

LIQUOR CONTROL COMMITTEE MEETING
December 21, 2016
1:30 P.M.

Present: Commissioner Piepkorn, Commissioner Gehrig, Deputy Police Chief Ross Renner, City Auditor Steve Sprague, Director Environmental Health Grant Larson
Absent: None
Others Present: Rick Carik, Rick's; Randy & Lance Thorson, JL Beers; Nancy Morris, Johnson Law Office, Aaron Templin, Front Street Tap Room; Duane Litton, Duffy's; Jared Hardy, Fargo Brewing; Lisa Meyers, Wurst; Robyn Litke Sall, FCPH; concerned citizens and other members of the industry.

Meeting was called to order at 1:30 P.M.

1. Commissioner Piepkorn called the meeting to order and asked if there were any additions or corrections to the minutes of October 19, 2016. There were no additions or corrections to the minutes of October 19, 2016. Moved by Gehrig, seconded by Larson to approve the minutes of the October 19, 2016 meeting of the Liquor Control Board; all voted in favor, motion passed unanimously.
2. A. The first application to be considered today is for the issuance of a Class F alcoholic beverage license to Izumi Sushi and Hibachi All You Can Eat, Inc. d/b/a Izumi Sushi & Hibachi Buffet to be located at 5050 13th Avenue South.

Moved by Gehrig seconded by Larson to approve the issuance of a Class F alcoholic beverage license to Izumi Sushi and Hibachi All You Can Eat, Inc. d/b/a Izumi Sushi & Hibachi Buffet to be located at 5050 13th Avenue South.

All voted in favor, motion carried.

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- B. The second application to be considered today is for the transfer of a Class ABH alcoholic beverage license from BDH Hotel Ventures LLC d/b/a Radisson Hotel Fargo to 201 Hospitality LLP d/b/a Radisson Hotel Fargo to be located at 210 North 5th Street.

Sprague reviewed the police report which indicated that in other matters with the City the applicant had been less than fully cooperative with the Police Department. Deputy Chief Renner commented that the applicant has every right to take the actions he did however, it establishes a history of being uncooperative. Grant Larson stated the Environmental Health department has been having difficulty getting the necessary inspections scheduled and satisfactorily completed.

Moved by Sprague seconded by Larson to approve the transfer of a Class ABH alcoholic beverage license from BDH Hotel Ventures LLC d/b/a Radisson Hotel Fargo to 201 Hospitality LLP d/b/a Radisson Hotel Fargo to be located at 210 North 5th Street on the condition that all Environmental Health inspections are completed.

All voted in favor, motion carried.

C. The third application to be considered today is for the issuance of a Class FA-RZ alcoholic beverage license to Vinyl Taco, Inc. d/b/a Vinyl Taco to be located at 520 1st Avenue North. The applicant is requesting the AB license currently located at Vinyl Taco be transferred to JL Beers South Inc. d/b/a JL Beers located at 4240 32nd Avenue South. The owners further request the Class M designation remain at JL Beer to allow the sale of growlers.

Commissioner Gehrig commented that we voted to discontinue the FA-RZ licenses, the intent was clear. Assistant City Attorney Nancy Morris said moving the ordinance to limit the FA-RZ licenses fell through the cracks, since the City Commission has not acted on the proposed changes to the FA-RZ, that license class is still available. She further commented that the request to allow the M to be pared with the FA-RZ would require an ordinance change. Deputy Chief Renner commented we need to follow the ordinances that are on the books.

Randy Thorson, JL Beers, commented their companies have moved licenses in the past to adjust to market concerns. Their intent is to offer signature cocktails that would have beer flavorings at JL Beers. They have experimented with this concept in some Minnesota stores and it is being well received. Their licenses in Moorhead and West Fargo will allow them to make this change throughout the community.

