

# THE CITY OF



# OWATONNA

Kris M. Busse  
City Administrator

540 West Hills Circle  
Owatonna, MN 55060-4794  
Ph. (507) 774-7340  
FAX: (507) 444-4394  
Email: Kris.Busse@ci.owatonna.mn.us

DATE: May 29, 2020  
TO: Mayor and City Council  
FROM: Kris M. Busse, City Administrator  
SUBJECT: Extension of Premises Application Process

**Purpose:**

Council approval of Resolution 72-20 authorizing the City Administrator to enter into and execute Extension of Premises Permit Applications.

**Background:**

During March, the need to slow the spread of the COVID-19 pandemic required closure of non-critical businesses which included bars and restaurants. On May 13<sup>th</sup>, Governor Walz issued Executive Order 20-56 to allow restaurants and bars to safely reopen their business on June 1, 2020 for outdoor dining and alcohol sales with certain guidelines and restrictions. These restrictions limit service to outdoor seating for 50 guests. On-Sale Liquor Licenses requires inclusion of the service area, Extension of Premise Permits will be issued to include expanded outdoor service areas.

City Code requires liquor licenses be approved by City Council. Per City Charter, Council can assign additional duties to the City Administrator. To create administrative efficiencies, I am requesting Council authorize responsibility of approving Extension of Premises Permits to me.

**Budget Impact:**

None

**Staff Recommendation:**

Staff recommends approval of Resolution 72-20.

RESOLUTION NO. 72-20

RESOLUTION DELEGATING AUTHORITY FOR  
EXTENSION OF PREMISES APPLICATIONS

WHEREAS, pursuant to Section 2.15 of the Owatonna City Charter, the City Administrative shall, under direction of the Council, exercise control and supervision over all administrative affairs of the City and shall perform additional duties as assigned by the city council or by ordinance.

WHEREAS, Governor Walz issued Executive Order 20-56 to allow restaurants and bars to safely reopen their business on June 1, 2020, for outdoor dining and alcohol sales with certain guidelines and restrictions; and

WHEREAS, the State of Minnesota has issued guidance to allow Cities and Counties the authority to allow restaurants and bars to use public property, sidewalks and parking lots, to create temporary outdoor seating "compact and contiguous" to the business, if none currently exists; and

WHEREAS, the City Council desires to help Owatonna businesses to safely reopen under Executive Order 20-56; and

WHEREAS, the City Council further desires to create administrative efficiencies by authorizing the City Administrator to enter into Extension of Premises Permits for restaurants and bars for outdoor dining and alcohol consumption.

NOW THEREFORE, BE IT RESOLVED by the City of Owatonna, Minnesota as follows:

1. The City Administrator is hereby authorized to enter into and execute an Extension of Premises Permit with a restaurant or bar business for the use of public property such as sidewalks, right-of-way, or public parking lot adjacent to their business for outdoor seating without further action by the City Council.
2. Extension of Premises Permits entered into pursuant to this authority will be available for review and inspection by any member of the City Council at any time upon reasonable request.
3. The City Administrator is further authorized to execute any and all other documents and do such other acts and things as necessary to carry out this resolution.
4. The authority granted herein shall terminate on December 31, 2020 and be of no force or effect.

Passed and adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2020, with the following vote:

Aye \_\_\_\_\_; No \_\_\_\_\_; Absent \_\_\_\_\_.

Approved and signed this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

ATTEST:

\_\_\_\_\_  
Thomas A. Kuntz, Mayor

\_\_\_\_\_  
Kris M. Busse, City Administrator/City Clerk

# Owatonna Restaurants & Bars

## Designating Temporary Outdoor Service Area



Starting June 1, 2020, Minnesota restaurants and bars can begin serving food and drinks in outdoor service areas that are connected to their business. (Executive Order: 20-56). [Download this PDF](#) for industrial specific guidance to safely reopening restaurants and bars.

**Food and Non-Alcoholic Beverages Service - Private Property:** **No City approval is required.** If you are only serving food and non-alcoholic beverages on property you own or lease, no additional license or review by the city is needed for existing outdoor seating. If you are thinking of constructing a deck or patio, please contact Building Codes regarding permitting – 507-774-7319

**Food and Alcoholic Beverage Service – Private Property:** **City approval is required.** Businesses with an alcoholic beverage license must continue to comply with [state law](#) by serving alcoholic beverages in an outdoor area that is “compact and contiguous” to their current business. We have put together this guidance to help you understand how this could work for your Owatonna business.

Outdoor Service Area Defined:

- ✓ Permanent Structures – Patios, decks, or pavilions connected to the main building which are owned or leased by the business that are delineated by a fence or other barricade.
- ✓ Temporary Structures – Patios or seating areas created on a sidewalk or parking lot owned or leased by the business and delineated by a fence or other barricade.

To obtain approval of a temporary outdoor service area, the owner of the business issued the alcoholic beverage license must submit the following items to the City Administrator):

- ✓ Description of the temporary outdoor service area including the size, barrier used, number and spacing of seating, location to business, and any other available plan details.
- ✓ Statement acknowledging this temporary use ends on December 31, 2020.

Some restaurants and bars may already have permanent outdoor seating designated on their alcoholic beverage license. You should check your license to be sure the outdoor space is adequately described in the document.

**Food and/or Alcohol Beverage Service - City Sidewalk or Other Public Property:** **City approval is required.** Public spaces not normally used for expanded seating could be reviewed and considered if it is contiguous to the property. (Resolution 73-20)

- ✓ Submit an Extension of Premise Application.
- ✓ Sign a Temporary Use Agreement describing the outdoor service area, how it will be delineated, and other details, as necessary.
- ✓ If applicant is a liquor licensee, submit a Certificate of Insurance evidencing that the applicant’s liquor liability insurance covers alcohol sales in the expanded service area.

**Alcohol Catering Permit:** Another option for businesses it to apply for an [alcohol catering permit](#). This would allow food and beverage service in spaces that are not “compact or contiguous” additions to your business but food service *by your business* is a requirement. It is also an additional state license which would add time for state review and approval.

**Contacts:** Kris M. Busse, City Administrator  
Email: [Kris.busse@ci.owatonna.mn.us](mailto:Kris.busse@ci.owatonna.mn.us)

Phone: 507-774-7340

Jeanette Clawson, Administrative Specialist  
Email: [jeanette.clawson@ci.owatonna.mn.us](mailto:jeanette.clawson@ci.owatonna.mn.us)

Phone: 507-774-7341

