

**LICENSES AND CONSUMER SERVICES  
LICENSE INSPECTOR'S REPORT**

**License Numbers:** L190-50254 and L161-50576

**Police File Number:** 13826

**Date of Application:** March 30, 2016

**Inspector:** Michele Harvet, 612-673-5484

**Applicant/Legal Entity:** scratch made L.L.C.

**DBA/Trade Name:** Scratch Grill & Lounge

**Complete Address:** 408 3rd Avenue North, Minneapolis, MN 55401

**Licenses Requested:** On-Sale Liquor with Sunday Sales, Class B and Sidewalk Cafe

**Current License at Location:** None

**License History of Location:** There was an On-Sale Liquor with Sunday Sales, Class C-2 license and a Sidewalk Café license at this location from June, 2014 to December, 2015.

**Purpose of Application:** To obtain an On-Sale Liquor with Sunday Sales, Class B license and Sidewalk Café license as a new proprietor.

**Responsible person within 75 miles of Minneapolis City Hall:** Rachel Blader

**Public Hearing Required:** Required

**Neighborhood/Ward:** North Loop / 3

**Zoning:** B4S-2/DP - This is a permitted use in the Downtown Service and Downtown Parking Overlay Districts.

**7 acre requirement:** Met

**Off-Street Parking:** The Office of the Zoning Administrator has determined that zero spaces are required to be provided on site.

**Seating:** Inside: 120                      Outside: 28

**Fire Occupancy:** Inside: 166                      Maximum Outside Capacity: 28

**Hours of Operation:** Interior: 11:00 AM - 2:00 AM Daily  
Exterior: 11:00 AM – 10:30 PM Daily

**Food Service Requirement:** This establishment meets the minimum food service requirements set forth in MCO 360.65.

**Alcohol Server Training:** Training will be provided by Alcohol Liability Education and Training.

**Metropolitan Council Service Availability Charges:** In a SAC determination letter dated March 17, 2016, it was determined that zero SAC units are required for this application.

**Applicant**

The applicant is scratch made L.L.C., a Minnesota limited liability company, formed on January 15, 2016, under Chapter 322C (File Number 867354300023), having the required restriction on the transfer of shares, and has the following owner:

<u>Name</u>	<u>DOB</u>	<u>Title</u>	<u>Shares</u>
Rachel Blader	1/24/1990	Owner	100%

The applicant has experience in owning and operating a restaurant/liquor establishment. She meets all minimum requirements including criminal background check.

**Manager**

The manager will be Rachel Blader. Ms. Blader operated Scratch Bar & Grill, in the same location, from June, 2014 to December, 2015.

**Premises**

**Interior**

The new proprietor will be occupying the same space as the previous licensee, in the Historic Crane Building. The premises contain 4000 total square feet with 2429 net square feet for retail customer use. There is interior seating at tables and chairs and a bar on the main floor. There is a kitchen, office/liquor storage and restrooms on the main floor, also. The lower level has coolers and storage. The space is compact and contiguous.

**Exterior**

There is a sidewalk cafe that has been previously approved as licensed premises. It is located in front of the establishment, along 3<sup>rd</sup> Avenue North. The sidewalk café has 288 square feet and there is seating for 28 patrons. The submitted plan advises that there will be no speakers in the exterior area of this business. This outdoor area will not have any entertainment offered that is above Class E. If such entertainment is desired, a temporary expansion application may be submitted to Business Licensing to request such for a particular date and time frame.

## **Business Plan/Operations**

Scratch Grill & Lounge will have all staff have alcohol server training provided by Alcohol Liability Education and Training. Their 90-minute class is designed to educate management and service staff regarding the liability associated with serving alcohol and specifically what they can do every day to reduce or eliminate that liability, and to protect their customers and the public.

Their policy is that all new hires will go through the training program and they will continue this program annually. They will use their Point Of Service system to take a photo of all ID's. Everyone will be carded who looks younger than 35. If staff at Scratch serves alcohol to a minor, it will result in immediate termination. They have a zero tolerance policy. They will perform occasional self-audits. On-site managers and supervisors will oversee the security of the premises. They will regularly monitor and walk the premises, both inside and outside as a part of general business.

