

**LIQUOR AND BEER MEETING
LOCAL LICENSING AUTHORITY
CITY OF GRAND JUNCTION, COLORADO
CITY/COUNTY AUDITORIUM, 520 ROOD AVENUE**

M I N U T E S

WEDNESDAY, NOVEMBER 1, 1995, 8:00 A.M.

I. CALL TO ORDER - The meeting convened at 8:02 a.m. Those present were Hearing Officer Phil Coebergh, Assistant City Attorney John Shaver and City Clerk Stephanie Nye.

II. APPLICATION TO RENEW LIQUOR AND BEER LICENSES

A. Fraternal Order of Eagles #595, 1674 Highway 50, Club

Sydney Smith was present representing the Eagles. The Health Department inspected the premises on October 25, 1995 and reported 4 critical violations. A follow-up inspection is scheduled for November 6, 1995. Mr. Smith stated these violations are being corrected. The license was approved contingent on a favorable report from the Health Department after the follow-up inspection.

B. Kenneth H. Funnelle dba Cheers, 201 Colorado Avenue, Tavern

Kenneth Funnelle was present. The Health Department reported upon their inspection of October 3, 1995, they found no evidence of sandwiches being served. Mr. Funnelle stated that pizzas and sandwiches are now being served. The application was in order and approved.

C. City Market Inc., dba City Market No. 1, 2770 Highway 50 South, 3.2% Beer Retail

The application was in order and approved.

D. P & S Inc., dba Orchard Mesa Lanes, 295 27 Road, Hotel-Restaurant

The application was in order and approved.

E. JESST Inc., dba Wrigley Field, 1810 North Avenue, Hotel-Restaurant

Jim Stuart was present. The Fire Department reported in their October 27, 1995 inspection, 3 critical Fire Code violations. Mr. Stuart stated that two were corrected at the time of inspection and an electrician has been hired to correct the one outstanding violation. The application was in order and approved contingent upon the Fire Code violation being corrected.

II. APPLICATION FOR RENEWAL AND CHANGE IN CORPORATE STRUCTURE

A. Silver Star Bowling Inc., dba Freeway Bowl, 1900 Main Street, Tavern

Change of Treasurer from Donald A. Silver to Joseph P. Donofrio

Change of Secretary from Joseph P. Donofrio to Joy Donofrio

Joseph Donofrio was present representing Silver Star Bowling. City Clerk Stephanie Nye advised the change in corporate structure does not include any new officers, just a change amongst the existing officers. The application was in order and approved.

III. APPLICATIONS FOR TRANSFER OF OWNERSHIP

A. The Pour House, LLC., dba The Pour House, 715 Horizon Drive, Suite 100, Tavern

The Transfer of Ownership from Black Rose, Inc., dba Club Zephyr to Pour House, LLC., dba The Pour House, 715 Horizon Drive

Applicant: The Pour House, LLC.,

Members: Merv Stevenson, 411 Prospector Point, Grand Junction and Rich Lamont, 613 1/2 Arapahoe, Grand Junction

Manager: Merv Stevenson

Merv Stevenson and Rich Lamont were present representing The Pour House. The Fire Department reported two outstanding violations, the sprinkler heads had been painted over and some missing ceiling tiles. The Fire Department has given the applicants until December 29, 1995 to correct these violations. Mr. Stevenson advised the property management company for the building is correcting the sprinkler head violation. Clerk Nye stated it was her understanding the ceiling tiles were on back order. The applicant confirmed this. Clerk Nye stated the Health Department indicated the west entrance was littered and needed to be cleaned up. The applicant responded it had been done. Otherwise, the application was in order and approved contingent upon correction of the Fire Code violations and compliance with the Health Department recommendations.

