organizations, or defects in the notice, does not invalidate the council approval provided a bona fide attempt to comply with this section has been made. A bona fide attempt is evidenced by a notice addressed to "owner" and to "occupant" of the listed address. Only one (1) notice need be mailed to each house or each rental unit within a multiple-family dwelling regardless of the number of occupants.

(c) *Notice requirement not applicable in downtown business district.* The notification requirements of this section shall are not be 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 shall 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.

(e) *Levels of Approval.*

1. *Approval with or without conditions.* All Class N Licenses require council approval. If there are no conditions or the prospective licensee does not object to the proposed conditions, the director will request that the matter be placed on the council consent agenda. The director will notify the prospective licensee.
2.

If the prospective licensee objects to the conditions proposed by the director and/or the conditions added by the legislative hearing officer after a hearing, the director must follow the hearing procedures as outlined in Saint Paul Legislative Code Section 310 03 and refer the matter to a hearing examiner.

3. *Revocation or suspension.* If the director determines that the application for renewal does not meet all of the requirements of law or that there exist grounds for revocation or suspension of a Class N License, the director must follow the hearing procedures as outlined in Saint Paul Legislative Code Section 310.03.

(f) *Objections.* If the director is recommending issuance of the Class N License, but the affected neighborhood organization(s) or other interested persons give notice within the fifteen (15) day period for public comment of objection to issuance of the license, the director must refer the matter for a hearing before the legislative hearing officer.

a. The legislative hearing officer will set a hearing date and give notice of the time, place, and date of the hearing to the affected neighborhood organizations(s) and the applicant.

b. At the hearing, the legislative hearing officer will take testimony from all interested persons.

c. If the applicant cannot agree with license conditions suggested by the legislative hearing officer, the legislative hearing officer will make a recommendation to the council as to whether the matter should be referred for a hearing before an independent hearing examiner in accordance with the procedures set forth in section 310.03.

d. After the legislative hearing, the legislative hearing officer must prepare a report and recommendations for council and set the matter on the council consent agenda.

If no objections are received, the legislative hearing officer will notify the director and have the matter placed on the council consent agenda. The director will notify the applicant and the affected neighborhood organizations established for citizen participation purposes of the placement of the application on the council agenda.

(g) *Renewal procedures.*

1. *Renewal procedures.* Class N Licenses may be automatically renewed by the director.
2. *No waiver by renewal.* The renewal of a Class N License will not be deemed to be a waiver of any past violations or of any grounds for imposition of adverse action against such license.

3) *Class T Licenses (Temporary).*

(a) *Application.*

1.

Form. All applicants for a Class T License issued pursuant to these chapters will make original applications to the director on such forms as are provided by the department. Such applications will not be received by the director until the director deems the application meets the substantially complete criteria. Subsequently, issuance of a license cannot occur until insurance policies, bonds, deposits, sureties, and indemnifications or certificates required by these chapters, together with the certification required in paragraph 2 below are received and approved.

2. *Taxes.* No applicant will be granted a license or a renewal of a license required by the Saint Paul Legislative Code unless, in addition to any other requirements, rules or ordinances hereafter required, the director determines that said applicant has paid all taxes, real or personal, before said taxes become delinquent, on any property, real or personal, situated within the City of Saint Paul and used in connection with the business operated under said license.
3. Notwithstanding the previous paragraph, the council or the director may issue a license if it is found that:
    a. The applicant has made an agreement satisfactory to the Ramsey County Attorney to pay delinquent taxes in periodic installments;
    b. The applicant has properly commenced a proceeding to contest the amount of tax due or the valuation of their property, and has made all partial payments required by law in connection with such proceeding; or
    c. The business property with respect to which taxes are delinquent is not owned by the applicant, but by a lessor, and it would be inequitable to require the lessee to pay such taxes.

If a license is issued because of the existence of an agreement as described in subsection (a) above, the license may be revoked if the licensee defaults upon such agreement.

