



City of Grand Island

Tuesday, March 07, 2006

Special/Council Session

Item E7

**Public Hearing on Request of Sarah R. Tjaden dba The Roadhouse
Garage, 2710-B Diers Avenue for a Class "C" Liquor License**

Staff Contact: RaNae Edwards

Council Agenda Memo

From: RaNae Edwards, City Clerk

Meeting: March 7, 2006

Subject: Public Hearing on Request of Sarah R. Tjaden dba The Roadhouse Garage, 2710-B Diers Avenue for a Class “C” Liquor License

Item #'s: E-7 & I-7

Presenter(s): RaNae Edwards, City Clerk

Background

Sarah R. Tjaden dba The Roadhouse Garage, 2710-B Diers Avenue has submitted an application for a Class “C” Liquor License. A Class “C” Liquor License allows for the sale of alcohol on and off sale inside the corporate limits of the city.

Discussion

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. Attached is the Police Department’s background investigation and recommendation.

Concerns have arisen with Jeff Leo, roommate of the applicant as to his character and reputation with the past liquor license request of Bud’s Roadhouse which was denied by City Council on November 8, 2005.

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 either:

- 1) deny this request based on the character and reputation of Jeff Leo, roommate of the applicant; or
- 2) approve the application with the stipulations that Jeff Leo, roommate of the applicant have no interest in the operation or profit of the business, to include tending bar, making sales, serving patrons, stocking shelves, writing checks, signing invoices, paying distributors, working in the establishment in any capacity, or to patronize the business.

Sample Motion

Move to either:

- 1) deny this request based on the character and reputation of Jeff Leo, roommate of the applicant; or
- 2) approve the application with the stipulations that Jeff Leo, roommate of the applicant have no interest in the operation or profit of the business, to include tending bar, making sales, serving patrons, stocking shelves, writing checks, signing invoices, paying distributors, working in the establishment in any capacity, or to patronize the business.

for the Class "C" Liquor License of Sarah R. Tjaden dba The Roadhouse Garage, 2710-B Diers Avenue.



**INTEROFFICE
MEMORANDUM**
Police Department

*Working Together for a
Better Tomorrow. Today.*

DATE: March 2, 2006

TO: RaNae Edwards, City Clerk

FROM: Robert Falldorf, Captain, Police Department *Robert B. Falldorf*

RE: Application for Liquor License – The Roadhouse Garage – 2710 Diers Ave. #B,
Grand Island, Nebraska

The Grand Island Police Department has received an application for a Liquor License for The Roadhouse Garage, 2710 Diers Ave. #B, Grand Island, Nebraska.

I recommend that this application be denied or stipulations as to Jeff Leo's non-participation in the business as listed in my investigative report.

RF/sjs

**CITY OF GRAND ISLAND
LIQUOR APPLICATION CHECKLIST**

 Retail: Individual **

 O.K Applicant is Nebraska Resident.

*Issues about applicants
Boyfriend/Roommate*

 Applicant is of good character and reputation in the community in which he or she resides.

 O.K Applicants is citizen of the United States.

 O.K Applicant has no Felony or Class I Misdemeanor convictions or guilty pleas.

 O.K Applicants has had no prior liquor licenses issued under the Nebraska Liquor Control Act revoked.

 O.K Applicant's spouse must qualify the same as applicant.

 O.K Applicant owns premise or has a lease of premise for the full period for which the license is issued.

 Premise meets State Fire Marshal codes.

 O.K Applicant is not a law enforcement officer.

 O.K Applicant is at least 21 years of age.

 Retail: Partnership **

 One partner must be a resident of Nebraska.

 All partners and spouses must be citizens of the United States.

*Issues about hidden
Partnership.*

 All partners must be of good character and reputation in the community.

 All partners must not have been convicted or plead guilty to a Felony or Class I Misdemeanor.

 All partners must not have had a liquor license issued under the Nebraska Liquor Control Act revoked.

Retail: Limited Liability Company **

 One of the members must be a resident of Nebraska.

 All members of such company must qualify to above individual restrictions.

 Retail: Corporation **

 Any officer, manager, or director of the corporation or any stockholder owning more than 25% of the stock must qualify to above individual restrictions.

