MINUTES OF THE REGULAR MEETING OF THE ALCOHOL, GAMBLING & TOBACCO COMMISSION

August 2, 2017

The regular meeting of the Alcohol, Gambling & Tobacco Commission was held on Wednesday, August 2, 2017, at 4:45 p.m., in the City Council Chambers, 3rd Floor, and City Hall.

ROLL CALL: Present: Patricia Stolee, Mark Osthus, President Adam Wisocki, Lon Hanson, Absent: Jeff Rosenthal, Ryan Stauber, Bjorn Braaten

July Meeting Minutes - approved

COMMUNICATIONS:

CITY ATTORNEY SUBMITING NOTICE OF HEARING TO DECIDE WHAT, IF ANY DISCIPLINARY ACTION SHOULD BE TAKEN REGARDING THE ON-SALE INTOXICATING LIQUOR LICENSE FOR DUKES PARTNERS, LLC OPERATING AS SPURS ON 1ST, 109 WEST FIRST STREET, DULUTH, MINNESOTA 55802 17-02 was marked received.

OLD BUSINESS:

HEARING (CONTINUED) TO DECIDE WHAT, IF ANY, DISCIPLINARY ACTION SHOULD BE TAKEN REGARDING THE ON SALE INTOXICATING LIQUOR LICENSE OF DUKES PARTNERS, LLC d/b/a SPURS ON 1ST, 109 WEST SUPERIOR STREET, DULUTH, MINNESOTA 55802President Wisocki recommended this be moved to the end of the meeting.

NEW BUSINESS:

RED HERRING, LLC (THE RED HERRING LOUNGE), 208 E 1ST STREET -

APPLICATION FOR TEMPORARY EXPANSION OF THE LICENSED PREMISES OF THEIR ON SALE INTOXICATING LIQUOR LICENSE FOR AUGUST 19, 2017 FROM 12:00 P.M. – 10:00 P.M. FOR "SUPER BIG BLOCK PARTY" The owner spoke on behalf of the application. He explained that this was their annual event. "Super Big Block Party" Clerk Cox told the board members that Men as Peace Makers would be applying for the special events permit and that anything approved here would be contingent upon that being approved. The owner also explained that they would be hiring and outside security company and that they would be having wristbands and that the police officers would be doing the ID-ing. A motion to approve the application was made by Commissioner Stolee, and a second was made by Commissioner Hanson. Motion carried.

AAD SHRINERS (ART IN THE PARK) BAYFRONT PARK-

APPLICATION FOR A TEMPORARY ON SALE INTOXICATING LIQUOR LICENSE FOR AUGUST 19TH, 2017 FROM 11:00 a.m. – 7:00 p.m. AND AUGUST 20TH FROM 11:00 A.M. – 5:00 P.M. IN BAYFRONT PARK Paul, from the board of directors, appeared on behalf of the application. He explained that they would be selling beer and wine and soda for "Art in the Park" in Bayfront, and that they were having police officers and that patrons would have wrist bands. This is the seventh year of the event. President Wisoki made a motion to approve and a second was made by Commissioner Stolee. Motion carried.

NYANYIKA BANDA, (MARTHA'S DAUGHTER), 107 EAST SUPERIOR STREET APPLICATION FOR AN ON SALE INTOXICATING LIQUOR LICENSE, FOR THE PERIOD ENDING AUGUST 31, 2018, NYANYIKA BANDA, 100% OWNER. Nyanyika was present on behalf of the application. She explained that she had taken over the Coney Island on Superior Street, and that it will be a full service restaurant and that she would like a full service liquor license. Nyanyika stated that she had worked in the service industry for 20 years and that the restaurant will be doing dinner, full service, sit down and also cater to the late night food crowd by selling food until 1:00 a.m. I am trained in the MN liquor

service and her person working the front of the house is also trained. A motion was made by Commissioner Stolee, and a second was made by Commissioner Osthus. Motion carried.

RENEWAL APPLICATIONS OF THE ON SALE INTOXICATING LIQUOR LICENSES, ON SALE SUNDAY LICENSES, ON SALE DANCING LICENSES, ADDITIONAL BAR LICENSES, AND 2:00 A.M. LICENSES, FOR THE PERIOD BEGINNING SEPTEMBER 1, 2017, AND ENDING AUGUST 31, 2018.

RENEWAL APPLICATIONS OF THE ON SALE WINE LICENSES FOR THE PERIOD BEGINNING SEPTEMBER 1, 2017, AND ENDING AUGUST 31, 2018.

RENEWAL APPLICATIONS OF THE OFF SALE INTOXICATING LIQUOR LICENSES FOR THE PERIOD BEGINNING SEPTEMBER 1, 2017, AND ENDING AUGUST 31, 2018.

RENEWAL APPLICATIONS OF THE ON SALE "CLUB" LIQUOR LICENSES FOR THE PERIOD BEGINNING SEPTEMBER 1, 2017, AND ENDING AUGUST 31, 2018.

RENEWAL APPLICATION OF THE BREWERY MALT LIQUOR ON AND OFF SALE INTOXICATING LIQUOR LICENSES FOR THE PERIOD BEGINNING SEPTEMBER 1, 2017, AND ENDING AUGUST 31, 2018.

RENEWAL APPLICATION OF THE MICRO DISTILLERY ON AND OFF SALE INTOXICATING LIQUOR LICENSES FOR THE PERIOD BEGINNING SEPTEMBER 1, 2017, AND ENDING AUGUST 31, 2018.

Clerk Cox read the renewals to the commission. A motion to approve the renewals was made by Commissioner Stolee, and a second was made by Commissioner Osthus. Motion carried.

HEARING: TO DECIDE WHAT, IF ANY, DISCIPLINARY ACTION SHOULD BE TAKEN REGARDING THE ON SALE INTOXICATING LIQUOR LICENSE OF HOSPITALITY ASSOCIATES OF DULUTH, LLC d/b/a SPURS ON 1ST, 109 WEST SUPERIOR STREET, DULUTH, MINNESOTA 55802

After reviewing the testimony (attached) Commissioner Osthus made a motion to recommend to the city council that a violation has not been established and no penalty should be imposed. Commissioner Hanson seconded the motion.

President Wisoki stated that he agrees with the motion with the other commissioner here. As far as the evidence, the mail and the missing signatures, it does state clearly that we can't assume someone gets the certified mail if their signature isn't on it. That is what the signature is intended for. I also agree that the fine to the State of MN, since it has been paid, there are still some outstanding penalties to be paid, that as far as the city, \$1000 fine and closing for a day. I don't think that this is necessarily beneficial to any of the parties involved. That means that the employees are out of working for a day. The city is out of taxes, Mr. Patronas is out of funds to pay the fines with the State of MN. I don't see how we are benefiting a local business owner or local employees in our community by recommending to the City Council that we do fine. So I do agree.

Commissioner Stolee stated: I agree and I would like to add that Mr. Patronas did close his business when he did believe he was in potential violation. He did actually voluntarily close his business. I am in agreement.

President Wisoki: All those in favor of the motion signify by saying "I" Motion passed unanimously.

The meeting adjourned at 5:25