MINUTES OF THE MEETING OF THE UTAH

 ALCOHOLIC BEVERAGE SERVICES COMMISSION

HELD WEDNESDAY, MAY 31, 2023.

*[A copy of the final agenda was posted on the bulletin board at the DABS Administrative Office, emailed to the Salt Lake Tribune and the Deseret News, and posted on the Utah Public Notice Website by 10:00 a.m. on Tuesday, May 30, 2023.]*

Chair Juliette Tennert called the meeting to order at 10:00 a.m.

Commissioners Present: Juliette Tennert, Tara Thue, Jacquelyn Orton, Natalie Randall, Stan Parrish, and Jennifer Tarazon.

Staff Present: Tiffany Clason, Executive Director; Cade Meier, Deputy Director; Sean Williford, Finance Director; and Doug Murakami, Alcohol Education Director.

Also Present: Samuel McHenry, Assistant Attorney General.

PLEDGE OF ALLEGIANCE:

Erin Hinkel led the group in the Pledge of Allegiance.

ANNOUNCEMENTS:

Ms. Tennert made the following announcements:

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

 - Thursday, June 29, 2023 Logan

 - Friday, July 21, 2023

b. Public Comments:

 - Those present, please complete the form located at the back of the room.

 - Those participating virtually, please email your name, city, topic, and affiliation (if

applicable) to hotline@utah.gov by 5:00 p.m. on Tuesday, May 30, 2023.

 - Comments will be addressed at the end of the meeting.

FINANCIAL UPDATE:

Mr. Williford provided an update on the April 2023 financials. In April, retail revenue was $41.6 million. Revenue YTD is $487 million, $19.6 million higher than the previous year. Operational expenses for April were $4.9 million, $964,000 higher than the previous year. The department is currently on track to return $97 million to the general fund.

Mr. Parrish stated that the subcommittee members reviewed the internal programs and were pleased with department operations. He also noted that due to efforts to increase salaries by the department, Governor, and legislative leadership, the employee turnover rate has decreased from 123% in 2021 to 90% in 2022.

PARENTS EMPOWERED UPDATE:

Mr. Murakami gave an update on the Parents Empowered campaign. He noted there are six communities that care partnership programs remaining this year. He gave an overview of the events in Tooele and Heber. Mr. Murakami also stated that the parents focus group research is complete and results should be available soon.

OPERATIONS UPDATE:

Ms. Clason noted that the commission meeting will be held in Logan next month and gave an overview of the activities associated with the meeting including a store visit and opportunities for the commissioners to meet with area hospitality partners.

Ms. Clason also noted that the Governor’s office asked all state agencies to identify goals and objectives related to EDIA and include them in their updated strategic plans. She thanked the workgroup for their assistance in preparing the department’s EDIA goals.

Mr. Meier provided an update on the new online licensing and permitting system. The department plans to send informational postcards and provide online demonstration opportunities for licensees and stakeholders.

Mr. Meier also noted that on the consent agenda, Adrian Zamora is being moved from the Warehouse Manager to Distribution Center Division Director. Mr. Meier gave an overview of his experience and qualifications. Mr. Zamora came forward and Ms. Tennert thanked him for his work and expertise in managing the warehouse.

VIOLATIONS:

*\*Referral Source – State Bureau of Investigation (SBI), Sunset Police Department (SPD), and West Valley Police Department (WVPD)*

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 requests that any item be removed for individual discussion.]*

 (1) Takara Sushi Japanese Restaurant, Logan and \*SBI (RL)

 Aspen Telford and Ulmej Munkh Erdene

(employee).

 (2) Los Feliz, Salt Lake City and Cecila Castro- \*SBI (OP)

 Sandoval (employee).

 (3) Chili’s, West Jordan and Kallie Roberts \*SBI (RE)

 (employee).

 (4) Wasatch Airport Pub, Salt Lake City and Alejandro \*SBI (AL)

 Alfaro (employee).

(5) Country Fan Fest, Salt Lake City. \*SBI (SE)

 (6) Gunnison Market, Gunnison and O.C. \*SBI (OP)

(employee).

 (7) Anaya’s Market, West Valley and Linza Fernandez- \*WVPD (OP)

 Garcia (employee).

 (8) Thani Bowl Noodle House, Salt Lake City and \*SBI (RE)

 Jordan Young (employee).

 (9) Gourmandise, American Fork and Connor Kent \*SBI (RL)

 (employee).