 The manager and spouse of the corporation must be a resident of Nebraska and qualify to above individual restrictions.

 Corporation must be registered with the Secretary of State.

 Corporation owned by a corporation, the owning corporation must register with the Secretary of State.

 Manufacturer, Wholesaler, Railroad, Airline, Boat, Nonbeverage

 Application filed in duplicate.

 Beer Wholesaler must file sales territory of their brands.

 Must file a bond.

 Must pay registration fee and license fee.

 No Manufacturer or Wholesaler may have interest as owner, part owner, lessee, or lessor in any retail establishment.

****All Retail Licenses:**

 o.k Premise is not within 150' from any church, school, hospital, or home for aged or indigent persons or for veterans, their wives or children.

 o.k Premise is not within 300' from any college campus.

Other Comments or Concerns:

03/02/06
09:35

Grand Island Police Dept.
LAW INCIDENT TABLE

Page: 334
1

```

City : Grand Island
Occurred after : 13:00:00 02/17/2006
Occurred before : 15:46:42 03/01/2006
When reported : 13:00:00 02/17/2006
Date disposition declared : 03/01/2006
Incident number : L06030056
Primary incident number :
Incident nature : Liquor Lic Inv Liquor License Investigation
Incident address : 2710 Diers Ave #B
State abbreviation : NE
ZIP Code : 68801
Contact or caller :
Complainant name number :
Area location code : PAO Police - Within limits of GI
Received by : Falldorf R
How received : T Telephone
Agency code : GIPD Grand Island Police Department
Responsible officer : Falldorf R
Offense as Taken :
Offense as Observed :
Disposition : ACT Active
Misc. number :
Geobase address ID :
Long-term call ID :
Clearance Code :
Judicial Status :

```

=====

INVOLVEMENTS:

Px	Record #	Date	Description	Relationship
NM	111123		Tjaden, Sarah R	Liq. Lic. Applicant
NM	111124		Leo, Jeff D	Mentioned
NM	111125		The Roadhouse Garage,	Liq.Lic. Applicatio

LAW INCIDENT NARRATIVE:

Liquor License Application background check for The Roadhouse Garage, 2710 Diers

LAW INCIDENT RESPONDERS DETAIL:

```

Se Responding offi Unit n Unit number
-----
1 Falldorf R 104 Falldorf R

```

LAW SUPPLEMENTAL NARRATIVE:

```

Seq Name Date
-----
1 **:**:** **/**/****

```

03/02/06
09:35

Grand Island Police Dept.
LAW INCIDENT TABLE

334
Page: 2

Grand Island Police Department
Supplemental Report

On the date of 2-17-06 I received a liquor license application from Grand Island City Clerk, RaNae Edwards, to do a background investigation on. The application was under the name of Sarah R. Tjaden, dba The Roadhouse Garage. I was familiar with this address because I had completed a previous liquor license background investigation for this same address in October of 2005. At that time a Jeff Leo was attempting to obtain a liquor license for a business called Buds Roadhouse. The lease for the building was initially in Jeff Leo's name and then was transferred into Tjaden's name.

Through that previous investigation on Mr. Leo I learned that he once owned a bar in Hadar, Nebraska and had nude dancers at that location. I received reports from the Pierce County Sheriff's Department that indicated that they had written numerous citations to Mr. Leo for Village of Hadar violations for exploitation of human nudity, premises open to view, and a refusal or delayed entry to law enforcement. Sheriff Eberhardt with the Pierce County Sheriff's Department advised that Mr. Leo had an attitude of complete disregard for the law.

I also learned from the Pierce County Sheriff's Department that Mr. Leo had a previous conviction for carrying a concealed weapon, which is an automatic disqualifier for him to obtain a liquor license. Mr. Leo did eventually also plead guilty to two counts of exploitation of human nudity for having the nude dancers at his Hadar bar. I did testify at the Liquor Commission Hearing on behalf of the city for Mr. Leo's request for a liquor license and his request was denied.

