

CHAPTER 112: LIQUOR REGULATIONS

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112.03 DEFINITIONS.

In addition to the definitions contained in M.S. ' 340A.101, as it may be amended from time to time, the following terms are defined for purposes of this chapter:

LIQUOR. As used in this ordinance, without modification by the words “intoxicating” or a “3.2 percent malt” includes both intoxicating liquor and 3.2 percent malt liquor.

RESTAURANT. An eating facility, other than a hotel, under the control of a single proprietor or manager, where meals are regularly prepared on the premises, where full waitress/waiter table service is provided, where a customer orders food from printed menus and where the main food course is served and consumed while seated at a single location. To be a restaurant as defined by this section, an establishment shall have a license from the state as required by Minn. Stat. § 157.16, as it may be amended from time to time, and meet the definition of either a “small establishment,” “medium establishment” or “large establishment” as defined in Minn. Stat. § 157.16, subd. 3(d), as it may be amended from time to time. An establishment which serves prepackaged food that receives heat treatment and is served in the package or frozen pizza that is heated and served, shall not be considered to be a restaurant for

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purposes of this ordinance unless it meets the definitions of a “small establishment”, “medium establishment” or “large establishment”.

Consider Statute definition of Restaurant:

“Restaurant” is an establishment, other than a hotel, under the control of a single proprietor or manager, where meals are regularly prepared on the premises and served at tables to the general public, and having a minimum seating capacity for guests as prescribed by the appropriate license issuing authority.

112.06 RAFFLES, SILENT AUCTIONS AND FUNDRAISING EVENTS FOR CHARITABLE PURPOSES OF WINE, BEER OR INTOXICATING LIQUORS

No person shall conduct a silent auction, raffle of other fund raising event pursuant to Minn. Stat. § 340A.707 with prizes or awards of wine, beer or intoxicating liquors without notifying the city clerk of the event at least ten days prior to the occurrence of the event. The event holder shall provide the city with the following information: the person or organization holding the event, the day, time and location of the event, type of fund raising event (silent auction, raffle or otherwise), type and amount of wine, beer, intoxicating liquor to be awarded as prizes, and the charitable purposes to which the event proceeds will be donated.

112.22 KINDS OF LIQUOR LICENSES.

The Council of a city that does not have a municipal liquor store is authorized to issue the following licenses and permits, up to the number specified in ' 112.20. The Council of a city which has a municipal liquor store is authorized to issue only those licenses specified in ' 112.55.

(A) 3.2 percent malt liquor on-sale licenses, which may be issued only to golf courses, restaurants, hotels, clubs, bowling centers, and establishments used exclusively for the sale of 3.2 percent malt liquor with the incidental sale of tobacco and soft drinks.

(B) 3.2 percent malt liquor off-sale license.

(C) Temporary 3.2 percent malt liquor licenses which may be issued only to a club, charitable, religious, or nonprofit organization.

(D) Off-sale intoxicating liquor licenses, which may be issued only to exclusive liquor stores or drug stores that have an off-sale license which was first issued on or before May 1, 1994. The fee for an off-sale intoxicating liquor license established by the Council under ' 112.23 shall not exceed \$240 or a greater amount which may be permitted by M.S. ' 340A.408, Subd. 3, as it may be amended from time to time.

(E) On-sale intoxicating liquor licenses, which may be issued to the following establishments as defined by M.S. ' 340A.101, as it may be amended from time to time, and this chapter: hotels, restaurants, bowling centers, theaters, clubs or congressionally chartered veterans organizations, and exclusive liquor stores. Club licenses may be issued only with the approval of the Commissioner of Public Safety. The fee for club licenses established by the Council under ' 112.23 shall not exceed

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the amounts provided for in M.S. ' 340A.408, Subd. 2(b), as it may be amended from time to time. The Council may in its sound discretion authorize a retail on-sale licensee to dispense intoxicating liquor off

the licensed premises at a community festival held within the city under the provisions of M.S. ' 340A.404, Subd. 4(b), as it may be amended from time to time. The Council may in its sound discretion authorize a retail on-sale licensee to dispense intoxicating liquor off the licensed premises at any convention, banquet, conference, meeting, or social affair conducted on the premises of a sports, convention, or cultural facility owned by the city, under the provisions of M.S. ' 340A.404, Subd. 4(a), as it may be amended from time to time; however, the licensee is prohibited from dispensing intoxicating liquor to any person attending or participating in an amateur athletic event being held on the premises.

(F) Sunday on-sale intoxicating liquor licenses, only after authorization to do so by voter approval at a general or special election as provided by M.S. 340A.504, Subd. 3, as it may be amended from time to time. Sunday on-sale intoxicating liquor licenses may be issued only to a restaurant as defined in 112.03, club, bowling center, or hotel which has a seating capacity of at least 30 persons, which holds an on-sale intoxicating liquor license, and which serves liquor only in conjunction with the service of food. The maximum fee for this license, which shall be established by the Council under the provisions of 112.23, shall not exceed \$200, or the maximum amount provided by M.S. 340A.504, Subd. 3(b), as it may be amended from time to time.

(G) Combination on-sale/off-sale intoxicating liquor licenses if the city has a population less than 10,000.

(H) Temporary on-sale intoxicating liquor licenses, with the approval of the Commissioner of Public Safety, which may be issued only in connection with a social event sponsored by a club, charitable, religious, or other nonprofit corporation that has existed for at least three years. No license shall be for longer than four consecutive days, and the city shall issue no more than 12 days worth of temporary licenses to any one organization in one calendar year.