B. Thrifty Payless, Inc., dba Payless Drug Store #5306, 1834 North 12th Street, 3.2% Retail to Thrifty Payless Holdings, Inc., dba Payless Drug Store #5306

Applicant: Thrifty Payless, Inc., 9275 SW Peyton Lane, Wilsonville, Oregon 97070

Pres/COO: Gordon Barker, 150 NW 86th Avenue, Portland, Oregon

V Pres/CFO: David Jessick, 16025 NE Eilers Road, Aurora, Oregon

V Pres/Sec: Gary Meade, 2966 Passmore Drive, Los Angeles, California

Alan Dill, attorney from Dill, Dill, Carr, Stonbraker and Hutchings, and Brad Ekstrom, manager, were present representing Thrifty Payless, Inc. City Clerk Stephanie Nye stated the transfer of ownership was an upward merger with all the same corporate officers and no change in operation. The application was in order and approved.

IV. APPLICATIONS FOR NEW LICENSES

711 A. RCI Denver, Inc., dba Applebee's Neighborhood Grill & Bar,
Horizon Drive, Hotel-Restaurant

Applicant: RCI Denver, Inc., 400 Interstate No. Parkway
#970, Atlanta, GA

President: Stephen A. Grove, One Old Virginia Chase Drive,
Atlanta, GA

Secretary: Marla K. Grove, One Old Virginia Chase Drive,
Atlanta, GA

Alan Dill, attorney, was present representing RCI Denver, Inc. He introduced T.J Fitzpatrick, 4600 S. Olster, Suite 1180, Denver, Co., the Director of Operations for the Corporation. Clerk Nye read the report to the Local Licensing Authority into the record (attached).

Mr. Dill then asked Mr. Fitzpatrick to state his position with the corporation. Mr. Fitzpatrick responded he is Director of Operations and a 10% stockholder. The other 90% of the stock is held by Steve Grove and the Grove Family Trust. Upon questioning by Mr. Dill, Mr. Fitzpatrick gave the following information: RCI Denver, Inc. holds 19 other hotel-restaurant liquor licenses, most of which are along the front range. The company has been a franchisee since 1988. The owner of the property to be licensed is RCI West, Incorporated affiliated with RCI Denver, Inc. for the purposes of operating Applebee restaurants. RCI West will lease the premises to RCI Denver, Inc. Mr. Fitzpatrick familiarized himself with the neighborhood of the new location and observed that a need existed as other restaurants in the neighborhood were full with patrons waiting, plus the area is growing. Mr. Fitzpatrick approached the Hearing Officer Phil Coeburgh with a map of the area where the restaurant is located and a floor plan of the premises. New menus were presented. Applebee's anticipates that 16% of the annual gross sales will be from alcoholic beverages, where the other 84% will be from food sales. The average cost per guest per visit is \$8.32.

Mr. Fitzpatrick detailed the training required of their employees including exhibiting a set of manuals and workbooks. Training is a five day session, with the corporation anticipating a mass training upon the initial opening of the restaurant. Mr. Fitzpatrick stated the company has certified trainers for this purpose.

As for alcoholic beverage service, Mr. Fitzpatrick explained Applebee's green, yellow and red guest status code which is utilized with their customers. He stated that a computerized seating chart is employed where management can call up at the touch of the screen exactly what each customer has had to eat and drink. If a guest displays characteristics of impairment,

management takes over service to that customer to ensure that no more alcohol is served and that the customer has a safe way home.

Mr. Fitzpatrick assured the Authority there is always management staff on duty.

Mr. Dill asked Mr. Fitzpatrick as to any incentives provided by Applebee's to enforce the service of alcoholic beverages to their customers. Mr. Fitzpatrick outlined the program by which any customer ID'ed is given a card. When ten cards are collected, the customer gets a free dessert. The result of the program is that customers ask to be carded.

Mr. Dill inquired if the corporation had been charged with any violations of the liquor code. Mr. Fitzpatrick said there had been 2, both resulting from sting operations. Fourteen other sting operations had no resulting violations. Mr. Fitzpatrick qualified that the two violations are in comparison to 4.6 million patrons by the end of 1995.

