



MINUTES

LOCAL LICENSING AUTHORITY

Monday April 22nd, 2024 – 8:30 A.M.

City Council Chambers – 500 E. Third Street
Loveland, Colorado

In Attendance:

Judge Geri Joneson, Local Licensing Authority
Michael Bailey, Assistant City Attorney
Sergeant Jeff Mayers, Liquor and Tobacco Enforcement Officer
Officer Emily Loomis, Liquor and Tobacco Enforcement Officer
Adriana Hernandez, Local Licensing Authority Secretary
Sterling Wilson, Assistant City Clerk

CONSENT AGENDA

Approval of Minutes:

A. Minutes from LLA Meeting on March 21st, 2024 – accepted and approved in current form

All Special Event Permits were approved:

- B. Historic Loveland BID – One Sweet Summer Concert Series – Special Event Permit
- C. Loveland Parks & Rec. – Farmers Market - Special Event Permit
- D. Loveland Parks & Rec. – Movies in the Park - Special Event Permit

2. PUBLIC HEARING

A. New License – Coco Inc., dba Doug's Diner

An application was filed on February 29th, 2024, for a new **Hotel & Restaurant License** by Coco Inc., d/b/a Doug's Diner, located at 106 & 110 E. 29th Street in Loveland. The neighborhood boundaries were designated as: **(NORTH – W 43rd St.; SOUTH – E Eisenhower Blvd.; EAST – N Madison Ave.; and WEST – N Taft Ave.)**. The premise was posted with a sign advertising the Public Hearing and a notice was published in the Reporter Herald as the law requires.

In Attendance: Brandon Sandberg, Dill Dill Carr Stonbraker and Hutchings P.C., 42507; Eva Garretson, LiquorPros; Rick Bruening and Eralinda Escobar-Hernandez, Owners

Mr. Sandberg introduced Ms. Garretson and asked her to explain her processes. Ms. Garretson provided the results of the neighborhood needs and desires petition – 118 signatures were obtained, 98% were in favor, 2% were opposed. Ms. Garretson noted that there was a clear need and desire for this type of establishment in the area.

Ms. Garretson leaves the meeting and Mr. Sandberg calls on Mr. Bruening to answer a series of questions. CoCo Inc. operates eight different restaurants in the Denver and Front Range areas, seven of which are Doug's Dinners, with three having a liquor license. There has been no history of violations. Doug's Diner is known for being a casual

breakfast restaurant offering a varied lunch menu, as well as a limited dinner menu. Less than 8% of sales come from alcohol.

The location is operated by 20-25 employees, and a manager is present during each shift to oversee operations. All staff must complete TIPS training and staff attends quarterly training sessions operated by LiquorPros. Alcohol policies and procedures center around universal ID checks, adhering to a strict three-drink limit. An ID book is available for staff (provided by LiquorPros) to use as reference for ID verification. Staff is regularly subject to secret shoppers who present green or red "card systems" to verify proper ID check procedures. There is a zero tolerance policy for serving minors or visibly intoxicated patrons and employees are terminated immediately if they violate this policy.

Mr. Sandberg calls on Exhibit A (Diagram) and asks Mr. Bruening to describe it focusing on liquor storage. Alcohol is kept inside two coolers located behind the bar and these are locked at night. Three bartenders are scheduled, and only the manager and owners have the keys to the cooler, which are unlocked and locked with each operational shift.

All areas of the premises are monitored, including the outdoor patio which has posted signage and a camera, as well as servers when in use. This location has been open and operating since April 12th, and the owners are hoping to add alcohol service upon approval. Hours of operation are Monday through Sunday, 6am to 8pm. Servers and staff can monitor the entire premises.

The City Attorney and Law Enforcement had no further questions and recommended approval of the application.

Findings and Action Taken:

The location is not within 500 feet of any public or private school, college, university, or seminary. The license was not denied for this location within the previous two years and the sale of alcohol is permitted as proposed. The applicant is entitled to possession of the premises, and is not a peace officer employed by the City of Loveland, the State of Colorado, or any other agency. The applicant possesses a City and State Sales Tax License. The applicant is 21 years of age or older and has a registered manager. 25% of anticipated gross income will come from food sales. The applicant's criminal history and background check is complete and the applicant is of good moral character. The desires of the adult inhabitants of the neighborhood have been considered, the petition was filed April 12, 2024, with a total of 116 signatures: 102 in favor, one opposed and 13 not counted. The applicant is in compliance with the Chief Building Officer and the Fire Marshal. The applicant must comply with a final inspection from the Police Department.