(I) On-sale wine licenses, with the approval of the Commissioner of Public Safety to: theaters, restaurants that have facilities for seating at least 25 guests at one time and meet the criteria of M.S. ' 340A.404, Subd. 5, as it may be amended from time to time, and which meet the definition of restaurant in 112.03; and to licensed bed and breakfast facilities which meet the criteria in M.S. ' 340A.4011, Subd. 1, as it may be amended from time to time and to theaters that meet the criteria in M.S. ' 340A.404 Subd. 1(b). The fee for an on-sale wine license established by the Council under the provisions of 112.23 shall not exceed one-half of the license fee charged for an on-sale intoxicating liquor license. The holder of an on-sale wine license who also holds an on-sale 3.2 percent malt liquor license is authorized to sell malt liquor with a content over 3.2 percent (strong beer) without an additional license.

(J) One day consumption and display permits with the approval of the Commissioner of Public Safety to a nonprofit organization in conjunction with a social activity in the city sponsored by the organization.

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(K) Approval of the issuance of a consumption and display permit by the Commissioner of Public Safety. The maximum amount of the additional fee which may be imposed by the Council on a person who has been issued a consumption and display permit under the provisions of ' 112.23 shall not exceed \$300, or the maximum amount permitted by M.S. ' 340A.414, Subd. 6, as it may be amended from time to time. Consumption and display permits shall expire on March 31 of each year.

(L) Culinary class limited on-sale licenses may be issued to a business establishment not otherwise eligible for an on-sale intoxicating liquor license that, as part of its business, conducts culinary or cooking classes for which payment is made by each participant or advance reservation required. The license authorizes the licensee to furnish to each participant in each class, at no additional cost to the participant, up to a maximum of six ounces of wine or 12 ounces of intoxicating malt liquor, during and as part of the class, for consumption on the licensed premises only.

(M) Temporary off-sale wine licenses, with the approval of the Commissioner of Public Safety, may be issued for the off-sale of wine at an auction. A license issued under this subdivision authorizes the sale of only vintage wine of a brand and vintage that is not commonly being offered for sale by any wholesaler in Minnesota. The license may authorize the off-sale of wine for not more than three consecutive days provided not more than 600 cases of wine are sold at any auction. The licenses are subject to the terms, including license fee, imposed by ' 112.23.

(N) Brew pub on-sale intoxicating liquor or on-sale 3.2% malt liquor licenses, with the approval of the Commissioner of Public Safety, may be issued to brewers who operate a restaurant in their place of manufacture and who meet the criteria established at M.S. ' 340A.301, Subd. 6(d) and 7(b), as it may be amended from time to time. Sales under this license at on-sale may not exceed 3,500 barrels per year. If a brew pub licensed under this section possesses a license for off-sale under division (O) below, the brew pub's total combined retail sales at on-sale or off-sale may not exceed 3,500 barrels per year, provided that off-sales may not total more than 500 750 barrels.

(O) Brewer off-sale intoxicating liquor license, with the approval of the Commissioner of Public Safety, may be issued to a brewer that is a licensee under division (N) above ~~or that produces fewer than 3,500 barrels of malt liquor in a year~~ and otherwise meets the criteria established as M.S. ' 340A.301, ~~Subd. 6(d) and 7(b)~~, as it may be amended from time to time. Off-sale of malt liquor shall be limited to the legal hours for off-sale at exclusive liquor stores in the city. Malt liquor sold off-sale must be removed from the premises before the applicable off-sale closing time at exclusive liquor stores. All malt liquor sold under this license shall be packaged in the manner required by M.S. ' 340A.301, ~~Subd. 7~~ as it may be amended from time to time. Sales under this license may not exceed 500 750 barrels per year. If a brewer licensed under this section possesses a license under division (N) above, the brewer's total retail sales at on-sale or off-sale may not exceed 3,500 barrels per year, provided that off-sales may not total more than 500 750 barrels.

~~(P) Brewer temporary on-sale intoxicating liquor licenses may be issued, with the approval of the Commissioner of Public Safety, to brewers who manufacture fewer than 3,500 barrels of malt liquor in a year for the on-sale of intoxicating liquor in~~

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~~connection with a social event within the municipality sponsored by the brewer.~~ Brewer off-sale malt liquor licenses may be issued, with approval of the Commissioner, to a holder of a brewer's license under Minn. Stat. § 340A.301, subd. 6(c), (i) or (j) and meeting the criteria established by Minn. Stat. § 340A.28 may be amended from time to time. The amount of malt liquor sold at off-sale may not exceed 750 barrels annually. Off-sale of malt liquor shall be limited to the legal hours for off-sale at exclusive liquor stores in the jurisdiction in which the brewer is located, and the malt liquor sold off-sale must be removed from the premises before the applicable off-sale closing time at exclusive liquor stores. Packaging of malt liquor for off-sale under this license must comply with Minn. Stat. § 340A.285.

Notwithstanding any law to the contrary and in addition to the authority provided in Minn. Stat. § 340A.28, a Brewer off-sale malt liquor license may be issued, with approval of the Commissioner, to a holder of a brewer's license under Minn. Stat. § 340A.301, subd. 6(c), (i) or (j) and meeting the criteria established by Minn. Stat. § 340A.29 as may be amended from time to time, for off-sale of up to 128 ounces per customer per day of malt liquor produced and packaged by the holder. Packaging of malt liquor for off-sale under this license must comply with Minnesota Rules, parts 7515.1080 to 7515.1120.