(10) Smith’s #66, Salt Lake City and Diana Uribe- \*WVPD (OP)

 Martinez (employee).

 (11) Sunset Minimart, Sunset and Monica Porter \*SPD (OP)

 (employee).

 (12) Vertical Diner and the Jade Room, Salt Lake City \*SBI (RE)

 and Jorden Selman (employee).

 (13) Scorez, Lehi and Logan Tait (employee). \*SBI (BAR)

(14) Publik Coffee, Salt Lake City and Emily Hanych \*SBI (RL)

(employee).

(15) Lovebirds Hot Chicken, American Fork and \*SBI (RE)

 Betsaida Aguero Rosales and Teresa Valdez

(employees).

Mr. McHenry gave an overview of the items on the consent calendar noting they are complete and ready for action by the commission.

Ms. Orton moved to approve the settlement agreements for items #1 to #15 on the consent calendar. Mr. Parrish seconded the motion which passed unanimously.

b. Violation Consideration:

 (1) Highlander Pub, Salt Lake City. \*SBI (RE)

Mr. McHenry gave an overview of the violations including failure to scan and a sale to an intoxicated person. He also outlined the proposed fines and fees.

Blaine Peterson, Heather Angel and Tanner Strickland Lenart came forward to address the commission. Ms. Orton asked them to explain what is being done to change the culture and further develop the RASP as their prior plan seemed more complete.

Ms. Angel gave an overview of the actions being taken including meeting with DABS and hiring extra staff. Ms. Lenart explained that the new plan was an addendum to the old RASP. Ms. Thue asked that it be resubmitted as an addendum. Ms. Tennert asked if they understood that this is a grave violation and could have resulted in a revocation. They acknowledged that they understood.

Ms. Orton moved to approve the settlement agreement for #1 Highlander Pub in Salt Lake City. Ms. Tarazon seconded the motion which passed unanimously.

c. Order to Show Cause:

 (1) Button Up Holdings, DBA Echo Event Center, Salt Lake City. (BAR)

Mr. McHenry gave an overview of the issues explaining that there is no proof that the licensed entity has a lease or proof the premise is owned by the licensed entity. He provided a timeline of when the department was made aware of the issue and Ms. Hinkel outlined when notice was given to the licensed entity. Ms. Tennert noted that without a premise the license may be deemed forfeited.

Mark Shurtleff and Ross Easthope from Button Up came forward to address the commission. Mr. Shurtleff outlined the ownership timeline and events surrounding the lease moving to a month to month lease and that Mr. Easthope was unaware of the change.

In response to commissioner questions, Mr. McHenry clarified that the current lease has nothing to do with Mr. Easthope and Button Up Holdings/Echo Event Center. Mr. McHenry also explained that the minority party agreed to not contest the OSC.

Mr. Sommerlath gave an overview of the events resulting in an interim management agreement allowing operations to continue under the existing license. Mr. Sommerlath also noted that the landlord decided not to continue with the month to month lease and signed a new lease with a different operator.

Ms. Tennert stated that since the license was deemed forfeited, no action is required by the commission,

Mr. Meier reminded the parties that all alcohol must be removed from the premises as it is no longer licensed.

LICENSEE RECOGNITIONS: PASSED UTAH PUBLIC SAFETY SBI COVERT (CUB) INSPECTIONS:

Ms. Clason reported that since the April meeting, 88 licensees passed the SBI inspections. She congratulated those that passed and thanked them for following the alcohol safety laws.

CONSENT AGENDA:

Ms. Tennert explained that the commission is implementing a consent agenda. She noted that the commissioners were provided full background information on the items on the consent agenda. The consent agenda will be considered under one motion unless a commissioner requests an item to be removed and considered separately.

Mr. Meier, as the Interim Director of Compliance and Licensing, gave an overview of all items on the consent agenda noting they are complete and ready for action by the commission. He also noted that bar establishment and full restaurant license applications will be considered separately due to license scarcity.

 a. Approval of the Minutes:

 (1) April 27, 2023 Commission Meeting.

 b. DABS Management Appointment:
 (1) Distribution Center Division Director.

 c. Liquor Transport License Renewals.

 d. Off- Premise Beer Retailer Applicants:

 *License Change of Ownership:*

 (1) 7-Eleven Store # 18147C, Salt Lake City. *(purchase agreement*

*date June 1, 2023).*

(2) 7-Eleven Store # 26282F, Salt Lake City. *(Conditional) (purchase*

*agreement date June 6, 2023).*

(3) 7-Eleven Store # 34472B, Sandy. *(Conditional)* *(purchase*

*agreement date June 13, 2023).*

(4) Fast Stop 1110, Layton. *(Conditional)* *(purchase agreement*

*date April 17. 2023).*

(5) Fast Stop 1111, Clearfield. *(Conditional)* *(purchase agreement*

*date April 17, 2023).*

(6) Fast Stop 1112, Layton. *(Conditional)* *(purchase agreement*

*date April 17, 2023).*

(7) Fast Stop 1128, North Salt Lake. *(Conditional)* *(purchase*

*agreement date April 17, 2023).*

(8) Harts Gas and Food #80120, American Fork. *(purchase*

*agreement date May 1, 2023).*

(9) Harts Gas and Food #80144, American Fork. *(purchase*

*agreement date May 1, 2023).*

 (10) Harts Gas and Food # 80187, Elsinore. *(purchase agreement*

*date May 1, 2023).*

 (11) Harts Gas and Food # 80190, Midvale. *(purchase agreement*

*date May 1, 2023).*

 (12) Harts gas and Food # 80232, Elwood. *(purchase agreement*

*date May 1, 2023).*

 (13) KB Express #80162, Cedar City. *(purchase agreement*

*date May 1, 2023).*

 (14) KB Express #80163, Cedar City. *(purchase agreement*

*date May 1, 2023).*

 (15) KB Express #80164, Cedar City. *(purchase agreement*

*date May 1, 2023).*

 (16) KB Express #80165, Milford. *(purchase agreement*

*date May 1, 2023).*

 (17) KB Express #80168, Alton. *(purchase agreement*

*date May 1, 2023).*

 (18) KB Express #80169, St George. *(purchase*

*agreement date May 1, 2023).*

(19)KJ’s Super Store, Logan. *(purchase agreement*

*date March 1, 2023).*

 (20) On the Run #80184, Heber City. *(purchase agreement*

*date May 1, 2023).*

 (21) Zion River Resort C-Store, Virgin. *(purchase agreement*

*date April 17, 2023).*

 *New Applicants:*

(1)Cardwell, Beaver.

(2) Antojitos Cravings & Snack, Cedar City.

 (3) Cardwell, Delta.

 (4) Cardwell, Midvale. *(Conditional)*

 (5) King’s Market, Ogden.

 (6) Lee’s Marketplace, Richmond.

 (7) AutoCamp, Virgin. *(Conditional)*

(8) Hernandez Market, West Valley City.

 (9) Kim Heang Market, West Valley City.

 e. On-Premise Beer Recreational Amenity Applicants:

     *New Applicants:*

(1) Clubhouse Cafe @ Sunbrook Golf Course, St George.

 f. Hospitality Amenity Applicant:

 *New Applicant:*

 (1) Salt Lake Marriott Downtown @ City Creek, Salt Lake City.

 g. Hotel Applicant:

 *New Applicant:*

(1) Hyatt Centric Park City, Park City. *(Conditional)* *(will surrender the RE & BC if license is approved).* (BC, RE, BAR)

 h. Manufacture Brewery Applicant:

 *License Change of Ownership:*

(1) Zion Brewery, Springdale.

i. Limited Service Restaurant Applicants:

                        *License Change of Ownership:*

(1) Asado Argentina Grill & Cafe, Orem.  *(Conditional) (Purchase*

*agreement date April 3, 2023)*

 *New Applicants:*

(1) Mariscos Los Cunados, Heber City. *(Conditional)*

 (2) Ross’s Pizza & Pasta Buffet, Richfield. *(Conditional)*

(3) Sabore’s, Logan. *(Conditional)*

(4)Curry Connect, Sandy.  *(Conditional)*

 (5) Itto Sushi & Myung Ga, Salt Lake City.  *(Conditional)*

(6) Big Rock Candy Mountain, Sevier. *(Conditional)*

(7) Black Sage Zion, Virgin. *(Conditional)*

(8) Pizza Nono, Millcreek. *(Conditional)*

(9) The Crack Shack, St George. *(Conditional)*

j. Beer Only Restaurant Applicants:

                       *New Applicants:*

(1) Burgers & Barley, Riverton.

(2) Pico De Gallo, St George. *(Conditional)*

(3) Quesabirrias, Heber City.