4. *Additional information.* the director will prescribe the information required to be submitted by each applicant in their application, in addition to that required by specific sections in these chapters, as may be necessary to carry out and enforce any provision hereunder. The director will require in every case the applicant to submit their name; business or corporate name; names of partners, officers, directors, shareholders, or trustees involved in the business; age; address; description or blueprint of the premises, if any, and the owner thereof, and locations and addresses of other business locations in Minnesota.
5. *No reapplication within one (1) year after denial or revocation.* Unless an applicant is claiming that they have evidence of rehabilitation as outlined in Minn. Stats. 364.03, subd. 3, no applicant may apply for any license within one (1) year of the denial or revocation of the same or similar license by the city council, if such denial or revocation was based

solely or partially upon misconduct or unfitness of the applicant, evidence of violations of law involving licensed premises, evidence that the applicant had been involved in the operation of a nuisance, or fraud or deception in the license application. A license is "similar," within the meaning of this paragraph, if the basis upon which the revocation or denial of the original license was made would have been a relevant basis on which to deny or revoke a license of the type subsequently applied for.

6. *Reapplication after denial; "interest" of applicant in revoked license.* An application by a person having an interest in, or whose shareholders or officers have an interest in, any premises or enterprise whose license has been revoked or to which a license has been denied will be treated as an application by the person whose license was denied or revoked. The term "interest," as used in this paragraph, includes any pecuniary interest in the ownership, operation, management or profits of an establishment, but does not include: bona fide loans; bona fide rental agreements; bona fide 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 or supplies to such 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 license in conjunction therewith; or ten (10) percent or less interest in any other corporation holding a license.
7. *Prohibition on reapplication; exception.* The prohibition on reapplication herein provided will not apply in cases where it is otherwise expressly provided by statute or ordinance.

(b) *New application investigation and review.* the director will determine the sufficiency and accuracy of each new application and obtain any pertinent criminal history information as may be used under Minn. Stats., chapter 364, and is otherwise available by law. The director will make reasonable and appropriate investigation of the premises or personal property, vehicles, or facilities, as may be involved in or related to the licensed activity, and will request, where appropriate, the assistance of DSI divisions and other city divisions or departments in making additional investigations for the purpose of determining whether the applicant is or will be in compliance with all applicable ordinances and statutes. The approval of such other divisions or departments is not required for issuance of a license unless otherwise required by specific sections in these chapters. All new applications will be reviewed by the zoning administrator or their designee for compliance with all requirements of the Saint Paul Zoning Code, and no new license will be granted without full compliance with said requirements. All new applications involving a premise, location, building or structure will be reviewed by the building official or their designee for investigation and recommendation.

(c) *Application denial.*

a. Denial of a Class T License application is adverse action and the procedures for notice and hearing outlined in Saint Paul Legislative Code Section 310.03 must be followed.

(d) *Notice.* There is no notice requirement for Class T licenses.

(1) Temporary liquor license applications do not require notification action by the director upon receipt of an application under Chapter A-11. Notification requirements, if any, are handled by the applicant as part of the application process as outlined in the relevant section of the Saint Paul Legislative Code.

(e) *Levels of approval.*

(1) *Approval recommended without conditions.* Where an application for the grant or issuance of a Class T License meets all the requirements of law, and there exists no grounds for denial, revocation suspension of, or the imposition of conditions upon such license, the director must grant or issue said license in accordance with the application.

(2) *Approval recommended with conditions.* If upon review of an application for the grant, or issuance of a Class T License the director determines that there exist grounds for imposition of conditions the director must provide the applicant or licensee notice and an opportunity to be heard in accordance with the hearing procedures outlined in Saint Paul Legislative Code Section 310.03.

(f) *Objections.* An appeal to the city council may be taken by any person aggrieved by the grant, issuance or renewal of a Class T License provided that:

1. The appeal must be filed with the city clerk within thirty (30) days after the action by the director.
2. The only grounds for appeal will be that there has been an error of law in the grant, issuance, or renewal of the license.
3. The appeal will be in writing and will set forth in particular the alleged errors of law.
4. The council will conduct a hearing on the appeal within thirty (30) days of the date of filing and will notify the licensee and the appellant at least ten (10) days prior to the hearing date.
5. The procedures set forth in section 310.05, insofar as is practicable, will apply to this hearing. Following the hearing, the council may affirm or remand the matter to the director, may reverse the director's decision or place conditions upon the license based on the council's determination that the director's decision was based on an error of law.
6. The filing of an appeal will not stay the issuance of the license.

(g) *Renewal procedures.* Class T Licenses are not automatically renewed. If a licensee wishes to Renew a Class T License, they must file a new application for a new Class T License.

(Ord 22-46, § 5, 11-9-22; Ord 23-32, § 3, 9-6-23)

Sec. 310.03. - Hearing procedures.

