MINUTES OF THE MEETING OF THE UTAH

 ALCOHOLIC BEVERAGE CONTROL COMMISSION

HELD TUESDAY, OCTOBER 26, 2021.

*[A copy of the final agenda was posted on the bulletin board at the DABC Administrative Office, emailed to the Salt Lake Tribune and Deseret News, and posted on the Utah Public Notice Website by 10:00 a.m. on Monday, October 25, 2021.]*

Chairman Thomas N. Jacobson called the meeting to order at 10:00 a.m.

Commissioners Present: Thomas N. Jacobson, Juliette Tennert, Jacquelyn Orton, Tara Thue, Natalie Randall and Jennifer Tarazon.

Staff Present: Tiffany Clason, Executive Director; Cade Meier, Deputy Director; Angela Micklos, Compliance and Licensing Director; and Sean Williford, Finance Director.

Participating Virtually: Sheila Page, Assistant Attorney General.

PLEDGE OF ALLEGIANCE:

Angela Micklos led the group in the Pledge of Allegiance.

APPROVAL OF MINUTES:

Ms. Orton moved to approve the minutes of the Commission Meeting held September 28, 2021. Ms. Thue seconded the motion which passed unanimously.

ANNOUNCEMENTS:

Mr. Jacobson thanked the St. George Chamber of Commerce for hosting the meeting. He also thanked Senator Don Ipson, local leaders, staff and industry members for joining the commission in St. George. He noted the importance of meeting in St. George due to the growth in the area. He also made the following announcements:

a. Proposed Future Meeting Schedule: *(subject to change)*

 - Tuesday, November 30, 2021

 - Tuesday, December 21, 2021

b. Holiday Closures:

 - Thursday, November 11, 2021 (Veterans Day)

Liquor stores and the DABC administrative office and warehouse

will be closed.

 - Thursday, November 25, 2021 (Thanksgiving Day)

 Liquor stores and the DABC administrative office and warehouse

 will be closed.

c. License Renewals:
 - Tuesday, November 30, 2021

 Deadline for filing all renewal materials and paying fees for the following

licenses, permits and certificates:

 - Brewer Located Outside of Utah

 - Liquor Warehouse

 - Beer Wholesaler

 - Local Industry Representative

 - Utah Manufacturers – Breweries/Wineries/Distilleries

 - Public Service Permits

d. Public Comments:

 - Those wishing to comment on this meeting may email hotline@utah.gov.

 Comments will be addressed at the end of the meeting.

FINANCIAL UPDATE:

Mr. Williford gave an overview of the September performance numbers. Sales YTD show a 17.92% increase ($20.3 million) over last year. Bottle sales are up 13.78% (1.3 million bottles).

Mr. Williford noted that the increase in operating expenses is a result of wage increases in an effort to keep employees. The net profit transfer to the general fund, even with the increase in expenses, is 25% this year versus 24% last year. This is due to the increase in sales.

PARENTS EMPOWERED UPDATE:

Doug Murakami welcomed the prevention representatives that were able to join the commission in St. George. He noted that the annual report was presented to the USAAV+ Council this week. He also announced that the SHARP report shows a reduction in youth alcohol consumption. The results will be announced in a press event this week.

VIOLATIONS:

 \* Referral Source – State Bureau of Investigation (SBI)

a. Consent Calendar:

*[The following Consent Calendar items include uncontested letters of admonishment (written warnings) and settlement agreements that have been agreed to and accepted by the licensees. They are considered as a block with one vote unless one of the commissioners request that any item be removed for individual discussion. A summary of consent calendar items was distributed to the commissioners and is attached and made part of these minutes.]*

 (1) Applebee’s, Orem and Shayneallie \*SBI (RE)

 Miller (employee).

 (2) Lola, Salt Lake and Ashley Vanderlaan \*SBI (RE)

 (employee).

 (3) Maverik #130, Bountiful and Jayden Lopez \*SBI (OP)

 (employee).

 (4) Utah Arts Alliance, Salt Lake. \*SBI (SE)

Ms. Page noted all items on the consent calendar are complete and ready for action by the commission.

Ms. Tennert asked Ms. Page for clarification on the Utah Arts Alliance violation. Ms. Page explained that they failed to follow the dispensing requirements on the permit. She noted they had bottle service at the tables and the alcohol wasn’t being controlled appropriately.

