

**LICENSES AND CONSUMER SERVICES  
LICENSE INSPECTOR'S REPORT**

**License Number:** L235-50060      **Police File Number:** 13212

**Date of Application:** January 26, 2012

**Inspector:** Michele Harvet, 612-673-5484

**Applicant/Legal Entity:** SAM Ventures, Inc.

**DBA/Trade Name:** The Hole Sports Lounge

**Complete Address:** 2501 University Avenue SE, Minneapolis, MN 55414

**License Requested:** On-Sale Liquor with Sunday Sales, Class C1 (amended from Class B after public hearing)

**Current License:** On-Sale Liquor with Sunday Sales, Class E

**Responsible person within 75 miles of Minneapolis City Hall:** Jeremy Mahany

**Public Hearing Requirement:** Required

**License Conditions:** Yes

**Neighborhood/Ward:** Prospect Park/East River Road / 2

**Zoning:** C3A/PO/UA – This is a permitted use in the Community Activity Center District/Pedestrian Oriented Overlay District/University Area Overlay District.

**7 acre requirement:** Met

**Off-Street Parking:** The Office of the Zoning Administrator has determined that nine spaces are required to be provided on site. This requirement has been met and exceeded with 81 spaces on site.

**Churches or schools within 300 feet of the proposed premises:** No

**Seating:** Inside: 124 Seats      Outside: 60

**Fire Occupancy:** Inside: 192      Maximum Capacity Outside: 66

**Food Service Requirement:** The applicant is within 500 feet of a residentially zoned district and is required to operate as a restaurant subject to the 60/40 ratio of food to alcohol sales. No more than 40% of gross annual sales may be from alcohol.

**Hours of operation proposed:** Inside: 4:00 PM to 2:00 AM daily  
Outside: 4:00 PM to 11:00 PM daily

**Metropolitan Council Service Availability Charges:** There is no change of use and a new SAC determination is not required.

## **HISTORY OF LOCATION**

The Leaning Tower of Pizza operated with an On-Sale Liquor with Sunday Sales, Class C-1 license from 2003 to 2009. Then, in 2009, they downgraded their class of entertainment to Class E. They are currently operating there with the new assumed name of The Hole Sports Lounge. The new applicant has been working with the current licensee to learn the business at that location and to make the transition smooth.

## **APPLICANT**

The applicant is SAM Ventures, Inc., a Minnesota corporation formed on May 9, 2001, under Chapter 302A (Charter Number 11Q-470), having the required restriction on the transfer of shares and has the following owners:

<b><u>Name</u></b>	<b><u>DOB</u></b>	<b><u>Title</u></b>	<b><u>Shares</u></b>
Steven Meyer	7/30/56	President	60%
Jeremy Mahany	1/8/80	Vice President	40%

The applicants have extensive experience in owning and operating retail, restaurant and real estate businesses. They meet all minimum requirements including criminal background check.

## **MANAGER**

The manager at The Hole Sports Lounge will be Jeremy Mahany. Mr. Mahany has worked in the food and alcohol service industry since 2000 at Applebees, Red Lobster and The Imperial Room.

## **POLICE REVIEW**

Police Licensing and this Inspector have reviewed the expenses and source of funds reported in this application. The applicant has provided documentation showing adequate legal and traceable funding for this venture and has passed the criminal background check. The Second Precinct of the Minneapolis Police Department has discussed security issues with the applicant.

## **PREMISES**

The licensed premises are located at a corner base of University Village, a large residential and retail development. The licensed premises are on the main floor of the building. The entire premises occupy approximately 4200 square feet. Approximately 2100 square feet is for the seating and bar areas. The bar seats fourteen patrons. The rest of the establishment consists of a kitchen, coolers, storage areas and rest rooms. The licensed premises space is compact and contiguous. There are no undefined spaces. There are two outdoor areas for patrons to dine. One is a deck at the 25<sup>th</sup> Avenue side and is approximately 27 feet by 19 feet. The deck will have seating for 32 people and a maximum capacity of 34 people. The other one is in front of the entrance on private property at the

University Avenue side and is approximately 44 feet by 14 feet. The front patio will have seating for 28 people and a maximum capacity of 32 people.