(Q) Brewer temporary on-sale intoxicating liquor licenses may be issued, with the approval of the Commissioner of Public Safety, to brewers who manufacture fewer than 3,500 barrels of malt liquor in a year for the on-sale of intoxicating liquor in connection with a social event within the municipality sponsored by the brewer.

(R) Brewer taproom license, may be issued to the holder of a brewer's license under M.S. 340A.301 Subd. 6(c), (i) or (j) as it may be amended from time to time. A brewer's taproom license authorizes on-sale of malt liquor produced by the brewer for consumption on the premises of or adjacent to one brewery location owned by the brewer. A brewer may have only one taproom license and may not have an ownership interest in a brewer licensed under M.S. ' 340A.301 Subd. 6(d) as it may be amended from time to time. A brewer taproom license may not be issued to a brewer that brews more than 250,000 barrels of malt liquor annually or a winery that produces more than 250,000 gallons of wine annually. Within ten days of issuing a brewer taproom license the City Clerk will inform the Commissioner of Public Safety of the licensee's name, address, trade name and the effective date and expiration date of the license. The City Clerk will inform the Commissioner of Public Safety of a license transfer, cancellation, suspension, or revocation during the license period.

(S) A cocktail room license may be issued to the holder of a microdistillery license under M.S. ' 340A.301 subd. 6(c). ~~A microdistillery cocktail room license authorizes on sale of distilled liquore produced by the distiller for consumption on the premises of or adjacent to ne distillery location owned by the distiller. The holder of a microdistillery cocktail room license may also hold a license to operated a restaurant at the distillery. No more than one coektail room license may be issued to any distiller and a microdistillery cocktail room license may not be issued to any person having an ownership interest in a distillery licensed under M.S. ' 340A.301 subd. 6 (a). No single entity may hold both a microdistillery cocktail room and taproom license and a microdistillery cocktail room and taproom license may not be co-located. Within ten days of the issuance of a microdistillery cocktail room license, the city shall inform the~~

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~~commissioner of public safety of the licensee's name and address and trade name, and the effective date and expiration date of the license. The city shall also inform the commissioner of public safety of a microdistillery cocktail room license transfer, cancellation, suspension, or revocation during the license period.~~ or distilled spirits manufacturer license if at least 50 percent of the annual production of the licensee is processed and distilled on premises. A cocktail room license authorizes on-sale of distilled liquor produced by the distiller for consumption on the premises of or adjacent to one distillery location owned by the distiller. The holder of a cocktail room license may also hold a license to operate a restaurant at the distillery. No more than one cocktail room license may be issued to any distiller. No single entity may hold both a microdistillery cocktail room and taproom license and a microdistillery cocktail room and taproom license may not be co-located.

(T) A micro distillery off-sale license may be issued to the holder of a state microdistillery license if at least 50 percent of the annual production of the licensee is processed and distilled on premises. A micro distillery off-sale license authorizes off-sale of up to 750 milliliters per customer per day of product manufactured on-site provided the product is also available for distribution to wholesalers.

(U) A micro distillery temporary on-sale intoxicating liquor license may be issued to the holder of a state microdistillery license. A micro distillery temporary on-sale intoxicating liquor license authorizes on-sale of intoxicating liquor in connection with a social event within the city sponsored by the microdistillery.

~~112.221 BREWPUBS, BREWERIES, MICRODISTILLERY COCKTAIL ROOM AND TAPROOMS~~

A. Definitions:

~~— **Brewpub.** A restaurant brewery that sells 85% or more of its malt liquor on site. The malt liquor is brewed primarily for sale in the restaurant and bar, and may be dispensed directly from the brewery's storage tanks. Brewpubs may also sell malt liquor for off sale consumption in growler containers.~~

~~— **Brewery.** Manufactures processes and warehouses malt liquor for wholesale distribution in off sale packages to retail liquor establishments and may retail malt liquor product for on-site consumption in a taproom or for off-site consumption as growlers. A brewer may not have an ownership interest in a brewery licensed under Minnesota Statutes Section 340A.301, Subd. 6, clause (d).~~

~~— **Micro distillery.** Manufactures, processes and warehouses distilled liquor for wholesale distribution in off sale packages to retail liquor establishments and may retail distilled liquor produce for on-site consumption in a cocktail room or for off-site consumption, subject to compliance with the conditions set forth in Chapter 10 of this Code.~~

~~— **Micro distillery cocktail room.** The on sale sale of distilled liquor produced by the distiller on the premises of or adjacent to a micro distillery location owned by a distiller, subject to compliance with the conditions set forth j Minnesota statutes and any other regulations under this ordinance.~~

~~— **Taproom.** A room that is ancillary to the production of malt liquor at a brewery where the public can purchase and/or consume only the malt liquor produced on site. A taproom may also sell malt liquor for off-sale consumption in growler containers.~~

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~~B. Conditional Uses within Downtown Commercial District and Industrial is hereby amended to add the following language, so that the following are allowed conditional uses:~~

~~1. Brewery with taproom provided that:~~

- ~~a) *License.* The owner of the brewery qualifies for and receives a brewer license and a malt liquor wholesale license (if wholesale of malt liquor is an intended activity) from the State of Minnesota, according to Minnesota Statutes Section 340A.~~
- ~~b) *Brewery taproom license.* An ancillary brewer's taproom for the on-sale of malt liquor produced on-site shall require a brewery taproom license from the City of Lanesboro.~~
- ~~c) *Off sale.* Off sale of malt liquor in the form of growlers shall require a brewery license for off-sale of malt liquor.~~

