

City of Grand Island

Tuesday, May 24, 2016 Council Session

Item E-1

Public Hearing on Request from Prairie Pride Brewing Company, LLC dba Prairie Pride Brewing Company, 115 East South Front Street, Suite 1 for a Class "LK" Liquor License

Council action will take place under Consent Agenda item G-4.

Staff Contact: RaNae Edwards

Council Agenda Memo

| From: | RaNae Edwards, City Clerk |
|---------------|--|
| Meeting: | May 24, 2016 |
| Subject: | Public Hearing on Request from Prairie Pride Brewing Company, LLC dba Prairie Pride Brewing Company, 115 East South Front Street, Suite 1 for a Class "LK" Liquor License |
| Presenter(s): | RaNae Edwards, City Clerk |

Background

Section 4-2 of the Grand Island City Code declares the intent of the City Council regarding liquor licenses and the sale of alcohol.

Declared Legislative Intent

It is hereby declared to be the intent and purpose of the city council in adopting and administering the provisions of this chapter:

- (A) To express the community sentiment that the control of availability of alcoholic liquor to the public in general and to minors in particular promotes the public health, safety, and welfare;
- (B) To encourage temperance in the consumption of alcoholic liquor by sound and careful control and regulation of the sale and distribution thereof; and
- (C) To ensure that the number of retail outlets and the manner in which they are operated is such that they can be adequately policed by local law enforcement agencies so that the abuse of alcohol and the occurrence of alcohol-related crimes and offenses is kept to a minimum.

Discussion

Prairie Pride Brewing Company, LLC dba Prairie Pride Brewing Company, 115 East South Front Street, Suite 1 has submitted an application for a Class "LK" Liquor License. A Class "LK" Liquor License is a Craft Brewery (Brew Pub) license which allows for the sale of their own product on and off sale inside the corporate limits of the city. This license also includes catering. City Council action is required and forwarded to the Nebraska Liquor Control Commission for issuance of all licenses. This application has been reviewed by the Clerk, Building, Fire, Health, and Police Departments.

Also submitted with the application was a request from Phillip Cahoy, #83 Ponderosa Drive for a Liquor Manager Designation.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

- 1. Approve the application.
- 2. Forward to the Nebraska Liquor Control Commission with no recommendation.
- 3. Forward to the Nebraska Liquor Control Commission with recommendations.
- 4. Deny the application.

Recommendation

Based on the Nebraska Liquor Control Commission's criteria for the approval of Liquor Licenses, City Administration recommends that the Council approve this application.

Sample Motion

Move to approve the application for Prairie Pride Brewing Company, LLC dba Prairie Pride Brewing Company, 115 East South Front Street, Suite 1 for a Class "LK" Liquor License contingent upon final inspections and Liquor Manager Designation for Phillip Cahoy, #83 Ponderosa Drive contingent upon completion of a state approved alcohol server/seller training program.

| 05/17/16 11:33 | | Island Police Department LAW INCIDENT TABLE | Page: | 450 1 |
|--|---|--|-----------|----------|
| City Occurred after Occurred before When reported Date disposition Incident number Primary incident Incident nature Incident address State abbreviatio ZIP Code Contact or calles Complainant name Area location coo Received by How received Agency code Responsible offic Offense as Taken Offense as Obser Disposition Misc. number Geobase address Long-term call I | declared number on r number de cer ved | : Grand Island : 12:30:00 04/22/2016 : 12:30:00 04/22/2016 : 04/25/2016 : L16042164 : Liquor Lic Inv Liquor Lic Inv : 115 South Front St E; Suite 1 NE : 68801 : PCID Police - CID : Vitera D : GIPD GIPD Grand Island Police Der : Vitera D : ACT Active : RaNae : 11236 | | 1 |
| Clearance Code Judicial Status | | : CL CL Case Closed : = = = = = = = = = = = = = = = = = = = | = = = = = | = = |

