

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. L208 50217 SOUND BAR  
for LIQ ON-SALE A W/SS SERIES 4000

Held by:  
**SOUND BAR**  
**ATTN: JOHANN SFAELLOS, OFFICER**  
**414 3RD AVE N**  
**MINNEAPOLIS, MN 55401**

---

09-0712300

**In the Matter of the  
On Sale Liquor Class A  
With Sunday Sales License for  
Del SFA, Inc.  
DBA: Sound Bar  
414 3<sup>rd</sup> Avenue North, MPLS  
L208-50217**

**Findings of Fact,  
Conclusions and  
Recommendation**

**7<sup>th</sup> Ward**

This matter came before a License Settlement Conference on Monday, July 6<sup>th</sup>, 2009. Appearing for the licensee were Johann Sfaellos, owner, and Erika Aresta, manager. Appearing for the Department were Supervisor Linda Roberts, License Inspector Phil Schliesman, Lt. Travis Glampe, and Sgt. Rolf Markstrom. Based on the evidence presented at the hearing, the department makes the following findings of fact:

**FINDINGS OF FACT**

1. The Minneapolis Police Department Licensing Division conducts Youth Alcohol Compliance checks in an effort to ensure retail alcohol license holders are not serving alcohol to persons under the age of 21 years.

2. On January 31, 2009 Minneapolis Police Officers conducted a Youth Alcohol Compliance check at Sound Bar. The Sound Bar employee located at the front door who was responsible for checking identification and verifying customers' ages checked the identification of the police decoy. This person then allowed the underage police decoy entry into the bar. A second Sound Bar employee accepted a cover charge from the decoy, stamped her hand and allowed her entry into the bar. At this point the decoy was able to order a beer at the bar. An Administrative Citation for sale of alcohol to a minor was issued to Sound Bar in the amount of \$500. This citation has been paid.
3. On June 4, 2009 Minneapolis Police Officers conducted a second Youth Alcohol Compliance check at Sound Bar. The underage police decoy was able to enter the bar without being asked for identification. She was then able to order a beer without any age verification. An administrative citation for sale of alcohol to a minor-2<sup>nd</sup> violation was issued to Sound Bar in the amount of \$1,000. This citation has been paid.

### **CONCLUSIONS**

1. On two separate occasions, employees of Sound Bar 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 occurred in a period of less than 24 months.

### **RECOMMENDATIONS**

Based on the evidence presented at the hearing, the Department recommends the On Sale Class A with Sunday Sales license issued to Sound Bar shall be subject to the following conditions and adverse license actions:

1. In lieu of a suspension of the on sale liquor license, the City shall impose a \$3,000.00 sanction. \$1,500.00 will be stayed for a period of one year from full City Council approval of this agreement. If an electronic identification reader is used for use by employees an additional \$500.00 will be stayed. Half of the sanction will be payable upon signing of this agreement. The remaining balance will be due 30 days from the approval of this agreement.

2. Provide an updated alcohol service policy to the Division of Licenses and Consumer Services due at the time of the signing of this agreement to include all of the following:
    - A. A clear policy in writing for employee training for verifying customer identification including: using an outside/contracted trainer; looking at the picture and at the customer to ensure the ID belongs to that person, look for any indication on the ID the person is under the age of 21, and define a backup system so a manager or a second designated staff member looks at any ID if there are any questions.
    - B. Use of an electronic identification reader and policy that assists employees in determining the birth date required to make a legal sale of alcohol.
    - C. Provide a copy of the signage that is currently posted at wait stations that remind staff they must refuse service to anyone that is under that age of 21.
    - D. Indicate any incentive program that may be implemented for staff should they pass a self imposed or City administered compliance check
    - E. Indicate whenever a staff meeting is held, alcohol service and proof of age policies will be a standing agenda item.
    - F. A clear policy when the establishment is busy for staffing the door or other positions, and providing a manager or other designated staff to provide a back-up to cover the position(s) when needed.
    - G. Define current policy regarding persons under the age of 21 where they are allowed or not allowed to be in certain places within the establishment.
    - H. Indicate managers and/or ownership can assist any server at any time should a member of the wait staff have questions regarding the age of a patron.
    - I. Indicate the policy for new employees regarding receiving alcohol service training within 30 days of hire or prior to serving alcohol.
    - J. Indicate the policy for instituting a self check program with underage decoys. These self checks should be conducted (4) times a year with the first check to occur within 30 days from this agreement being approved by full City council.
  3. Attend the monthly downtown bar meeting at least three times within one year of this agreement being approved by full City council.
  4. As part of the on going business plan, not allowing 18 plus events at the establishment.
-

Sound Bar understands that the holding of a business or liquor license in the City of Minneapolis is both a privilege and a responsibility, and, as such, it is understood that there is a minimum standard that shall be met in order to hold such a license. Furthermore, it is understood that a license holder is responsible to ensure that its business operates in compliance with all applicable laws, ordinances and regulations. As such, it is understood and agreed that any violation of the above Recommendations shall constitute just and proper cause for the immediate imposition of any agreed upon or 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:

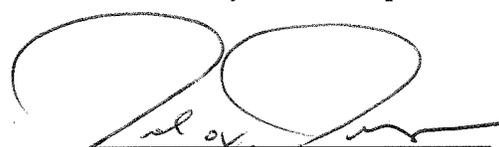
Business: Sound Bar

By:   
(signature)

JOHANN  
(print)  
SFAELLOS  
OWNER.  
(title)

Dated: 10/30, 2009

For the City of Minneapolis:

  
Ricardo Cervantes  
Deputy Director of Licenses

Dated: Nov 9, 2009