Ms. Orton moved to approve the items on the consent calendar. Ms. Tennert seconded the motion which passed unanimously.

EXTENDED CLOSURE REQUESTS:

a. Star Bar, Park City. (BAR)

Margaret Hardie gave an overview of the request for an extended closure until the November commission meeting.

Ms. Thue moved to approve an extended closure for Star Bar in Park City until the November commission meeting. Ms. Orton seconded the motion which passed unanimously.

b. Below Zero Club, Salt Lake City. (BAR)

Nicole Tarleton gave an overview of the request for an extended closure until the January 2022 commission meeting.

Ms. Thue moved to approve an extended closure for Below Zero in Salt Lake City until the January 25, 2022 commission meeting. Ms. Orton seconded the motion which passed unanimously.

c. Pete’s Bar & Grill, Ogden. (BAR)

Bonnie Bills gave an overview of the request for an extended closure until the November commission meeting.

Ms. Thue moved to approve an extended closure for Pete’s Bar & Grill in Ogden until the November commission meeting. Ms. Tennert seconded the motion which passed unanimously.

d. Porter’s Smokehouse & Grill, Springdale. (RE)

Abe Kader gave an overview of the request for an extended closure until the February 2022 commission meeting.

Ms. Thue moved to approve an extended closure for Porter’s Smokehouse & Grill in Springdale until the February 2022 commission meeting. Ms. Orton seconded the motion which passed unanimously.

e. Scion Cider, Salt Lake City. (BAR)

Cori Price gave an overview of the request. Rio Connelly from Scion Cider addressed the commission to explain why they needed an extended closure until the November commission meeting.

Ms. Thue moved to approve an extended closure for Scion Cider in Salt Lake City until the November commission meeting. Ms. Orton seconded the motion which passed unanimously.

f. Tsunami, Sugarhouse. (RE)

Anita Knowley gave an overview of the request. Julie Hiatt from Tsunami addressed the commission explaining that they continue to have staffing problems so are unable to provide an opening date. Commissioners, staff and Ms. Hiatt discussed the possibility of relinquishing the license prior to the renewal period starting November 1.

Ms. Thue moved to approve an extended closure for Tsunami in Sugarhouse until the November commission meeting along with the option to relinquish by November 1. Ms. Randall seconded the motion which passed unanimously.

CHANGE OF LOCATION REQUESTS:

a. Slackwater Pub & Pizzeria (RL) *(Conditional)*

 From: 3680 Pacific Avenue, Ogden.

 To: 209 24th Street, Ogden.

Mike Bishop gave an overview of the application.

Ms. Thue moved to approve a change of location for Slackwater Pub & Pizzeria in Ogden. Ms. Tarazon seconded the motion which passed unanimously.

b. The Ruin (BAR) *(Conditional)*

 From: 1215 E. Wilmington Avenue #120, Salt Lake City.

 To: 159 S. Main Street, Salt Lake City.

Erin Hinkel gave an overview of the application.

Ms. Thue moved to approve a change of location for The Ruin in Salt Lake City. Ms. Tarazon seconded the motion which passed unanimously.

INDUSTRIAL MANUFACTURING PERMITS:

a. Grandeur View Bitters, Salt Lake City.

b. Tovala, Salt Lake City.

Abe Kader gave an overview of the permit applications.

Ms. Thue moved to approve industrial manufacturing permits for Grandeur View Bitters in Salt Lake City and Tovala in Salt Lake City. Ms. Randall seconded the motion which passed unanimously.

LOCAL INDUSTRY REPRESENTATIVE APPLICANTS:

a. Southern Glazers Wine & Spirits – George Boutsis, Sandy.

b. Blevinsdyer Wine Brokerage & Marketing, Salt Lake City.

Abe Kader gave an overview of the applications.

Ms. Thue moved to approve local industry representative licenses for Southern Glazers Wine & Spirits – George Boutsis in Sandy and Blevinsdyer Wine Brokerage & Marketing in Salt Lake City. Ms. Orton seconded the motion which passed unanimously.

OFF-PREMISE BEER RETAILER APPLICANTS:

a. Completed Applications. *(list attached)*

Stephne Hanson asked the commissioners to approve #2 Pueblo Chico Market in Ephraim; and to approve #1 Caputo’s Market and Deli in Salt Lake City effective November 1.

