COLORADO SPRINGS, COLORADO COUNCIL CHAMBERS – CITY HALL 107 NORTH NEVADA AVENUE JULY 19, 2013 – 9:00 A.M.

The Liquor and Beer Licensing Board met in regular session.

There were present: Chairman Stephens, Mr. Clauss, Ms. Frias, and Ms. Holmes. Members Absent: Mr., Davis, Mr. Gorman, and Mr. Nemeth. Also present: Board Legal Advisors Kyle Sauer and Britt Haley.

## **COMMUNICATIONS**

1. License Enforcement Officer Lee McRae stated that the applicant for Item No. 7 has requested the item be taken out of order after Item No. 3 for a request for continuance.

#### **MINUTES**

2. Motion by Clauss, second by Frias, that the Minutes of the Board meeting of June 21, 2013 be approved as written. The motion unanimously carried. Absent: Davis, Gorman, Nemeth.

### **CONSENT CALENDAR**

- 3. The City Clerk's Office reports that boundaries were set for the following applications:
  - A. BBB CS1, LLC dba Smashburger, 3604 Austin Bluffs Parkway, #140:

North: South side of Pearl Drive extended South: North side of Wade Lane extended East: West side of Hamlet Road extended West: East side of Shady Drive extended

B. The Pinery At The Hill, LLC dba The Pinery At The Hill, 775 W. Bijou Street:

North: South side of Dale Street extended South: North side of Garner Street extended

East: West side of Sierra Madre Street extended

West: East side of 15<sup>th</sup> Street extended

C. El Rincon Paisano, LLC dba El Rincon Paisano, 3117 S. Academy Boulevard:

North: South side of Morley Drive extended
South: North side of US Highway 85-87 extended
East: West side of Foxridge Drive extended

West: East side of Astrozon Boulevard extended

Motion by Holmes, second by Frias, that the Consent Calendar be approved. The motion unanimously carried. Absent: Davis, Gorman, Nemeth.

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Chairman Stephens called Item No. 7 out of order
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## 7. <u>Application of MEG 123, LLC dba Mining Exchange Hotel or The Gold Room for a Tavern Liquor License at 18 S. Nevada Avenue.</u>

Attorney Vince Linden entered his appearance on behalf of the applicant, and requested a second continuance of this item until the Liquor Board meeting of August 2, 2013.

Motion by Clauss, second by Frias, that the item be postponed to the Liquor Board meeting of August 2, 2013. The motion unanimously carried. Absent: Davis, Gorman, Nemeth.

## **MODIFICATION OF THE PREMISES**

## 4. Request by Coaltrain, Inc. dba Coaltrain Wine & Liquor to Modify the Premises of the Retail Liquor Store License at 330 W. Uintah Street.

Attorney Vince Linden entered his appearance on behalf of the applicant.

Peggy McKinlay was sworn and stated that she is the 50% owner and president; that she and Marcia Little are the original co-owners of the business; that they have been in business for 32 years with a educational focus on wines and craft beers; that they are expanding the building footprint to accommodate growth; that she has purchased the additional property from the City approximately 10 years ago, and leases the building back to the business for the premises; that they are excluding an existing section of the premises in order to conduct private invitation only events; that there are neighbors present to speak in support of the modification; and she presented five letters of support from neighbors who could not attend the hearing.

Sue Duffy Schwall, Liquor Licensing Professionals, was sworn and stated the company conducted the petition survey which resulted in 70 favoring, 5 opposing, and 7 no opinion signatures.

In response to questions from the Board, Ms. McKinlay stated that they are leaving a portion of the property to the north as an alleyway for neighbor access to the rear of their own properties; and that the previously filed diagram reflecting a basement has been withdrawn, as the basement will not be built after all.

Christian Wright was sworn and stated that he owns a property a couple of houses away and that his concern is that access to his property remains; that he is concerned about the loading and increased deliveries; that the only access he currently has to his property is through the property now owned by Coaltrain.

Bruce Dallman was sworn and stated that he owns the property directly adjacent to the Coaltrain parcel; that he is concerned about increased truck traffic behind his property, but wants to make sure his view is not blocked; and that otherwise, he has no objection to the application.

Ms. McKinlay stated that she has and intends to continue working with her neighbors, and that she agrees to move the delivery door to the westmost portion of the north wall.

Motion by Clauss, second by Frias, that the request Coaltrain, Inc. dba Coaltrain Wine & Liquor to Modify the Premises of the Retail Liquor Store License at 330 W. Uintah Street, be approved as it appears all criteria has been met. The motion unanimously carried. Absent: Davis, Gorman, Nemeth.

#### TRANSFER APPLICATIONS

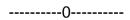
5. Application of Homewood Suites Management, LLC dba Homewood Suites Colorado Springs North to transfer the Hotel and Restaurant Liquor License currently issued to Promus Hotels, LLC dba Homewood Suites By Hilton, 9130 Explorer Drive.

Attorney Jon Stonbraker entered his appearance on behalf of the applicant.

Michelle Lynn Frederick Still was sworn and stated that she is the manager of the hotel; that they have possession of the approximate 20,000 square foot premises by management contract with the property owner; that they serve alcohol beverages for approximately two hours per day at a manager's dinner and also some beer and wine for on site consumption from an in house sweet shop; that meals are served anytime alcohol is served; that employees receive certified training; and that the financial investment is for licensing costs and attorney fees only, as the operation is by management contract.

In response to questions from the Board, Ms. Still stated that employees monitor the premises during alcohol service hours.

