

Good Neighbors Report- UPDATE

To: PS&L Committee
From: Attorney Nhu H. Arn
RE: Douglas Bar, LLC., dba/ Liquor Time, Karim Qedan, Agent
Meeting dates: Monday, October 3, 2022 and **Tuesday, January 17, 2023**
Departments: Attorney, Police, Building, Health, and City Development
License(s) requested: Class "B" and "Class B" (beer and liquor)

January 17, 2023 update and summary:

Since their last appearance in front of the committee, the applicant has modified their business plan to reflect the operation of a single tavern/bar, rather than a combination concept. This new tavern/bar would replace the former Outbreak Billiards. The following items were discussed at the last good neighbors meeting:

Conditional grant. The premises is currently undergoing some limited remodeling, but they expect to operate as soon as a license is issued. The applicant understands that if approved, the committee would grant a conditional approval of the license, requiring them to operate within six months of the common council approval.

Building and health department license/permit still required. The applicant has yet to apply for an occupancy permit and a health department license, which are required before an alcohol license may be issued.

From the October 3, 2022 meeting:

Agent and owner experience. Gurminder Singh owns and operates two other convenience stores in the area, City Food Mart on 17th Street and Mead Street Liquor and Food on Mead Street. Karim Qedan has worked at his father's convenience store, Twins Food Mart, for the past 15 years. Neither have any experience operating a bar, but they are very familiar with the alcohol regulations for the city and state.

Combination grocery store/tavern concept. Although it may be unclear from the current license application, the owners are proposing to operate a combination concept, wherein they operate a bar on the one side of the building and a grocery store on the other side. While such a concept is permitted under state law, it does pose a few issues, including but not limited to the following:

- Underage persons on premises. Notwithstanding the prohibition against underage persons on premises, state law does make an exception for underage persons to be on the premises of a grocery store. Wis. Stat. sec. 125.07(3)(a)(3). There is no such

exception applicable to the tavern/bar part of the premises. Therefore, an underage person can patronize the grocery store, but would not be permitted into the bar area without a legal guardian. The applicant stated he would submit a more detailed plan as part of the license application, which has not been received to date, to address the following questions:

1. What will the floor plan will look like, which part of the building will operate as a grocery store and which part will operate as a bar?
 2. What structures or signs, if any, will separate the two sides?
 3. How will employees monitor for underage persons, and how many employees will be on premises at all times to staff both sides of the premise?
 4. Currently there are two bathrooms on the premises, do you plan to add more? Will patrons on either part of the premises have to cross onto the other side in order to use the bathroom?
 5. Will there be separate entrances for the grocery store versus the bar? Is that indicated in the floor plan?
 6. What are the hours of the convenience or grocery store and will they be aligned with the hours of the bar?
- Note that the exception above is applicable only to grocery stores, and not convenience stores. Under Wis. Stat. sec. 125.07(3)(a), there is no exception for underage persons to be on the premises of a convenience store when it is licensed as a "Class B" premises, which is what the applicant is seeking. Additionally, the operation of a convenience store located on the same premises as a bar would also violate the prohibition against other businesses on premises under Wis. Stat. sec. 125.32(3m). At the time of this report, the applicant has provided insufficient information to determine whether he will operate as a grocery store versus a convenience store. If the committee determines that the applicant is proposing to operate a convenience store (rather than a grocery store), such an operation would not be permitted under state law. Relevant factors to consider include, but are not limited to:
 1. What items will they sell and how large is their inventory?
 2. Will they sell fresh produce, vegetables or meats?
 3. Will the operation of the premises include a deli or butcher?
 4. What is the total square footage of the premises dedicated to the grocery store?
 - Potential increase in nuisance issues. Sgt. Ortiz indicates that there are a host of issues related to the operation of a convenience store, which would be combined with any bar/tavern issues in this case, if the committee were to approve the plan for a combination store. These include but are not limited to increased theft,

increased loitering, and underage consumption. Sgt. Ortiz states that there is currently already a convenience store approximately one block away from this proposed location, which does have nuisance issues such as loitering. The operation of another convenience store combined with a bar would likely bring the same set of problems.

Other police issues. Although there are no history of nuisance issues associated with Outbreak Billiards, the experience of the agent should be taken into account. Sgt. Ortiz indicates that loitering is a frequent problem in front of Twins Food Mart, where Mr. Qedan works with his father.

Conditional grant of the license. If the committee/council were to approve the combination of a grocery store/tavern, the applicant will have to undertake a lot of renovations to get the premises ready. In either case, because the business is not yet operating, the committee should consider a conditional grant of the license to require the business to operate within six months, unless otherwise extended.

Health/building departments. The applicant has yet to apply and schedule inspections with both departments to obtain a HD license and occupancy permit.

The City does not currently have any combination grocery store/tavern, so this is a novel concept. Given the location of the property, the size of the building, and all the nuisance issues associated with such an operation, staff has concerns that this concept will not work as proposed. If the committee were grant a conditional approval of the license application, it should specify and require that the business operate exactly as approve and make it a condition of the license.