

CITY OF MINNEAPOLIS
LICENSES AND CONSUMER SERVICES
350 SOUTH 5TH STREET, ROOM 1-C, CITY HALL
MINNEAPOLIS, MN 55415

BUSINESS LICENSE OPERATING CONDITIONS

WATERMARK ENTERTAINMENT, LLC
221 CEDAR AVENUE SOUTH
MINNEAPOLIS, MN 55454

17-MAY-08

Request Number:08-0626396
Re: L186 50098 SGT PRESTONS
for LIQ ON-SALE E W/SS SERIES 1000 Ward 2

In the Matter of Conditions on
Watermark Entertainment, LLC
DBA: Sgt Preston's-On Sale Liquor Class E with Sunday Sales, and 2 a.m. State Permit
221 Cedar Avenue South Minneapolis, MN 55454

Your license, if granted, will be based on the following conditions:

1. The licensee will utilize a sound limiting meter. A Minneapolis Environmental Inspector will assist the licensee with establishing a sound level maximum that would not disturb residents. Once that level is determined, the licensee may not exceed that level of sound.
2. The licensee will collect all litter within 100 feet of the exterior of the building housing the licensed premises on a daily basis. Minneapolis Code of Ordinances 360.95
3. Employees of the applicant shall receive alcohol server training from an approved provider at a minimum on a yearly basis. All new employees shall attend server training within 60 days of serving beverage alcohol.
4. Specialty beverages, for example the "fish bowl" will be limited to 30 percent alcohol content and 70 percent non alcohol content in an effort to address over service.
5. The business will not install payphones either inside or outside the establishment.
6. The Business will follow all laws and rules of the City of Minneapolis and the State of Minnesota relating to operating an establishment with on sale beverage alcohol license.

7. Any patron under the age of 21 with any detectable presence of alcohol in their system shall be refused admittance into the establishment or as soon as alcohol is detected in the patron's system, escorted from the premises.
8. The licensee will not advertise nor promote "18 plus/all ages" events on the premises.
9. The applicant or designated representative shall regularly attend the Downtown Entertainment District Security Meetings (Bar Watch).
10. All persons seeking to gain entrance to the establishment who appear to be under the age of 21 shall be required to present legitimate identification as a condition of entrance except during private events that are not open to the public. No minors will be allowed to remain on the premises unless as otherwise allowed under State Statute 340A.503.
11. The applicant shall compile, maintain and share a "do not admit" list and any video surveillance system recordings with the local Precinct or any other official of the City of Minneapolis upon request to prevent reoccurrence of disturbances by known persons.
12. All IDs confiscated due to improper use by the patron or because the ID is counterfeit or otherwise invalid or defective, will be turned over to the First Police Precinct within 24 hours.
13. Sgt. Preston's at all times will keep an accurate occupancy count and immediately share such figures upon the request of any official or officer of the City of Minneapolis. Sgt. Preston's 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.
14. The applicant will schedule and maintain adequate security beyond closing time to assist with effective dispersal of crowds.
15. Outside speakers will not be allowed. Minneapolis Code of Ordinances 398.105
16. The patio area shall be restricted to the approved plan, including, that no tables or chairs shall be closer to the building than 10 feet and no tables and chairs shall be closer than six feet to any sidewalk obstruction along Washington Avenue South. 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.
17. The licensee shall provide food service in all outdoor areas during a substantial portion of the hours of operation. Food service may consist of less than the full

menu, but shall at all times offer a substantial choice of main courses, other food items, and nonalcoholic beverages.

18. The city council may review the operation of any outdoor area in connection with the renewal of the on-sale license for the establishment or at any other time for good cause. Violation of the terms and conditions of this section shall be grounds for revocation, suspension, or refusal to renew the on-sale license for that portion of the licensed premises pertaining to the outside area.
19. The licensee is prohibited from serving any alcoholic malt beverage or non-alcoholic beverage in an original container manufactured from glass after 11:00 p.m. in the outdoor area. In addition to the prohibition on serving alcoholic malt beverages or non-alcoholic beverages in original containers manufactured from glass, the licensee shall not allow patrons to carry such beverage containers from an indoor area into an outdoor area. Minnesota Ordinance 360.100(k)

I have read the conditions listed above. I agree with the conditions and understand that failure on our part, or on the part of my company or employees to adhere to these conditions, may be cause for future adverse license action, including the suspension, revocation, or denial of the renewal of the L186 50098 SGT PRESTONS license. These conditions will be effective for the duration the license operates at these premises, unless otherwise amended by the City Council of Minneapolis.

Based upon the foregoing, this agreement is freely & voluntarily entered into in good faith:

Licensee



Date 6/17/2008

Signature

Mark Habben

President

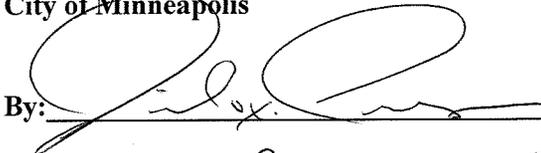
Print Name

Title

Date:

6/17/2008

City of Minneapolis



Date 6/17/2008

By:

Ricardo X. Cervantes

Deputy Director, Licenses

Print Name

Title