~~2. Micro distillery with cocktail room provided that:~~

- ~~a) *License.* The owner of the micro distillery qualifies for and receives a micro distillery license from the State of Minnesota, according to Minnesota Statutes Section 340A.~~
- ~~b) *Micro distillery cocktail room on-sale license.* The owner of the micro distillery qualifies for and receives a micro distillery cocktail room on-sale license from the City of Lanesboro.~~
- ~~c) *Off sale.* Off sale of liquor produced in the micro distillery shall require a micro distillery license for off sale of liquor.~~

~~112.30 HEARING AND ISSUANCE.~~

~~The Council shall investigate all facts set out in the application and not investigated in the preliminary or comprehensive background and financial investigations. Opportunity shall be given to any person to be heard for or against the granting of the license. After the investigation and hearing, the Council shall in its sound discretion grant or deny the application. No license shall become effective until the proof of financial security has been approved by the Commissioner of Public Safety.~~

~~112.37 NON-INTOXICATING MALT LIQUOR LICENSING AND REGULATION~~

~~A. Definition of Terms:~~

- ~~1. **Beer.** As used in this ordinance, "beer" or "non-intoxicating malt liquor" means any malt beverage with an alcoholic content of more than one-half of one percent by volume and not more than three and two-tenths by weight.~~
- ~~2. **Beer Store.** "Beer Store" means an establishment for the sale of beer, cigars, cigarettes, all forms of tobacco, beverages and soft drinks at retail.~~

~~B. License Required:~~

- ~~1. Licenses. No person, except wholesalers and Manufacturers to the extent authorized by law, shall deal in or dispose of by gift, sale or otherwise, or keep or offer for sale, any beer within the city without first having received a license as hereinafter provided. Licenses shall be of three kinds: (1) Regular "on-sale"; (2) Temporary "on-sale"; (3) "Off-sale".~~

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2. ~~Regular on sale. Regular "on sale" licenses shall be granted only to bona fide clubs, beer stores, exclusive "on-sale" liquor stores, drug stores, restaurants and hotels where food is prepared and served for consumption on the premises. "On-sale" licenses shall permit the sale of beer for consumption on the premises only.~~
3. ~~Temporary "on-sale". Temporary "on-sale" licenses shall be granted only to bona fide clubs and charitable, religious, and non-profit organizations for the sale of beer for consumption on the premises only.~~
4. ~~Off-sale. "Off-sale" licenses shall permit the sale of beer at retail, in the original package for consumption off the premises only.~~

C. License Applications.

1. ~~Form. Every application for a license to sell beer shall be made to the city clerk on a form supplied by the city and containing such information as the clerk or the city council may require. It shall be unlawful to make any false statement in an application.~~
2. ~~Proof of Financial Responsibility. Prior to the issuance of a beer license, the applicant shall demonstrate proof of financial responsibility as defined in Minnesota Statutes Section 340.11, Subdivision 11, with reference to liability under the statutes, Section 340.95. Such proof shall be filed with the Commission of Insurance except that if a license is issued prior to March 1, 1983, or involves sales of beer of a prospective vendor who is not required by law to file such proof with the Commissioner of Insurance, such proof shall be filed with the City Clerk. Any liability insurance policy filed as proof of financial responsibility under this subdivision shall conform to Minnesota Statutes, Section 340.12.~~
3. ~~Approval of Security. Liability insurance policies required by this ordinance but not by state law shall be approved as to form by the City Attorney. Operation of a business licensed by this ordinance without having on file with the State Insurance Commissioner or the city at all times effective security as required in Subdivision 2 is a cause for revocation or suspension of the license.~~

D. License Fees.

1. ~~Payment Required. Each application for a license shall be accompanied by a receipt from the City Treasurer for payment in full of the required fee for the license. All fees shall be paid into the general fund of the city. Upon rejection of any application for a license, the treasurer shall refund the amount paid.~~
2. ~~Expiration; pro rata fees. Every license except a temporary license shall expire on the last day of December in each year. Each license except a temporary license shall be issued for a period of one year, except that if a portion of the license year has elapsed when the license is granted, the license shall be issued for the remainder of the year for a pro rata fee. In computing such fee, any unexpired fraction of a month shall be counted as one month. A temporary license shall be issued for a specific period in which a special event to which the sale is incident is being held and such period shall be stated on the license.~~
3. ~~Fees. The annual fee for a regular "on-sale" license is \$50.00. The annual fee for an "off-sale" license is \$10.00. The fee for a temporary "on-sale" license is \$1.99 per day.~~
4. ~~Refunds. No part of the fee paid for any license issued under this ordinance shall be refunded except in the following instances upon application to the council within 7 days from the happening of the event: There shall be refunded a pro rata portion of the fee for the unexpired period of the license.~~

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~~computed on a monthly basis, when operation of the licensed business ceases not less than one month before expiration of the license because of:~~

- ~~a) destruction or damage of the licensed premises by fire or other catastrophe;~~
- ~~b) the licensee's illness;~~
- ~~c) a change in the legal status of the municipality making it unlawful for the licensed business to continue;~~
- ~~d) the licensee's death.~~

