

**CITY COUNCIL SPECIAL MEETING**

**Tuesday, July 11, 2017**

**6:30 p.m.**

**Council Chambers**

**4100 Lakeview Avenue North**

**Robbinsdale, Minnesota**

**AGENDA**

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1. CITY COUNCIL WORK SESSION CALLED TO ORDER
2. ROLL CALL: Blonigan, Rogan, Selman, Backen, Mayor Murphy
3. PUBLIC HEARING: The Lodge Bar & Restaurant's Failure to meet City Code requirements 1205.01 Subdivision 2., maintain gross receipts attributable to no more than 60% to liquor and at least 40% to food sales.
4. ADJOURNMENT



## MEMORANDUM

TO: Mayor and City Council  
FROM: Marcia Glick, City Manager  
DATE: July 11, 2017  
RE: Public Hearing: The Lodge Bar and Restaurant

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### **Background**

At the June 6<sup>th</sup> Council meeting, Council scheduled a public hearing for July 11<sup>th</sup> at 6:30 p.m. to discuss with The Lodge Bar and Restaurant about its failure to not meet the 40% requirement of sales to food as required by City Code for the on-sale intoxicating liquor license. For this license, gross receipts are to be no more than 60% to liquor and at least 40% to food. The Lodge did not meet the 40% requirement for 2016, the first quarter of 2017, nor for the months of April or May.

### **Analysis/Conclusion**

Staff has talked with Ms. McMenemy about the issue numerous times. In April, she had identified several challenges but she indicated that she expected her food sales to increase. Staff has not received the June sales numbers from The Lodge.

Council has become aware that Ms. McMenemy is in the process of selling The Lodge. The sale cannot become final until the buyer's On-Sale Liquor License is approved. For it to be approved, the buyer must submit the license forms, and then a public hearing can be scheduled. If the license investigation is complete before the public hearing, Council may approve the license at the public hearing, otherwise action would be delayed.

Following the hearing tonight, the City Council may choose to suspend or revoke the on-sale license of The Lodge upon reasonable terms, to impose a civil fine in an amount not exceeding \$2,000, or to withhold such action until a future date. If the City takes adverse action on the license, it must also notify the Commissioner of the Department of Public Safety, if required by Minn Stat. 340A.415. If a civil fine is to be imposed, the amount is required to be established by resolution by the Council, but the fine may not exceed the limit set forth in Minnesota Statutes.

### **Recommendation**

1. Hold the public hearing and take public comments.
2. Provide direction to staff on next steps.

  
\_\_\_\_\_  
Marcia Glick, City Manager

CONCURRENCE

  
\_\_\_\_\_  
John Tingley, Assistant to City Manager

Member \_\_\_\_\_ moved and Member \_\_\_\_\_ seconded a motion that the following resolution be read and adopted this \_\_\_\_\_ day of July, 2017.

RESOLUTION NO.

A RESOLUTION IMPOSING A CIVIL FINE FOR  
FAILURE TO COMPLY WITH CITY CODE REQUIREMENTS  
THE LODGE

WHEREAS, City Code section 1205.01, subd 2 requires that Restaurants with Intoxicating Liquor Licenses have gross receipts attributable to no more than 60% to liquor and at least 40% to food sales; and

WHEREAS, on April 18, 2017 the City Council considered the fact that the receipts from The Lodge for 2016 had not met the 40% food sales requirements and that the first quarter of 2017 showed a continued decline in compliance; and

WHEREAS, the owner of the restaurant indicated an action plan to improve food sales, however the April and May receipts did not show improvement; and

WHEREAS, the City Council scheduled a public hearing for July 11<sup>th</sup> at 6:30 p.m. to discuss The Lodge violating its liquor license by not keeping at least 40% of its sales food related; and

WHEREAS, a public hearing was held on July 11<sup>th</sup> and the June receipts required to be submitted at the end of June have not yet been received; and

WHEREAS, the restaurant is in the process of being sold to another party and liquor licenses are not transferrable; and

WHEREAS, the owner has not been forthcoming in providing monthly receipts as required by the City Council;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ROBBINSDALE, MINNESOTA:

1. That a civil fine in the amount of \_\_\_\_\_ is imposed and due - \_\_\_\_
2. That the special license allowing liquor sales after 1 am is hereby revoked.
- 3.