LIQUOR AND BEER MEETING LOCAL LICENSING AUTHORITY CITY OF GRAND JUNCTION, COLORADO MUNICIPAL HEARING ROOM, CITY HALL, 250 NORTH 5TH STREET

MINUTES WEDNESDAY, JANUARY 20, 2016, 2:00 P.M.

HEARING OFFICER MICHAEL GRATTAN

I. CALL TO ORDER

The meeting was called to order at 2:00 p.m. Those present were Hearing Officer Michael Grattan, City Attorney John Shaver, and Deputy City Clerk Debbie Kemp.

II. APPLICATIONS TO RENEW LIQUOR AND BEER LICENSES

1. Volleys, LLC dba Volleys, 304 / 330 North Avenue, Grand Junction, CO 81501, Tavern

Doria Herek, owner of Volleys, was present.

The application for renewal for Volleys, LLC dba Volleys was found to be in order and approved.

2. Mimosa, Inc. dba Fairground Wine & Liquor, 2771 B ½ Road, Grand Junction, CO 81503, Retail Liquor Store

No one was present representing the applicant.

The application for renewal for Mimosa, Inc. dba Fairground Wine & Liquor was found to be in order and approved.

3. Orchard Mesa Dragon Treasure, Inc. dba Dragon Treasure II, 2740 Hwy. 50, Suite 101, 102, & 103, Grand Junction, CO 81503, Beer and Wine

No one was present representing the applicant.

The application for renewal for Orchard Mesa Dragon Treasure, Inc. dba Dragon Treasure II was found to be in order and approved.

III. APPLICATION FOR A CHANGE IN CORPORATE STRUCTURE

1. Bookcliff Country Club dba Bookcliff Country Club, 2730 G Road, Grand Junction, CO 81506, Hotel and Restaurant

President Cathie Zarlingo, 1810 Bittern Court, Grand Junction, CO 81506 replaces General Manager Mike Fleig

No one was present representing the applicant.

The application for a change in corporate structure for Bookcliff Country Club dba Bookcliff Country Club was found to be in order and approved.

IV. APPLICATION FOR A MODIFICATION OF PREMISES

1. Grand Junction Regional Airport Authority dba Grand Junction Regional Airport Authority, 2828 Walker Field Drive, Airport Terminal Building, Second Floor, Grand Junction, CO 81506, Hotel and Restaurant

Add 98.25 square feet into already existing licensed area, which previously was a limited wine tasting location.

Chance Ballegeer, Airport Security Director at the Grand Junction Regional Airport and oversees the Subway Restaurant, was present.

Hearing Officer Grattan noted that Ms. Kemp had sent him an email advising that this matter is forthcoming and he had replied with regulation 47-302 B which requires that something must be provided by the applicant to establish needs and desires.

City Attorney Shaver asked Mr. Ballegeer to describe for the Authority the documents that were provided to the Authority to address the needs and desires. Mr. Balegeer explained that the documents indicate two diagrams, one as the premises are licensed currently and the other to show the proposed licensed premises. They describe the proposed modification and have a place for people to sign whether they are in favor of or opposed to the modification. When people came to the Subway Restaurant, they were informed by the manager or employees of Subway (with the Authority of the Airport Board) of the modification and asked if they would sign yes or no.

Hearing Officer Grattan noted for the record that there is a copy of the three page petition in the applicant's file.

Hearing Officer Grattan approved the application for modification as submitted by the Grand Junction Regional Airport Authority and made the following findings of fact: 1) he considered whether the premises as changed and modified would meet the pertinent requirements of the Colorado Liquor and Beer Code and related regulations; 2) he took into account the reasonable requirements of the neighborhood and the desires of the adult inhabitants and noted at previous meetings that the Airport is unique in its neighborhood and believes that the people who use the airport are the best people to express the needs and desires. He found that requirement satisfied by the documents provided; 3) possession of the premises have been established; 4) the request complies with the City's applicable zoning laws; and 5) it complies with the legislative declaration that the Colorado Liquor and Beer Codes are an exercise of the police powers of the State.