Mr. Fitzpatrick stated the hours of operation and gave assurances that the restaurant is needed.

City Clerk Stephanie Nye asked when the company plans to open the restaurant. Mr. Fitzpatrick stated they are anticipating the end of November.

Hearing Officer Coebergh asked if there was anyone wanting to speak to the application and there were no public comments.

Hearing Officer Coebergh stated since there was no opposition to the issuance of the license, the application is approved contingent on the final reports and inspections being done when the construction is complete and directed the City Clerk to prepare a resolution of approval.

B. M.C. Industries dba Junct'N Square Pizza, 119 North 7th Street, Hotel-Restaurant

Applicant:M.C. Industries, 119 North 7th Street, Grand Junction

Pres/Mgr: Raymond Earl Stephenson, 2156 McKinley Court, Grand Junction

Vice Pres:Eric Ernest Loeb, 2152 McKinley Court, Grand Junction

Treas/Sec:Mary Ellen Stevenson, 5156 McKinley Court, Grand Junction

Earl Stephenson, President of the corporation was present. City Clerk Stephanie Nye read a report to the Local Licensing Authority into the record (attached). She noted that the previous license had inadvertently been allowed to expire and that the restaurant was operating on a temporary permit.

Mr. Stephenson explained that an error had occurred and the license had not been renewed. He verified with the Authority the operation had not changed from the previous license.

Hearing Officer Coebergh asked if anyone present wanted to speak to the application. There was no one who wished to speak.

Hearing Officer Coebergh approved the application and directed the City Clerk to prepare a resolution of approval.

C. KLK Associates, Inc., dba Grand Junction Hilton, 743 Horizon Drive, Hotel-Restaurant

Applicant: KLK Associates, Inc., 5775 DTC Blvd, Englewood,
CO

Pres/Sec: Mark L.T. Butler, 32D Boundry Bay,
9071 E. Mississippi Avenue, Denver,

Colorado

V Pres/Treas: Henry Galloway, Jr., Iris Court, Littleton,
CO

Manager: Rex N. Chambers, PO Box 8017, Breckenridge,

CO

Alan Dill, attorney, and Rex Chambers, general manager of the Hilton Hotel, were present. The City Clerk read a report to the Local Licensing Authority into the record (attached). She stated the Hilton Hotel is operating on a temporary permit as they inadvertently allowed their liquor license to expire.

Mr. Dill asked Mr. Chambers if he observed there to be a continuing need for this establishment when the survey of the neighborhood was conducted. Mr. Chambers answered affirmatively.

Mr. Dill inquired if the Hilton will be meeting the requirement that 25% of the annual gross sales will be food, to which Mr. Chambers responded yes. Upon questioning by Mr. Dill, Mr. Chambers answered there had been no violations, that appropriate training of staff takes place and the need for this establishment exists.

Mr. Chambers concluded his statements by saying the renewal application had slipped through the cracks of the large corporation.

Hearing Officer Coebergh asked for public comment. There was none. Hearing Officer Coeburgh approved the license and directed the City Clerk to prepare the resolution of approval.

V. **ADJOURNMENT** - The meeting adjourned at 8:50 a.m.

NEXT REGULAR MEETING - November 15, 1995 at 8:00 a.m.

Memo to: Local Licensing Authority

From: Stephanie Nye, City Clerk

Date: October 20, 1995

Subject: Application by RCI Denver, Inc. for a Hotel/Restaurant Liquor License at 711 Horizon Drive under the name of Applebee's Neighborhood Grill & Bar

RCI Denver, Inc. filed an application with the Local Licensing Authority on August 30, 1995, for a Hotel-Restaurant Liquor License, for consumption by the drink on the premises, to be located at 711 Horizon Drive under the trade name of Applebee's Neighborhood Grill & Bar. The application and supplementary documents were reviewed, found to be in order and accepted. The hearing date was set for November 1, 1995. The Notice of Hearing was given by posting a sign on the property on October 20, 1995 and by publishing a display ad in The Daily Sentinel on October 20, 1995.

