

City Council Agenda Item Memo

From: Bonnie Foster, City Clerk

Council Meeting: February 13, 2024

Subject: On-Off Sale Malt License Transfer: El Tapatio

Person(s) Responsible: Bonnie Foster, City Clerk

Summary:

Staff recommends approval of the transfer of an existing On-Off Sale Malt License for El Tapatio Company from the location at 1721 6th Street, Suite F, to a new location at 1816 6th Street. Legal description: Lot 1, Brickwood Plaza.

Background:

A public hearing and action by the local governing body is required. The new location for the On-Off Sale Malt License would be effective upon State Department of Revenue approval and license issuance, and subject to an annual renewal.

Item Details:

An application to transfer an existing On-Off Sale Malt License has been received from Guadalupe Rodriguez, owner, El Tapatio Company. They are moving from their location at 1721 6th Street, to a new location at 1816 6th Street. El Tapatio has held an On-Off Sale Malt License since 2018. This On-Off Sale Malt License does not carry the video lottery authorization.

El Tapatio does not have any alcohol compliance check violations.

Chapter 6, Article 2, Section 6-42 of the City Code of Ordinances pertains to the Application Review Procedure. The city council shall review all applications submitted to the city for available on-sale alcoholic beverage agreements and for all alcoholic beverage licenses in accordance with SDCL Chapter 35-2 (SDCL 35-2-1 et seq.) and in accordance with the following factors:

- 1) Type of business which applicant proposes to operate;
- 2) The manner in which the business is operated;
- 3) The extent to which minors are employed in such a place of business;
- 4) Adequacy of the police facilities to properly police the proposed location;
- 5) Other factors: The hours that business is conducted.

(Code 1996, § 5-20) State Law reference - Local license approval, SDCL 35-2-1.2.

SDCL 35-2-1.2. Applications submitted to local governing body--Fee--Approval or disapproval. Any applicant the transfer of an existing license shall submit an application to the governing body of the municipality in which the applicant intends to

operate, The applicant shall submit the required fee with the application. The governing body may approve the transfer of an existing license if the governing body considers the applicant suitable to hold the license and the proposed location is suitable.

The governing body may disapprove an application for the transfer of an existing license issued under subdivision 35-4-2(4), (6), or (13) if:

- 1) The approval of the application permits a person, corporation, or business entity to possess more than one-third of the licenses available to be issued in the jurisdiction; and
- 2) The governing body determines that possession of more than one-third of licenses available is not in the public interest.

Complete City Code and SDCL References are in the attached document.

Legal Consideration:

None.

Strategic Plan Consideration:

Economic Growth – existing business location transfer.

Financial Consideration:

License Transfer Fee: \$150 (\$75 City of Brookings / \$75 State of South Dakota).

Options and Recommendation:

The City Council has the following options:

1. Approve as presented
2. Amend
3. Deny
4. Refer to a Study Session
5. Discuss / take no action / table

Staff recommends approval.

Supporting Documentation:

Legal Notice

City Code and SDCL References

Location Map