IV. APPLICATIONS FOR NEW LICENSE - RESOLUTION, FINDINGS, AND DECISION

1. Dillon Companies, Inc. dba City Market #44, 2600 N. 12th Street, Grand Junction, CO 81501, Retail 3.2% Beer Off Premises – Master File in Denver

| President: | Joseph A. Grieshaber, Jr., 3904 Aspen Ct., Hutchinson, KS 67502 |
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| Vice President: | Russell J. Dispense, 2424 S. Yank Circle, Lakewood, CO 80228 |
| Dir., VP, Secretary: | Christine S. Wheatley, 225 Lafayette Cir, Cincinnati, OH 45220 |
| VP, Treasurer: | Todd A. Foley, 5458 Little Turtle Drive, South Lebanon, OH 45065 |

Robert Dill, Attorney representing the applicant, Barb Osness, Property Manager for the City Markets, Kathleen Wilkes, manager for City Market #44, and Max Scott with Oedipus, the company that conducted the survey, were present.

Ms. Kemp read the results of the needs and desires survey (see attached) into the record.

Robert Dill asked Barb Osness if she was with the real estate department for King Soopers. Ms. Osness confirmed that to be true and said she had been in that department for 20 years. Mr. Dill asked Ms. Osness if part of her responsibilities is to submit applications for beer licenses. Ms. Osness said yes. Mr. Dill asked how many beer licenses does King Soopers/City Market hold. Ms. Osness replied that they hold approximately 142 beer licenses. Mr. Dill asked if there is a program in place to verify identification for every sale of beer. Ms. Osness said that anytime beer or tobacco is purchased, their system prompts the checker to ask for identification. Mr. Dill asked Ms. Osness what kind of training is in place as it relates to the sale of beer. Ms. Osness stated that any employee, including managers and assistant managers, who would be selling 3.2% beer is put through a TIPS certified training. Mr. Dill asked what the hours for this store will be. Ms. Osness said that the hours have not been established yet but it is her thought that the hours will be 5:00 a.m. to midnight. Mr. Dill asked why she feels this store needs a beer license. Ms. Osness said there is only one store that currently does not hold a beer license because there is a liquor store within that store. Having beer in the store is a convenience they like to have for their customers. The sale of 3.2% beer is only 1/2 of 1 percent of the store sales. Mr. Dill asked if she has heard any complaints regarding the application. Ms. Osness said she has not.

Mr. Dill asked Max Scott if his company is called Oedipus, Inc. and did the company do a petition for the needs and desires of City Market #44. Mr. Scott confirmed that to be true. Mr. Dill asked if the original results of that petitioning was filed in the City Clerk's office. Mr. Scott said yes, the City Clerk's office received it on December 21, 2015. Mr. Dill asked if the petitions were circulated in neighborhoods defined by the City and questioned if the people signed on behalf of their own name. Mr. Scott replied affirmatively and said each person signed and printed their name as well as their address. Mr. Dill asked if they made sure that each person was at least 21 years of age. Mr. Scott said yes and stated that each person has to fill in their age. Mr. Scott referred to the report that was provided to the City Clerk's office regarding the conduct of the survey. He explained how they

determined the residential and the businesses for the boundary area that was given to them by the City Clerk's office. He stated that they used two formats for the petition, one for businesses and one for residential. They used a briefing sheet explaining what a 3.2% beer off premises license is. There was also a stats sheet to record the refusals and the not at homes or businesses. Both categories showed a need and desire for a 3.2% off premises beer license. City Attorney Shaver asked Mr. Scott how many of these kinds of surveys his company has conducted and does he believe that, based upon the evidence, there is a need or desire for the license. Mr. Scott said yes and that they have done more than 6,000 petitions throughout the State for licenses for businesses and municipalities. City Attorney Shaver asked if the methodology Mr. Scott described is consistent with his practice and also the industry. Mr. Scott said yes.

Mr. Dill asked Mr. Scott if he believed that the results of the survey indicate a need for the license. Mr. Scott said yes.

There was no one present in opposition of the application.

Hearing Officer Grattan found that the requirements have been met and approved the application for a 3.2% beer off premises license for Dillon Companies, Inc. dba City Market #44 located at 2600 N. 12th Street. The City Clerk's office will prepare a resolution for Hearing Officer Grattan's signature.