(a) *Adverse action; notice and hearing requirements*. In any case where the council may or intends to consider any adverse action, including the revocation or suspension of a license, the imposition of conditions upon a license, or the denial of an application for the grant, issuance or renewal of a license, or the disapproval of a license issued by the State of Minnesota, the applicant or licensee must be given notice and an opportunity to be heard as provided herein. The council may consider such adverse actions when recommended by the director, by the director of any executive department established pursuant to Chapter 9 of the Charter, by the city attorney or on its own initiative.

(b) *Notice.* In each such case where adverse action is or will be considered by the council, the applicant or licensee must be notified in writing that adverse action may be taken against the license or application, and that they are entitled to a hearing before action is taken by the council. The notice must be served or mailed a reasonable time before the hearing date, and must state the place, date and time of the hearing. The notice must state the issues involved or grounds upon which the adverse action may be sought or based. The council may request that such written notice be prepared and served or mailed by the director or by the city attorney.

(c) *Hearing.* Where there is no dispute as to the facts underlying the violation or as to the facts establishing mitigating or aggravating circumstances, the hearing must be held before the council. Otherwise the hearing must be conducted before a hearing examiner appointed by the council or retained by contract with the city for that purpose. The applicant or the licensee must be provided an opportunity to present evidence and argument as well as meet adverse testimony or evidence by reasonable cross-examination and rebuttal evidence. The hearing examiner may in its discretion permit other interested persons the opportunity to present testimony or evidence or otherwise participate in such hearing.

(c-1) *Procedure; hearing examiner.* The hearing examiner will hear all evidence as may be presented on behalf of the city and the applicant or licensee, and must present to the council written findings of fact and conclusions of law, together with a recommendation for adverse action.

The council will consider the evidence contained in the record, the hearing examiner's recommended findings of fact and conclusions, and may not consider any factual testimony not previously submitted to and considered by the hearing examiner. After receipt of the hearing examiner's findings, conclusions, and recommendations, the council must provide the applicant or licensee an opportunity to present oral or written arguments alleging error on the part of the examiner in the application of the law or interpretation of the facts, and to present argument related to the recommended adverse action. Upon conclusion of that hearing, and after considering the record, the examiner's findings and recommendations,

together with such additional arguments presented at the hearing, the council must determine what, if any, adverse action should be taken, which action must be by resolution. The council may accept, reject or modify the findings, conclusions and recommendations of the hearing examiner.

(c-2) *Ex-parte contacts.* If a license matter has been scheduled for an adverse hearing, council members shall not discuss the license matter with each other or with any of the parties or interested persons involved in the matter unless such discussion occurs on the record during the hearings of the matter or during the council's final deliberations of the matter. No interested person shall, with knowledge that a license matter has been scheduled for adverse hearing, convey or attempt to convey, orally or in writing, any information, argument or opinion about the matter, or any issue in the matter, to a council member or his or her staff until the council has taken final action on the matter; provided, however, that nothing herein will prevent an inquiry or communications regarding status, scheduling or procedures concerning a license matter. An interested person, for the purpose of this paragraph, means and includes a person who is an officer or employee of the licensee which is the subject of the scheduled adverse hearing, or a person who has a financial interest in such licensee.

(d) *Licensee or applicant may be represented.* The licensee or applicant may represent himself or choose to be represented by another.

(e) *Record; evidence.* The hearing examiner shall receive and keep a record of such proceedings, including testimony and exhibits, and shall receive and give weight to evidence, including hearsay evidence, which possesses probative value commonly accepted by reasonable and prudent persons in the conduct of their affairs.

(f) *Council action, resolution to contain findings.* Where the council takes adverse action with respect to a license, licensee or applicant for a license, the resolution by which such action is taken must contain its findings and determination, including the imposition of conditions, if any. The council may adopt all or part of the findings, conclusions and recommendations of the hearing examiner, and incorporate the same in its resolution taking the adverse action.

(g) *Additional procedures where required.* Where the provisions of any statute or ordinance require additional notice or hearing procedures, such provisions must be complied with and supersede inconsistent provisions of these chapters. This includes, without limitation by reason of this specific reference, Minn. Stats., Chapter 364 and Minn. Stats., § 340A.415.