Although noise is not anticipated to be a problem, all noise complaints will be followed up by management and sound levels will be reduced immediately.

Menu items include fries, chicken wings, steak bites, saffron seafood crustini, rum cured salmon, philly style hoagie, scratch hoagie, caprese wrap, several different types of burgers, Swedish meatballs, salmon, wild mushroom mac and cheese ranging in price from \$4 to \$15.

The proposed hours of operation for the interior of the establishment are 11am to 11pm Monday through Thursday; 11am to 2am Friday, Saturday and Sunday with food service from 11am to 11pm daily.

The proposed hours of operation for the exterior of the establishment are 11am to 10:30pm, daily, with food service from 11am to 10:30pm, daily.

Scratch Grill & Lounge plans to offer a variety of entertainment including a jukebox that will play genres such as; Jazz, Blues, Classic Rock, Oldies, Country, etc. They will also have Sunday brunches with a possibility of a Jazz band. They want to feature local Minnesota bands and have standup comedy shows. There will also be televised sporting events shown on the televisions in the establishment. There will be a potential stage and dance area located behind the bar at the back of the establishment. This area will have tables and chairs there that can be moved aside for entertainment purposes.

Litter will be removed at all hours they are open on and within 100 feet of the premises.

There will be no sports sponsorships or charitable gambling.

## **License Conditions**

1. The licensee will not provide outdoor speakers.
2. To assist in the prevention of reoccurring disturbances by known persons, the licensee shall compile, maintain and share with the 1<sup>st</sup> Precinct a "Do Not Admit/86" list of persons who have been trespassed and/or refused service per Minnesota Administrative Rule 7515.0590 (3).
3. The licensee will not distribute hand-bills advertising promotions to anyone walking on city sidewalks, streets, or alleys; nor place any on parked motor vehicles.
4. The licensee shall send a representative to each monthly LINC meeting.
5. The licensee shall not advertise nor promote "18 plus/all ages" events on the premises. For purposes of this agreement, "18 plus/all ages" events shall be defined as an event that is

advertised as an 18 plus/all ages event that offers live entertainment or a DJ in a nightclub type setting.

6. The patio area shall be restricted to the approved plan. The number of patron's on the patio should not exceed the number of seats. Noise coming from patrons in all outdoor areas will be managed consistent with the requirements of Chapter 389 of the Minneapolis Code of Ordinances.
7. During live performances and special events, Scratch Grill & Lounge will keep an accurate occupancy count and immediately share such figures upon the request of any official or officer of the City of Minneapolis. Scratch Grill & Lounge shall not let more patrons into the establishment than is legally allowed, with the occupancy number posted in plain sight near the main entrance of the establishment.
8. The ownership of Scratch Grill & Lounge consists of only Rachel Blader. Adam Mitchell is not an owner of this business, currently, and shall not be allowed as an owner of this business unless he is fully approved by the City of Minneapolis Full Council.

### **Public Hearing Summary**

A public hearing is required for this license application. 9 notices were mailed to residents and property owners within 450 feet of the premises on July 22, 2016. A public hearing notice was emailed to Council Member Frey, the North Loop Neighborhood Association, the Downtown Minneapolis Neighborhood Association and the Warehouse District Business Association on July 22, 2016. The public hearing will be held on August 15, 2016, at 9:30am, at the Community Development & Regulatory Services Committee meeting.