The Authority will grant this application and encourages the applicants to continue working with the City Clerk's Office.

B. Report of Limited Liability Changes – HP Kitchen Concepts dba Col Kitchen and Café

An application was filed on February 2nd, 2024 for a Report of Changes, Limited Liability Company for the Hotel & Restaurant with Optional Premises License issued to HP Kitchen Concepts LLC, dba Col Kitchen and Café. HP Kitchen Concepts LLC is now

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comprised of Grimm Holding, LLC members who will replace the existing ownership. The license change application is currently under review for local approval along with a manager registration concurrent with this change.

In Attendance: Jesse Sommers, Owner, and Chas Runco, Runco/Profitt PC, RN:41932

Mr. Runco asked Mr. Sommers to describe the Report of Corporate Changes – Grimm Brothers is now the owner of HP Kitchen Concepts. The establishment was purchased in August of 2023 by the newly formed Grimm Holding, LLC. HP Kitchen Concepts remains the current licensee, but it has a different ownership group.

Mr. Sommers is the intended manager of the establishment and is familiar with the daily operations of the establishment. He stated that no changes to the operations of HP Kitchen Concepts were made and no material changes to the premises were made in the purchase of the establishment. Mr. Runco asked Mr. Sommers to give an overview of what HP Kitchen Concepts is and how it operates. Mr. Sommers gave a brief history and Mr. Runco further asked Mr. Sommers to give a brief description of his background in the alcohol beverage industry. Mr. Sommers stated that he has been a brewery owner for 10 years, and has been managing a brewpub, Berthoud Brewing, for 5.5 years without any violations. Mr. Runco asked the applicant to describe his ID-checking procedures and the number of staff, to which Mr. Sommers replied that everyone is IDed and he has 6 front-of-house and 5 back-of-house staff members, 4 of the 6 are certified to serve alcohol and the rest are working on their certification.

The City asked if the background checks and fingerprinting were completed and in order, as these were missing from the files. The Authority confirmed with the City Clerk's office that all criminal histories and IHR forms were received and reviewed.

Mr. Runco had nothing to add and the City recommended approval of the change.

Findings and Action Taken:

The authority is satisfied that all concerns have been addressed and will approve this license change application that reflects an ownership change, and encourages the applicants to continue working with the Clerk's Office to complete the process.

C. Permanent Modification of Premises – Walmart Inc., dba Walmart #1008

An Application for a Permanent Modification of Premises for the Fermented Malt Beverage and Wine Retailer license issued to Walmart Inc., dba Walmart #1008, located at 250 W 65th St. in Loveland, was filed on February 21st, 2024. The licensee seeks to permanently expand and/or move the store's existing alcohol beverage product placement areas to accommodate the sale of beer and wine.

In Attendance: Cole Underwood, General Manager

Mr. Underwood had no additions or changes to the information presented in the packet and clarified that this change is meant to isolate alcohol products to a designated area in the back that is well partitioned from grocery and other beverage stock.

The City asked about the small red-lined space in the diagram by the front of the store and Mr. Underwood explained that it is a “grab and go” cooler with a small selection of beer and other products. He added that asset protection customer hosts stand at that door and are trained to check receipts with the contents of baskets. Staff has a direct line of sight to the “grab and go” cooler.

Furthermore, the City asked the General Manager why the changes were being made, and Mr. Underwood stated that this was a new floorplan from the company that allows cashiers to be in front of customers, with one entry point. Towers for online orders were taken out and that became the space for the cooler. Customer convenience is meant to be increased by these changes. Additional product coolers will be installed and existing shelving will be expanded in the back, in terms of overall square footage. The modification does not modify or change the building structure or change/modify the means of ingress and egress.

Mr. Underwood has worked with Walmart Inc. for 23 years, and the other managers he works with also have more than 20 years of experience in the industry, so this is an experienced management team that operates the overall structure of the business.

The City Attorney recommends approval of this application.