Moved by Sprague, seconded by Renner to approve the issuance of a Class FA-RZ alcoholic beverage license to Vinyl Taco, Inc. d/b/a Vinyl Taco to be located at 520 1st Avenue North and approve the transfer of the Class AB alcoholic beverage license currently at Vinyl Taco to JL Beers South, Inc. d/b/a JL Beers located at 4240 32nd Avenue South. All voted in favor, motion carried.

D. The fourth application to be considered today is for the issuance of a Class FA-RZ alcoholic beverage license from JL Beers, Inc. d/b/a JL Beers located at 518 1st Avenue North. The owners are requesting the Class M designation remain at the location to allow the sale of growlers. In addition, the owners are requesting the transfer of the Class D to BFG, Inc. d/b/a Borrowed Bucks Roadhouse, the Class D would allow the sale of beer off sale. Finally, the owners are willing to relinquish the Class C licenses.

Sprague expressed concern about the transfer of the Class D license, this would set a precedent as all other on and off sale licenses are at Class AB locations. Additionally, as previously discussed, to allow the M designation at the FA-RZ will require an ordinance change.

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Moved by Sprague, seconded by Larson to approve the issuance of a Class FA-RZ alcoholic beverage license to JL Beers, Inc. d/b/a JL Beers to be located at 518 1st Avenue North. At this time the Class M designation is not allowed and the recommended motion is to not transfer the Class D license to Borrowed Bucks Voting in favor, Piepkorn, Larson, Renner and Sprague, voting against Gehrig, motion carried.

3. Nancy Morris presented the changes to the FA-RZ ordinance that were discussed in February 2016 but not presented to the Commission. Sprague indicated the changes were presented in February but the party making the request never appeared before the Liquor Board and he has not heard from anyone since that time regarding the proposed changes. Sprague mentioned that since the initial issuance fee is reduced by 50% perhaps the restrictions of no gaming and no E permits should remain in place and we could just add the change to no longer issue FA-RZ licenses.

Commission Gehrig said the license was created to incentivize activity in the downtown corridor. The downtown has become very successful and we no longer need to incentivize people to come downtown. People would still have the option of acquiring an FA license if they want to open a restaurant downtown.

Moved by Gehrig, seconded by Larson to amend the FA-RZ license to no longer allow the issuance of this class license. All voted in favor, motion passed.

4. Sprague reviewed a change to the section of the ordinance requiring audits of food ratios. This change will allow the auditors to gather additional information when conducting food to alcohol audits.

Moved by Sprague, seconded by Renner to amend the section of the ordinance relating to liquor to food sales audits, allowing the auditors to gather more information. All voted in favor, motion passed.

5. Sprague indicated he and Nancy Morris were directed to review the concept of a complementary service license. Morris presented some bullet points for discussion; limit of one drink per day, restricted hours of operation, limited service size, no charge for the service, etc. Piepkorn questioned if we need to have drinks everywhere? Renner stated it would be difficult to monitor and to manage, someone would take it to the extreme, rarely do we have complaints currently. Larson said we should let the professionals sell liquor. Piepkorn cautioned about unintended consequences. Gehrig said we don't have to have a license for everyone.

Piepkorn moved, Gehrig seconded to receive and file. Motion passed

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6. Morris updated the Board on the cider/wine/beer discussion, in short cider is not a beer. Ciders are made from fermented fruits while beers are made from fermented grains. Cider is not a beer it is a wine. It is difficult to differentiate based on alcohol content.

Sprague mentioned having a wine license similar to the Class C beer license is one area missing in the liquor ordinances. He further commented that we have a wine license the Class W that is similar to the Class C however there are some differences that he would like to research. There currently are no Class W licenses issued, so if any changes were recommended, now would be a good time.

Moved by Gehrig, seconded by Larson to review the Class W license including associated fees, to see what changes would need to be made to make it compatible with the Class C beer license. All voted in favor, motion passed.

There being no further business to come before the Liquor Control Board, the meeting was adjourned at 2:20 p.m. **The next regular meeting will be held Wednesday, January 18, 2017 at 1:30 p.m. in the City Commission Room.**

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