

PURCHASING & LICENSING COMMITTEE

15-035-O

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE AMENDING CHAPTER 8, SECTION 43, OF THE DULUTH CITY CODE, 1959, AS AMENDED, RELATING TO CONSUMPTION AND DISPLAY PERMITS.

CITY PROPOSAL:

The city of Duluth does ordain:

Section 1. That Chapter 8, Section 43, of the Duluth City Code, 1959, as amended, is hereby amended to read as follows:

Sec. 8-43. ~~Bottle clubs and c~~Consumption and display permits.

~~(a) Definitions,~~

~~(1) Bottle clubs. For the purposes of this Section, a bottle club is a club, as defined in Section 8-13, or an unincorporated society which, except for its lack of incorporation, otherwise meets the requirement of a club, as defined in such Section, and which is not licensed for the sale of intoxicating liquors, either on sale or off sale, or both,~~

~~(2) Sale. For the purposes of this Section, sale shall include any form of dispensing,~~

(a) The city may approve the issuance of a permit under this section only to:

(1) an applicant who has not, within five years prior to the application, been convicted of a felony or of violating any provision of this chapter, or Minnesota Statutes Chapter 340A or rule adopted under such chapter;

(2) a restaurant;

(3) a hotel;

(4) an establishment licensed for the sale of 3.2 percent malt liquor;

(5) a club as defined in section 8-13(d); and

(7) a bed and breakfast establishment as defined in section 8-13(c).

A club holding an on-sale intoxicating liquor license is not eligible for a permit under this section.

(b) No administrative officer of the city shall grant approval for issuance of any annual consumption and display permit ~~to a bottle club~~ by the liquor control commissioner of the state of Minnesota unless the city council has authorized such approval by resolution after investigation and recommendation regarding such permit application has been made by the alcohol, gambling and tobacco commission pursuant to the procedures set forth in Section 8-7 of this Chapter;

(c) ~~All bottle clubs permitted by the state to do business in the city of Duluth shall pay~~The permit holder shall pay a fee, which shall be set in accordance with Section 31-6(a) of this Code, annually to the city in addition to any fee paid to the state. The fee payable to the city shall be paid prior to the beginning of operation ~~of a bottle club~~, and prior to April 1 of the following and each succeeding year;

(d) The provisions and regulations of sections 8-15, 8-16, 8-17, 8-18, 8-19, 8-24, 8-26, 8-28, 8-34 and 8-35 shall fully and equally apply and regulate establishments holding ~~bottle club licenses~~ a consumption and display permit from the Minnesota state liquor control commissioner;

(e) The city clerk, subject to the requirements of Minnesota law, may issue a one day permit for the consumption and display of intoxicating liquor to a nonprofit organization in conjunction with a social activity in the city sponsored by the organization;

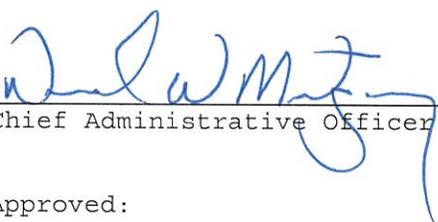
(f) A permit issued pursuant to this Section permits the consumption and display of intoxicating liquor on the premises. The permit does not authorize the sale of intoxicating liquor.

Section 2. That this ordinance shall take effect 30 days after its passage and publication.

Approved:

  
\_\_\_\_\_  
Department Director

Approved for presentation to council:

  
\_\_\_\_\_  
Chief Administrative Officer

Approved as to form:

  
\_\_\_\_\_  
Attorney

Approved:

  
\_\_\_\_\_  
Auditor

AGL/ATTY MEL:sl 05/11/2015

STATEMENT OF PURPOSE: This ordinance updates Section 8-43 of the Duluth City Code, 1959, as amended, by expanding the types of businesses eligible for an annual consumption and display permit. Currently, only clubs may obtain an annual permit but Minnesota Statutes, Section 340A.414, also authorizes the state to issue permits to restaurants, hotels, establishments holding a 3.2 malt liquor license, and bed and breakfast establishments.