(h) *Discretion to hear notwithstanding withdrawal or surrender of application or license.* The council may, at its discretion, conduct a hearing or direct that a hearing be held regarding revocation or denial of a license, notwithstanding that the applicant or licensee has attempted or purported to

withdraw or surrender said license or application, if the attempted withdrawal or surrender took place after the applicant or licensee had been notified of the hearing and potential adverse action.

(i) *Continuances.* Where a hearing for the purpose of considering revocation or suspension of a license or other disciplinary action involving a license has been scheduled before the council, a continuation of the hearing may be granted by the council president or by the council at the request of the licensee, license applicant, an interested person or an attorney representing the foregoing, upon a showing of good cause by the party making the request.

(j) If the council imposes an adverse action as defined in section 310.01 above, a generic notice of such action must be prepared by the director and posted by the licensee so as to be visible to the public during the effective period of the adverse action. The licensee shall be responsible for taking reasonable steps to make sure the notice remains posted on the front door of the licensed premises, and failure to take such reasonable precautions may be grounds for further adverse action.

(k) *Imposition of costs.* The council may impose upon any licensee or license applicant some or all of the costs of a contested hearing before an independent hearing examiner. The costs of a contested hearing include, but are not limited to, the cost of the administrative law judge or independent hearing examiner, stenographic and recording costs, copying costs, city staff and attorney time for which adequate records have been kept, rental of rooms and equipment necessary for the hearing, and the cost of expert witnesses. The council may impose all or part of such costs in any given case if (i) the position, claim or defense of the licensee or applicant was frivolous, arbitrary or capricious, made in bad faith, or made for the purpose of delay or harassment; (ii) the nature of the violation was serious, or involved violence or the threat of violence by the licensee or employees thereof, or involved the sale of drugs by the licensee or employees thereof, and/or the circumstances under which the violation occurred were aggravated and serious; (iii) the violation created a serious danger to the public health, safety or welfare; (iv) the violation involved unreasonable risk of harm to vulnerable persons, or to persons for whose safety the licensee or applicant is or was responsible; (v) the applicant or licensee was sufficiently in control of the situation and therefore could have reasonably avoided the violation, such as, but not limited to, the nonpayment of a required fee or the failure to renew required insurance policies; (vi) the violation is covered by the intoxicating liquor; nonintoxicating malt liquor; presumptive penalty matrix in subsection (m) below; or (vii) the violation involved the sale of cigarettes to a minor.

(l) *Imposition of fines.* The council may impose a fine upon any licensee or license applicant as an adverse license action. A fine may be in such amount as the council deems reasonable and appropriate, having in mind the regulatory and enforcement purposes embodied in the particular licensing ordinance. A fine may be in addition to or in lieu of other adverse action in the sole

discretion of the council. To the extent any other provision of the Legislative Code provides for the imposition of a fine, both provisions must be read together to the extent possible; provided, however, that in the case of any conflict or inconsistency, the other provision must be controlling.

(m) *Presumptive penalties for certain violations*. The purpose of this section is to establish a standard by which the city council determines the amount of fines, the length of license suspensions and the propriety of revocations, the general presumptive penalty matrix applies to all license types, except that in the case of a violation involving a liquor license the penalty matrix for intoxicating liquor; nonintoxicating malt liquor applies and for a violations involving tobacco, the penalty matrix for tobacco applies. These penalties are presumed to be appropriate for every case; however the council may deviate therefrom in an individual case where the council finds and determines that there exist substantial and compelling reasons making it more appropriate to do so. When deviating from these standards, the council must provide written reasons that specify why the penalty selected was more appropriate.

1. **General presumptive penalties matrix—**The general penalty matrix is to be used if there is not a specific penalty matrix for the license type or a category within the specific penalty matrix does not address the violation.
2. **Intoxicating liquor; malt liquor; presumptive penalty matrix**.

   Presumptive penalties for intoxicating liquor and nonintoxicating malt liquor violations. If a violation is not covered under this penalty matrix, the general presumptive penalty matrix should be used. Penalties for convictions or violations are presumed to be appropriate for every case; however, the council may deviate therefrom in an individual case where the council finds and determines that there exist substantial and compelling reasons making it more appropriate to do so. When deviating from these standards, the council must provide written reasons that specify why the penalty selected was more appropriate (unless specified, numbers below indicate consecutive days' suspension):

   (a) For on-sale intoxicating liquor establishments with a seating capacity of one hundred fifty (150) or more, the monetary penalty for any violation (including violations found in chapter 310) must be doubled.