## **BUSINESS PLAN/OPERATIONS**

Each staff member must attend a complete alcohol awareness class. This will be provided by Bob Pomplun of Loss Control Services. Their policy is to card everyone who appears to be under 35 years of age. Everyone entering after 9:00pm on weekends must provide an ID. There will be a door host checking IDs after 9:00pm on Thursday through Saturday. Servers and bartenders will be responsible for checking IDs the rest of the time they are open. They reward staff members that pass a youth alcohol compliance check. They will immediately terminate any staff member that fails a youth alcohol compliance check. Staff will be trained to recognize the signs of obvious intoxication and make sure patrons do not get to that point. Also, they will not allow obviously intoxicated people into the establishment.

The role of security is done by the manager and the host. They will contact the police if necessary. Managers will be responsible for handling disorderly patrons, any illegal behavior and high-level criminal activity. There are several security cameras in the establishment that are monitored by The Hole. There will be a security camera located in the outdoor area and one facing the parking lot. A no admittance list will be posted for staff to see, if necessary. The entertainment will be live music that is in compliance with a Class C1 license and will be for people 21 years of age and older.

The menu offers a large variety of appetizers, sandwiches, salads, and main courses like; crispy calamari, curry chicken satay, beer-battered walleye strips, caesar salad, chili, soup of the day, linguine, several specialty pizzas, hamburger, tuna melt, roasted vegetable sandwich, and grilled chicken sandwich ranging in price from \$6 to \$18.

The hours of operation for the establishment will be 4:00pm to 2:00am daily for the inside of the establishment. The hours of operation will be 4:00pm to 11:00pm for the outside areas. No music will be played outside after 10:00pm daily. There has not been any noise issues reported for the current establishment operating in the same manner. Noise is also not anticipated to be a problem since they have installed noise buffering material on the ceiling of their establishment so that sound does not impact the residents above them.

All litter and trash will be removed from a 100 feet radius of the premises on a daily basis.

There are six mechanical amusement devices and one pool table in the establishment.

No charitable gambling or sports team sponsorships are anticipated at this time.

## **PUBLIC HEARING SUMMARY**

A public hearing is required for this license application. 114 notices were mailed to residents and property owners within 600 feet of the premises and emailed to the Prospect Park/East River Road Improvement Association (PPERRIA) and the Stadium Village Commercial Association on March 22, 2012. Two multi-residential buildings were posted as well. The public hearing was held on April 5, 2012 at the Luxton Park Recreation Center. Two members of PPERRIA were present and one staff member from a neighboring business was present. PPERRIA supported the application with conditions. One public hearing response from a neighbor said

that they did not support the upgrade in entertainment. A representative from the University of Minnesota also said that they did not support the upgrade in entertainment. The applicant chose to downgrade their application to Class C1 entertainment to mitigate concerns.

## **RECOMMENDATION**

The Licenses and Consumer Services Division recommends approving this application for an On-Sale Liquor with Sunday Sales, Class C1 License with the following conditions.

## **LICENSE CONDITIONS**

1. The Hole Sports Lounge will be restricted to offering happy hour from 4:00 PM to 6:00 PM daily on beers, wine, well pour drinks and specialty drinks. They will also offer food specials from 4:00 PM to 6:00 PM daily on appetizers and flat bread pizzas.
2. The Hole Sports Lounge will comply with a minimum standard of gross sales revenue during each fiscal year from the sale of food and beverages not containing alcohol in an amount of not less than sixty (60) percent of its total gross revenue.
3. All advertisements on the exterior of the building (including food specials) will be neat and professional after having obtained the required permits. There will be no advertisements on the exterior of the building after January 11, 2013.
4. No media advertisement (including broadcast media and handbills) put out by The Hole Sports Lounge will focus exclusively on alcohol. Food will be a part of all advertisements.
5. The Hole Sports Lounge will offer a food menu consisting of appetizers daily from 12:00 AM to 2:00 AM.
6. The Hole Sports Lounge will not have any hard liquor specials from 12:00 AM to 2:00 AM.
7. The Hole Sports Lounge will not provide amplified music outside of their building. Doors and windows will be closed during periods of amplified music inside the establishment.
8. Prior to serving alcoholic beverages, all employees will attend an alcohol server training program conducted by a certified trainer. All employees will attend a refresher course conducted by a certified trainer at least once a year.