(4) Hidden Peak Provisions, Midway. *(Conditional)*

(5) Los Tapatios, Salt Lake City. *(Conditional)*

 k. Banquet Catering Applicants:

 *License Change of Ownership:*

(1) AutoCamp, Virgin. *(Conditional)*

 *New Applicants:*

(1) Brighton Resort, Brighton. *(Conditional) (projected opening June*

*1, 2023).*

 l. On-Premise “Tavern” Applicant:

 *New Applicant:*

(1) Sandbar Lounge, Moab. *(Conditional)*

Mr. Parrish moved to approve all items on the consent agenda. Ms. Thue seconded the motion which passed unanimously.

LICENSE APPLICATIONS CONSIDERATION ITEMS:

a. Bar Establishment Applicants:

*License Change of Ownership:*

(1) Kaneo, Park City. *(LB01457)*

(2) Bar 319, Vernal.

 (3) Bout Time Pub & Grub, Bluffdale.

(4) Bout Time Pub & Grub, Sandy.

 *Ready to Operate:*

(1) Pete’s Place Bar & Grill, Ogden.  *(currently holds a*

*tavern license; will surrender tavern license if approved).*

(2) La Caille at Quail Run, Salt Lake City.

(3) Kennedy’s Cabaret, Salt Lake City.

(4) Level Crossing Brewing Company, Salt Lake City.

(5) Offset Brewing, Park City.

(6) Second Summit Hard Cider, Salt Lake City.

 *All Other Applicants:*

(1) The Gem Nightclub, Salt Lake City.

(2) Neptune’s Palace, Salt Lake City.  *(Conditional)  (projected opening June 30, 2023).*

(3) Aker Restaurant and Lounge, Salt Lake City.  *(Conditional)*

 *(projected opening July 2023).*

(4) Sayanora (Yuki), Salt Lake City.  *(Conditional)  (projected*

*opening July 2023).*

(5) El Moab Hotel, Moab.  *(Conditional) (projected opening July*

*1, 2023).*

(6) Bout Time Pub & Grub, Tooele.  *(Conditional)  (projected*

*opening July 1, 2023).*

(7) Number 36 LLC, Springville. *(Conditional) (projected opening*

*July 1, 2023).*

(8) Marquis, Park City.  *(Conditional) (projected opening November*

*2023).*

(9) Bout Time Pub & Grub, Saratoga Springs.  *(Conditional)*

 *(projected opening February 2024).*

Ms. Tennert gave an overview of the current quota calculations including the one-time bump of 15 licenses from the legislative session. Today there are 18 bar establishment licenses available.

Rob Hansen gave an overview of the change of ownership applications.

Ms. Orton moved to approve ownership changes for #1 Kaneo in Park City, #2 Bar 319 in Vernal, #3 Bout Time Pub & Grub in Bluffdale, and #4 Bout Time Pub & Grub in Sandy. Ms. Thue seconded the motion which passed unanimously.

Mr. Hansen gave an overview of the ready to operate applications noting licensees awarded today will be effective tomorrow. Licenses will not have to be renewed today.

Ms. Orton noted the subcommittee supported awarding licenses to those ready to operate but have a few clarifying questions for #3 Kennedy’s Cabaret.

Ms. Orton moved to grant bar establishment licenses to ready to operate #1 Pete’s Place Bar & Grill in Oden, #2 La Caille at Quail Run in Salt Lake City, #4 Level Crossing Brewing Company in Salt Lake City, #5 Offset Brewing in Park City, and #6 Second Summit Hard Cider in Salt Lake City. Ms. Thue seconded the motion which passed unanimously.

Troy Cayias, owner, and Steve Spencer, attorney, came forward to address the commission regarding Kennedy’s Cabaret. In response to commissioner questions regarding entertainment and the potential need for an additional sexually oriented business (SOB) license, Mr. Spencer explained that the business will be an art bar. Musicians, photographers, and artists will display work and share ideas. Ms. Thue asked for assurance that the entertainment will not cross the line. Mr. Spencer confirmed it will not cross the line and offered to provide a written statement confirming that it will not be a SOB. Mr. Parrish referenced the recent police report. Mr. Spencer noted that police report referenced a private party where the proprietor invited acquaintances. Ms. Clason added that the department followed up with SLCPD and no charges have been filed at this time.

Ms. Orton moved to grant a bar establishment license to #3 Kennedy’s Cabaret in Salt Lake City. Ms. Thue seconded the motion. Ms. Tennert, Ms. Thue, Ms. Orton, Ms. Randall, and Ms. Tarazon voted yea; Mr. Parrish voted nay. The motion passed.