In order to address the reasonable requirements of the neighborhood and the desires of the adult inhabitants of the neighborhood, the applicant conducted a survey and defined the neighborhood as the area bounded by Crossroads Blvd. on the north, F 1/2 Road (if extended) on the south, Applewood Street on the east and 26 3/4 Road (if extended) on the west and included both sides of the streets as the outer boundaries. The results of that survey are as follows:

1. As an owner of property in the neighborhood, an employee of or business lessee of property in the neighborhood, and/or an inhabitant residing in the neighborhood for more than six months each year, I believe the reasonable requirements of the neighborhood are already being met by existing outlets.

YES: 30
NO: 114

2. As an inhabitant residing in the neighborhood more than six months each year, it is my desire that the license be issued.

YES: 91
NO: 19
NOT APPLICABLE: 5

No other letters of opposition or counterpetitions have been filed to date.

The applicant maintains a Master File with the Colorado Dept. of Revenue on the corporate officers. The Colorado Dept. of Revenue submitted fingerprints on the corporate officers to C.B.I. and F.B.I. and no criminal history was found. The individual histories were obtained from the

corporate officers, directors and stockholders. The Grand Junction Police Department found no local criminal histories on the applicants.

The building for the licensed premises is under construction. The plans for the building have been submitted to the various review agencies. Once the building is complete, the building department, fire department and health department will submit reports to the licensing authority. A certificate of occupancy and approval from these three agencies is required prior to the issuance of any liquor license.

The Community Development Department has submitted a statement that the establishment will not require a conditional use permit under the submitted proposal.

A sketch of the premises to be licensed is attached.

The number of similar-type outlets in the survey area is as follows:

Hotel/Restaurant Licenses - 3 (Hilton Hotel, Holiday Inn, and Good Pastures)

The number of similar type outlets in a one mile area in addition to the above are:

Hotel/Restaurant Licenses - 3 (Pantuso's Ristorante, Ramada Inn and W.W. Peppers)

That concludes this report.

Attachment.

cc: RCI Denver, Inc., applicant
Lois Rentz, Dill Dill Carr Stonbraker & Hutchings
John Shaver, Assistant City Attorney
Scott Stoneburner, Detective, Grand Junction Police Department

Memo to: Local Licensing Authority

From: Stephanie Nye, City Clerk

Date: October 20, 1995

Subject: Application by M.C. Industries for a Hotel/Restaurant Liquor License at 119 N. 7th Street under the name of Junct'n Square Pizza

M.C. Industries filed an application with the Local Licensing Authority on September 20, 1995, for a Hotel-Restaurant Liquor License, for consumption by the drink on the premises, to be located at 119 N. 7th Street under the trade name of Junct'n Square Pizza. The application and supplementary documents were reviewed, found to be in order and accepted. The hearing date was set for November 1, 1995. The Notice of Hearing was given by posting a sign on the property on October 20, 1995 and by publishing a display ad in The Daily Sentinel on October 20, 1995.

In order to address the reasonable requirements of the neighborhood and the desires of the adult inhabitants of the neighborhood, the applicant conducted a survey and defined the neighborhood as the area bounded by Hill Avenue on the north, Pitkin Avenue on the south, 12th Street on the east and 2nd Street on the west and included both sides of the streets as the outer boundaries. The results of that survey are as follows:

1. As an owner of property in the neighborhood, an employee of or business lessee of property in the neighborhood, and/or an inhabitant residing in the neighborhood for more than six months each year, I believe the reasonable requirements of the neighborhood are already being met by existing outlets.

YES: 4
NO: 85

2. As an inhabitant residing in the neighborhood more than six months each year, it is my desire that the license be issued.

YES: 38
NO: 0
NOT APPLICABLE: 6

No other letters of opposition or counterpetitions have been filed to date.

