

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

In the Matter of the License No. L247 39883

**FINDINGS OF FACT  
CONCLUSION  
RECOMMENDATIONS**

5-8 CLUB  
for WINE E W/STRONG BEER

Held by:  
Food Services, Inc  
dba: 5-8 Club  
5800 Cedar Avenue South  
Minneapolis, MN 55417

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11-0836098

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This matter came before a License Settlement Conference hearing on Monday, June 2nd, 2011. Appearing for the licensee was Jill Skogheim, President, of Food Services INC dba 5-8 Club, and her consultant, Laura Boyd. 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 February 17, 2010 the Minneapolis Police Department License Investigative Division conducted a youth alcohol compliance check at the 5-8 Club, located at 5800 Cedar Ave S, in the City of Minneapolis. A 20 year old female shopper and a 19 year old female shopper were sent into the business in an attempt to purchase alcohol. The shoppers entered the establishment and sat at a table. The server walked up to the table and asked the shoppers for their orders. Each of the shoppers ordered a bottle of beer. The server asked for ID from each of the shoppers. After checking the IDs, the server refused to serve the 20 year old shopper, but she served a bottle of beer to the 19 year old shopper. Two plain clothed Minneapolis Police Officers were seated approximately 10-15 feet away from the shoppers and observed the above transaction. The 19 year old shopper picked up the bottle of beer 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 the 5-8 Club in the amount of \$500.00, as detailed in a City Council Resolution. The 5-8 Club has paid the \$500.00 administrative fine.

3. On April 2, 2010 the Minneapolis Police Department License Investigative Division conducted a youth alcohol compliance recheck at the 5-8 Club, pursuant to the above compliance check failure. Two underage shoppers were sent into the 5-8 Club in an attempt to purchase alcohol. The underage shoppers were carded and refused service. The business passed the compliance recheck.
4. On April 12, 2011 the Minneapolis Police Department License Investigative Division conducted a youth alcohol compliance check at the 5-8 Club for the calendar year of 2011. A 19 year old female shopper and a 19 year old male shopper were sent into the business in an attempt to purchase alcohol. The shoppers took a seat at the bar. The server asked the shoppers for their orders. Each of the shoppers ordered a bottle of beer. The server asked each of the shoppers for ID. After checking the IDs, the server provided each of the shoppers with a bottle of beer. Two plain clothed Minneapolis Police Officers were situated approximately 25 feet away from the shoppers and observed the transaction. The shoppers picked up their respective beers and handed them off to the officers. The transaction was completed, and the business was considered to have failed the compliance check. This constituted the second youth alcohol compliance check failure within a 24 month period for the 5-8 Club. As a result of the second compliance check failure, an administrative citation was issued to the 5-8 Club in the amount of \$1000.00, as detailed in a City Council Resolution. The 5-8 Club has paid the \$1000.00 administrative fine.
5. From the first compliance check failure on February, 2010, the server was charged with Furnishing Alcohol to a Person Under 21, and the server was convicted of said charge. Criminal charges against the server are pending as a result of the April 12, 2011 compliance check failure.

### **Conclusions**

1. On two separate occasions, employees of the 5-8 Club 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 six month pending no further instances of a violation of the sale of alcohol to a person under the age of 21. The remaining \$500.00 sanction must be paid by August 1, 2011. JMS
2. The licensee agrees to maintain its current comprehensive alcohol sales policy. This policy is to include the following:

- a. Signs refusing the sale of alcohol to persons under the age of 21 shall be posted at the entrance door and behind the bar.
- b. All employees will take annual alcohol server training and new employees will have training within 30 days of the start of their employment.
- c. The business agrees that they will maintain its program to complete in-house compliance checks for the sale of alcohol to minors.
- d. The business employee manual will continue to have an immediate termination policy for serving alcohol to minors.
- e. The business agrees it will continue to retain a bar spotting service to self monitor the sale of beverage alcohol to a minors.
- f. The business will continue to use a calendar that shows the date when an individual reaches the age of 21.
- g. The business will maintain its existing ID scanner.
- h. These policies will be enforced for a period of 24 months beginning ~~August 2011~~ April 12, 2011. J.W.  
OMS

The 5-8 Club 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

By:   
(signature)

Its: President  
(title)

Dated: August 4, 2011

For the City of Minneapolis:

Grant J. Wilson  
Deputy Director of Licenses

Dated: 8-8, 2011