2. Liokve, LLC dba The Sports Vortex, 2880 North Avenue, Grand Junction, CO 81501, Hotel and Restaurant

Owner:Melinda Jo Towner, 1043 Echo Canyon Street, Fruita, CO 81521Reg. Mgr.:Tiffany Ann Blecha, 2628 Patterson Road, Grand Jct., CO 81506

Melinda Towner, sole owner of Liokve, LLC, Tiffany Blecha, general manager, and Grace Terry, office assistant, were present.

Ms. Kemp read the results of the needs and desires survey (see attached) into the record. She advised that she had received an email from Zhanna Shearwood who is part owner of Thunderstruck Valley. Ms. Kemp advised that the Hearing Officer Grattan and City Attorney Shaver were provided copies of the email, however she is unsure of its relevancy to this application so she asked the Hearing Authority if it should be read into the record. Mr. Grattan advised that there is the email from Ms. Sherwood, an order from (looks like) Bruce Raaum, a photograph of what he presumed was Ms. Shearwood, another email from Ms. Shearwood, something from Dan Rubenstein's office, and what appears to be a text message.

City Attorney Shaver asked who conducted the survey. Ms. Blecha said that the survey was conducted by herself and Grace Terry. City Attorney Shaver asked Ms. Blecha and Ms. Terry how and when the survey was done, who was contacted, and what was said. Ms. Blecha said that the survey was done on a Friday, Saturday, and Monday. They started with businesses. They gave all their contacts free appetizer cards for opening week and collected business cards from everyone to send them an email to thank them for signing the petition. They gave people an overview of what the business is going to be about and what they have to offer which is a very family oriented lunch and dinner menu with a sports bar atmosphere. Ms. Terry said that they told people that they are opening up a new

restaurant where the old Hooters used to be. People asked questions about what kind of food would be served and if it is a franchise or not. They advised people that they needed support from the community in order to serve alcohol. A lot of people wanted to read the petition to see what they were signing. City Attorney Shaver asked if there was no one opposed. Ms. Blecha said that everyone was very excited about the business. City Attorney Shaver asked about only 29 residences that were contacted. Ms. Blecha said they tried to get more signatures but there were a lot of people not at home. She stated that there is a trailer park that does not allow solicitors. City Attorney Shaver asked if the results Ms. Kemp read into the records are consistent with the results they received while conducting the survey. Ms. Blecha said yes. City Attorney Shaver asked if they made a second attempt to contact people when they weren't home on the first attempt. Ms. Blecha said yes, they did try a second attempt for a few of the homes. She said they did the residential survey in two days and the business survey in one day. City Attorney Shaver asked what time they went around to the residences. Ms. Blecha said between 10:00 a.m. and 5:00 p.m.

Hearing Officer Grattan asked when their anticipated opening date is. Ms. Blecha said February 3, 2016.

Meghan Woodland, Grand Junction Police Service Technician, asked for clarification regarding the hours of operation for food service. She noted that the paperwork submitted to the City Clerk's office stated food service will be until 10:00 p.m. and alcohol service will be until 2:00 a.m. Ms. Blecha said that they will have a late night menu with five or six choices from the kitchen after 10:00 p.m. until close. Ms. Woodland also mentioned that there is some concern with some crossover with the owner of Thunderstruck Valley (Mark Towner) and The Sports Vortex. The concern lies within the good character of Mr. Towner. Their concern is that issues they have seen with Thunderstruck Valley may be seen with The Sports Vortex.

David Keech, Grand Junction Police Officer, stated that even though Mr. Towner is not listed on the application for The Sports Vortex, he is very involved with the business. There are some ongoing cases with Thunderstruck Valley and Mr. Towner and they are concerned that the same behavior will continue at the new venue and become a problem. Officer Keech stated that they are not asking that the new license be denied but they are asking if there could be some sort of review period to ensure the behavior at Thunderstruck Valley does not carry over to The Sports Vortex.

Hearing Officer Grattan asked Ms. Towner if Mr. Towner's and her relationship are husband and wife. Ms. Towner confirmed that to be true.

