

City Council Agenda Item Memo

From: Bonnie Foster, City Clerk

Council Meeting: May 12, 2026

Subject: Public Hearing: Malt Alcoholic Beverage License renewals for establishments which have failed an alcohol compliance check within the past 12 months

Presenter(s): Bonnie Foster, City Clerk

Summary and Recommended Action:

A public hearing and action is required for 3 establishment's alcoholic beverage license renewals which have failed an alcohol compliance check within the past 12 months (April 2025 - April 2026). Staff recommends approval.

Item Details:

Alcohol compliance checks are conducted by the Brookings Police Department. The focus of the compliance checks is sales / service of alcoholic beverages to individuals under the age of 21.

A public hearing is required as per SDCL 35-2-1.2 for any licensee where one or more of the licensee's employees have been subjected to a criminal penalty for violation of the alcoholic beverage control law within the past 12 months (April 2025 - April 2026). See attached City Code and SDCL statutes in their entirety.

The following establishments have had a compliance check violation within the previous 12 months (April 2025 – April 2026). There have been no compliance check violations for these establishments since October 2025. The establishments affected are:

- Casey's General Store, #1694, 620 8th St. So
 - 2 compliance check failures within 24 months: 4/2024 and 9/2025
- Casey's General Store, #2419, 534 22nd Ave. So.
 - 2 compliance check failures within 24 months: 4/2024 and 9/2025
- McCrory Gardens Educational center / Sodexo, 6th St. & 22nd Ave.
 - 3 compliance check failures within 24 months: 4/2024, 5/2024, and 10/2025. SD State Dept. of Revenue suspended alcoholic beverage licenses from 3/1 – 3/14/2026. Licenses were reinstated 3/15/2026.

All state required processes and fees for the compliance check violations have been completed.

If City Council approval is granted, all applications will be forwarded to the SD Department of Revenue for final action and issuance of the 2026-2027 licenses.

Establishment representatives have been asked to attend the City Council meeting in order to answer any questions the Council may have. Establishments submitted in writing the steps they have taken to prevent additional sales to underage individuals. This information has been provided to the City Council under separate cover.

The City Council needs to determine whether the applicant is still a suitable applicant and whether the location is still a suitable location for an alcohol license.

Legal Consideration:

None.

Strategic Plan Consideration:

This item falls under Fiscal Responsibility in ensuring the City's licensed alcoholic beverage licenses are in compliance with requirements set forth in State Statute.

Financial Consideration:

Malt License Renewal Fee: \$150 (city portion)

Supporting Documentation:

Memo

Hearing Notice

SDCL

Video Lottery List