LICENSES AND CONSUMER SERVICES LICENSE INSPECTOR'S REPORT

License Number: L247-50369 Police File Number: 13314

Date of Application: August 21, 2012

Inspector: Michele Harvet, 612-673-5484

Applicant/Legal Entity: The Noodle Shop, Co. – Minnesota, Inc.

DBA/Trade Name: Noodles & Company

Complete Address: 820 Washington Avenue SE, Minneapolis, MN 55414

License Requested: On-Sale Wine with Strong Beer, Class E

Current License: Food Restaurant

Purpose of Application: To obtain a new On-Sale Wine with Strong Beer License

Responsible person within 75 miles of Minneapolis City Hall: Troy Mattson

Public Hearing Required: Yes

License Conditions: None at this time.

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 zero spaces are required to be provided on site.

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

Seating: Inside: 72 Seats Outside: 10

Fire Occupancy: Inside: 99 Maximum Capacity Outside: 10

Food Service Requirement: The applicant wants to operate with an On-Sale Wine license. They are 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: Sunday – Saturday 10:30 A.M. to 10:00 P.M.

Metropolitan Council Service Availability Charges: A new SAC determination advised that six SAC units are due for this business. This has been paid by the applicant.

HISTORY OF LOCATION

Noodles & Company is located in a newly constructed building. The building that was there prior to this was demolished. There was an unlicensed business in that space before.

<u>APPLICANT</u>

The applicant is The Noodle Shop, Co. – Minnesota, Inc.; a Minnesota corporation, formed on April 22, 1999, under Chapter 302A (File Number 10Q-468) having the required restriction on the transfer of stock and has the following owners:

The Noodle Shop, Co. - Minnesota, Inc.

<u>Name</u>	<u>Position</u>	% Ownership
Noodles & Company, a Delaware corporation Paul Strasen Andrea J. Siegersma	Parent Corporation President, Vice Pres, Director, Secretary Manager	100 % 0 0

Noodles & Company

<u>Name</u>	<u>Position</u>	% Ownership
Linguini, LLC	Shareholder	21.21%
Tortellini, LLC	Shareholder	21.21%
~200 individuals	Investor Shareholders	57.58 %
Paul Strasen	Pres, VP, Secretary	0

The applicants have experience in owning and operating restaurants. They operate 300 Noodles & Company restaurants all over the country. They meet all minimum requirements including criminal and financial background checks.

MANAGER

The manager at Noodles & Company will be Troy Mattson. Mr. Mattson has worked and managed in the food and alcohol service industry since 2002 at TGI Fridays, GrandView Lodge, Westin, Bearpath Golf & Country Club and Varsity Bar & Grill.

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 premises are on the first floor at street level. The entire premises occupy approximately 2352 square feet. Approximately 1300 square feet is for the seating area. The rest of the establishment consists of a kitchen, coolers, storage areas, employee area and rest rooms. There will be 72 seats at tables and a small food service counter. There is no bar area. There are no undefined spaces and the restaurant is compact and contiguous. The men's and women's restrooms are also located on the main floor of this establishment.

OUTDOOR PATIO

There will be an outdoor patio on private property, along Washington Avenue Southeast, with 10 seats. This location will not allow patrons to bring alcohol outside.

BUSINESS PLAN/OPERATIONS

Noodles & Company takes the sale and service of alcohol very seriously and has implemented a solid staff training program. All employees must review and sign off on the internal alcohol policy. This policy gives every employee notice that failure to comply with all state, local and company rules will result in termination of employment. Employees are trained through ServSafe Alcohol. Noodles & Company has a group of in-house trainers certified to teach and train ServSafe Alcohol. Any employee who may sell/serve alcohol is trained through ServSafe Alcohol. Additionally, there is company training for all employees regarding proper handling and service of alcohol. Employees are tested on their knowledge of proper alcohol service and laws. Noodles & Company has a POS system that requires the date of birth of a customer ordering alcohol be entered before the sale may continue. This steadies the process and requires the employee carding to actually verify the date of birth. All customers who appear to be less than 40 years of age must be carded. Noodles & Company does not sell a high volume of alcohol (reported at about 1%). Managers are charged with continuously checking employees' proper alcohol service, and the low volume allows that to happen more easily.

Noodles & Company is a family-friendly restaurant that caters to responsible people seeking a nutritious and quality dining experience. There is no designated security staff, but all managers are trained to keep customer and employees safe. Managers also monitor for loitering on the sidewalk and/or parking areas.

Background music will be used to create a relaxing and pleasurable dining experience. If there is a complaint by a guest or otherwise the music can be turned down or off.

Noodles & Company seeks to enhance the communities where it is located. They participate in and sponsor local events regularly. Schools, youth groups, religious groups, athletic teams, etc. are encouraged to request donations and sponsorships. Noodles & Company will often have evenings where a portion of the proceeds during the dinner rush

go to a particular community organization or school. Discounts may be given to local sports teams that come in after a game.

The proposed hours of operation are 10:30 A.M. to 10:00 P.M. daily.

The menu will include several different global, Asian, Mediterranean and American flavor/meat combinations of noodle dishes, salads, sandwiches and desserts ranging in price from \$2.25 to \$8.

There will be no amusement devices or charitable gambling.

PUBLIC HEARING SUMMARY

A public hearing is required for this license application. 71 notices were mailed to residents and property owners within 600 feet of the premises and seven multi-residential buildings were posted on September 26, 2012. Notice was also emailed to the Prospect Park-East River Road Improvement Association and the Stadium Village Commercial Association on September 21, 2012. The public hearing will be held on October 11, 2012 at the Regulatory, Energy and Environment Committee meeting.

RECOMMENDATION

The Licenses and Consumer Services Division recommends approving this application for an On-Sale Wine with Strong Beer, Class E License.

LICENSE CONDITIONS

None at this time.