

TENNESSEE ALCOHOLIC BEVERAGE COMMISSION

Minutes
February 19, 2009
1:30 p.m.

The regular meeting of the Tennessee Alcoholic Beverage Commission was held on Thursday, February 19, 2009 in Nashville, Tennessee at 1:30 p.m. Chairman Jones, Commissioner Harlan Mathews and Commissioner Cynthia Bond were present. Executive Director Danielle Elks, Assistant Director Carolyn Smith, CLEO Mark Hutchens and SAC Mike Cawthon were present.

1. The Minutes for January 21, 2008 Commission Meeting were approved.

2. RETAIL

**A. KELLEY'S PACKAGE STORE
KINGSPORT, TENNESSEE (HAWKINS COUNTY)**

Licensee: John and Louise Kelley

Before the Commission is a request for a transfer of location of the retail store currently located at 4336 W. Stone Drive in Kingsport, Tennessee. Mr. and Mrs. Kelley wish to move to 4523 W. Stone Drive. The request is based upon the loss of the lease at the current location. The licensee will be leasing the property from Dennis, Bobbie and James Phillips for a period of 5 years at \$1500.00 per month. All documentation has been submitted with the exception of the following:

a. Use and Occupancy permit;

Discussion/Action Taken:

Director Elks reviewed the application to the Commissioners and recommended approval. Chairman Jones made a motion to approve and Commissioner Mathews seconded the motion and it was approved with 3 ayes.

**B. THE WINE CHAP
NASHVILLE, TENNESSEE (DAVIDSON COUNTY)**

Applicant: The Wine Chap, LLC

Members: Richard Payne

Before the Commission is a request for a new retail store to be located at 4322 Harding Pike, Suite 101, in Nashville, Tennessee. Richard Payne will initially invest \$600,000, and if approved, will operate the business as a LLC. Financing is

based upon personal funds and a home equity loan (\$300,000). The applicant LLC will be leasing the property from Hill Center at Belle Meade, LLC for a period of seven years at \$13,520/month for the first five years, and then increasing to \$14,872/month (plus pro rata share of taxes, insurance, and dumpster charges. All documentation has been submitted with the exception of the following:

- a. TABC Inspection;
- b. Acknowledgement of the rules/regulations;
- c. Use and Occupancy Permit.

Discussion/Action Taken:

Richard Payne and William Cheek, III were present at the meeting. Director Elks reviewed the application to the Commissioners and recommended approval upon submission of the TABC Inspection, Acknowledgement of the rules/regulations and Use and Occupancy Permit.

Commissioner Mathews made a motion to approve upon submission of the pending documentation. Commissioner Bond seconded the motion and it was approved with 3 ayes.

**C. PREMIUM LIQUOR AND WINE
LEBANON, TENNESSEE (WILSON COUNTY)**

Seller/Licensee: Kshitij and Binita Dixit
Buyer/Applicant: Shree Siddhi, Inc.
Stockholder: Sandeep Dixit

Before the Commission is a request for a transfer of ownership of the retail store located at 148-H Westview Plaza Center. Sandeep Dixit will purchase the business from his brother for \$25,000, plus inventory. Financing is based upon personal funds. The applicant will be leasing the business from Westview Plaza Shops, LLC (through a sub-lease) for a period of two years with options to renew at \$2,266.34/month plus taxes, insurance and CAM.. All documentation has been submitted.

Discussion/Action Taken:

Director Elks reviewed the application to the Commissioners and recommended approval. Commissioner Mathews made a motion to approve and Commissioner Bond seconded the motion and it was approved with 3 ayes.

**D. WESTSIDE LIQUORS
MEMPHIS, TENNESSEE (SHELBY COUNTY)**

Licensee/Seller: Marvin E. McQueen, Kay McQueen and John Jacobson

New Owners: Marvin McQueen and John Jacobson

Before the Commission is a request for a partial transfer of ownership of the retail store located at 4149 South Third, in Memphis, Tennessee. Ms. Kay McQueen passed away on December 25, 2007. Her will has been probated, and her husband and son will inherit her share of the business. All documentation has been submitted with the exception of the following:

- a. List of percentage ownership.

Discussion/Action Taken:

Director Elks reviewed the application to the Commissioners and recommended approval upon submission of the list of percentage ownership. Commissioner Bond made a motion to approve upon submission of the pending documentation and Commissioner Mathews seconded the motion and it was approved with 3 ayes.