City Attorney Shaver said that he is concerned with the light number of residential responses on the survey and recommended obtaining more residential signatures. Hearing Officer Grattan concurred and asked Ms. Towner and Ms. Blecha if they would be willing to obtain some more residential signatures. Ms. Blecha said she would be willing to do that. Hearing Officer Grattan also asked if the license is approved, would they be willing to have a review in three months. Ms. Blecha said yes. Hearing Officer Grattan agreed to a three month review for The Sports Vortex on May 4, 2016.

City Attorney Shaver recommended continuing the hearing.

Ms. Blecha said that one of the motivators for their opening is Super Bowl and it is very important to them. Hearing Officer Grattan stated that he would be willing to have a Special Meeting for the continued hearing.

Hearing Officer Grattan reviewed the documents that Ms. Shearwood emailed to the City Clerk's office. Hearing Officer Grattan found that the email and other documentation Ms. Sherwood provided were not relevant to the application for The Sports Vortex and should not be part of the file. He asked that Ms. Kemp destroy the documents.

Hearing Officer Grattan continued the hearing for Liokve, LLC dba The Sports Vortex to January 27, 2016 at 2:00 p.m. and noted that he specifically wants to see the survey results, and more specifically, the residential results.

Mark Towner, 50% owner of Thunderstruck Valley, addressed the Police concerns. Up until September 2015, he was in charge of Thunderstruck Valley and worked very well with the Police and had a great record. His partner has filed information that is not true and he is trying to move on. He will have involvement with The Sports Vortex which will be simple marketing and will not require him to be in the building. There will not be any problems with The Sports Vortex as far as himself personally.

V. OTHER BUSINESS

There was none.

VI. ADJOURNMENT

The meeting was adjourned at 2:55 p.m.

NEXT REGULAR MEETING – February 3, 2016

| CITY CLERK | |
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| MEMO: | Local Licensing Authority |
| FROM: | Debbie Kemp, Deputy City Clerk |
| DATE: | December 30, 2015 |
| SUBJECT: | Application for a new 3.2% Beer Off Premises license by Dillon Companies, Inc. dba City Market #44, 2600 N. 12 th Street, Grand Junction, CO |

lunction

Dillon Companies, Inc. filed an application with the Local Licensing Authority on December 3, 2015 for a new 3.2% Beer Off Premises license permitting the sale of fermented malt beverages in sealed containers not for consumption at place where sold at 2600 N. 12th Street under the trade name of City Market #44. The application and supplementary documents were reviewed, found to be in order and accepted. A Copy was sent to the State Liquor Enforcement Division for a Concurrent Review. The hearing date was set for January 20, 2016. Notice of Hearing was given by posting a sign on the property on or before January 6, 2016 and by publishing display ads in the Daily Sentinel on January 8, 2016.

In order to address the reasonable requirements of the neighborhood and the desires of the adult inhabitants of the neighborhood, the applicant hired Oedipus, Inc. out of Louisville, CO to conduct the survey. The neighborhood was defined as the area bounded on the North by F ½ Road, Mesa Avenue on the South, 21st Street on the East and 7th Street on the West and included both sides of the streets as the outer boundaries. The results of that survey are as follows:

If you **FAVOR AND SUPPORT** these applications for a retail 3.2% FMB Off Premises license, because it is your opinion the reasonable requirements of the adult inhabitants of the defined neighborhood are not now being adequately served by existing businesses that hold the same or similar type of licenses now doing business in the defined neighborhood, and it is your desire these licenses be issued please sign and check the **FAVOR** column to grant the requested licenses, and please write in your reason why you favor these license applications. If you oppose and do not support these applications for a retail 3.2% FMB off premises license, please sign and check the **OPPOSE** column, and please write in your reason why you oppose these license applications.

| Business Results: | FAVOR: OPPOSE: | 7 0 |
|----------------------|-------------------|-----------|
| Residential Results: | FAVOR: OPPOSE: | 164 13 |

250 NORTH 5TH STREET, GRAND JUNCTION, CO 81501 P [970] 244 1509 F [970] 244 1599 www.gjcity.org

There were three responses that were disqualified because the individuals lived out of the defined neighborhood boundary.

The report provided by Oedipus, Inc. regarding the petition/opinion poll to determine needs and desires is attached.

