



City of Grand Island

Tuesday, November 22, 2022

Council Session

Item E-1

Public Hearing on Request from Underground Café, LLC dba Underground Café, 3404 West 13th Street for a Class "I" Liquor License

Council action will take place under Consent Agenda item G-3.

Staff Contact: RaNae Edwards

Council Agenda Memo

From: RaNae Edwards, City Clerk

Meeting: November 22, 2022

Subject: Public Hearing on Request from Underground Café, LLC dba Underground Café, 3404 West 13th Street for a Class "I" 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

Underground Café, LLC dba Underground Café, 3404 West 13th Street has submitted an application for a Class "I" Liquor License. A Class "I" Liquor License allows for the sale of alcohol onsite inside the corporate limits of the city.

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. See attached Police Department report.

Also submitted was a request for Liquor Manager Designation for Jose Rendon, 2704 West John Street, Grand Island, Nebraska. Staff recommends approval of the liquor license contingent upon final inspections and liquor manager designation for Jose Rendon, 2704 West John Street, Grand Island, Nebraska contingent upon passing a state approved alcohol server/seller training course.

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.

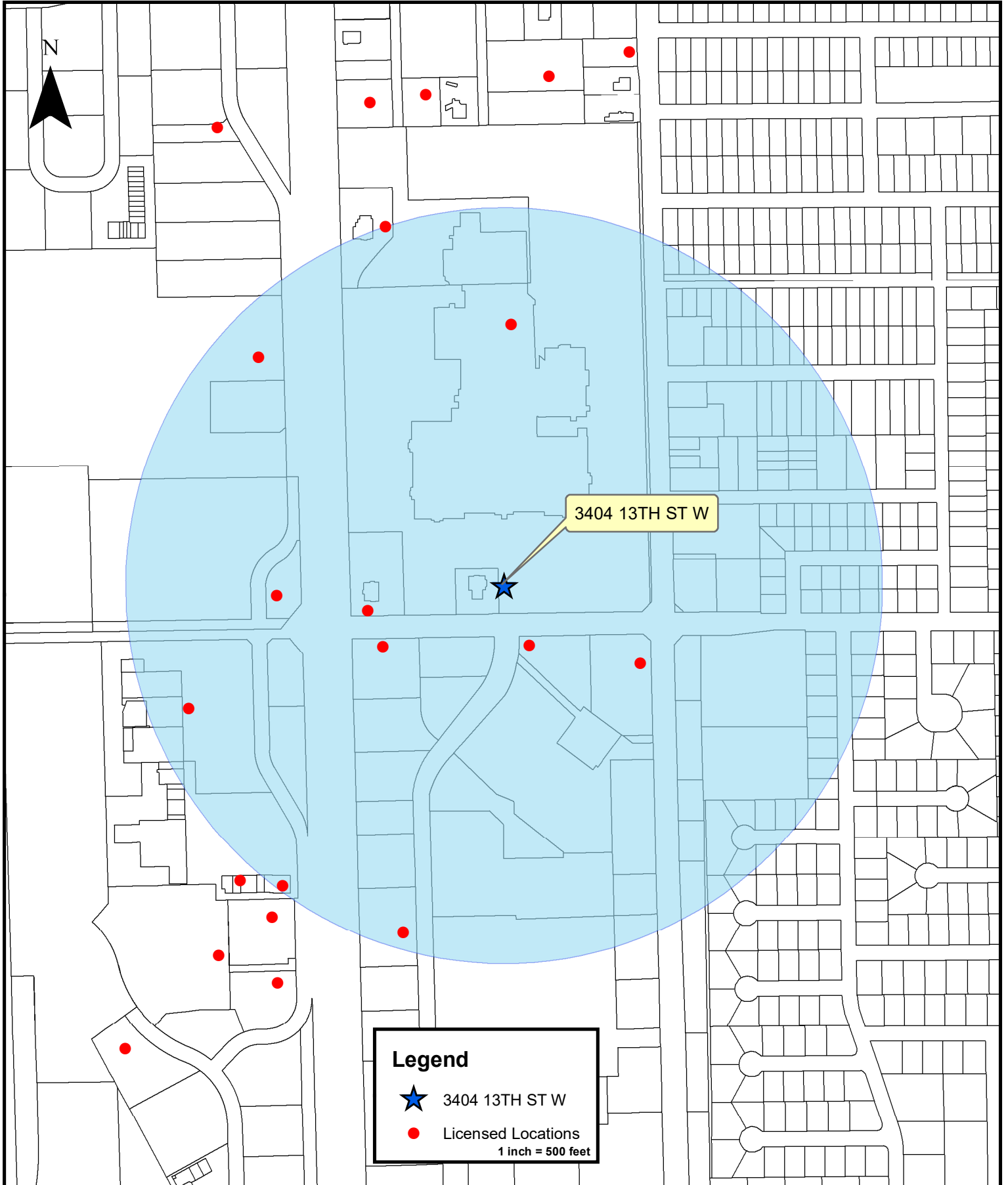
Recommendation

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 Underground Café, LLC dba Underground Café, 3404 West 13th Street for a Class "I" Liquor License contingent upon final inspections and Liquor Manager Designation for Jose Rendon, 2704 West John Street, Grand Island, Nebraska contingent upon passing a state approved alcohol server/seller training course.

Liquor License Application: Class "I": Underground Café



11/02/22 Name Underground Cafe, business

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Narrative

Liquor License Investigation

Grand Island Police Department

Jose Rendon, as owner of Underground Cafe LLC, doing business as Underground Cafe, has applied for a class I Liquor License; beer, wine and distilled spirits, on sale only; for the retail location in the Conestoga Mall.

Responsible LEO:

Approved by:

Date