Ms. Thue moved to approve #2 Pueblo Chico Market in Ephraim; and to approve #1 Caputo’s Market and Deli in Salt Lake City effective November 1, 2021. Ms. Tarazon seconded the motion which passed unanimously.

b. Conditional Applications. *(list attached)*

Stephne Hanson gave an overview of the applications on the conditional list noting staff recommends approval.

Ms. Thue moved to approve the items contained on the conditional off-premise beer retailer list. Ms. Orton seconded the motion which passed unanimously.

LICENSE RENEWALS.

Chris Johnson gave an overview of the restaurant license renewal applications. She noted staff recommends approval of the licenses that renewed on time.

Ms. Thue moved to approve the items contained on the list of those that timely renewed. Ms. Randall seconded the motion which passed unanimously.

LICENSE APPLICATIONS:

a. License Transfer Applications:

 **Full Transfers:**

1. Mim’s Bar & Grill, Corinne, To: Lou’s Bar & Grill, Corinne (BAR)
2. Victory Ranch Club, Kamas, To: VR Club, Kamas (BAR)

*(Conditional)*

1. Saddlebag Saloon, Eden, to: Saddlebag Saloon, Eden. (TV)
2. Winger’s, Kaysville, To: Winger’s, Kaysville (RB)
3. Legends Pub & Grill, Salt Lake City to: Flanker Kitchen & Sporting

 Club, Salt Lake City (BAR) *(Conditional)*

1. Shades of Pale Brewing, South Salt Lake, to: Habitat Downtown

 Event Center, Salt Lake City. (BAR) *(Conditional)*

Margaret Hardie noted #2 Victory Ranch Club has a transaction closing date of November 15. She gave an overview of the balance of the full license transfers noting those that are conditional.

Ms. Thue moved to grant a conditional full license transfer to #2 VR Club in Kamas effective upon the actual closing of the transaction on November 15, 2021; full license transfers to #1 Lou’s Bar & Grill in Corinne, #3 Saddlebag Saloon in Eden, and #4 Winger’s in Kaysville; and conditional full license transfers to #5 Flanker Kitchen & Sporting Club in Salt Lake City, and #6 Habitat Downtown Event Center in Salt Lake City. Ms. Orton seconded the motion which passed unanimously.

 **51% Ownership change of Entity:**

1. Culichi Kitchen, Orem. (RE)
2. Trails, Salt Lake City. (BAR)
3. Dirty Bird Fried Chxx, Ogden. (RE)

Margaret Hardie gave an overview of the 51% ownership changes noting staff recommends approval.

Ms. Thue moved to grant 51% ownership changes to #1 Culichi Kitchen in Orem, #2 Trails in Salt Lake City, and #3 Dirty Bird Fried Chxx in Ogden. Ms. Orton seconded the motion which passed unanimously.

 **Off-Premise Beer Transfers:**

(1) 7-Eleven Store # 25367D, Salt Lake City. *(Conditional)*

 (2) 7-Eleven Store #23844C, Kearns. *(Conditional)*

Margaret Hardie gave an overview of the off-premise beer transfers noting their transaction closing dates.

Ms. Thue moved to approve conditional off-premise beer license transfers for #1 7-Eleven Store #25367D in Salt Lake City effective upon the actual closing of the transaction November 3, 2021; and #2 7-Eleven Store #23844C in Kearns effective upon the actual closing of the transaction on November 21, 2021. Ms. Randall seconded the motion which passed unanimously.

b. Bar Establishment Applicants:

 *Ready to Operate:*

(1) Fenice Mediterranean Bistro, Salt Lake City. *(will surrender full*

 *restaurant license)*

 (2) Wasatch Loft & Tap Room Bar, Park City.

