Minutes of the Liquor Licensing Review Subcommittee of the Public Services & Safety Committee Tuesday, March 28 at 5:00 p.m. City Hall, Council Chambers

<u>MEMBERS PRESENT</u>: Police Chief Olson, City Attorney Rashid, Director of Community Development & Assessment Haese, City Clerk Nagel, and Aldermen Stevenson and Weber with Alderman Borchardt arriving at 5:17pm. Fire Chief Kloehn was excused.

<u>ALSO PRESENT</u>: Aldermen Lendrum, Skyrms, and Boyette, Spencer Anveliink, David Pyszora, and Rosita and William Eisenach.

Vice Chairman Stevenson called the meeting to order at 5:00 p.m.

I. <u>APPROVAL OF MINUTES OF MARCH 4, 2021 (MINUTES CAN BE FOUND ON THE</u> <u>CITY WEB SITE).</u>

MS by Haese/Olson to approve the minutes of the March 4, 2021 meeting as presented, all voting aye.

II. ORGANIZATION

<u>Nomination of a Chairman</u>: Vice Chairman Stevenson asked for the nomination of one member to serve as Chairman to the Liquor Licensing Review Subcommittee. **MS** Haese/Rashid to nominate Vice Chairman Stevenson as Chairman of the subcommittee. There being no other nomination, Vice Chairman Stevenson closed the nominations and a unanimous vote to elect Alderman Stevenson as Chairman was cast.

Nomination of a Vice Chairman: Chairman Stevenson asked for the nomination of one member to serve as Vice Chairman to the Liquor Licensing Review Subcommittee. MS Olson/Haese to nominate Alderman Weber as Vice Chairman to the Subcommittee. Seeing no other nomination, Chairman Stevenson to close nominations and cast a unanimous vote for Alderman Weber as Vice Chairman was cast.

This subcommittee meets on call when an original (new) Class B liquor license application is submitted to the Clerk's office.

III. APPEARANCES: None.

IV. UNFINISHED BUSINESS: None.

V. <u>NEW BUSINESS</u>:

Without objection Chairman Stevenson moved up the review of "Class B" quota, reserve licenses, and above quota licenses.

D. Review of "Class B" quota, reserve licenses, and above quota licenses

The Subcommittee reviewed Clerk Nagel's memo regarding the liquor license quota. The City currently has issued 37 of the 38 quota of "Class B" Intoxicating Liquor and Fermented Malt Beverage Licenses issued and zero of the ten reserve licenses issued. The difference between a regular license and a reserve license is a \$10,000 non-refundable deposit on the reserve licenses. On the agenda are two original (new) applications for "Class B" combination, and one transfer "Class B" combination intoxicating liquors and fermented malt beverages. The original Alcohol Beverage License Applications with Plan of Operation including a floor plan were provided to the subcommittee.

Clerk Nagel stated that this subcommittee meets on call when a new application for a liquor license is filed in the Clerk's Office. Quotas were calculated and set using a formula provided by the Department of Revenue in 1997. After that quota was established, a municipality may obtain one more reserve license for every 500 people increase in the population. The quota for "Class B" liquor licenses in the City of Neenah is currently at 38 Regular and 10 Reserves. Discussion took place on the quota and how it was originated. Clerk Nagel advised there is no quota on Class "B" fermented malt beverage licenses. An "Above Quota" license can be issued only if a municipality has issued all available regular and reserve licenses. Above quota licenses are limited to the following: a full service restaurant that has a seating capacity of 300 or more persons; a hotel that has 50 or more rooms of sleeping accommodations and that has an attached restaurant with seating capacity of 150 or more persons or a banquet room in which banquets attended by 400 or more persons may beheld; or an opera house or theater for the performing arts operated by a non-profit organization.

Much discussion was had on the \$10,000 non-refundable deposit requirement for reserve licenses. There is no requirement to issue the regular license on a first come, first served basis. The businesses who submit a liquor license application are to be vetted by the city before any licenses are issued to assure there is a responsible owner and agent to meet business practice expectations set forth by the city. Clerk Nagel advised the subcommittee that when there is a liquor license inquiry, the current license status is disclosed up front. In this case, Urban Market was told there was one regular license left and to submit their application as soon as possible if they wanted it. Shortly thereafter, Mr. Pyszora inquired on liquor license in which he was advised that last available regular license application was just received and there are only reserve licenses available which means a \$10,000 non-refundable deposit was required. Soon after that conversation took place, Ms. Eisenach inquired on purchasing Two Broke Girlz and the transferring of said license to 2 Bullyz Bar. That was the order the inquires and applications came into the Clerk's office.

Discussion was had on the city facilitating an investment mechanism to attract new businesses with potential alcohol sales to the city to accommodate the growth that we are experiencing. This mechanism cannot be in the form of economic grant simply gifting the \$10,000 back to the business as this law has changed.

