



## REQUEST FOR COUNCIL ACTION

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**MEETING DATE:** March 20, 2023

**PREPARED BY:** Brett Angell, Assistant Community and Economic Development Director

**AGENDA ITEM:** Ordinance amendments related to Maple Grove Section 4-7 regarding liquor licensing

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**PREVIOUS ACTIONS:**  
None.

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**RECOMMENDED COUNCIL ACTION:**  
Motion to adopt Ordinance No. 23-05 amending Maple Grove City Code Section 4-7 to update existing provisions pertaining to self-dispensing tap walls and authorizing the publication of an ordinance summary.

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**COMMENTS:**

At the June 20, 2022, meeting date, the City Council approved an amendment to the liquor licensing code related to adding language in regards to self-dispensing tap walls. This inclusion within the code was largely in response to an impending business development which sought to incorporate such an item within their facility. A self-dispensing tap wall is an area which a consumer is given a card or item which allows for them to pour their own drinks and which tracks their total ounces and consumption levels.

At the time of the initial ordinance adoption, staff and the business did not anticipate more than malt beverages being dispensed from the tap wall and subsequently, the code limited the items that could be served to only malt beverages. Since that time, in response to feedback from future customers of the business and changing trends with this item, there is a desire to amend the code to allow for wine and cocktails to also be served from the self-dispensing tap walls.

The proposed ordinance amendment would remove the restriction of only malt beverages being allowed to be served and changes any reference of malt liquor to alcoholic beverage. Additionally, it removes an ounce cap from the code which is only fitting for malt beverages and replaces it with a cap of 20% alcohol by volume (ABV) allowed.

From a licensing perspective, there currently is not a separate application for self-dispensing tap walls. A business choosing to serve premixed cocktails from a self-dispensing tap wall would be required to obtain a full on-sale intoxicating liquor license. Additionally, a business choosing to include intoxicating liquors would no longer qualify for the food percentage exemption for experiential based businesses. This means that the business opening in the city in the coming months will be required to do full on-sale intoxicating liquor license and will be subject to the food percentage requirement.

Staff did request what measures would be put in place with these systems to ensure there would not be overconsumption. Self-dispensing systems have built-in limitations that come from a chip in the card/wristband that the consumer receives. This chip limits the number of ounces a pour can make based on ABV and additionally limits the total amount a consumer can consume at a given sitting. The systems are designed to shut down should a consumer exceed the limits to where additional drinks could not be poured. The business looking to operate a self-dispensing tap wall plans to have a staff member stationed at the area to assist consumers and monitor consumption. As with all license holders, self-dispensing tap wall employees would be required to attend alcohol compliance check training.

Self-dispensing tap walls are not widely seen throughout the twin cities metro but are becoming increasingly more popular. Of the tap walls that are currently operational in the cities, many have begun or have been serving more than just malt beverages.

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**ATTACHMENTS:**

Attachment A: Ordinance No. 23-05

Attachment B: Summary of Ordinance No. 23-05