Findings and Action Taken:

The proposed modification will expand or move the existing placement areas to accommodate the sale of beer and wine. The proposed modification does not increase or decrease the size of the premises, and does not involve the relocation or sealing-off of an entrance or exit. The proposed modification does not include a substantial or material enlargement of the licensed premises, however does include a material change in the character of the establishment and location of alcohol beverage products. The licensee is entitled to the premises and has complied with all applicable City laws, and is considered to be in good standing with the Fire Marshal. Furthermore the licensee is in good standing with the Authority.

The Authority will approve this application for a Permanent Modification of Premises.

D. Tobacco License – Super Smoke Shop LLC, dba Super Smoke Shop

An application for a new tobacco license was filed on January 31st, 2024, by Super Smoke Shop LLC, dba Super Smoke Shop, located at 410 E. Eisenhower Blvd., in Loveland, CO. The applicant seeks to obtain a license to sell tobacco products from the location formerly occupied by an unlicensed tobacco retailer. The Applicant will provide proof of possession of premises.

In Attendance: Matthew Rimmer, Owner/Operator

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Mr. Rimmer was asked by the Authority if he has provided the requested proof of ownership of the premises that was requested at the March 21st LLA Hearing.

The City stated that the language in the original lease, as well as the new sublease agreement that were provided, contained no statements regarding permission for Mr. Rimmer's business to occupy or inhabit the premises. The current document provided by Mr. Rimmer does not contain any documents indicating permission from the original landlord to sublease the property.

Mr. Rimmer provided Addendum A to the lease agreement to the Assistant City Attorney. Having reviewed the document – a sublease from Lit Investments – the City stated that this document does not include permission from ML2 LLC to change the tenant or sublease the original lease. There is nothing within the file that reflects the original owner-landlord having provided written permission for the property to be sublet.

The Authority asked Mr. Bailey to reference the current document in question as Exhibit #1, and asked him to describe the document. Mr. Bailey responded by identifying the document and adding that he did not see written permission from ML2 LLC to sublet the property. According to the language in the lease, this must be present in order for a sublease to be considered valid or legal. The Authority cannot grant a license to the applicant until legal permission is obtained to use and/or sublet the property. This legal permission information is clearly not present in the documents provided.

Mr. Rimmer expressed that he was unaware of the language in his lease agreement and expressed his understanding that he must obtain permission from the landlord. If Mr. Rimmer is able to secure this written permission prior to the May 23rd LLA Meeting, the application can be fully reviewed and considered at that LLA Meeting.

Findings and Action Taken:

The Applicant has been asked to appear at the May 23, 2024 LLA Meeting and must provide written documentation of permission to sublease the premises. The applicant will be Item A on that agenda.

E. Special Event Permit – Foothills Service League – Taste of Loveland

The Foothills Service League presents Taste of Loveland, Northern Colorado's Premier Food, Beer & Wine Experience. This event is a fundraiser to support Foothills Gateway Inc. and Summit Stone Child & Family Services, all proceeds are to be split evenly between the two organizations. The special event will be held on the parking lot at 5th St. and Cleveland Ave., and the parking lot at Cleveland Ave. and N. Railroad Ave., on June 27th, 2024, from 8:00 AM to 10:30 PM. All alcoholic beverages and food will be donated.

In Attendance: Nancy Warburton, Treasurer, Jessie Raul, Event Coordinator

Ms. Warburton clarified details regarding food to be served during the event; this will be contracted through caterers and local restaurants, with the exception of B Sweet Cupcakes, a Mobile Food Vendor. Guests will be present at the event 5pm to 9pm.

The City asked Ms. Warburton to describe the event. Ms. Warburton stated that the event is in its 17th year: it features donated samples of local restaurant fare and alcohol from various vendors. The organization raises funds through ticket sales and sponsorships. Tickets are sold online before the event and all attendees are ID-checked at the door and issued a wristband. The event was hosted at The Budweiser Event Center last year so it operated under their liquor license. The event is a sampling festival supporting local charities. The Foothills Service League is a 501C3 organization.

The alcohol perimeter consists of concrete barriers and 3-foot tall barriers that are 4-feet and 6-feet in length surrounding the 5th street parking lot as well as isolating areas of Cleveland and Lincoln Avenues. Security will be provided by one off-duty LPD officer as well as a security company that is used by the DDA for their events. There will be one entrance for all guests monitored by both security and a TIPS-certified staff member at all times. In the past, over 1000 people have attended, and while recent years have barely exceeded 350, it is hoped that the higher estimate is met this year.