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

The Grand Junction Police Department has investigated the individuals for local criminal history. The applicant has a Master File established at the State Liquor Enforcement Division. Representatives with Oedipus, Inc. posted the notice of hearing at the property and provided the City Clerk's office with an affidavit of posting. The Grand Junction Police Department will inspect the property and verify the Notice of Hearing was posted in a timely manner and will be verifying that the diagram matches the establishment once the construction is completed. Reports have been requested by the City of Grand Junction Sales Tax Department.

There are nine liquor licensed outlets currently in the survey area and they are:

3.2% Beer (Off Premises) = 2 (Albertsons Food Center #886 and Loco Food Store #11)
Arts = 1 (Western Colorado Center for the Arts)
Brew Pub = 1 (Kannah Creek Brewing Company)
Retail Liquor Store = 2 (Johny's Beer and Liquor and College Liquors)
Hotel and Restaurant = 1 (Breckenridge Ale House)
Hotel and Restaurant with Three Optional Premises = 1 (Sodexo)
Kuniko's Teriyaki Grill = 1 (Beer and Wine)

That concludes this report.

cc: Dill, Dill, Carr, Stonebraker, & Hutchings, PC on behalf of the Applicant Oedipus, Inc. John Shaver, City Attorney Meghan Woodland, Grand Junction Police Department File

| CITY CLERK | |
|------------|---|
| MEMO: | Local Licensing Authority |
| FROM: | Debbie Kemp, Deputy City Clerk |
| DATE: | January 12, 2016 |
| SUBJECT: | Application for a new hotel and restaurant liquor license by Liokve, LLC dba The Sports Vortex, 2880 North Avenue, Grand Junction, CO |

lunction

Liokve, LLC filed an application with the Local Licensing Authority on December 15, 2015 for a new hotel and restaurant liquor license permitting sales of malt, vinous, and spirituous liquors by the drink for consumption on the premises at 2880 North Avenue under the trade name of The Sports Vortex. The application and supplementary documents were reviewed, found to be in order and accepted. A copy was sent to the State Liquor Enforcement Division for a Concurrent Review. The hearing date was set for January 20, 2016. The Notice of Hearing will be given by posting a sign on the property on or before noon on January 6, 2016 and by publishing a display ad in the Daily Sentinel on January 8, 2016.

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. The neighborhood was defined as the area bounded on the North by Orchard Avenue, I-70 B on the South, 29 ¼ Road on the East and 28 ¼ Road on the West and included both sides of the streets as the outer boundaries. The results of that survey are as follows:

Check, the <u>YES</u> column if you <u>SUPPORT</u> this type of license being issued because the <u>existing outlets do not adequately serve</u> the reasonable requirements of the designated area or check the <u>NO</u> column if you <u>OPPOSE</u> this type of license being issued because the <u>existing outlets adequately serve</u> the reasonable requirements of the designated area.

| Business Results: | FAVOR: OPPOSE: | 68 0 |
|----------------------|-------------------|---------|
| Residential Results: | FAVOR: OPPOSE: | 29 0 |

There were four responses that were disqualified because the respondents were out of the designated boundary.

250 NORTH 5TH STREET, GRAND JUNCTION, CO 81501 P [970] 244 1509 F [970] 244 1599 www.gjcity.org

There was one "exhibit to survey petition" that indicated one contact was not 21 years of age and two contacts had no solicitor signs.

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

The Grand Junction Police Department will be investigating the owner and registered manager for local criminal history, verifying that the Notice of Hearing was posted in a timely manner, and that the diagram matches the establishment. The fingerprints were forwarded to CBI for further processing. Reports have been requested by the Grand Junction Fire Department, the Grand Junction Sales Tax Department, and Mesa County Health Department.

The number of liquor licensed outlets in the survey area are:

Hotel and Restaurant = 4 (Rib City Grill, Bobby's, Texas Roadhouse, and Zen Garden) Tavern = 1 (STIX Bar & Grill) Retail Liquor Store = 1 (Fun Junction Liquors) 3.2% Beer (Off Premises) = 1 (Walmart)

That concludes this report.

cc: Applicant John Shaver, City Attorney Meghan Woodland, Grand Junction Police Department File