 *Projected Future Opening:*

 (1) Casot, Salt Lake City. *(Conditional) (projected opening October*

 *2021)*

(2)The Pearl, Salt Lake City. *(Conditional) (projected opening December*

*1, 2021)*

 (3) Garage Grill, Herriman. *(Conditional) (projected opening December*

*31, 2021)*

 (4) The Green Room, Salt Lake City. *(Conditional) (projected opening*

 *February 1, 2022)*

1. Proper Brewing Moab Taphouse, Moab. (Conditional) *(projected*

 *opening January 2022)*

(6) Durango Bar, Salt Lake City. *(Conditional) (projected opening January 2022)*

(7) The Spoke, Moab. *(Conditional) (projected opening March 2022)*

 (8) Edison House, Salt Lake City. *(Conditional)* (*projected opening*

 *June 2022)*

(9) Bout Time Pub & Grub, Bluffdale. *(Conditional)* *(projected opening*

*July 2022)*

(10) Fife Brewing Company, Salt Lake City. *(Conditional) (projected*

 *opening February 2023)*

No bar establishment licenses were available. The commission did not hear from the applicants.

c. Full Service Restaurant Applicants:

 *New Applicants:*

(1) Tonys Tacos, Heber. *(Conditional)*

(2) Garage Grill, Herriman. *(Conditional) (Dual License)*

 (3) Canyon Breeze Restaurant, Ivins.

 (4) Courtyard Lehi at Thanksgiving Point, Lehi.

 (5) Bartolo’s Restaurant, Park City. *(Conditional)*

 (6) The Rose Establishment, Salt Lake City.

 (7) Cytybyrd, Salt Lake City.

 (8) Cajun Boil Seafood Restaurant, Salt Lake City. *(violation history)*

 (9) The Crack Shack, Salt Lake City. *(Conditional)*

 (10) Monarca Bar & Grill, Salt Lake City. *(Conditional)*

 (11) Martine, Salt Lake City. *(Conditional)*

 (12) Dolly Donuts, Salt Lake City. *(Conditional)*

 (13) Facil Taqueria, Salt Lake City.

 (14) Culichi Kitchen, Spanish Fork. *(Conditional)*

 (15) Puerto Vallarta Mexican Grill & Cantina, West Jordan

Rob Hansen gave an overview of the applications. Mr. Hansen reminded all applicants that if they are issued a license today, it will not be effective until November 1, 2021. The commissioners, Ms. Clason and staff discussed the number of restaurant licenses available and the possibility of including projected opening dates in the future.

Ms. Thue moved to grant full service restaurant licenses effective November 1, 2021 to #3 Canyon Breeze Restaurant in Ivins; #4 Courtyard Lehi at Thanksgiving Point in Lehi, #6 The Rose Establishment in Salt Lake City, #7 Cytybyrd in Salt Lake City, #8 Cajun Boil Seafood Restaurant in Salt Lake City, #13 Facil Taqueria in Salt Lake City, and #15 Puerto Vallerta Mexican Grill & Cantina in West Jordan; and conditional full service restaurant licenses effective November 1, 2021 to #1 Tonys Tacos in Heber, #2 Garage Grill in Herriman, #5 Bartolo’s Restaurant in Park City, #9 The Crack Shack in Salt Lake City, #10 Monarca Bar & Grill in Salt Lake City, #11 Martine in Salt Lake City, #12 Dolly Donuts in Salt Lake City, and #14 Culichi Kitchen in Spanish Fork. Ms. Tennert seconded the motion which passed unanimously.

d. Limited Service Restaurant Applications:

 *Previous Applicant:*

(1) ~~Seafood Bucket Cajun Style, Salt Lake City~~. *STRIKE*

 *New Applicants:*

 (1) Ramen Haus, Farmington. *(Conditional)*

 (2) Mountain Mike’s Pizza Utah, Orem. *(Conditional)*

 (3) Richie Lush’s BBQ Kamas, Kamas.

 (4) Chop Shop, Park City.

 (5) Yurt at Solitude Resort, Solitude. *(requesting winter seasonal*

 *license)*

Nicole Hall gave an overview of the applications noting those that are conditional. Ms. Hall reminded all applicants that if they are issued a license today, it will not be effective until November 1, 2021.

Ms. Thue moved to approve limited service restaurant licenses effective November 1, 2021 for #3 Richie Lush’s BBQ in Kamas and #4 Chop Shop in Park City; conditional limited service restaurant licenses effective November 1, 2021 for #1 Ramen Haus in Farmington and #2 Mountain Mike’s Pizza Utah in Orem; and a winter seasonal limited service restaurant license for #5 Yurt at Solitude Resort in Solitude. Ms. Orton seconded the motion which passed unanimously.

e. Hotel Applicants:

 *New Applicants:*

 (1) Goldminer’s Daughter, Sandy. *(Conditional)* (2 RE, BC)

 (2) Marriott SLC Marriott University Park, Salt Lake City. (BC, BAR

 RE)

 (3) The Peery Hotel, Salt Lake City. (BC, BAR, RE)

Bonnie Bills gave an overview of the applications. She noted that if approved, the licenses will be effective upon transaction closing dates.

