

**In the Matter of
On-Sale Liquor
License Held by Starmac, Inc.
DBA: Champions
Attn: Thomas McNamee
105 West Lake Street
Minneapolis, MN 55406**

**Findings of Fact,
Conclusions and
Recommendations**

This matter came before the Department at a Licensing Settlement Conference hearing on Monday, February 12, 2007 in Room 1-C, Minneapolis City Hall. Appearing on behalf of the licensee was Thomas McNamee and Rick Nelson, owners; Sue Vance, attorney; Carl Horsch, Jr. property owner; Joyce Wisdom, Lake Street Council; Jim Violette, Security Consultant; and Jerry Carroll. Appearing for the City were Joel Fussy, City Attorney; Tom Thompson, Police CCP/SAFE; Marie Przynski, Lieutenant; Lisa Gordon, 5th Precinct City Attorney; Karen Green, 5th Precinct CRT, Holly Keegel, 5th Precinct CRT, Steve Kincaid, Police Licensing Lieutenant; Linda Roberts, Licensing Inspector; Grant Wilson, Licensing Manager. Based on the information presented at the hearing, the Department makes the following findings of fact, conclusions, and recommendations:

FINDINGS OF FACT

1. That on February 14, 2006 a TAC hearing was conducted and an agreement was signed by the licensee that concluded that the establishment was in violation of their business license and was not in compliance with Minneapolis Code of Ordinances 259.250 & State law 363.450 due to 12 controlled purchases of illegal narcotics.
2. That the signed agreement recommended a one day suspension that was served April 15, 2006. The agreement stayed 29 days of suspension if conditions of the agreement were met.
3. That the signed agreement recommended that the licensee pay penalty of \$10,000.00.
4. That the signed agreement recommended that the licensee upgrade security software and make recordings promptly available to Police.
5. That the signed agreement recommended that the licensee cooperate fully in the exchange of information related to criminal activity.
6. That the signed agreement recommended that the licensee hire and provide adequate security at all hours to hinder the sale of narcotics and to deter other illegal activity, both inside and outside of the premises.

7. That the signed agreement shall remain in effect through and including February 20, 2007.
8. That since the signed agreement the establishment has had eight controlled buys within the establishment on the following dates and CCN#'s:
 - 4/11/06 NARC 06-090895
Officers observed hand to hand drug deal in the parking lot. 2 booked PC narc 8.3 grams of crack recovered.
 - 5/26/06 NARC 06-137032
CRI went inside the bar and made a controlled buy of suspected crack cocaine.
 - 7/19/06 NARC 06-200878
A CRI observed female selling suspected crack cocaine. Officers stopped female and recovered 2.3 grams. Female booked PC narc.
 - 7/22/06 NARC 06-203649
Customer told officers to check out the men's bathroom. Officers found a male snorting cocaine. 4.97 grams of cocaine powder recovered. Male booked PC narcotic.
 - 12/01/06 NARC 06-338062
A CRI purchased suspected crack cocaine from inside the bar.
 - 01/17/07 NARC 07-014169
A CRI purchased 0.3 grams of suspected crack cocaine from inside the bar.
 - 1/24/07 NARC 07-20286
A CRI purchased 0.2 grams of suspected crack cocaine from inside the bar. The seller gave the CRI their phone number and told the CRI they would come to Champions when ever they needed.
 - 02/02/07 NARC 07-27203
A CRI informed me they had just been inside Champions and seen a number of people selling crack cocaine. A CRI was then used to go inside Champions and make a buy of suspected crack cocaine. After the sale officers then went inside Champions and arrested the seller, recovering the pre-recorded buy money.
 - 02/03/07 NARC 07-28075
Officers were conduction a street Rip with a CRI. The CRI made a buy of suspected crack cocaine on Lake Street between Blaisdell Av and Pillsbury Avenue. After the seller sold the CRI the suspected crack the seller went straight into Champions. Officer followed into Champions and arrested the seller. 2.0 grams of suspected crack was found on him, along with our buy money.

9. That since the signed agreement calls for service from the Police department generated from the licensee has gone down more than 50%.

CONCLUSIONS

1. That the licensee continues to be in violation of their business license and are not in compliance with Minneapolis Code of Ordinances 259.250 Business license management responsibilities.
2. That despite efforts of the licensee and the recommendations from the signed agreement of February 14, 2006, there continues to be narcotics sales within the establishment.
3. That the licensee's obligation is to fulfill the signed agreement.

RECOMMENDATIONS

That the Class E On Sale Liquor License, with Sunday sales issued to Starmac Inc, be suspended 29 days, and that 15 of the suspension are stayed through August 15, 2007 upon the following conditions:

1. That the 14 days of the executed suspension be served over a period of 14 consecutive days of a 24 hour period starting February 21, 2007 and concluding on March 6, 2007. RJ
2. That a cost-recovery and civil sanction of \$5,000.00 be paid.
The first payment of \$1,000.00 due at signing of this agreement, and then a payment schedule of the following submitted to Licensing:
April 1, 2007 \$1,000.00
May 1, 2007 \$1,000.00
June 1, 2007 \$1,000.00
July 1, 2007 \$1,000.00
4. That the licensee implement security and business strategies to hinder the sale of narcotics and to deter other illegal activity, both inside and outside the premises.
5. That the licensee call 911 to report all crimes in progress.
6. That the licensee cooperate with City Agencies, and at the same time, do not rely on these cooperative meetings and discussions to replace the strategies they are required to implement to hinder criminal activity.
7. "Date of Agreement" shall be defined as the date that the licensee signs or otherwise executes the Agreement. This Agreement is subject to approval by the

Minneapolis City Council; however should such approval be obtained after execution of this Agreement the approval shall be retroactive to the date of execute.

Starmac, Inc. understands that the holding of a business or liquor license in the City of Minneapolis is both a privilege and a responsibility, and as such, it is understood that there is a minimum standard that shall be met in order to hold such a license. Furthermore, it is understood that a license holder is responsible to ensure that its business operates in compliance with all applicable laws, ordinances and regulations. As such, just and proper cause for the immediate imposition of any agreed upon or stayed penalties. It is further understood that compliance with the above Recommendations is a requirement for continuing to hold a license and that failure to comply with any of these conditions may result in additional adverse license action.

I have read the above findings of fact, conclusions, and recommendations. I agree with their contents and I agree with the above noted Recommendations. I understand that the failure of my business to adhere to this agreement may be cause for further suspension, revocation, or denial of my license. I understand that this report must be accepted and approved by the Minneapolis City Council and Mayor.

Based upon the foregoing, this agreement is FREELY & VOLUNTARILY ENTERED INTO IN GOOD FAITH:

Rick Nelson
For Starmac, Inc

By: Rick Nelson - owner
Rick Nelson (owner
Owner/Licensee

Dated: 2/16, 2007
2007

For the City of Minneapolis:


Ricardo Cervantes
Deputy Director of Licenses

Dated: _____

STYLE XPP

STARMAC, INC.
DBA CHAMPIONS SALOON & EATERY
105 W. LAKE ST.
MINNEAPOLIS, MN 55408

DATE 2-16-07

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17-1/910 305
0001703947

PAY TO THE ORDER OF

MPI'S FINANCE

\$ 1,000 00
DOLLARS

One Thousand + 00/100



Wells Fargo Bank, N.A.
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Richard F. Nelson

FOR Tax

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