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Supplement

309

Underground Cafe Liquor License

Grand Island Police Department
Supplemental Report

Date, Time: 11-10-22

Reporting Officer: Sgt Dvorak #309

Unit #: CID

Jose Rendon, utilizing his LLC, has applied for a new liquor license at the new location for his business, Underground Cafe. The business has been open for some time at a 3rd Street location, but operated without a liquor license. Now that Rendon moved to the Conestoga Mall, he is applying for a Class I Liquor License; beer, wine and distilled spirits; on sale only.

In the application paperwork, I noted that Jose does not indicate his is married. He also reports that he is the sole owner of the corresponding LLC; Underground Cafe LLC. I first checked, and verified, that Rendon has no outstanding warrants. I utilized local Spillman files, the State NCJIS database, and a paid law enforcement only site to check Rendon's background.

During my Spillman search, I noted some incidents back in 2009 through 2011 when Rendon was the proprietor of Underground Auto. Mostly disturbing the peace and allegations of thefts/fraud but I observed that most of those incidents were not due to, or because of, Rendon himself. Rather, those incidents involved clients of his business, and other car aficionados that frequented the business. Jose was also involved in a few minor traffic contacts. Rendon disclosed two historical traffic convictions on the application, with the most recent being 2011. I noted no other items of concern.

State NCJIS files displayed the two traffic convictions disclosed by Rendon. I also noted a third traffic citation in 2013 from the NE State Patrol. While concerning, this in and of itself does not disqualify Jose from this process. NCJIS also indicated that Jose Rendon has six (6) criminal court appearances, ranging back from 2013 to 2008. None of these criminal complaints were disclosed on the application. However, a second check revealed that these were the traffic violations I observed earlier. Because none were moving violations, all were entered as criminal complaints, since window tinting, rotating or projecting lights, and careless driving are considered misdemeanors, not traffic infractions.

