



**Request for City Council Committee Action
From the Department of Regulatory Services
Licenses and Consumer Services Division**

Date August 6, 2004

To Daniel Niziolek, Chair, Public Safety & Regulatory Services Committee

Subject: Request for Modification of Condition of License

Recommendation

Recommend Denial of the Request

Previous Directives

Council action of February 13, 2004, at which time The Lakes Restaurant, Inc. d/b/a Tonic of Uptown 1402 West Lake Street was granted a Class B On Sale Liquor license with certain conditions. The application also included the submission of a Business Plan that the licensee has now requested amendment of.

Prepared or Submitted by Kenneth Ziegler, Inspector, Licenses and Consumer Services

Approved by James Moncur, Director, Licenses and Consumer Services

Presenters in Committee Kenneth Ziegler, Inspector, Licenses and Consumer Services

Financial Impact (Check those that apply)

No financial impact - or - Action is within current department budget.
(If checked, go directly to Background/Supporting Information)

Action requires an appropriation increase to the Capital Budget

Action requires an appropriation increase to the Operating Budget

Action provides increased revenue for appropriation increase

Action requires use of contingency or reserves

Other financial impact (Explain):

Request provided to the Budget Office when provided to the Committee Coordinator

Community Impact (use any categories that apply)

Neighborhood Notification

City Goals

Comprehensive Plan

Zoning Code

Background/Supporting Information Attached

Attached are a letter requesting amendment of the Business Plan from Jay R. Lindgren, Attorney for The Lakes Restaurant, Inc., an Amended Business Plan, and an amended floor plan of the second floor of the premise designating an area as a “Dance Floor” instead of as a “Banquet Area” as set forth in the original submission.

The original business plan submitted by the applicant responded to an inquiry as to the scope and nature of entertainment with “None—Background Only”. At a public hearing concerning the license application, a representative of the licensee, responding to inquiry as to why a Class B license was being sought, stated that the Class B license was needed to fully serve patrons who might reserve the banquet areas. This was reflected in the Inspector’s Report to the City Council that recommended approval of the license application.

The licensee has since been issued Administrative Citations on two (2) occasions for deviation from the approved business plan without the consent of the City of Minneapolis by permitting and enabling the use of the second floor banquet area as a public dance floor. These citations were appealed by the licensee and they were upheld by a Hearing Officer. The use of the banquet area as a public dance floor has altered the basic nature of the establishment from that of a restaurant, as is required by ordinance, to that of a nightclub which is prohibited by ordinance because the premise is located within five hundred (500) feet of a residentially zoned area.

The recommendation of the Licenses and Consumer Services Division is to deny the licensee’s request to amend the business plan.