As the applicant is a corporation, fingerprints and individual histories

were obtained from the corporate officers and stockholders. The Grand Junction Police Dept. found no local criminal history on any of the officers or stockholders and have forwarded the fingerprints on to C.B.I. for further processing.

The Fire Department has inspected the premises and there are no violations at this time. The Code Enforcement Division has confirmed that the premises to be licensed conforms with the diagram submitted. The Mesa County Health Dept. reports that there are no critical health violations at this time.

A sketch of the premises to be licensed is attached.

The number of similar-type outlets in the survey area is as follows:

Hotel/Restaurant Licenses - 9 (Black Eyed Pea, Blue Moon Bar & Grill, The Corral, Crystal Cafe & Bake Shop, La Fonda Dos Rios, Rockslide Brew Pub, Runyon's Grill, St. Regis Restaurant & Lounge and The Winery)

The number of similar type outlets in a one mile area in addition to the above are:

Hotel/Restaurant Licenses - 8 (Big Cheese Pizza, La Mexicana, Los Reyes Restaurant, Pancho's Villa Restaurant, Panda Inn, River City, Sports Page, Two Rivers Convention Center)

That concludes this report.

Attachment.

cc: M.C. Industries, applicant
John Shaver, Assistant City Attorney
Scott Stoneburner, Detective, Grand Junction Police Department

Memo to: Local Licensing Authority

From: Stephanie Nye, City Clerk

Date: October 19, 1995

Subject: Application by KLK Associates, Inc. for a Hotel/Restaurant Liquor License at 743 Horizon Drive under the name of Hilton Hotel

Colorado Restaurant Management, Inc. filed an application with the Local Licensing Authority on September 25, 1995, for a Hotel-Restaurant Liquor License, for consumption by the drink on the premises, to be located at 743 Horizon Drive under the trade name of Hilton Hotel. The application and supplementary documents were reviewed, found to be in order and accepted. The hearing date was set for November 1, 1995. The Notice of Hearing was given by posting a sign on the property on October 20, 1995 and by publishing a display ad in The Daily Sentinel on October 20, 1995.

In order to address the reasonable requirements of the neighborhood and the desires of the adult inhabitants of the neighborhood, the applicant conducted a survey and defined the neighborhood as the area bounded by H Road on the north, G Road on the south, 28 Road (if extended) on the east and 12th Street on the west and included both sides of the streets as the outer boundaries. The results of that survey are as follows:

1. As an owner of property in the neighborhood, an employee of or business lessee of property in the neighborhood, and/or an inhabitant residing in the neighborhood for more than six months each year, I believe the reasonable requirements of the neighborhood are already being met by existing outlets.

YES: 3

NO: 97

2. As an inhabitant residing in the neighborhood more than six months each year, it is my desire that the license be issued.

YES: 22

NO: 2

NOT APPLICABLE: 2

No other letters of opposition or counterpetitions have been filed to date.

The Grand Junction Police Dept. has completed background investigations on the corporate officers and the manager and found no local criminal histories. The fingerprints of the corporate officers and the manager have been forwarded on to C.B.I. for further processing.

The Fire Department has reported that upon re-inspection, no violations of the Fire Code were found.

The Mesa County Health Department has reported the Hilton has addressed their concerns identified at their October 20, 1995 inspection and they see no reason to withhold the license at this time.

A sketch of the premises to be licensed is attached.

The number of similar-type outlets in the survey area is as follows:

Hotel/Restaurant Licenses - 5 (Good Pastures, Holiday Inn, Pantuso's Ristorante, Ramada Inn and W. W. Peppers)

The number of similar type outlets in a one mile area in addition to the above are:

Hotel/Restaurant Licenses - 1 (Sky's Restaurant)

That concludes this report.

Attachment.

cc: KKK Associates, Inc., applicant
Rex Chambers, General Manager
John Shaver, Assistant City Attorney
Scott Stoneburner, Detective, Grand Junction Police Department