~~E. Granting of License.~~

- ~~1. Investigation and Hearing. The city council shall investigate all facts set out in the application. Opportunity shall be given to any person to be heard for or against the granting of the license. After such investigation and hearing, the council shall grant or refuse the application in its discretion.~~
- ~~2. Transfers. Each license shall be issued to the applicant only and shall not be transferable to another holder. Each license shall be issued only for the premises described in the application. No license may be transferred to another place without the approval of the council.~~

~~F. Persons Ineligible for License. No license shall be granted to or held by any person who would not be eligible under State law, and, has, within five years prior to the application for such license, been convicted of a felony, or of violating any law of this state or local ordinance relating to the manufacture, sale, distribution, or possession for sale or distribution of intoxicating liquors, and cannot show competent evidence under Minnesota Statutes Section 364.03 of sufficient rehabilitation and present fitness to perform the duties of a beer licensee.~~

~~G. Places Ineligible for License.~~

- ~~1. Conviction or Revocation. No license shall be granted for sale on any premises where a licensee has been convicted of the violation of this ordinance, or of the State beer or liquor law, or where any license hereunder has been revoked for cause until one year after such conviction or revocation.~~
- ~~2. Delinquent Obligations to City. No license shall be granted for operation on any premises upon which taxes or assessments or other financial claims of the City are delinquent and unpaid.~~

~~H. Banquet Rooms. A regular "on-sale" license shall entitle the holder to serve beer in a separate room of the licensed premises for banquets or dinners at which are present not fewer than 10 persons.~~

~~I. Closing Hours. No sale of beer shall be made between the hours of one a.m., and eight a.m. on any weekday Monday through Saturday inclusive. Neither shall any sale of such beer be made on any Sunday between the hours of one a.m. and twelve noon.~~

~~J. Clubs. No club shall sell beer except to members and to guests in the company of members.~~

~~K. Restriction on Purchase and Consumption.~~

- ~~1. Age Misrepresentation. No minor shall misrepresent his age for the purpose of obtaining beer.~~
- ~~2. Liquor Consumption and Display. No person shall consume or display any intoxicating liquor on the premises of a licensee who is not also licensed to sell intoxicating liquors or who does not hold a consumption and display permit.~~

~~L. Suspension and Revocation. The council may either suspend, for a period not to exceed 60 days or revoke any beer license upon a finding that the licensee or his agent has failed to comply with any applicable statute, regulation, or ordinance relating to beer. Except in the case of any person who holds a federal retail liquor~~

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~~dealer's special tax stamp without a license to sell intoxicating liquors at a place licensed to sell beer under this ordinance and except in cases of failure of financial responsibility, no suspension or revocation by the council shall take effect until the license has been afforded notice and an opportunity for a public hearing. The notice shall give at least 10 days notice of the time and place of the hearing and shall state the nature of the charges against the licensee. The council may suspend any license pending a hearing on revocation or suspension. The holding of a federal liquor dealer's special tax stamp without a license to sell intoxicating liquors or the lapse of required ram shop insurance or bond or withdrawal of a required deposit of cash or securities shall effect an immediate suspension of any license issued pursuant to this ordinance without further action of the City Council. Receipt of a federal retail liquor dealers special tax stamp without an intoxicating liquor license or notice of cancellation or lapse of a current liquor liability policy or bond or withdrawal of deposited cash or securities shall also constitute notice to the licensee of the impending suspension of the license. The holder of a license who has received notice of suspension under the paragraph may request a hearing thereon and if such a request is made in writing to the clerk a hearing shall be granted within 10 days or such longer period as may be requested. Any suspension under this paragraph shall continue until the City Council determines that the financial responsibility requirements and other requirements of this ordinance have again been met.~~

~~M. Penalty. Any person violating any provision of this ordinance is guilty of a misdemeanor and upon conviction shall be punished by a fine of not more than \$700.00 or imprisonment in the county jail for not more than 90 days, or both, plus the cost of prosecution in any case.~~

~~112.38 LIQUOR SALES HOURS~~

~~A. A bona fied restaurant, hotel, or club, which meets requirements of Minnesota Statutes Chapter 340 (as amended) and Lanesboro Code Chapter VIII Section 316, Section 2B, and is the holder of a Sunday license from the City, pursuant to the terms hereof, shall be allowed to sell intoxicating liquor on sale between the hours of 12:00 o'clock noon on Sunday and 1:00 A.M. on the immediately following Monday.~~

~~B. Any Sunday Sales Licensee who offers for sale any intoxicating liquor on Sunday, except during the hours allowed herein, shall be considered as violating the liquor law and shall, as apenalty, forfeit its Sunday Liquor License for the remainder of the year.~~

~~112.39 ALLOWING WINE LICENSE HOLDERS TO SELL MALT LIQUOR~~

~~A. The holder of an on-sale wine license issued pursuant to Minn. Stat. 340A.404 Subd. 5(a), upon proof or evidence of qualification under Minn. Stat. 340A.404(b), shall be permitted and authorized to sell intoxicating malt liquors at on-sale without an additional license. Such authorization shall be issued by the City Clerk/Administrator, in writing, upon submission of said proof or evidence. Said proof or evidence shall be in the form and detail as prescribed by the City Administrator/Clerk. Said authorization shall be good for one year, and authorization shall be reissued upon evidence of continued compliance with the provisions of Minn. Stat. §340A.404.Subd. 5.~~

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~~B. Fees. There shall be no application fee for the authorization provided under this ordinance. As an administrative fee, a successful applicant shall pay an annual fee of \$50.00, said fee being due and payable at the time of the underlying wine license renewal.~~