When I initially received the liquor license application for Sarah Tjaden, dba The Roadhouse Garage, I was suspicious that this case was a silent partner or hidden ownership case since the name of her establishment closely matched the name of Buds Roadhouse. I ran a background check on Sarah Tjaden and determined that she did disclose her traffic offenses on her liquor license application as required. I then did a utilities check on Tjaden for her residence and business. The residential utilities for the check on Tjaden showed Jeff and Sarah Tjaden, 3720 W. State Street #J9. The business utilities check on Tjaden showed Sarah Tjaden dba Bud's Roadhouse (not The Roadhouse Garage as listed on her application).

On 3-1-06 I responded to the Nebraska State Patrol office in Grand Island and made contact with NSP Liquor Division Investigator Lorri Rogers. Investigator Rogers advised that she had ran driving history checks on Sarah Tjaden and Jeff Leo and discovered that they both listed 3720 W. State Street #J9 as their addresses on their licenses. She also advised that she compared Jeff Leo's liquor license application which was denied and Sarah Tjaden's and discovered that they both listed on their respective applications that they worked at The Depot in Norfolk, Nebraska during the same time frame as each other. She also noted that on page 5 question 16 of Jeff Leo's application that was denied he put down that the main nature of the business and hours of operation would be Dancing and comedy, approximate hours 7:00 PM to 1:00 AM, Tuesday through Saturday. Tjaden's application for the same question stated Dancing, Comedy, Socializing, approximate hours 7:00 PM to 1:00 AM, Tuesday through Saturday.

Investigator Rogers and I then responded to 2710 Diers Avenue #B and made contact with Sarah Tjaden. I had previously called Sarah and arranged the

03/02/06
09:35

Grand Island Police Dept.
LAW INCIDENT TABLE

334
Page: 3

meeting. When we arrived at the business and stepped inside I noticed Jeff Leo inside doing some work on the business. We then found a booth in the business to sit at to speak with Tjaden. Tjaden advised that she now has a business account set up at Five Points Bank in Grand Island under her name only and doing business as The Roadhouse Garage. She did advise that the building was going to have an outside beer garden attached to it; however she didn't know what the size of the beer garden was going to be. Investigator Rogers asked Tjaden about her background and how she met Jeff Leo. She advised that she used to work at The Depot in Norfolk and Jeff was her supervisor. She advised that they have been friends for a long time. She also advised that they were currently living together as roommates.

Investigator Rogers asked Tjaden who was going to run the day to day business of the bar and she advised that she was. She asked Tjaden how she came across this opportunity and she advised that she knew that Jeff Leo was denied his license so she stated that she made an agreement with him to take over all of the bar. She advised that she has made one monthly payment of \$1,213 so far and that she had purchased the majority of the items/furnishings in the bar up to this point. She did point out the half shell of an old truck in the business that she indicated belonged to Jeff Leo and she was going to use for the Disc Jockey set.

Investigator Rogers asked Tjaden if Jeff Leo had approached her to get the license since he was denied and she advised that she just agreed to take over all of the bar. Investigator Rogers asked Tjaden what role Jeff Leo was involved in with the bar and she advised that she is paying him \$300 a week to work on the bar (she advised that she has paid him \$900 so far). Investigator Rogers asked Tjaden if she had any documentation to show that she was paying Mr. Leo and she advised that she didn't and that she was dealing in cash with paying him. Tjaden also advised that she was planning on keeping Mr. Leo on as an employee/security as an hourly employee after the bar opens because of his vast knowledge of the bar business. Tjaden advised that she hasn't hired any additional employees at this time. We then thanked Ms. Tjaden for her time and left the business.

The police department's recommendation is to deny this application because of Mr. Leo's obvious involvement with this establishment and his previous denial for a liquor license in the past by the Liquor Commission. Had Mr. Leo not been prohibited from obtaining a license because of his carrying a concealed weapon conviction the city still would have pursued a denial due to his poor character and reputation shown in past dealings as a liquor license holder.

If the city does send in a recommendation of approval, the police department would suggest that a restriction be placed on the license that Mr. Leo will have no interest in the operation or profit of the business, to include tending bar, making sales, serving patrons, stocking shelves, writing checks, signing invoices, paying distributors, working in the establishment in any capacity, or to patronize the business.

Date, Time: 3-2-06, 9:00 AM
Reporting Officer: Captain Robert Falldorf