   (b) For off-sale intoxicating liquor establishments with five thousand one (5,001) or more square feet of retail space, the monetary penalty for any violation (including violations found in chapter 310) must be doubled.

   (c) *Other penalties.* Nothing in this section restricts or limits the authority of the council to suspend licenses for up to sixty (60) days, revoke the license, or impose a civil fine not to exceed two thousand dollars ($2,000.00), to impose conditions or take any other adverse action in accordance with law, provided, that the license holder has been afforded an opportunity for a hearing in the manner provided for in section 310.02 of this Code.

(d) *Effect of responsible business practices in determining penalty.* In determining the appropriate penalty, the council may, in its discretion, consider evidence submitted to it in the case of uncontested adverse actions or submitted to a hearing examiner in a contested hearing upon which findings of fact have been made that a licensee has followed or is likely to follow in the future responsible business practices in regard to sales to intoxicated persons and sales to minors.

(1) For the purposes of service to intoxicated persons, evidence of responsible business practices may include, but is not limited to, those policies, procedures and actions that are implemented at time of service and that:

a) Encourage persons not to become intoxicated if they consume alcoholic beverages on the defendant's premises;

b) Promote availability of nonalcoholic beverages and food;

c) Promote safe transportation alternatives other than driving while intoxicated;

d) Prohibit employees and agents of defendant from consuming alcoholic beverages while acting in their capacity as employees or agents;

e) Establish promotions and marketing efforts that publicize responsible business practices to the defendant's customers and community;

f) Implement comprehensive training procedures;

g) Maintain an adequate, trained number of employees and agents for the type and size of defendant's business;

h) Establish a standardized method for hiring qualified employees;

i) Reprimand employees who violate employer policies and procedures; and

j) Show that the licensee has enrolled in recognized courses providing training to self and one (1) or more employees of the licensed establishment in regard to standards for responsible liquor service.

2) For the purposes of service to minors, evidence of responsible business practices may include, but is not limited to, those listed in subsection (1) and the following:

a) Management policies that are implemented at the time of service and that ensure that proof of identification (as established by state law) is examined for all persons seeking service of alcoholic beverages who may reasonably be suspected to be minors;

b) Comprehensive training of employees who are responsible for such examination regarding the detection of false or altered identification; and

c)

Enrollment by the licensee in recognized courses providing training to self and one (1) or more employees of the licensed establishment in regard to standards for responsible liquor service.

3. **Tobacco presumptive penalties matrix.**

Tobacco presumptive penalties. Penalties for convictions or violations are presumed to be appropriate for every case; however, the council may deviate therefrom in an individual case where the council finds and determines that there exist substantial and compelling reasons making it more appropriate to do so. When deviating from these standards, the council must provide written reasons that specify why the penalty selected was more appropriate (unless specified, numbers below indicate consecutive days' suspension):

(a) *Purpose.* The purpose of this section is to establish a standard by which the city council determines the amount of fines, length of license suspensions and the propriety of revocations for licensees. These penalties are presumed to be appropriate for every case; however, the council may deviate therefrom in an individual case where the council finds and determines that there exist substantial and compelling reasons which make it appropriate to do so, except, the council may not deviate below statewide minimum penalties for licensees. When deviating from these standards, the council shall provide written reasons that specify why the penalty selected was more appropriate. Where no penalty is listed below, the presumptive penalty under the general presumptive penalty matrix will apply.

(b) *Presumptive penalties for licensees for violations.* Adverse penalties for licensees for violations or convictions shall be presumed as follows:

(c) *Computation of time for violations under the tobacco presumptive penalties matrix.* If a violation is not covered under this penalty matrix, the general presumptive penalty matrix should be used. Except as otherwise provided by Minn. Stats. § 461.12, subd. 2, subsequent tobacco violations are subject to the following:

(1) *Second, third and fourth appearances for violations under the tobacco presumptive penalties matrix. .* A second violation within twenty four (24) months must be treated as a second appearance, a third within twenty four (24) months treated as a third appearance, and a fourth within twenty four (24) months treated as a fourth appearance for the purpose of determining the presumptive penalty.