~~112.40 LICENSING AND REGULATING OF INTOXICATING LIQUOR~~

~~A. Provisions of State Law Adopted. The provisions of Minnesota Statutes, Chapter 340, relating to the definition of terms, licensing, consumption, sales, conditions of bonds of licensees, hours of sale, and all other matters pertaining to the retail sale, distribution, and consumption of intoxicating liquor are adopted and made part of this ordinance as if set out in full.~~

~~B. License Required~~

~~1. General Requirement No person, except a wholesaler or manufacturer to the extent authorized under state license, shall directly or indirectly deal in, sell, or keep for sale in the city any intoxicating liquor without a license or permit to do so as provided in this ordinance. Liquor licenses and permits shall be of five kinds: "on sale", "on sale" Sunday, "off sale", club licenses, and bottle club permits.~~

~~2. "On Sale" Licenses~~

~~a) Places Eligible "On Sale" licenses shall be issued only to hotels, clubs, restaurants, and exclusive liquor stores and shall permit "on sale" of liquor only.~~

~~b) Number of Licenses. The number of "on-sale" licenses issued shall be limited by the Minnesota Statutes and the City Council's discretion.~~

~~3. "On-Sale" Sunday Licenses~~

~~a) A restaurant, exclusive liquor store, hotel, or club, which meets requirements of MN. Chapter 340 and this ordinance, and which is the holder of a Sunday License from the City, pursuant to the terms hereof, shall be allowed to sell intoxicating liquor on sale between the hours of 12:00 o'clock noon and 9:00 o'clock P.M. on any Sunday.~~

~~b) Sunday on Sale licenses shall be issued only to on sale licensees who make such application on forms provided by the City Clerk. Only the Lanesboro City Council may grant on sale Sunday Liquor License upon a majority vote at a regularly scheduled monthly City Council Meeting. The annual fee for a Sunday Liquor License shall be \$100. A license shall authorize only one serving station at the establishment issued said license.~~

~~c) Any Sunday Sales Licensee who offers for sale any intoxicating liquor before 12:00 o'clock noon on Sunday or later than 9:00 o'clock P.M. shall be considered as violating the liquor law and shall, as a penalty, forfeit its Sunday liquor License for the remainder of the year.~~

~~4. Off-sale Licenses~~

~~a) Places Eligible "Off sale" licenses shall be issued only to exclusive liquor stores. An exclusive liquor store holding an "off sale" license may also hold an "on sale" license. In order for a place to qualify for an "off sale" license, it must meet the following conditions:~~

~~i. The licensed place must have its "off-sale" operation physically separate from its restaurant operation or "on-sale" operation. To be physically separate, the "off-sale" premises must be fully enclosed by solid walls~~

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~~extending from ceiling to floor, said enclosure broken only by such door or doors that are necessary for access to the premises. In order to facilitate safe exit in case of an emergency, said "off-sale" operation must have a standard-sized door opening to the outside of the entire licensed place.~~

- ~~ii. The physically separate "off-sale" area shall not allow consumption of liquor "on-sale", nor shall it allow the display of liquor for "on-sale" consumption.~~
- ~~(b) Number: Only one "off-sale" liquor license shall be issued under this ordinance.~~

~~5. Special Club Licenses: Special Club licenses shall be issued only to incorporated clubs which have been in existence for 15 years or more or to congressionally chartered veterans' organizations which have been in existence for 10 years. There is no limitation on the number of special club licenses that may be issued.~~

~~6. Bottle Club Permits: The City may issue bottle club permits, including one-day intoxicating liquor consumption and display permits, in such manner and to such applicants as M.S.A Section 340.119, as amended, provides.~~

~~C. Application for License~~

~~1. Form Every application for a license to sell liquor shall state the name of the applicant, his age, representations as to his character, with such references as the council may require, his citizenship, the type of license applied for, the business in connection with which the proposed license will operate and its location, whether the applicant is owner and operator of the business, how long he has been in that business at that place, and such other information as the council may require from time to time. In addition to containing such information, the application shall be in the form prescribed by the commissioner of public safety and shall be verified and filed with the city clerk. No person shall make a false statement in an application.~~

~~2. Bond Each application for license shall be accompanied by a surety bond or, in lieu thereof, cash or United States Government bonds of equivalent market value as provided in Minnesota Statutes, Section 340.12. Such surety bond or other security shall be in the sum of \$5,000.00 for an applicant for an "on-sale" license, \$1,000.00 for an "off-sale" license, and \$3,000.00 for a special club license.~~

~~3. Liability Insurance. Prior to the issuance of a liquor license, the applicant shall file with the city clerk a liability insurance policy in the amount of \$50,000.00 coverage for one person and \$100,000.00 coverage for more than one person and shall comply with the provisions of Minnesota Statutes Section 340.11 relating to liability insurance policies. If a liability insurance policy is made subject to all the conditions of a bond under that statute, the policy may be accepted by the council in lieu of the bond required under Subdivision 2.~~

~~4. Approval of Security. The security offered under Subdivisions 2 and 3 shall be approved by the city council and in the case of applicants for on-sale", "on-sale" Sunday and "off sale" licenses, by the state commissioner. of public safety. Surety bonds and liability insurance policies shall be, approved as to form by the city attorney. Operation of a licensed business without having on file with the city at all times effective security as required in Subdivisions 2 and 3 is a cause for automatic and immediate revocation of the license.~~

~~D. License Fees:~~

~~1. Fees. The annual fee for liquor licenses and permits shall be \$1,500.00 for an "on-sale" license, \$100.00 for an "off-sale" license, \$100.00 for a special club~~