A. Review and make recommendation on Original "Class B" Combination Alcohol Beverage Retail License Application and Plan of Operation for Urban Market Neenah LLC, Richard Van Sistine, III, and Spencer Anvelink owners, d/b/a Urban Market Neenah, WI, 201 W. Wisconsin Avenue, Spencer Anvelink, agent.

Spencer Anvelink was present to answer any subcommittee questions. The subcommittee reviewed the Plan of Operation including the floor plan. Mr. Anvelink advised the subcommittee that there is so little revenue in the current food industry, and that adding the option of having an alcoholic beverage with dinner offers the customer a much more relaxed and inviting dining experience as well a better profit margin. Urban Market would like to offer an outdoor dining experience as well, however, at this time it is unknown what the outdoor dining area will look like as the building is still under construction. Mr. Anvelink told the subcommittee that since they were the first to submit the application, they were under the impression that the regular license was secured.

John Skyrms, 116 $\frac{1}{2}$ W. Wisconsin Avenue – is thrilled to have an outdoor, seasonal dining at this location. Alderman Skyrms advised this business will be a great addition to the downtown area and is excited to have it open.

MS Haese/Rashid to recommend approval of the final regular "Class B" combination intoxicating liquors and fermented malt beverages license to Urban Market Neenah, LLC d/b/a Urban Market Neenah at 201 W. Wisconsin Avenue, all voting aye.

B. Review and make recommendation on Original "Class B" Combination Alcohol Beverage Retail License Application and Plan of Operation for David Pyszora, Individual, d/b/a Pappa's Café, 1360 S. Commercial Street, David Pyszora, Agent.

Mr. Pyszora was in attendance to an answer any subcommittee questions. Mr. Pyszora advised the subcommittee that more and more customers are requesting breakfast drinks such as Bloody Mary's and Mimosa. He understands that if he wants to grow his business, he will need to get a liquor license in order to serve customers breakfast drinks even if that requires the \$10,000 non-refundable deposit. Therefore, the plan of operation indicates an addition of a small bar to the north of the original restaurant with additional restrooms. The license will provide for full service of alcoholic beverages not only to the bar area but to the dining area was well. Mr. Pyszora advised that he understands the requirement of the \$10,000 non-refundable deposit.

MS Haese/Stevenson to recommend approval of a reserve "Class B" combination intoxicating liquor and fermented malt beverage license requiring the \$10,000 non-refundable deposit to David Pyszora d/b/a Pappa's Café located at 1360 S. Commercial Street, all voting aye.

Chairman Stevenson and Alderman Borchardt were excused at 5:31 p.m. to attend another city meeting. A quorum of the subcommittee remained in session for the rest agenda items.



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> C. Review and make recommendation on Original "Class B" Combination Alcohol Beverage Retail License Application and Plan of Operation 2 Bullyz Bar, LLC, Rosita and William Eisenach owners, d/b/a 2 Bullyz Bar, 430 Sherry Street, Rosita Eisenach, agent.

Both Rosita and William Eisenach were in attendance to answer any subcommittee questions.

The subcommittee reviewed the application submitted by 2 Bullyz Bar, LLC. Clerk Nagel advised that this "Class B" combination intoxicating liquor and fermented malt beverage license would be a transfer from Two Broke Girlz to 2 Bullyz Bar, LLC. Two Broke Girls did surrender their license with the intent their license would be granted to 2 Bullyz Bar. Ms. Eisenach advised that 2 Bullyz Bar, LLC acquired Two Broke Girlz business, however, the building is owned by a third party not related to the business. The rental agreement for the 2 Bullyz Bar was included with the application and plan of operation.

The landlord is in the process of remodeling the building to the layout provided with the plan of operation. Ms. Eisenach advised the subcommittee that the business plan is to serve food as well. Clerk Nagel confirmed that the food service license is issued through Winnebago County Health Department in which Ms. Eisenach advised that she is currently working pursuing.

Police Chief Olson advised there were no concerns on behalf of the police department with recommending issuance of this license to 2 Bullyz Bar, LLC.

Report

MS by Olson/Haese to recommend approval of the transfer of the "Class B" combination intoxicating liquor and fermented malt beverage to 2 Bullyz Bar, LLC d/b/a 2 Bullyz Bar located at 430 Sherry Street, all voting aye.

VI. ANY ANNOUNCEMENTS/QUESTIONS FOR THE SUBCOMMITTEE None.

VII. ADJOURNMENT

MSC by Olson/Haese to adjourn at 5:40 p.m., all voting aye.

Respectfully submitted,

Charlotte K. Nagel

Charlotte Nagel, City Clerk