(2) *Any appearance not covered by subsections (1) above must be treated as a first appearance for violations under the tobacco presumptive penalties matrix.* Measurement of the twenty four (24) month period must be as follows: The beginning date shall be the earliest violation's date of appearance before the council, and the ending date shall be the date of the new violation. In case of multiple new violations, the ending date to be used shall be the date of the violation last in time.

(i) *Fines payable without hearing.*

A. Notwithstanding the provisions of section 310.03(c), a licensee who would be making a first or second appearance on a violation that calls for a monetary fine before the council may elect to pay the fine to the department of safety and inspections without a council hearing, unless the notice of violation has indicated that a hearing is required because of circumstances which may warrant deviation from the presumptive fine amount. Payment of the recommended fine will be considered to be a waiver of the hearing to which the licensee is entitled and will be considered an "appearance" for the purpose of determining presumptive penalties for subsequent violations.

(ii) *Multiple violations.* At a licensee's first appearance before the city council, the council shall consider and act upon all the violations that have been alleged and/or incorporated in the notices sent to the licensee under the administrative procedures act up to and including the formal notice of hearing. The council in that case shall consider the presumptive penalty for each such violation under the "1st Appearance" column in the Penalty Matrixes above. The occurrence of multiple violations is grounds for departure from such penalties in the council's discretion.

(iii) *Violations occurring after the date of the notice of hearing.* Violations occurring after the date of the notice of hearing that are brought to the attention of the city attorney prior to the hearing date before an administrative law judge (or before the council in an uncontested facts hearing) may be added to the notice(s) up to twenty (20) days before the hearing, and may in that case be treated as though part of the "1st Appearance" unless grounds for upward deviation from the presumptive penalties outlined in the presumptive penalty matrix outlined in 310.03(m) are included in the amended notice of the violation. In all other cases, violations occurring after the date of the formal notice of hearing must be the subject of a separate proceeding and dealt with as a "2nd Appearance" before the council. The same procedures must apply to a second, third or fourth appearance before the council.

(iv) *Subsequent appearances.* Upon a second, third or fourth appearance before the council by a particular licensee, the council shall impose the presumptive penalty for the violation or violations giving rise to the subsequent appearance without regard to the particular violation or violations that were the subject of the first or prior appearance.

(v) *Computation of time.*

(1) *Second appearance.* A second violation within twelve (12) months must be treated as a second appearance for the purpose of determining the presumptive penalty.

(2) *Third appearance.* A third violation within eighteen (18) months must be treated as a third appearance for the purpose of determining the presumptive penalty.

(3) *Fourth appearance.* A fourth violation within twenty-four (24) months must be treated as a fourth appearance for the purpose of determining the presumptive penalty.

(4) Any appearance not covered by subsections (1), (2) or (3) above must be treated as a first appearance. Measurement of the twelve-, eighteen-, or twenty-four-month period is as follows: The beginning date shall be the earliest violation's date of appearance before the council or payment of the fine related to the violation, and the ending date shall be the date of the new violation. In case of multiple new violations, the ending date to be used shall be the date of the violation last in time.

(5) Notwithstanding subsections (iv)(1), (2), (3) or (4) above, a second appearance before the council regarding a death or great bodily harm in a licensed establishment that is related to a violation of the law or license conditions must be counted as a second appearance, regardless of how much time has passed since the first appearance if the first appearance was also regarding a death or great bodily harm in a licensed establishment. A third appearance for the same must be counted as a third appearance regardless of how much time has passed since the first or second appearance.

(6) Violations of the general presumptive penalty matrix, the intoxicating liquor, malt liquor presumptive penalty matrix and the tobacco presumptive penalty matrix are meant to be cumulative. For the purpose of a second, third or fourth appearance under this section, "violation" shall must mean either one of those violations listed in paragraph (m)1, 2, or 3.

(Ord 22-46, § 3, 11-9-22)

Sec. 310.04. - Revocation; suspension; adverse actions; imposition of conditions.

(a) *Council may take adverse action.* The council is authorized to take adverse action, as defined in section 310.01 above, against any or all licenses or permits, licensee or applicant for a license, as provided in and by these chapters. Adverse actions against entertainment licenses issued under chapter 411 of the Legislative Code may be initiated for the reasons set forth in subsection (b) below, or upon any lawful grounds which are communicated to the license holder in writing prior to the hearing before the council. Such actions must be initiated and carried out in accordance with the procedures outlined in section 310.03; provided, however, that the formal notice of hearing must be used to initiate the adverse action.

