



# City of Grand Forks

## Staff Report

Committee of the Whole – July 28, 2025

City Council – August 4 and August 18, 2025

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**Agenda Item:** Ordinance to amend City Code Section 21-0205 relating to Class 5 Hotel-Motel Classification of alcohol licenses

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**Submitted by:** Sherie Lundmark, City Clerk on behalf of  
Maureen Storstad, Finance Director  
Dan Gaustad, City Attorney

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**Staff Recommended Action:** Give preliminary approval of an ordinance amending Section 21-0205, Alcohol License Classifications, Class 5

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**Committee Recommended Action:** Motion by Osowski, second by Berg to move item to City Council with a recommendation to approve. Motion carried unanimously.

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**Council Action:**

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**BACKGROUND:** Grand Forks City Code regulates the operation of alcoholic beverage establishments within the City of Grand Forks, including descriptions and regulations which are different for various license classes.

Staff and City Attorney have reviewed the City Code related to the Class 5 Hotel-Motel alcoholic beverage license due to a request from license holders in this class. In 2023, several changes were approved to Section 21-0205 Classifications III. Class 5 Hotel-Motel including adding limited ability for hotels to utilize a Class 11 Special Off-Premise license for catering to a *non-contiguous enclosed location that the licensee owns or has a lease to use*. This would not allow for a hotel to sponsor an event in an outdoor setting, such as Town Square, Greenway, a park, street dance or similar area. We have had inquiries from licensees interested in sponsoring outdoor events in the community so are bringing forward the proposed change for City Council consideration.

### **ANALYSIS AND FINDINGS OF FACT:**

- Grand Forks City Code includes regulations governing operations of various classes of alcoholic beverage license.
- The city has received inquiries from Class 5 licensees that are interested in promoting outdoor events in the community. Based on the language currently in City Code, they are restricted to only indoor venues which they own or lease.
- An ordinance has been drafted for City Council consideration.

### **SUPPORT MATERIALS:**

- Draft Ordinance

**ORDINANCE NO. \_\_\_\_\_**

An ordinance to amend Grand Forks City Code § 21-0205 relating to the Class 5 hotel-motel classification of alcohol licenses.

**BE IT ORDAINED** by the City Council of the City of Grand Forks, North Dakota, pursuant to its home rule charter, Grand Forks City Code and N.D.C.C. ch. 40-11 that:

**Section 1: Amending Clause to Amend Grand Forks City Code § 21-0205.**

Grand Forks City Code § 21-0205(III) (*Class 5*) is amended to read as follows (the amending language in bold, with deletions stricken through and additions underlined):

**21-0205. - Same—Classifications.**

The following classes of retail licenses are hereby established:

\* \* \*

III. Class descriptions and requirements:

\* \* \*

*Class 5. Hotel-motel alcoholic beverages.*

\* \* \*

**(5)** A class 5 license may be issued a Class 11 special or limited license, under the following conditions:

- (A) All of the terms and conditions for the issuance of a Class 11 special or limited license have been met; and
- (B) The applicable special event for which the Class 11 special or limited license is being issue shall be held within an enclosed building that has been issued a certificate of occupancy under the City building code and the Class 5 licensee either owns the building or has a lease for use of the building during such special event; in an outdoor location when the Class 5 licensee is promoting the sporting or entertainment event or has been hired as caterer for a private event..

**Section 3: Effectivity.**

All other amendments as described herein shall be in full force and effect after publication thereof, as provided by law.

\_\_\_\_\_  
Brandon Bochenski, Mayor  
Dated: \_\_\_\_\_

**ATTEST:**

\_\_\_\_\_  
Maureen Storstad, City Auditor

Dated: \_\_\_\_\_

Introduction and first reading: \_\_\_\_\_

Public Hearing: \_\_\_\_\_

Second reading and final passage and approval: \_\_\_\_\_

Approved: \_\_\_\_\_

Published: \_\_\_\_\_