Ms. Thue moved to approve a conditional hotel license for #1 Goldminer’s Daughter in Sandy effective upon the actual closing of the transaction on November 1, 2021; and hotel licenses for #2 Marriott SLC Marriott University Park in Salt Lake City effective upon the actual closing of the transaction on November 2, 2021 and #3 The Peery Hotel in Salt Lake City effective upon the actual closing of the transaction on November 1, 2021. Ms. Randall seconded the motion which passed unanimously.

f. Resort Applicant:

 *New Applicant:*

 (1) Pendry, Park City. *(Conditional)*

Bonnie Bills gave an overview of the application noting it is conditional and staff recommends approval. She also noted this is the last resort license available. The commissioners discussed the need for additional resort licenses and an expanded definition of resort for businesses not connected to ski resorts.

Ms. Tennert moved to approve a conditional resort license for #1 Pendry in Park City. Ms. Orton seconded the motion which passed unanimously.

g. Hospitality Applicant:

 *New Applicant:*

 (1) Embassy Suites by Hilton, West Valley.

Bonnie Bills gave an overview of the application noting it is complete and staff recommends approval.

Ms. Thue moved to approve a hospitality license for #1 Embassy Suites by Hilton in West Valley. Ms. Randall seconded the motion which passed unanimously.

h. Reception Center Applicant:

 *New Applicant:*

(1) ~~Sugar Space, Salt Lake City~~. *STRIKE*

i. Package Agency Applicants:

 *New Applicants:*

(1) VR Club, Park City. (Type 1)

 (2) The Vine Yard, Leeds. (Type 5)

Jeff Colvin gave an overview of the applications noting they are complete and staff recommends approval.

Ms. Thue moved to approve a Type 1 package agency license for #1 VR Club in Park City and a Type 5 package agency license for #2 The Vine Yard in Leeds. Ms. Randall seconded the motion which passed unanimously.

OPERATIONS UPDATE:

a. Department Update:

Ms. Clason thanked the St. George Chamber of Commerce for hosting the meeting today. She discussed the importance of holding the meeting in Southern Utah as St. George and the surrounding area is growing rapidly. She thanked Senator Ipson, local officials, and local prevention leaders for making time to meet with DABC and the commission.

Ms. Clason discussed the staffing shortages many of the stores are experiencing and the efforts the department is making to alleviate the problem including hiring a roving team and approving extra shifts for store staff. Ms. Clason thanked the dedicated store employees that show up daily.

She also noted that product shortages remain an issue and the department is working to identify all available product options. She encouraged customers to plan ahead and be flexible.

PUBLIC HEARING ON LABEL APPROVAL FEE.

Ms. Micklos explained that during the 2017 general session legislation passed that allows the department to charge a reasonable fee to review and approve labels. She gave an overview of the request to increase label approval fees from $30 to $50. The primary reason is that over the last four years the process has become more complicated due to product innovations such as seltzers and flavored beers.

There were no public comments.

COMMENTS FROM COMMISSIONERS AND PUBLIC:

* Tanner Lenart addressed the commission. She expressed concern about the commission possibly requiring restaurants to obtain licenses closer to their opening dates. She noted many national chains require a license prior to accruing expenses such insurance, bonds, leases and relocating out-of-state employees to open Utah locations. She added that bars operating as restaurants as they wait is a legitimate business decision.
* Ms. Page provided a clarification on the violation for Utah Arts Alliance. She explained that they didn’t provide bottle service. The violation was for a patron having two drinks at one time in front of them. The permit plan was for one drink at a time.
* Ms. Orton thanked the Parents Empowered program for providing a positive interaction opportunity for the children and families in San Juan County and on the reservation. She also thanked the legislature for funding the Parents Empowered program.

There being no further business, Ms. Thue moved to adjourn the meeting. The meeting adjourned at 11:35 a.m.