Policy and Procedure documents will be provided to TIPS-trained volunteers at the entrance. Volunteers will have to check IDs at the door, a device will be provided to them for quick clarification of ID legitimacy. Three staff members have taken the TIPS class.

Vendor bartenders will be providing alcohol directly and monitoring alcohol consumption themselves – Foothills Service League staff will not be directly dispensing alcohol. It is assumed that bartenders are TIPS certified. The entertainment will include background music provided by a DJ, and there will be about 40 staff and volunteers.

The City recommends approval of the Special Event Permit.

Findings and Action Taken:

The applicant has previously held special event permits and does not have a history of violations or noncompliance. The application and all associated documents are in order. The applicant is qualified to hold a special event permit. The Authority is satisfied with the physical boundaries and personnel available to monitor alcohol consumption during the Special Event. The event will not be 500 feet from a school and all concerns have been satisfied by the applicant, therefore the Authority approves this application and encourages the applicants to continue working with the Clerk's Office.

F. Special Event Permit – Aims Community College – Aviation Day

Aims Community College presents Aims Aviation Day, a fundraiser for students wishing to enroll in aviation at Aims Community College. The proceeds will go directly to the Student Scholarship and Student Club funds. This family-friendly event will feature live music, various vendors and activities, along with food and drink. The special event will

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be held at the Aims Community College Flight Training Center located at 6350 Aviation Cir., on September 14th, 2024, from 12PM to 5PM.

In Attendance: William Faulkner, Jordan Wagner, Aims Community College Foundation

The City asks the applicants to describe the event. Mr. Faulkner explained that the event's purpose is to raise awareness for aviation education and raise funds for aviation students as well as for Aims scholarship programs. The event is free to the public and various employers and vendors will be present. It will include the selling of 20 minute "discovery flights" at a discounted rate. Sponsorships will raise the money for the scholarships. Static aircraft displays and demonstrations will take place on the tarmac at the airport.

Mr. Faulkner stated that Aims Community College is a State institute of higher education, qualifying it to hold an SEP. Notice of the event has been publicly posted on location and other locations within the community.

Alcohol will be available from 2:30pm to 5pm, donated by High Country Beverages, and served/dispensed by Mixology, a TIPS-certified bartending service. An ID-checking system will be managed by Mixology; this company will ID every patron and they are expected to provide 5 or more employees. The applicants were unsure of their exact policies, but were made aware that wristbands will be used to identify ID-checked patrons.

The City asked the applicant about how the public will go about donating. Mr. Faulkner and Ms. Wagner replied, mentioning that various aviation firms/sponsors will donate funds prior to the event and during the event, and furthermore alcohol sales will benefit the Aims CC Foundation as well. There will be a three-drink limit.

Precision Security will provide a minimum of 10 security guards at the event in addition to 40 Aims staff members to monitor the area. Entrances and exits to the property will be located in the parking lot at a single point, with a separate vendor access gate on the west-side of the property. Signage will be posted by the entryways.

The City asked about how the perimeter for the event will be created, and Mr. Faulkner gave a brief explanation stating the majority of the premises, the Airport, is comprised of 6-foot iron fencing and the location is pretty secure, and there will also be a double layer of 4-foot construction fencing. Staff members and Airport security will monitor the area.

The organization has hosted this event three years running, however this is the first time they intend to sell alcohol. Ms. Wagner has prior experience managing events with alcohol service and professional bartenders will be providing all alcohol-specific service.

The City recommends approval of the Special Events Permit.

Findings and Action Taken:

The applicant has not previously held special events permit with the City of Loveland. The application is in order. The applicant is qualified to hold a Special Events Permit. The event will have satisfactory boundaries and personnel. All concerns of the Authority have been addressed, therefore the Authority will approve this Special Event Permit. The Authority asked the applicants to continue working with City staff to complete the process.

G. Renewal Application – Sunflower 1225 LLC dba Smashburger

A renewal application for the Beer & Wine License issued to Sunflower 1225 LLC, dba Smashburger. The licensee has been asked to appear regarding sales tax compliance and a renewal application for 2024 has yet to be received by the City Clerk's Office. The Liquor Licenses expired April 9th, 2023.

No one identified themselves to represent Sunflower 1225 LLC dba Smashburger Loveland.

The City Attorney expressed that at this point the Liquor License is considered to be expired, and therefore the licensee should surrender the license to the City.

