

**In the Matter of
Restaurant Licenses
Held by Caribou Coffee Company, Inc.
d/b/a Caribou Coffee
3900 Lake Breeze Ave N
Minneapolis, MN 55429**

**Findings of Fact,
Conclusions and
Recommendations**

This matter came before the Department at a License Settlement Conference on Monday, November 19, 2007, at 9:30 a.m. in Room 1-C, Minneapolis City Hall. Appearing on behalf of the licensee were Dan E. Lee, General Council and Secretary, Darren Miles, Director of Operations; Anita Johnson, Director of Operations; Darren Miles, Directory of Operations; Michael Zwiefel, Director of Construction; Jeff Johnson, Construction Manager; Michael Robinson, District Manager; and Susanne Stromberg, District Manager. Appearing for the City were Julie Casey and Leanne Selander, License Inspectors; Don Zart, Office Support Specialist, Inspections; Sonya Monzel, Environmental Health Inspector; and Grant Wilson, Manager, Licenses and Consumer Services. Based on information presented at the hearing, the Department makes the following findings of fact, conclusions, and recommendations:

FINDINGS OF FACT

1. That from October 12, 2007 to October 15, 2007, Caribou Coffee Company, Inc. operated a food establishment at 4745 Cedar Ave. S. without a food license or Certificate of Occupancy.
2. That from October 22, 2007 to October 25, 2007, Caribou Coffee Company, Inc. operated a food establishment at 222 South 9th St. without a food license or Certificate of Occupancy.
3. That on October 25, 2007, Caribou Coffee Company, Inc. was issued three citations in the amounts of \$250, \$500, and \$1000 for operating a food establishment at 222 South 9th St without a food license, in violation of Minneapolis Code of Ordinances, Chapter 188.160, which states "It shall be unlawful for any person to conduct or operate a food establishment without obtaining a license therefor."
4. That on October 26, 2007, Caribou Coffee Company, Inc. paid the City fines in the amount of \$1750 for violating MCO 188.160.

CONCLUSIONS

1. In the month of October 2007, the licensee operated two restaurants in violation of MCO 188.160.

RECOMMENDATIONS

The Department acknowledges the licensee's interest in resolving the issues at its licensed establishments. Due to the expressed willingness of all parties to bring the properties into compliance with all applicable ordinances, statutes and regulations, the Department makes the following recommendations:

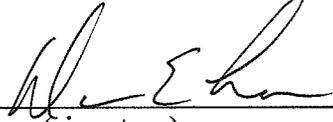
1. That prior to the signing of this agreement, the licensee shall submit, and have received approval from the City, a detailed business plan that specifies the steps that Caribou Coffee Company, Inc. has or is implementing to assure the City that future food establishments will not open or operate without benefit of a food license or Certificate of Occupancy.
2. That in the event of a repeat violation of MCO 188.160 within a 24-month period at any future Caribou Coffee Company, Inc. establishments, the licensee's food license shall not be administratively approved through Licensing, but will, instead, be required to go through the City Council and Mayoral approval process to obtain a license to operate.
3. That in the event of a repeat violation of MCO 188.160 within a 24-month period at any future Caribou Coffee Company, Inc. establishments, the fine assessed shall be double that of the last fine imposed, up to a maximum of \$2000 per violation.

Caribou Coffee Company, Inc. understands that the holding of a business license in the City of Minneapolis is both a privilege and a responsibility, and, as such, it is understood that there is a minimum standard that shall be met in order to hold such a license. Furthermore, it is understood that a license holder is responsible to ensure that its business operates in compliance with all applicable laws, ordinances and regulations. As such, it is understood and agreed that any violation of the above Recommendations shall constitute just and proper cause for the immediate imposition of any agreed upon or stayed penalties. It is further understood that compliance with the above Recommendations is a requirement for continuing to hold a license and that failure to comply with any of these conditions may result in additional adverse license action.

I have read and understand the above findings of fact, conclusions, and recommendations. I agree with their contents and I agree with the above noted Recommendations. I understand that the failure of my business to adhere to this agreement may be cause for further suspension, revocation, or denial of my license. I understand that this report must be accepted and approved by the Minneapolis City Council and Mayor.

Based upon the foregoing, this agreement is FREELY & VOLUNTARILY ENTERED INTO IN GOOD FAITH:

For Caribou Coffee Company, Inc.

By: 
(signature)

Its: VP, Head Counsel
(title)

Dated: Dec. 27, 2007.

For the City of Minneapolis:


Ricardo Cervantes
Deputy Director of Licenses

Dated: Jan 11, 2007.



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City of Minneapolis, MN Licensing Process

The following business plan defines the process that Caribou Coffee Company, Inc. will follow to insure the appropriate business/food licensing is obtained for new coffee shops within the City of Minneapolis, prior to commencement of operations.

1. The Construction Manager will notify the Director of Operations and the District Manager of proposed locations a minimum of 12 weeks prior to the commencement of construction.
2. The District Manger will contact the City of Minneapolis Business License Division and make application for the required licenses.
3. Upon receipt of permits/approvals from Minneapolis Development Review and the Minneapolis Division of Environmental Food and Health Safety, the Construction Manager will contact the Minneapolis Office of License Division to insure an application has been made for the required business/food licenses. In the event an application has not been made, the Construction Manager will notify the Director of Operations and the District Manager immediately.
4. The Construction Manager will contact the City of Minneapolis Business License Division prior to the completion of construction to insure the licensing application is approved, contingent only on the Certificate of Occupancy, which is to be at the completion of construction.
5. Upon completion of construction and final inspections the Construction Manager will contact the Minneapolis Development Review to insure the Certificate of Occupancy has been issued.
6. The Construction Manager will notify the District Manager that the Certificate of Occupancy has been issued.
7. The District Manager will contact the City of Minneapolis Business License Division to verify the business license is ready and make arrangements to obtain the license. The District Manager will notify the Construction Manger upon receipt of the license.
8. The new location is opened to the public for business.