Motion by Holmes, second by Frias, that the application of Homewood Suites Management, LLC dba Homewood Suites Colorado Springs North to transfer the Hotel and Restaurant Liquor License currently issued to Promus Hotels, LLC dba Homewood Suites By Hilton, 9130 Explorer Drive, be approved as it appears all criteria has been met. The motion unanimously carried. Absent: Davis, Gorman, Nemeth.



6. Application of 513 Hotel Operating, LLC dba Hotel Elegante Conference & Event Center to transfer the Hotel and Restaurant Liquor License currently issued to Driftwood Special Servicing, LLC dba Crowne Plaza Colorado Springs, 2886 S. Circle Drive.

Attorney Brian Proffit entered his appearance on behalf of the applicant.

Edward Okvath was sworn and stated that he is the proposed new manager of the hotel; that he has managed and owned various other establishments with no prior violations; that he was the former food and beverage director of this property under a previous licensee; that all employees serving alcohol received certified with annual re-training; that all customers appearing under the age of 40 are check for ID; that room service will not deliver alcohol unless all occupants of the room are over 21 years of age; that the hotel has a 10 year lease of the approximate 367,066 square foot premises through a related entity; that they are investing approximately \$5.5 million, of which said funds were derived from bank loans; and that they will submitting a separate modification for an outdoor patio in the near future.

In response to questions from the Board, Mr. Okvath stated that there are notices posted to inform guests that no alcohol can leave the premises.

Motion by Clauss, second by Frias, that the application of 513 Hotel Operating, LLC dba Hotel Elegante Conference & Event Center to transfer the Hotel and Restaurant Liquor License currently issued to Driftwood Special Servicing, LLC dba Crowne Plaza Colorado Springs, 2886 S. Circle Drive, be approved as it appears all criteria has been met. The motion unanimously carried. Absent: Davis, Gorman, Nemeth.

#### **NEW APPLICATION HEARINGS**

7. <u>Application of MEG 123, LLC dba Mining Exchange Hotel or The Gold Room for a Tavern Liquor License at 18 S. Nevada Avenue.</u>

See action taken earlier in the meeting.
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8. <u>Application of Creative Coffee Solutions, LLC dba Urban Steam Coffee Bar for a Tavern Liquor License at 1025 S. Sierra Madre Street.</u>

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Kelly Bubach was sworn and stated that he is the manager of the business and co-owner along with Audra Anne Wixo; that he has no prior violations of any kind; that he intends to add to the existing coffee bar and restaurant with the service of alcohol beverages; that he may add entertainment to the evening hours; that they are investing approximately \$12,000, of which said funds were derived from existing business funds; that they have a 3 year lease for the approximate 1724 square foot premises; that training for all employees has already been provided; and that there is a 17' x 44' patio intended in front of the premises.

Sue Duffy Schwall, Liquor Licensing Professionals, was sworn and stated the company conducted the petition survey which resulted in 141 favoring, 8 opposing, and 0 no opinion signatures.

In response to questions from the Board, Mr. Bubach stated that the proposed patio would not be in operation until spring of 2014, and that when in operation, the area would be controlled; that he has related restaurant experience, but this would be the first alcohol service experience; and that the intent is to continue as a quiet neighborhood restaurant, and not a bar.

Mary Hills was sworn and stated that her residence is adjacent to the business; that she is concerned about having the service of alcohol in the neighborhood.

Karen Hess was sworn and stated that she is a 30 year resident of the neighborhood, and that she is concerned that a business selling alcohol is not appropriate for the neighborhood.

Denise Wilson was sworn and stated that she lives next to the coffee shop and is concerned about increased traffic and noise associated with the service of alcohol.

Mr. Bubach stated that the character of the establishment will remain the same, and that he is aware of the neighbors concerns and will not have loud music.

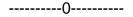
Motion by Holmes, second by Frias, that the application of Creative Coffee Solutions, LLC dba Urban Steam Coffee Bar for a Tavern Liquor License at 1025 S. Sierra Madre Street, be approved as it appears all criteria has been met.

Ayes: Frias, Holmes, Stephens

Noes: Clauss

Absent: Davis, Gorman, Nemeth

Chairman Stephens declared the motion passed on a 3-1 vote.



# 9. <u>Application of Circle K Stores, Inc. dba Circle K Store #2703291 for a 3.2% Beer Off Premises License at 6135 N. Carefree Circle.</u>

Attorney Adam Stapen entered his appearance on behalf of the applicant.

Steven Maeda was sworn and stated that he is the retail operations director for Circle K Stores, Inc. in Colorado, overseeing 64 stores, with 11 locations in Colorado Springs; that he has been with company for 21 years; that he also has previous experience in convenience stores, including selling full strength alcohol in other states; that they expect to begin construction of the building the first part of August with an estimated opening of less

than 120 days later; that the cooler doors holding the beer will be locked during prohibited hours; that the 12 employees and store manager will receive certified training, with detailed ongoing training and daily follow up by management; that the company utilizes card readers for verification of IDs, with visual identification by employees; that employees who serve to minors are terminated, with additional sanctions taken against the store management; that the company has a master file with the Colorado Department of Revenue; and that the company owns the premises; that they are investing approximately \$2.7 million, of which said funds were derived from existing corporate accounts;

Sue Duffy Schwall, Liquor Licensing Professionals, was sworn and stated the company conducted the petition survey which resulted in 114 favoring, 27 opposing, and 10 no opinion signatures.

Motion by Clauss, second by Frias, that the application of Circle K Stores, Inc. dba Circle K Store #2703291 for a 3.2% Beer Off Premises License at 6135 N. Carefree Circle, be approved as it appears all criteria has been met. The motion unanimously carried. Absent: Davis, Gorman, Nemeth.

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At 11:13 A.M., there being no further business, the

**BOARD ADJOURNED** 

Lee McRae License Enforcement Officer Office of the City Clerk