INVOLVEMENTS: Px Record # Date Description

Relationship

| NM | 25221 05/10/16 | Mack, Jay R | Owner |
|----|-----------------|--------------------------------|-------------------|
| NM | 35658 05/10/16 | Anson, Amos C | Owner |
| NM | 36725 05/10/16 | Shearer, Bradley W | Owner |
| NM | 50422 05/10/16 | Cahoy, Diana M | Philip's Wife |
| NM | 88658 05/10/16 | Shearer, Christina L | Bradley's Wife |
| NM | 111396 05/10/16 | Anson, Sharena D | Amos' Wife |
| NM | 114618 05/10/16 | Cahoy, Philip M | Owner/Manager |
| NM | 209840 05/10/16 | Prairie Pride Brewing Company, | Business Involved |
| NM | 209841 05/10/16 | Mack, Jennifer | Jay's Wife |
| NM | 209842 05/10/16 | Briner, Alexander W | Owner |

LAW INCIDENT CIRCUMSTANCES:

Se Circu Circumstance code Miscellaneous

1 LT03 LT03 Bar/Night Club

IMAGE CODES FOR INCIDENT:

| Seq | Imag | Image | code | for | a | users | description | field |
|-----|------|--------|------|-----|---|--------|-------------|-------|
| | | | | | | | | |
| 1 | DOC | DOCUME | ENT | | | mobile | e report | |

LAW INCIDENT NARRATIVE:

Liquor License Investigation Grand Island Police Department

Prairie Pride Brewing Company is applying for a Class L Craft Brewery (Brew Pub) and a Class K Catering LLC Liquor License. Phillip Cahoy is applying to be the liquor manager.

ap ~~---- (lwmain12243504222016)~~

LAW INCIDENT RESPONDERS DETAIL:

| Se | Responding of | ffi Unit n | Unit number |
|----|---------------|------------|-------------|
| | | | |
| 1 | Vitera D | 318 | Vitera D |

LAW SUPPLEMENTAL NARRATIVE:

| Seq | Name | Date |
|-----|----------|---------------------|
| | | |
| 1 | Vitera D | 09:31:04 05/10/2016 |

Grand Island Police Department LAW INCIDENT TABLE

450 Page: 3

318

Grand Island Police Department Supplemental Report

Date, Time: Tue May 10 09:31:18 CDT 2016 Reporting Officer: Vitera Unit- CID

Prairie Pride Brewing Company is applying for a Class L Craft Brewery (Brew Pub) and a Class K Catering LLC Liquor License. Philip Cahoy is applying to be the liquor manager. The business will be located at 115 E. South Front Street, Suite 1. Jay Mack is listed as the "Brew Master." Jay Mack also owns the Lucky Lady Tasting Room in Aurora. Prairie Pride Brewing Company is owned equally by Philip and Diana Cahoy, Bradley and Christina Shearer, Alexander Briner, Amos and Sharena Anson, and Jay and Jennifer Mack. Cahoy Leasing will be leasing most of the equipment for the operation of the business to Prairie Pride Brewing Company. Philip Cahoy and Jay Mack are the individuals authorized to conduct business on the company's Five Points Bank account.

According to the application, the Cahoy's have lived in Grand Island for at least the past ten years, the Shearer's have lived in Grand Island for at least the last sixteen years, the Anson's have lived in Grand Island for at least the last thirteen years, the Mack's have lived in Superior and Aurora for the last thirteen years, and Alexander Briner has lived in Aurora four of the last eleven years. During that eleven year timeframe, he also lived in Illinois and New York.

Amos Anson disclosed nine convictions ranging from speeding, not using his seatbelt, no valid registration, leaving the scene of a property damage accident, violating traffic signs/signals, and DUI. Sharena disclosed a conviction for operating a vehicle without proof of ownership. None of the other applicants disclosed any convictions.

I checked on all of the applicants through Spillman and NCJIS. All of the applicants, with the exception of Alexander Briner and Jennifer Mack, have an entry in Spillman. I didn't find any potential violations in Spillman for Philip Cahoy, Diana Cahoy, Christina Shearer, Sharena Anson, or Jay Mack. Bradley Shearer has an entry for no proof of automobile insurance while Amos Anson doesn't have any undisclosed violations, he has a few entries for code violations which he took care of.