Officer Loomis stated that there were multiple LPD visits to the premises and indicated that there was a lack of oversight regarding the liquor license, the establishment was still selling alcohol. The Authority asked about communication efforts with the owner of Sunflower 1225 LLC, and Sergeant Mayers stated that the only contact between PD and the registered manager was by phone. The owner was instructed on multiple occasions to contact the City Clerk's Office directly and has failed to do so on every occasion.

Findings and Action Taken:

Sunflower 1225 LLC dba Smashburger, no longer holds a valid license to sell alcohol. Their Beer and Wine license has expired, and therefore they are not authorized to sell or possess alcohol on their premises.

There is a 2023 liquor license that has been properly displayed. Sgt. Mayers has been instructed by the Authority to confiscate that license. Unless the owner files for a new Liquor License, he is not authorized to sell alcohol.

H. Renewal Application – Sushibox LLC dba Sushirito

An application for the renewal of the Hotel & Restaurant license issued to Sushibox LLC dba Sushirito was filed on February 2nd, 2024. The licensee has been asked to appear regarding Sales Tax compliance and Liquor License renewal payments.

In Attendance: Elaiyah Suwanmongkol, Manager

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Ms. Suwanmongkol stated that DeLynn Dudehoffer, a Sales Tax Auditor with the City of Loveland, has been working with the licensee in order to rectify a outstanding sales tax balance that was previously unpaid/underpaid.

The City asked the licensee if they were able to rectify the issue with the NSF check for renewal fees to the City. Ms. Suwanmongkol stated that it had been resolved with the issuance of a money order. She further stated that she was working with DeLynn Dudehoffer to rectify the Sales Tax issues, but DeLynn has been out of the office due to a family emergency.

The Authority asked about the outstanding Sales Tax balance, and the applicant responded that they had already covered the balance and were working with Sales Tax. The outstanding issue with Sales Tax is related to a GrubHub sales tax return.

It was suggested by the City Attorney that it may be appropriate to have someone translate for Ms. Suwanmongkol to have a proper understanding between the City and the applicant.

The Authority enquired about the expiration date of the License, and the Clerk's Office replied with the date. The Authority then asked if there was someone else in Sales Tax who would be able to help in DeLynn's absense, and asked all parties to take a break while the Clerk's Office contacted the Sales Tax Office to see whether there was still sales tax outstanding.

After a short recess, the Authority asked Ms. Suwanmongkol where the owner was at the time, to which Ms. Suwanmongkol replied that the owner was at home recovering from dental surgery.

Findings and Action Taken:

This matter will be set over for the May 23rd, 2024 agenda. It is the Authority's understanding that the license holder is 7 months delinquent with City Sales tax. If the amount due is paid in full prior to the May hearing and prior to the expiration of the license, the renewal will be granted and the licensee will be authorized to sell alcohol. If the amount is not paid by the expiration of license, the license holder will not be able to sell alcohol until the 7-month delinquency is cured. The City Clerks will need to be follow-up with the Sales Tax Dept. and furthermore should reach out to owner of the business about the Sales Tax situation and let her know that she cannot sell alcohol until the business is current with Sales Tax. There needs to be a zero balance by April 28th, 2024.

3. STAFF REPORT

A. City Clerk's Office – nothing from the City Clerk's Office.

- B. City Attorney – the City Attorney's Office is working on getting an Authority to cover the May 23rd Licensing Authority meeting. The Authority stated that we should have an IGA with Fort Collins, and there are two judges that can preside over the upcoming May Licensing meeting.

ADJOURN

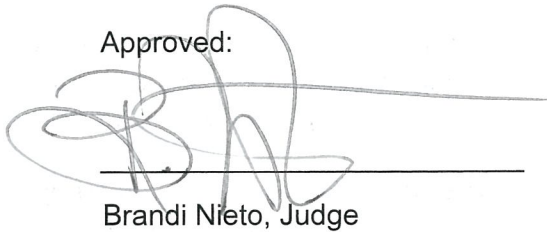
The next regularly scheduled Local Licensing Authority Meeting will be held on Thursday, May 23rd, 2024, at 8:30 AM, in the City Council Chambers.

Respectfully submitted,



Adriana Hernandez, Assistant City Clerk
Liquor Licensing Secretary

Approved:



Brandi Nieto, Judge
Liquor Licensing Authority