### **Police Review**

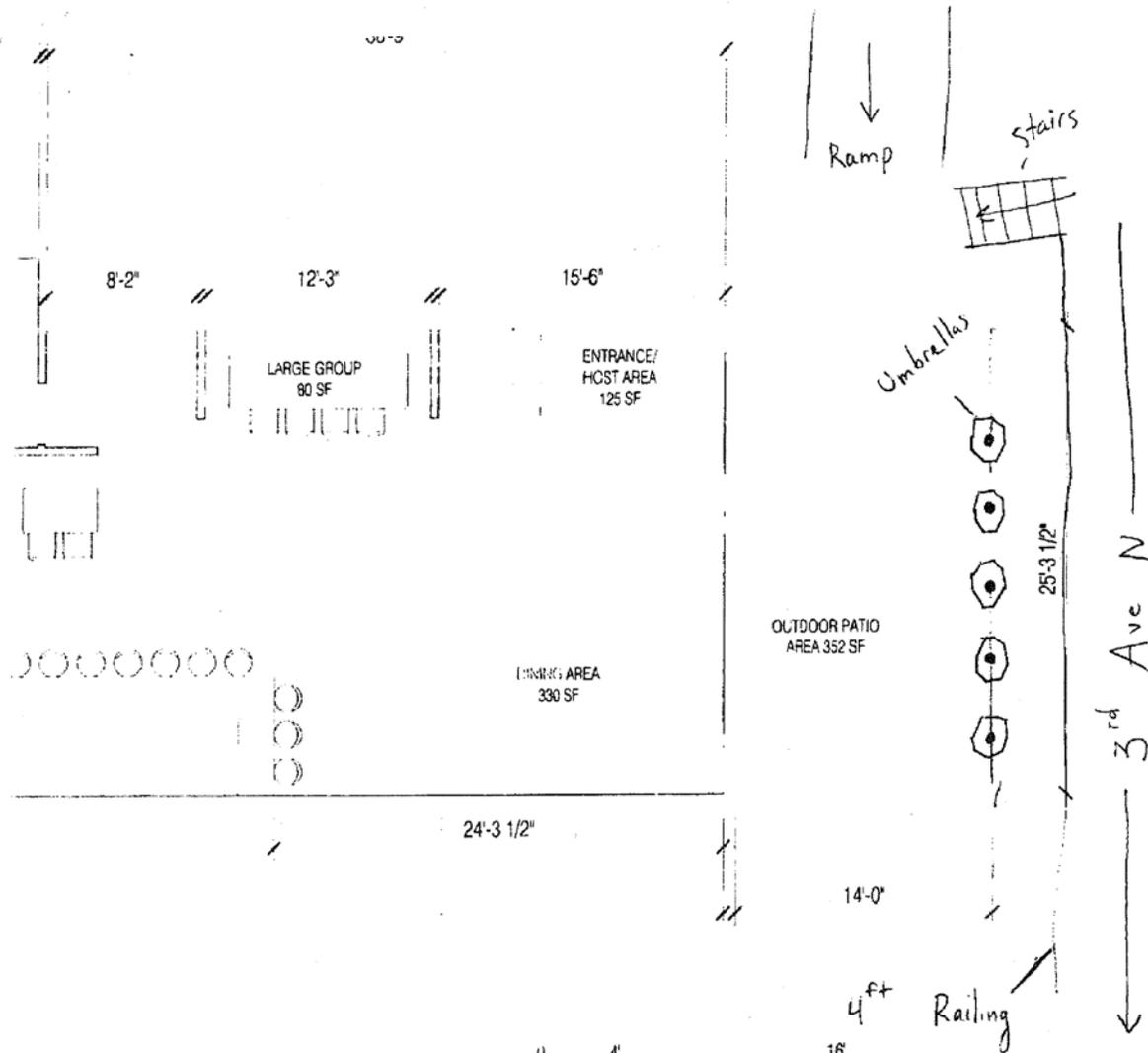
Police Licensing and this inspector have reviewed the expenses and source of funds reported in this application. The applicant has provided documentation showing adequate legal and traceable funding for this venture and has passed criminal background check. The applicant has also undergone a security review with the First Precinct of the Minneapolis Police Department.

### **Recommendation**

The Licenses and Consumer Services Division recommends approving this application for an On-Sale Liquor with Sunday Sales, Class B license and Sidewalk Café license.

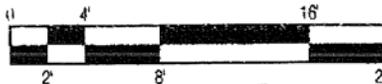
### **Sidewalk Cafe Diagram**

See next page.



Outdoor Patio

- 5 Tables 20 Chairs
- No heating elements
- 5 Umbrellas



Scratch Grill & Lounge  
 408 3<sup>rd</sup> Ave N  
 Minneapolis, MN 55401

Approved  
 Bms  
 7/26/16

Rachel Blader, Owner  
 612-875-4470