

CITY OF MINNEAPOLIS  
LICENSES AND CONSUMER SERVICES  
350 SOUTH 5<sup>TH</sup> STREET, ROOM 1-C, CITY HALL  
MINNEAPOLIS, MN 55415

**FINDINGS OF FACT  
CONCLUSIONS,  
AND RECOMMENDATIONS**

In the Matter of License No. L173 50021

KEN AND NORM'S LIQUOR  
for LIQ OFF-SALE SERIES 4000

Held by:

**WALLIS INC  
ARPAD NAGY  
4801 CHICAGO AVE  
MINNEAPOLIS, MN 55417**

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11-0846623

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This matter came before a License Settlement Conference hearing on Tuesday, June 28, 2011. Appearing for the licensee was Arpad Nagy, owner, of Ken & Norms Inc dba Ken & Norms Liquor, and his consultant, Mark Bay. Appearing for the Licenses and Consumer services were Deputy Director Grant Wilson and License Inspector Mohamed Ismail. Lieutenant Chris Hildreth and Sergeant Rolf Markstrom represented the Minneapolis Police Department. Based on the evidence presented at the hearing, the department makes the following findings of fact:

**Findings of Fact**

1. The Minneapolis Police Department License Investigative Division conducts youth alcohol compliance checks in an effort to assure retail-alcohol license holders are not serving alcohol to persons under the age of 21.
2. On April 12, 2011 the Minneapolis Police Department License Investigative Division conducted a youth alcohol compliance check at Ken & Norms Liquor, located at 4801 Chicago Av S, in the City of Minneapolis. A 19 year old female and a 19 year old male were sent into the business in an attempt to purchase alcohol. The shoppers went to the beer cooler, and the male shopper picked out a six pack of Corona beer. The shoppers brought the six pack of beer to the register, and the male shopper set the six pack down on the counter. The cashier asked both shoppers for ID. After checking the IDs, the cashier rang up the sale. 2 plain clothes Minneapolis Police Officers were standing approximately 10 feet away from the shoppers and observed the above transaction. The

male shopper paid for the six pack of beer, picked it up, and handed it off to the officers. The transaction was completed, and the business was considered to have failed the compliance check. As a result of the compliance check failure, an administrative citation was issued to Ken & Norm's liquor in the amount of \$500.00 as detailed in a City Council Resolution. Ken & Norm's Liquor has paid the \$500.00 administrative fine.

3. On May 12, 2011 the Minneapolis Police Department License Investigative Division conducted a youth alcohol compliance re-check at Ken & Norm's Liquor, pursuant to the above compliance check failure. A 20 year old female was sent into the business in an attempt to purchase alcohol. The shopper went to the beer cooler and picked out a six pack of Heineken Light beer. The shopper brought the six pack of beer to the register. The cashier did not ask the shopper for ID. The cashier rang up the sale. 2 plain clothes Minneapolis Police Officers were standing in line directly behind the shopper and observed the transaction. The shopper paid for the six pack of beer, picked it up, and handed it off to the officers. The transaction was completed, and the business was considered to have failed the compliance re-check. This constituted the second youth alcohol compliance check failure for Ken & Norm's Liquor within a 24 month period. As a result of the second compliance check failure, an administrative citation was issued to Ken & Norm's Liquor in the amount of \$1000.00 as detailed in a City Council Resolution. Ken & Norm's Liquor has paid the \$1000.00 administrative fine.
4. From the first compliance check failure on April 12, 2011; criminal charges against the cashier, for Furnishing Alcohol to a Person Under 21, are pending. Criminal charges against the cashier are also pending as a result of the May 12, 2011 compliance re-check failure.

### **Conclusions**

1. On two separate occasions, employees of Ken & Norm's Liquor sold alcohol to persons under the age of 21, in violation of Minneapolis City Ordinance 370.10, Minnesota Statute 340A.503 subd. 2(1), and the established compliance check policy and procedures of the City of Minneapolis. These compliance failures all occurred in a period of less than 24 months.
2. The licensee has paid the \$500.00 administrative fine related to the first above stated compliance check failure. The licensee has also paid the \$1000.00 administrative fine related to the second above stated compliance check failure.

### **RECOMMENDATIONS**

Based on evidence presented at the hearing, the Department makes the following recommendations:

1. The City of Minneapolis will impose a sanction in the amount of \$1500.00 for failing two alcohol compliance checks for sales to minors; \$1000.00 of the sanction will be stayed for a period of 12 month pending no further instances of a violation of the sale of alcohol to a person under the age of 21. The remaining \$500 sanction must be paid upon signature of this agreement

2. The licensee agrees to implement and maintain a comprehensive alcohol sales policy. This policy is to include the following:
  - a. Signs limiting the sale of alcohol to persons above the age of 21 shall be posted at the entrance door and the cash register.
  - b. All employees will take annual alcohol server training within 30 days of the start of their employment.
  - c. The business agrees that they will establish a program to complete in-house compliance checks for the sale of alcohol to minors.
  - d. The business employee manual will require an immediate termination policy for serving alcohol to a minor
  - e. The business will purchase and use a calendar that shows day by the day date when an individual reaches the age of 21.

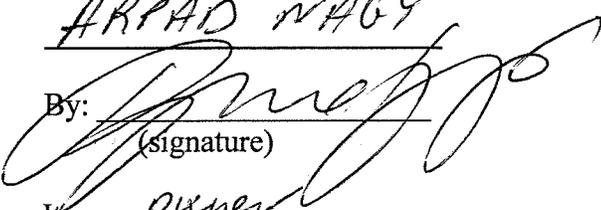
Wallis Inc understands that the holding of a business or liquor license in the City of Minneapolis is both a privilege and a responsibility. A minimum standard shall be met in order to hold such a license. One minimum standard is that a license holder is responsible to ensure that its business operates 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

ARRAD WAGY

By: 

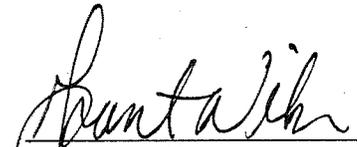
(signature)

Its: owner

(title)

Dated: 07/09, 2011

For the City of Minneapolis:

  
 Grant J. Wilson  
 Deputy Director of Licenses

Dated: 7-14, 2011