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~~license, \$100.00 for an "on sale" Sunday license, and 3100.00 for a bottle club permit.~~

- ~~2. Payment. Each application for a license shall be accompanied by a receipt from the city treasurer for payment in full of the license fee and the fixed investigation fee required under Section 5, Subdivision 1, if any. All fees shall be paid into the general fund. If an application for a license is rejected, the treasurer shall refund the amount paid as the license fee. the treasurer shall refund the amount paid as the license fee.~~
- ~~3. Term) PTO Rata Fee. Each license shall be issued for a period of one year except that if the application is made during the license year, a license may be issued for the remainder of the year for a pro rata fee, with any unexpired fraction of a month being counted as one month. EVery license shall expire on the last day of December.~~
- ~~4. Refunds. No refund of any fee shall be made except as authorized by statute.~~

~~E. Granting of Licenses:~~

- ~~1. Preliminary Investigation. On an initial application for an on-sale license and on application for transfer of an existing on-sale license, the applicant shall pay with his application an investigation fee of \$100.00 and the city shall conduct preliminary background and final investigation of the applicant. The application in such case shall be made on a prescribed by the state bureau of criminal apprehension and with such 'additional information as the council may require. If the council deems it in the public interest to have an investigation made on a particular application for renewal of an on sale license, it shall so determine. In any case, if the council determines that a comprehensive background and financial investigation of the applicant is necessary, it may conduct the investigation itself or contract with the bureau of criminal investigation for the investigation. No license shall be issued, transferred, or renewed if the results show to the satisfaction of the council that issuance would not be in the public interest. If an investigation outside the state is required, the applicant shall be charged the cost not to exceed \$10,000 and shall be paid by the, applicant after deducting any initial investigation fee already paid. The fee shall be payable by the applicant whether or not the license is granted.~~
- ~~2. Hearing and Issuance. The city council shall investigate all facts set out in the application and not investigated in the preliminary background and financial investigation conducted pursuant to Subdivision 1. Opportunity shall be given to any person to be heard for or against the granting of the license. After the investigation and hearing, the council shall, in its discretion, grant or refuse the application. No "off-sale" license shall become effective until it, together with the security furnished by the applicant, has been approved by the commissioner of public safety..~~
- ~~3. Persons and Premises Licensed, Transfer. Each license shall be issued only to the applicant and for the premises described in the application. No license may be transferred to another person or place without city council approval. Any transfer of stock of a corporate licensee is deemed a transfer of the license and a transfer of stock without prior approval is a ground for revocation of the license.~~

~~F. Persons Ineligible for License. No license shall be granted to any person made ineligible for such a license by state law. No more than one intoxicating liquor license shall be directly or indirectly issued within the city to any one person.~~

~~G. Places Ineligible for License.~~

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- ~~1. General Prohibition. No license shall be issued for any place or any business ineligible for such a license under state law.~~
 - ~~2. Delinquent Taxes and Charges. NO license shall be granted for operation on any premises on which taxes, assessments, or other financial claims of the city are delinquent and unpaid.~~
- ~~H. Conditions of License:~~
- ~~1. In General. Every license is subject to the following subdivisions and all other provisions of this ordinance and of any other applicable ordinance, state law or regulation.~~
 - ~~2. Licensee's Responsibility. Every licensee is responsible for the conduct of his place of business and the conditions of sobriety and order in it. The act of any employee on the licensed premises authorized to sell intoxicating liquor there is deemed the act of the licensee as well the licensee shall be liable to all penalties provided by this ordinance and law equally with the employee.~~
 - ~~3. Inspections. Every licensee shall allow any peace officer, health officer, or properly designated officer or employee of the city to enter, r inspect, and search the premises of the licensee during business hours without a warrant.~~
 - ~~4. Display during Prohibited Hours. No "on-sale" establishment shall display liquor to the public during hours when the sale of liquor is prohibited.~~
 - ~~5. Federal Stamps. No licensee shall possess a federal wholesale liquor dealer's special tax stamp or a federal gambling stamp.~~
- ~~I. Restrictions on Purchase and Consumption.~~
- ~~1. Liquor in Unlicensed Places. No person shall mix or prepare liquor for consumption in any public place or place of business unless it has a license to sell liquor "on-sale" or a permit from the commissioner of public safety under Minnesota Statutes, Section 340.119 and no person shall consume liquor in any such place.~~
 - ~~2. Consumption in Public Places. No person shall consume liquor on a public highway, public sidewalk, public alley, or public parking lot within this municipality.~~
- ~~J. Suspension and Revocation. The council may either suspend for not to exceed 60 days or revoke one liquor license upon a finding that the licensee has failed to comply with any applicable statute, regulation, or ordinance relating to intoxicating liquor. No suspension or revocation shall take effect until the licensee has been afforded an opportunity for a hearing pursuant to Minnesota Statutes Sections 14.57 to 14.70.~~
- ~~K. Penalty. Any person violating any provision of this ordinance is guilty of a misdemeanor and upon conviction shall be punished by a fine of not more than \$700 or imprisonment in the county jail for not more than 90 days, or both, plus the cost of prosecution in any case.~~

~~112.401 AMENDMENT TO LICENSING AND REGULATING OF INTOXICATING LIQUOR~~

- ~~A. Reference to State Statute. In cases where ordinance number 816 refers to Chapter 340 of Minnesota Statues, said reference shall now be deemed to be in reference to Chapter 340A of the Minnesota Statutes, because Minnesota Statutes Chapter 340 has been replaced and superseded by Chapter 340A.~~

