



Request for Council Action

TO: Mayor and City Council
THROUGH: Tim Murray, City Administrator
FROM: Heather Slechta, Assistant to the City Administrator
MEETING DATE: May 14, 2019
SUBJECT: Ordinance 2019-6 Amending Chapter 4 of the Code of Ordinances of the City of Faribault Regarding Alcoholic Beverages – First Reading

Background:

At the Joint Committee meeting on February 19, 2019 the Council reviewed and discussed the definition of restaurant in Chapter 4 of the City Code of Ordinances. The current definition is very difficult for smaller businesses to meet the requirements, therefore prohibiting businesses for applying for a Sunday Liquor License. It was the consensus of the Council to remove the following language: Maintains food service equipment that includes a range, oven, steam table and salad bar or salad preparation area.

The following language was added to the definition of *Restaurant*: received a valid food establishment license from the Minnesota Department of Health as required by Minn. Stat. 157.16, as it may be amended from time to time, and meet the definition of either a Category 1, Category 2 or Category 3 as defined in Minn. Stat. 157.16 sub. 3(d) as it may be amended from time to time.

The Council also discussed the On-Sale hours of operation, currently the code states that no sale of intoxicating liquor is allowed between 6:00 p.m. on December 24th and 8:00 a.m. on December 25th. It was the consensus of the Council to follow the MN State Statute 340A.504, that determines the hours of operation for sales of on-sale intoxicating liquor.

Staff worked with Kennedy and Graven to clean up other areas of Chapter 4 including changes with insurance for City Celebrations as well as adding cocktail room to the code where applicable.

Recommendation:

Approve Ordinance 2019-4 Amending Chapter 4 of the Code of Ordinances of the City of Faribault Regarding Alcoholic Beverages

Attachments:

- Ordinance 2019-4 Amending Chapter 4 of the Code of Ordinances of the City of Faribault Regarding Alcoholic Beverages

CITY OF FARIBAULT
ORDINANCE 2019-6
AMENDING CHAPTER 4
OF THE CODE OF ORDINANCES OF THE CITY
OF FARIBAULT REGARDING ALCOHOLIC BEVERAGES

THE CITY OF FARIBAULT, RICE COUNTY, MINNESOTA, HEREBY ORDAINS as follows:

SECTION 1. The definition of *restaurant* contained in Chapter 4, Section 4-2 of the Code of Ordinances of the City of Faribault is hereby amended by deleting the ~~stricken~~ language and adding the double-underlined language as follows:

Restaurant shall mean an establishment, other than a hotel, which meets the following criteria:

- (1) Is under the control of a single proprietor or manager;
- (2) Has seating for at least thirty (30) guests at tables other than at a bar;
- (3) Regularly serves meals prepared on the premises to the general public at tables as a principal part of its business;
- (4) Is ready, willing and able to prepare and serve meals to the general public until at least 8:00 p.m. each day that the establishment is open; and
- ~~(5) Maintains food service equipment that includes a range, oven, steam table and salad bar or salad preparation area; and~~
- (65) Has received a valid category 1, 2, or 3 food establishment license from the Minnesota Department of Health, as required by Minnesota Statutes Section 157.16.

SECTION 2. Chapter 4, Section 4-8 of the Code of Ordinances of the City of Faribault is hereby amended by adding the double-underlined language as follows:

Sec. 4-8. - Community festival liquor permits.

The holder of an on-sale intoxicating liquor license issued by the city may sell intoxicating liquor off the licensed premises at a community festival held within the city if the licensee obtains a community festival liquor permit from the city council. The applicant must submit an application to the city council. The application must include the following information:

- (1) A description of the event that the applicant proposes to hold, including whether the event includes musical or other entertainment, games, athletic contests or other activities, and an estimate of the number of persons who will attend the event;
- (2) A security plan that depicts the property where the liquor sales will occur; the area where liquor will be dispensed and consumed; the location and placement of any barriers that will be used to separate the dispensing and consumption area from the remainder of the property; the location of all entrances to the dispensing and consumption area; the procedures to be used to prevent sales or consumption of

alcoholic beverages by underage persons; the number and location of security personnel to be used; the day(s) and hours of sale; and the location and number of parking spaces available for the event; and other elements as may be required by the city;

- (3) If the applicant does not own the property where the sales will occur, sufficient documentation from the property owner that the applicant has permission to use the property for the event;
- (4) Proof of general liability insurance and liquor liability insurance covering the event premises in the amount of at least one million five hundred thousand (\$1,500,000.00) dollars. If the community festival is to be held on city property or city right-of-way, the city must be named as an additional insured and the permit holder must sign an agreement that holds the city harmless and indemnifies the city for acts of the permit holder; and
- (5) The permit fee as established by the city's fee schedule.

The city council may grant the permit if the council determines that the proposed event will not be detrimental to the health, safety, and welfare of the community and that adequate provisions for security have been made. Compliance with the provisions of the security plan, as approved by the city council, shall be a condition of the permit.

SECTION 3. Chapter 4, Section 4-27, paragraph (a) of the Code of Ordinances of the City of Faribault is hereby amended by deleting the ~~stricken~~ language and adding the double-underlined language as follows:

- (a) *On-sale; intoxicating liquor.* No sale of intoxicating liquor for consumption on a licensed premises may be made:
 - (1) Between 2:00 a.m. and 8:00 a.m. on the days of Monday through Saturday; and
 - ~~(2) Between 6:00 p.m. on December 24th and 8:00 a.m. on December 25th; and~~
 - ~~(3)~~ (2) After 2:00 a.m. on Sundays, unless a Sunday sale license has been issued or unless the establishment is a cocktail room, brewpub, or brewer taproom.

SECTION 4. Chapter 4, Section 4-27, paragraph (c) of the Code of Ordinances of the City of Faribault is hereby amended by adding the double-underlined language as follows:

- (c) *Sunday sale.* No intoxicating liquor shall be sold after 2:00 a.m. on Sundays, except that licensees that hold Sunday on-sale liquor licenses, cocktail rooms, brewpubs and brewer taprooms may sell and serve intoxicating liquor between the hours of 8:00 a.m. on Sunday and 2:00 a.m. on Monday.

SECTION 5. Effective Date. This ordinance shall take effect and be in force after its passage and publication in accordance with Section 3.05 of the City Charter.

First Reading: May 14, 2019
Second Reading: May 28, 2019
Publication Date: _____, 2019

Faribault City Council:

Attest:

Kevin F. Voracek, Mayor

Timothy C. Murray, City Administrator