Mr. Hansen noted the remaining applicants are not ready to operate today.

Chris Salisbury from #7 Number 36 LLC in Springville came forward and explained that they are part of the Strap Tank business and are almost ready to open. He expressed concern that they are making a substantial financial investment and it’s hard to move forward without a license.

b. Full-Service Restaurant Applicants:

*License Change of Ownership:*

(1) Prime Steakhouse, Park City. *(purchase agreement*

*1/1/23)*

(2) Painted Pony, St George. *(purchase agreement*

*2/28/23)*

 (3) Mi Buena Vida, Salt Lake City.

(4) Kaneo, Park City. *(dual license) (purchase agreement date 4/1/23)*

*Ready to Operate:*

(1) Fancy Burger, Orem.

(2) Pier 8, Orem.

(3)AutoCamp, Virgin. *(Conditional)*

(4) Park City Desserts, Park City.

(5) PV Jalisco, Cedar City. *(will surrender Hotel license if approved)*

(6) Via 313 Pizzeria, Murray. *(Conditional) (violation history)*

(7) Betty’s Cafe of Utah, Heber City.

(8) Level Crossing Brewing, Salt Lake City. *(back-up for bar application)*

 *All Other Applicants:*

 (1) Pinewoods Grille, Duck Creek Village. *(Conditional)*

(2)Matchstick Bar & Grill, West Valley City.  *(Conditional)*

(3) Vintage Restaurant Bar & Grill, Heber City. *(Conditional)*

*(projected opening June 10, 2023)*

(4) The Crack Shack, Murray.  *(Conditional) (projected opening*

*June 16, 2023)*

 (5) Piko Mexican Grill, Salt Lake City. *(Conditional) (projected*

*opening June 30, 2023)*

 (6) Silver Reef Brewery Craft & Kitchen, St George.  *(Conditional)*

*(projected opening July 1, 2023)*

(7) Root’d Cafe, Riverton.  *(Conditional)  (projected opening August*

*1, 2023)*

          (8) STK Steakhouse, Salt Lake City. *(Conditional) (projected opening*

*September 1, 2023)*

Ms. Tennert provided an update on the full restaurant license quota changes resulting from the legislative session. Cori Price gave an overview of the change of ownership applications.

Ms. Orton moved to approve ownership changes for #1 Prime Steakhouse in Park City, #2 Painted Pony in St. George, #3 Mi Buena Vida in Salt Lake City, and #4 Kaneo in Park City. Ms. Thue seconded the motion which passed unanimously.

Ms. Price gave an overview of the ready to operate applications noting #8 Level Crossing is stricken as they received a bar establishment license. She noted that all other applicant #2 Matchstick Bar & Grill is no longer conditional and ready to open. Ms. Price also noted that #6 Via 313 Pizzeria has a violation history and will need to address the commission.

Erin Stone, attorney, and Tatiana Kennedy from Via 313 Pizzeria came forward and outlined the steps taken to prevent additional violations.

Ms. Orton noted that the subcommittee recommended approval of the ready to operate applicants and other applicant #2 Matchstick.

Ms. Orton moved to approve full service restaurant licenses for ready to operate applicants #1 Fancy Burger in Orem, #2 Pier 8 in Orem, #4 Park City Desserts in Park City, #5 PV Jalisco in Cedar City, #7 Betty’s Café of Utah in Heber City, and all other applicant # 2 Matchstick Bar & Grill in West Valley City; and conditional full service restaurant licenses for #3 AutoCamp in Virgin and #6 Via 313 Pizzeria in Murray. Ms. Thue seconded the motion which passed unanimously.

COMMENTS FROM COMMISSIONERS AND PUBLIC:

a. Tristan Murano, Cienna Young, and Henry Martinez from Echo/Gem came forward to address the commission. They noted their item was taken off the agenda at the last minute and asked for clarification on the public safety issues. They expressed concern for their business and employees as they are ready to operate. Ms. Tennert and Ms. Clason responded that given the scarcity of bar establishment licenses, the department and commission must complete their due diligence including addressing concerns that are identified hours before the meeting.

b. Chris Salisbury and Brandon Anderson from #7 Number 36 LLC in Springville came forward and again expressed concern that they are making a substantial financial investment and it’s hard to move forward without a license.

There being no further business, Ms. Orton moved to adjourn the meeting. The meeting was adjourned at 11:30 a.m.