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- ~~B. Increase in number of available off sale licenses. Section 2., Subd. 4 (b) is amended so as to read as follows: "Number. Only two off-sale' liquor licenses shall be issued under this ordinance."~~
- ~~C. All other provisions remain effective. All other provisions of Ordinance number 816, entitled "an ordinance licensing and regulating the sale and consumption of intoxicating liquor, repealing inconsistent ordinances, and providing a penalty for violation", including all amendments thereto, shall remain in full force and affect~~

~~**MUNICIPAL LIQUOR STORES**~~

~~**112.50 APPLICATION OF THIS SUBCHAPTER.**~~

~~This subchapter, consisting of 112.50 through 112.55, applies only to a city that has in existence on the effective date of this chapter a municipal liquor store.~~

~~**112.51 EXISTING MUNICIPAL STORES CONTINUED.**~~

~~If the city has in existence on the effective date of this chapter a municipal liquor store for the sale of intoxicating liquor, the store is continued. Except as provided in '112.55, no intoxicating liquor may be sold at retail elsewhere in the city.~~

~~Penalty, see ' 112.99~~

~~**112.52 LOCATION.**~~

~~The municipal liquor store shall be located at a suitable place in the city as the Council determines by motion. However, no premises upon which taxes, assessments, or other public charges are delinquent shall be leased for municipal liquor store purposes. The Council shall have the right to establish additional off-sale and on-sale stores at other locations as it may, from time to time, by motion, determine.~~

~~**112.53 OPERATION.**~~

~~(A) *Manager.* The municipal liquor store shall be in the immediate charge of a Liquor Store Manager selected by the Council and paid compensation as is fixed by the Council. The Manager shall not be a person who would be prohibited by law or any provision of this chapter from being eligible for an intoxicating liquor license. The Manager shall furnish a surety bond to the city, conditioned upon the faithful discharge of the duties of the office, in a sum as specified by the Council. The bond premium may be paid by the city or the Manager, in the discretion of the Council. The Manager shall operate the municipal liquor store under the Council's direction and shall perform those duties in connection with the store as may be established by the~~

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~~Council. The Manager shall be responsible to the Council for the conduct of the store in full compliance with this chapter and with the laws relating to the sale of intoxicating liquor and 3.2 percent malt liquor.~~

~~(B) *Other employees.* The Council may also appoint additional employees as may be required and shall fix their compensation. All employees, including the Manager, shall hold their positions at the pleasure of the Council. No person under the age of 18 shall be employed in the store. The Council may require the employees to furnish surety bonds conditioned for the faithful discharge of their duties in a sum as specified by the Council. The premium on the bond may be paid by the city or the employees, as the Council determines.~~

~~(C) *Municipal liquor store fund.* All of the revenues received from the operation of a municipal liquor store shall be deposited in a municipal liquor store fund from which all ordinary operating expenses, including compensation of the Manager and employees, shall be paid. Surpluses accumulating in the fund may be transferred to the general fund of the city or to any other appropriate fund of the city by resolution of the Council, and may be expended for any municipal purpose. The handling of municipal liquor store receipts and disbursements shall comply with the procedure prescribed by law and charter for the receipts and disbursements of city funds generally.~~

~~(D) *Financial statement.* The Council shall provide within 90 days following the end of the calendar year for publication a balance sheet using generally accepted accounting procedures and a statement of operations of the municipal liquor store for that year. The balance sheet and statement shall be published in accordance with the provisions of M.S. ' 471.6985, as it may be amended from time to time.~~

~~(E) *Hours of operation.* The hours during which the sale of intoxicating liquor may be sold shall be as provided in ' 112.33. No person, other than the Manager or a store employee, may remain in the municipal liquor store longer than one-half hour after the time when the sale of intoxicating liquor must cease.~~

~~Penalty, see ' 112.99~~

~~**112.54 PROOF OF FINANCIAL RESPONSIBILITY.**~~

~~The city shall demonstrate proof of financial responsibility required by licensees of retail intoxicating liquor establishments under the provisions of M.S. ' 340A.409, as it may be amended from time to time.~~

~~**112.55 ISSUANCE OF OTHER LICENSES.**~~

~~(A) *On-sale licenses for the sale of intoxicating liquor.* The Council may issue in its sound discretion on-sale licenses to a club under M.S. ' 340A.404, Subd. 1(4), as it may be amended from time to time. If the voters have authorized their issuance at a special election called for that purpose, the Council may issue on its sound discretion~~

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~~on sale liquor licenses to hotels and restaurants. The number of on sale licenses issued under this section is governed by M.S. ' 340A.413, as it may be amended from time to time, as limited by the provisions of this chapter. The issuance of these licenses is governed by the provisions of this chapter.~~

~~(B) *Off sale licenses for the sale of intoxicating liquor.* State law does not authorize the issuance of off sale licenses for the sale of intoxicating liquor by cities which operate a municipal liquor dispensary.~~

~~(C) *On and off-sale 3.2 percent malt liquor licenses.* The Council may issue 3.2 percent malt liquor licenses in its sound discretion as provided in this chapter.~~

~~(D) *Brewer Taproom License.* The Council may issue brewer taproom licenses in its sound discretion as provided in this chapter.~~

~~(E) *Microdistillery Cocktail Room License.* The Council may issue microdistillery cocktail room licenses in its sound discretion as provided in this chapter.~~