(b) *Basis for action.* Such adverse action may be based on one (1) or more of the following reasons, which are in addition to any other reason specifically provided by law or in these chapters:

(1) The license or permit was procured by misrepresentation of material facts, fraud, deceit or bad faith.

(2) The applicant or one acting in his or her behalf made oral or written misstatements or misrepresentations of material facts in or accompanying the application.

(3) The license was issued in violation of any of the provisions of the zoning code, or the premises which are licensed or which are to be licensed do not comply with applicable health, housing, fire, zoning and building codes and regulations.

(4) The license or permit was issued in violation of law, without authority, or under a material mistake of fact.

(5) The licensee or applicant has failed to comply with any condition set forth in the license, or set forth in the resolution granting or renewing the license.

(6) a. The licensee or applicant (or any person whose conduct may by law be imputed to the licensee or applicant) has violated, or performed any act which is a violation of, any of the provisions of these chapters or of any statute, ordinance or regulation reasonably related to the licensed activity, regardless of whether criminal charges have or have not been brought in connection therewith;

b. The licensee or applicant has been convicted of a crime that may disqualify said applicant from holding the license in question under the standards and procedures in Minn. Stat.s chapter 364; or

c. The licensee or applicant (or any person whose conduct may by law be imputed to the licensee or applicant) has engaged in or permitted a pattern or practice of conduct of failure to comply with laws reasonably related to the licensed activity or from which an inference of lack of fitness or good character may be drawn.

(7)

The activities of the licensee in the licensed activity created or have created a serious danger to the public health, safety or welfare, or the licensee performs or has performed his or her work or activity in an unsafe manner.

(8) The licensed business, or the way in which such business is operated, maintains or permits conditions that unreasonably annoy, injure or endanger the safety, health, morals, comfort or repose of any considerable number of members of the public.

(9) Failure to keep sidewalks or pedestrian ways reasonably free of snow and ice as required under chapter 114 of the Saint Paul Legislative Code.

(10) The licensee or applicant has shown by past misconduct or unfair acts or dealings: physical abuse, assaults or violent actions done to others, including, but not limited to, actions meeting the definition of criminal sexual conduct pursuant to Minn Stats. §§ 609.342 through 609.3451; sexual abuse, physical abuse or maltreatment of a child as defined in Minn. Stats. § 626.556, subdivisions 2 and 10e, including, but not limited to, acts which constitute a violation of Minn. Stats. §§ 609.02, subdivision 10; 609.321 through 609.3451; or 617.246; neglect or endangerment of a child as defined in Minn. Stats. § 626.557, subdivision 2; the manufacture, distribution, sale, gift, delivery, transportation, exchange or barter of a controlled substance as defined in Minn. Stats. chapter 152; the possession of a controlled substance as defined in Minn. Stats. chapter 152 in such quantities or under circumstances giving rise to a reasonable inference that the possession was for the purpose of sale or distribution to others; or by the abuse of alcohol or other drugs, that such licensee or applicant is not a person of the good moral character or fitness required to engage in a licensed activity, business or profession.

(11) The licensee or applicant has materially changed or permitted a material change in the design, construction or configuration of the licensed premises without the prior approval of the city council in the case of Class N licenses, the director in the case of Class T licenses, and the director in the case of Class R licenses, or without first having obtained the proper building permits from the city.

(12) The licensee or applicant has violated section 294.01 of the Legislative Code, or has made or attempted to make a prohibited ex parte contact with a council member as provided in section 310.03 (c-2) of the Legislative Code.

(13) The licensee violated the law or any license condition and that violation is related to a death or great bodily harm, as defined in Minn. Stats. § 609.02, subd. 8, in or near the establishment.

(14) The licensee has failed to pay license fees within sixty (60) days of the date the fees are due. Licensee must pay any outstanding fees and delinquent fees in total. Failure to do so within sixty (60) days of the due date may result in revocation of the license. A revocation for this reason, however, is not considered a revocation resulting from misconduct or unfitness of the

licensee, evidence of violations of law involving licensed premises, evidence that the applicant had been involved in the operation of a nuisance, or fraud or deception in the license application. Therefore, the requirement of section 310.02 prohibiting re-application within one (1) year of revocation shall not apply to revocations under this paragraph.