I then utilized a paid, law enforcement only, web site that generally covers personal residency and contact information, and incidents of a civil nature such as liens, bankruptcies and judgements. I utilize this site often, and have never encountered an individual that did not have a record in the database. However, when searching Rendon, I was advised, numerous times, that nothing was on file. I utilized different combinations of Jose A Rendon Samanego, which is what is on file for Rendon on his NE drivers license, all with negative results.

I contacted the NE Liquor Commission offices. I was given a social security number that Rendon provided on his application. (redacted on the copy I receive) When I ran that social security number in the database, it returned an abbreviated match, under the name of Castorena Rendon, and one Grand Island address, which does not match Jose Rendon. No relationship, employment, other address or phone information was listed. Again, with my experience, this is extremely unusual for this web site.

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Due to these inconsistencies, I believed it was possible that Rendon did not have legal status in the United States, which would preclude him from obtaining a liquor license. I re contacted the Commission offices, and was advised that Rendon provided a copy of his Naturalized Citizen paperwork. I obtained that permit number, A045143632. I contacted the local office of ICE/ERO. I provided them the information from Rendon's application, and his permit number. I was advised that Jose Alfredo Rendon Samanego is a valid foreign born US Citizen that Jose obtained in 2004. However, the ICE Agent advised that he also had no record for the social security number on file.

I again utilized NCJIS employment records for the State of NE and found that Jose Rendon utilized that social security number for wages and benefits in the State of Nebraska, back to at least prior to 2017.

I then had contact with NSP Investigator Suchsland. He advised that he obtained the same social security number for Rendon. I told him of my findings from the Commission and from ICE/ERO. Suchsland said he would contact our local Homeland Security Investigative office to see if he could shed any light on the issue with Jose's Social Security number. Suchsland later advised that he confirmed that the number both of us have on file for Rendon is his actual Social Security number, and it is unknown why the law enforcement database return the result that it does. The HSI Agent indicated that it is possible that the number was entered incorrectly at some point.

On 11-4-22 I met with Jose Rendon at the Conestoga Mall location of Underground Cafe. The cafe is the first retail space on the north side of the Mall Theater/Food Court entrance. The space was large, clean and well lit with plenty of seating. Rendon confirmed that he is divorced, and no one else has any interest in the LLC or the Cafe, stating "this is all 100% me."

We discussed cooperation with law enforcement, and responsibilities for selling alcohol. I told Jose that he would have to be even more diligent, because of the location of the cafe, and being the only location in the Mall that sells alcohol. Rendon said he understood the situation, and would be diligent to avoid any issues. I asked Rendon why he decided to sell alcohol, after operating with it at the 3rd Street location. Jose said he has expanded his menu to include more hearty lunch and supper options, and feels that alcohol can complement those meals.

Rendon said he plans to offer beer, mixed drinks and wine. We discussed the need to use qualified distributors. I asked about storage, which did not seem possible given the layout of the cafe. However, Rendon said he has plenty of space, and ushered me through a door behind the service counter. I was surprised to note that the food prep/storage area not accessible to the public was at least as large as the other half of the facility that I had seen.

Jose said he will be the main person running the Cafe. However, he will hire mostly family to assist him, and run the operation when he cannot be there. We discussed the age requirements for selling alcohol, and the need to train his employees regarding ID's and overselling. Rendon said he plans to be open seven days a week, but only from 1100-1800 on Sundays. Rendon said he plans to offer a "teen night" on Fridays from 1900-2200, where kids can come and do Karaoke and dance. Rendon said he will put all alcohol into storage for those nights.

Rendon said he has a surveillance system installed, but he cannot get it to work. He said a technician will be out in the next week or two and it should be operational after that. He assured me that he will be very vigilant regarding

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minors trying to obtain alcohol, and will cooperate with GIPD regarding any issues that might arise at this business.

Other than the unexplained questions regarding Jose Rendon's social security number, the Grand Island Police Department does not object to him being issued a Class I Liquor License; wine, beer and distilled spirits on sale only, for the Underground Cafe located in the Conestoga Mall.

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