



City of Minneapolis
Licenses and Consumer Services Division
350 South Fifth Street Room 1-C City Hall
Minneapolis, Minnesota 55415
www.minneapolismn.gov



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**FINDINGS OF FACT
CONCLUSIONS, AND
RECOMMENDATIONS**

In the Matter of License No. L172 50008 HI-LAKE LIQUORS
for LIQ OFF-SALE SERIES 3000

Held by:
HK 3 CORP, DBA HI-LAKE LIQUORS
SAUMIL BRAHMBHATT
2130 LAKE STREET EAST
MINNEAPOLIS, MN 55407

13-0997672

This matter came before a license settlement conference on August 29, 2013. Appearing for HK3 Corp, dba Hi-Lake Liquors was Saumil Brahmhatt. Appearing for Business Licenses were Manager Grant Wilson, District Supervisor Pat Hilden, and Lead License Inspector Julie Casey. Appearing for Minneapolis Police were Lt Amelia Huffman and Sgt Chris Leum. Appearing for Council Member Schiff's office was Heidi Ritchie. Based on the information presented at the hearing the department makes the following findings of fact.

FINDINGS OF FACT

1. A youth tobacco compliance check took place at Hi-Lake Liquors on March 8, 2013. A fifteen year old was able to purchase tobacco from a store employee. A \$200 administrative citation was issued to the store and a \$50 administrative citation was issued to the store employee.
2. A youth alcohol compliance check took place at Hi-Lake Liquors on March 27, 2013. A minor was able to purchase alcohol from a store employee. A \$500 administrative citation was issued to the store.
3. In July 2013, Business Licenses received a complaint that the Hi-Lake Liquors was violating their business license operating conditions by receiving more than \$1.50 in

change from store patrons. On July 31, 2013, a city employee entered the H-Lake Liquor store with \$5.00 in change. He was able to purchase a ½ pint bottle of Barton's Vodka from a store employee for \$2.53 in change. A \$200 administrative citation was issued to the store from violating their business license operating conditions.

4. HK 3 Corp. was licensed as an off sale liquor establishment in the City of Minneapolis starting in the summer of 2012. Business License initially had concerns about the experience this license holder has in business and the number and type of violations that had occurred. A license settlement conference was called and held on August 29, 2013. Saumil Brahmhatt, the owner of HK 3 Corp. explained what occurred in each violation. The employee that sold tobacco to a minor did not have his glasses on at the time of check and thought that he read an 8 instead of a 9 on the license making the patron 25 years old instead of 15. The employee that sold alcohol to a minor primary language is Spanish and apparently did not have command of the English language to determine the correct age of the minor. Mr. Brahmhatt explained that the employee that accepted the \$2.53 in change was a new employee and was inadequately trained. Mr. Brahmhatt has instituted new changes in his store since these failures occurred. Those changes are:
 1. During a weekly meeting, the new owner will reinforce the goal of having zero violations of selling liquor and tobacco to minors. Terminate employees that cannot comply with this goal.
 2. Every employee will go through the Minnesota Licensed Beverage Association on-line training and take a refresher course every year.
 3. Implemented a self-checking program to ensure employees are complying with employment rules.

CONCLUSIONS

1. HK 3 Corp, failed to comply with Minneapolis Code of Ordinance 281.50 by allowing the sale of tobacco to a minor.
2. HK3 Corp failed to comply with Minneapolis Code of Ordinance 370.10 by allowing the sale of alcohol to a minor.
3. HK 3 Corp failed to comply with Minneapolis Code of Ordinance 259.250 by violating their business license operating conditions by accepting \$2.53 in change when their conditions limit the amount of change excepted to \$1.50.

RECOMMENDATIONS

1. HK 3 Corp, dba Hi-Lake Liquors, agrees to a \$1000 sanctions with \$450 stayed for a one year period provided there are no same or similar violations occurring during that time period. Additionally a three day license suspension with all three days stayed for a period of one year pending no same or similar violations.
2. Alcohol server training is required for all Hi-Lake Liquors employees before a trained alcohol server training program before the employee is allowed to sell alcohol or tobacco products. The license holder will document when employees complete this training and have this information available to the Business License Department upon request.
3. The employees of Hi-Lake Liquors will request a government issued identification card for all customers that appear to be under the age of 40 until an automatic identification scanning system is installed at which time this provision shall become null and void.

4. The management of Hi-Lake Liquors will conduct self- checks of their employees four times per year (quarterly)for the sale of alcohol and tobacco to underage persons, and all business license operating conditions to ensure their employees are complying with those conditions. The license holder will document when these self checks occur and who was involved in the check.
5. Hi-Lake Liquors will install an automatic identification scanning system on or before January 1, 2014. This system shall require that the person's identification card be scanned before a sale of alcohol or tobacco can be made.
6. Hi-Lake Liquors will have two employees working each day before 5 p.m. and three employees until close each day. A manager will be on duty, in the store, at all times.
7. No single cans or bottles of beer or malt beverage will be sold. This provision will become null and void after twelve months from the date of approval of this document. No distilled spirits can be sold in containers less than ½ pint.
8. Patrons are limited to two visits for purchase of products each day.
9. Hi-Lake Liquors will conduct a daily meeting with all staff to verify the date that patrons can legally purchase of alcohol.
10. Hi-Lake Liquors will continue to follow their previous conditions as follows:
 - a. Four exterior and 16 interior cameras monitoring activity to prevent panhandling, sale to minors and loitering.
 - b. The owner shall comply with the surveillance camera ordinance and acknowledges the receipt of the ordinance and policies.
 - c. "No trespassing" signs shall be posted. The business employees and management will continue to ask people that are not patronizing the business to leave. If they refuse, the employees and management shall call 911 for assistance.
 - d. The business will continue to use of their system for issuing and tracking 90-day "No Trespass" notices complete with pictures of trespassed people.
 - e. Hi-Lake liquors will continue to limit purchases with change to \$1.50 per transactions.
 - f. Hi-Lake Liquors will continue the use of the Hi-Lake Shopping Center security to stop panhandling, chronic inebriates, loitering and minors attempting to use adults to purchase alcohol.
 - g. Hi-Lake employees will walk outside twice an hour patrolling both the sidewalks that are adjacent to the parking lot directly outside of their business.

HK 3 Corp understands that the holding of a business or liquor license in the City of Minneapolis is both a privilege and a responsibility. A minimum standard shall be met in order to hold such a license. One minimum standard is that a license holder is responsible to ensure that its business operates in compliance with all applicable laws, ordinances, and regulations. It is understood and agreed that any violation of the above Recommendations shall constitute just and proper cause for the immediate imposition of any stayed penalties. It is further understood that compliance with the above Recommendations is a requirement for continuing to hold a license and that failure to comply with any of these conditions may result in additional adverse license action.

I have read and understand the above findings of fact, conclusions, and recommendations. I agree with their contents and I agree with the above noted Recommendations. I understand that the failure of my business to adhere to this agreement may be cause for further suspension,

revocation, or denial of my license. I understand that this report must be accepted and approved by the Minneapolis City Council and Mayor.

Based upon the foregoing, this agreement is FREELY & VOLUNTARILY ENTERED INTO IN GOOD FAITH:

Business

HK3 CORPORATION
By: [Signature]
(signature)

Its: PRESIDENT
(title)

Dated: January 21, 2014

For the City of Minneapolis:

[Signature]
Grant J. Wilson
Manager

Dated: 1-21, 2014