

## ORDINANCE

By Fletcher

### **Amending Title 10, Chapter 188 of the Minneapolis Code of Ordinances relating to Food Code: Administration and Licensing.**

The City Council of the City of Minneapolis do ordain as follows:

Section 1. That Chapter 188 of the above-entitled ordinance be amended by adding thereto a new Section 188.325 to read as follows:

**188.325. Micro wholesaler food license endorsement.** (a) To the extent authorized by law and by any effective delegation agreement between the Minnesota Department of Agriculture or the Minnesota Department of Health, an otherwise properly licensed retail food establishment, known as a lessee, may obtain a micro wholesaler food license endorsement allowing for the sale of its qualifying products through a shelf space lease arrangement at other properly licensed retail food establishments, known as lessors, within the City of Minneapolis, subject to the terms of this section.

(b) Both the lessee and lessor retail food establishments must operate under otherwise valid licenses or permits issued by the City of Minneapolis.

(c) All retail food products shall be properly labeled, containing all features except mark of inspection, and in consumer size packaging.

(d) The lessee shall sell only to consumers, in normal retail quantities, using federally or state-inspected meat or poultry ingredients, and ingredients from an approved source, and must maintain and make available for inspection records, such as bills of sale, which fully and accurately disclose all transactions, including those sales transactions from the lessee to the consumer, at the location where the product is prepared and at the lessor location. The lessee shall monitor their gross annual sales by retail and by consignment to ensure that no more than 50 percent of gross annual sales are attributed to this micro wholesale arrangement. The lessee must maintain ownership of the product until sold to the consumer and may not transfer ownership of the product to the lessor establishment.

(e) The lessor establishment shall sell only to consumers, in normal retail quantities. The lessor may collect the payment on behalf of the lessee and forward it to the lessee, minus any agreed-upon commission or fees.

(f) The lessee shall make application for the appropriate wholesaler food license endorsement, providing all information required by this Code. A Tier One wholesaler food license endorsement shall allow the lessee to sell its products at up to five (5) qualifying retail food establishments. A Tier Two wholesaler food license endorsement shall allow the lessee to sell its products at up to ten (10) qualifying retail food establishments. The fees for each tier shall be as established in the license fee schedule.