NCJIS doesn't show any convictions for Philip Cahoy. Diana Cahoy has one conviction for speeding. Bradley Shearer has a couple of old DUI convictions from 1976 and 1977 along with two speeding convictions listed in NCJIS. Christina Shearer doesn't have any convictions listed in NCJIS. Alexander Briner has a Carrying a Concealed Weapon (CCW) conviction from when he was sixteen years old listed in NCJIS. Amos and Sharena Anson don't have any undisclosed convictions in NCJIS, and Jay and Jennifer Mack don't have any convictions listed in NCJIS.

Besides the question on the application which asks about convictions, another question asks about past and present liquor licenses held by any of the applicants. The applicants listed the Lucky Lady Tasting Room operated by the Mack's in Aurora. However, they failed to mention that Sharena Anson has had a liquor license for The Chocolate Bar since 2011. I checked the license history of The Chocolate Bar through the NLCC's web site and learned that they haven't

450 Page: 4

had any violations since they've been open.

In addition to The Chocolate Bar, the Shearer's applied for a liquor license in 2007 in Grand Island for a business called "Bogey's." I called the NLCC and spoke to Randy Seybert about Bogey's and found that the application received local approval and approval from the NSP, but a license was never issued. Randy said the application lacked proof of inspections from the fire department and the health department. The application was eventually administratively withdrawn by the NLCC after six months of inactivity. I spoke to Bradley Shearer over the phone about this situation. He said they had necessary approvals, but they didn't follow through with Bogey's due to some business decisions he had to make at the time. Bradley said he probably didn't notify the NLCC of his intention to withdraw the application.

After checking on the applicants through Spillman and NCJIS, I searched all of the applicants through a paid online law enforcement-only database which tends to provide mostly personal identifying information and information about civil issues. I did not find anything out of the ordinary on any of the applicants.

I also checked the driver's license status of each applicant along with checking them for outstanding arrest warrants. All of the applicants have a valid Nebraska driver's license, and none of the applicants have any outstanding warrants for their arrest.

On 5/11/16, I called Philip Cahoy and set up a meeting with him on 5/16/16 at 1500 hours. NSP Investigator Hansen and I met with Philip at the agreed upon time and place. The rest of the male applicants were also present. After Investigator Hansen went over his checklist of questions, I went over the application with all of the guys present. I pointed out that a few of the applicants didn't disclose some traffic convictions. I also mentioned that The Chocolate Bar wasn't listed on the application as a liquor license that one of the applicants (Sharena Anson) currently has. Jay Mack advised that he filled out the application. It appears that with the number of applicants involved in this application, it was just an oversight.

I asked Alexander Briner about his CCW conviction when he was a minor. Alexander said he was under the impression that the conviction had been expunged from his record. Otherwise, he would have disclosed it. He also said that the situation wasn't as bad as the conviction sounds. Alexander said he was hanging out with a friend in an alley, and a nearby resident called them in as being suspicious. When the police arrived, Alexander had a pocket knife on him that the blade was one half inch too long according to statute.

I shared with the group that Nebraska Revised Statute 53-125 says that no license of any kind shall be issued to a person who has been convicted of a crime under Chapter 28, Article 12 which Alexander's conviction falls under. However, I believe that the language of 53-125 when it refers to a person, refers to an individual application. Part (9) of 53-125 specifically refers to LLC's and says that if an officer or director of the company doesn't qualify for the reason above, no license shall be issued.

Prior to explaining the statute to the applicants, I asked who the officers in the company are. I was told that Amos Anson and Alexander Briner are not officers. The last segment of part (9) of 53-125 states that if any members of the company owning more than 25% would be ineligible to get a license with a CCW conviction. Since Alexander is not the director or an officer in the company, and he owns less than 26% of the company; it appears his CCW conviction does not

Page:

450

5

preclude Prairie Pride Brewing Company from receiving a liquor license.

All in all, the failure of some of the applicants to disclose a couple of minor and/or old traffic convictions and the existence of a liquor license for The Chocolate Bar (no violations on their liquor license since its inception five years ago), is pretty inconsequential. Moreover, Alexander's CCW conviction doesn't negatively affect this application either. Therefore, the Grand Island Police Department has no objection to Prairie Pride Brewing Company receiving a liquor license or to Philip Cahoy becoming the liquor manager.