The terms "licensee" or "applicant" for the purpose of this section means and includes any person who has any interest, whether as a holder of more than five (5) percent of the stock of a corporation, as a partner, or otherwise, in the premises or in the business or activity which are licensed or proposed to be licensed.

With respect to any license for activities entitled to the protection of the First Amendment, notwithstanding the foregoing provisions, neither the lack of good moral character or fitness of the licensee or applicant nor the content of the protected speech or matter must be the basis for adverse action against the license or application.

(c) *Imposition of reasonable conditions and/or restrictions.* When a reasonable basis is found to impose reasonable conditions and/or restrictions upon a license issued or held under these chapters, any one (1) or more such reasonable conditions and/or restrictions may be imposed upon such license for the purpose of promoting public health, safety and welfare, of advancing the public peace and the elimination of conditions or actions that constitute a nuisance or a detriment to the peaceful enjoyment of urban life, or promoting security and safety in nearby neighborhoods. Such reasonable conditions and/or restrictions may include or pertain to, but are not limited to:

(1) A limitation on the hours of operation of the licensed business or establishment, or on particular types of activities conducted in or on said business or establishment;

(2) A limitation or restriction as to the location within the licensed business or establishment where particular type of activities may be conducted;

(3) A limitation as to the means of ingress or egress from the licensed establishment or its parking lot or immediately adjacent area;

(4) A requirement to provide off-street parking in excess of other requirements of law;

(5) A limitation on the manner and means of advertising the operation or merchandise of the licensed establishment;

(6) Any other reasonable condition or restriction limiting the operation of the licensed business or establishment to ensure that the business or establishment will harmonize with the character of the area in which it is located, or to prevent the development or continuation of a nuisance.

The director may recommend the imposition of such reasonable conditions and/or restrictions as an adverse action against the license or licenses. The council may impose such conditions with the consent of the license holder, as an adverse action against the license or licenses following notice and hearing as may be required. Such conditions may be imposed on a license or licenses upon issuance or renewal thereof, or upon and as part of any adverse action against a license or licenses, including suspension. Conditions imposed on a license or licenses will remain on such licenses when renewed and must continue thereafter until removed by the council.

(d) Restrictions on intoxicating liquor, nonintoxicating and malt liquor licenses. When a reasonable basis is found by the council to impose restrictions or conditions upon an intoxicating liquor license held under this chapter, the council, upon issuing a new license or renewing a license or approving a transfer of a license, may impose reasonable conditions and restrictions pertaining to the manner and circumstances in which the business to preserve the public peace and protect and promote good order and security. These reasonable conditions or restrictions may pertain to:

(1) The hours when intoxicating liquor may be sold and/or consumed on the licensed premises;

(2) The exact location within a building where intoxicating liquor will be served and/or sold and/or consumed;

(3) The means of ingress to or egress from the licensed establishment;

(4) A requirement that certain off-street parking facilities be provided;

(5) A condition that the license will be in effect only so long as the establishment remains a drugstore, restaurant or hotel as defined by the state liquor act or regulations adopted pursuant thereto;

(6) The means and methods of advertising the sale of intoxicating liquor on the building and/or on the premises adjacent thereto;

(7) Reasonable conditions limiting the operation of the licensed premises so as to ensure that the licensed business will comport with the character of the district in which it is located and/or to the end that nuisances will be prevented; and

(8) Additional conditions upon hotels and restaurants which may in the discretion of the council tend to ensure that the sale of liquor will take place only in conjunction with the sale and service of food.

(e) *Standards for multiple license determination.* In any case in which the council is authorized to take adverse action against less than all of the licenses held by a licensee, or applied for by an applicant, the following standards may be used:

(1) The nature and gravity of the grounds found by the council to exist upon which the adverse action would be based;

(2)

The policy and/or regulatory goals for the particular licenses involved, either as embodied in the Legislative Code or as found and determined by the council;

(3) The interrelationship of the licenses and their relative importance to the overall business enterprise of the licensee or applicant;

(4) The management practices of the licensee or applicant with respect to each of such licenses;

(5) The extent to which adverse action against less than all of the licenses or applications would result in difficulty in enforcing and monitoring the adverse action taken;

(6) The hardship to the licensee or applicant that would be caused by applying adverse action to all licenses or applications; and

(7) The hardship and/or danger to the public, or to the public health and welfare, that would result from adverse action against less than all of the licenses or applications.

(Ord 22-46, § 5, 11-9-22)