**E. WHITEHAVEN LIQUORS
MEMPHIS, TENNESSEE (SHELBY COUNTY)**

Licensee/Seller: Louis Vescovo and Estate of Nick Pesce

Applicant/Buyer: Louis Vescovo

Before the Commission is a request for a transfer of ownership from the Estate of Nick Pesce and Louis Vescovo. Mr. Vescovo has had a partial interest in this business since 1968. Mr. Pesce became a partner in the business in 1990, when his wife (Mr. Vescovo's business partner for the license) passed away. Nick Pesce passed away on March 20, 2008. Mr. Vescovo wishes to purchase the estate's interest in the business for \$475,846.00 and become the sole owner. All documentation has been submitted.

Discussion/Action Taken:

Director Elks reviewed the application to the Commissioners and recommended approval. Commissioner Bond made a motion to approve and Commissioner Mathews seconded the motion and it was approved with 3 ayes.

**F. CASTLE HEIGHTS WINE AND SPIRITS
LEBANON, TENNESSEE (WILSON COUNTY)**

Applicant: Yogibapa, Inc.
Stockholder: Sanjay Patel

Before the Commission is a request for a new retail store to be located at 1123 North Castle Heights, Suites A and B in Lebanon, Tennessee. Mr. Patel wishes to initially invest \$50,000: \$15,000 from personal funds and \$35,000 through a loan with Greg Dugdale (landlord). The applicant is leasing the property from Greg Dugdale Properties for a period of five years with rent beginning at \$2900/month and increasing to \$3200/month. All documentation has been submitted with the exception of the following:

- a. TABC Inspection;
- b. Use and Occupancy permit;
- c. Acknowledgement of the rules/regulations;
- d. Affidavit from Mr. Patel that has no interest directly or indirectly with Harpeth Liquor Store.

Discussion/Action Taken:

Sanjay Patel was present at the meeting. Director Elks reviewed the application to the Commissioners and recommended approval upon submission of the following documentation:

- a. TABC Inspection;
- b. Use and Occupancy permit;
- c. Acknowledgement of the rules/regulations;
- d. Affidavit from Mr. Patel that has no interest directly or indirectly with Harpeth Liquor Store.

Mr. Patel acknowledged that he could not operate this business in conjunction with, directly or indirectly, with any other retail store including Harpeth Liquor Store. Commissioner Mathews made a motion to approve upon submission of the pending documentation and Commissioner Bond seconded the motion and it was approved with 3 ayes.

**G. CHAMPION LIQUOR STORE
NASHVILLE, TENNESSEE (DAVIDSON COUNTY)**

Licensee/Seller: Samir Badi Aramanuous
Applicant/Buyer: Champion Discount Liquors, Inc.
Stockholders: Teresa Ragheb and Emad Kaldess

Before the Commission is a request for a transfer of ownership of the retail store located at 152 Donelson Pike, in Nashville, Tennessee. Ms. Teresa Ragheb wishes to purchase the business for \$16,500. If approved, Ms. Ragheb will operate the business as a corporation. The corporate applicant is sub-leasing the property from Samir Aramanous (seller) for a period of two years—with 2 five year options to renew—beginning at \$3000/month for the first year. Financings based upon a \$50,000 home equity loan from Fifth Third Bank. Her husband Emad Kaldess has been added as a minority stockholder with less than five percent interest to facilitate the application. All documentation has been submitted with the exception of the following:

- a. TABC Inspection;
- b. Acknowledgement of the rules/regulations;
- c. Affidavits from Adel Helaka and Ms. Ragheb retracting gift; Emad Kaldess' resignation from Major Discount store;

Discussion/Action Taken:

Teresa Ragheb and Emad Kaldess were present at the meeting. Director Elks reviewed the application to the Commissioners and recommended approval upon submission of the following documentation:

- a. TABC Inspection;
- b. Acknowledgement of the rules/regulations;
- c. Affidavits from Adel Helaka and Ms. Ragheb retracting gift; Emad Kaldess' resignation from Major Discount store;

Teresa Ragheb and Emad Kaldress acknowledged that this store could not be operated in conjunction with, directly or indirectly, any other retail store including Major Discount Store. Commissioner Mathews made a motion to approve upon submission of the pending documentation and Commissioner Bond seconded the motion and it was approved with 3 ayes.

3. WHOLESALE MATTERS

**A. DELIRIUM WINE AND SPIRITS
NASHVILLE, TENNESSEE (DAVIDSON COUNTY)**

Applicant: Delirium Wine and Spirits, Inc.
Stockholder: Stan Dibin

Before the Commission is a request for a new wholesale license to be located at 2901 Armory Drive, Suite 105 in Nashville, Tennessee. Stan Dibin wishes to initially invest \$25,000, all of which are from personal funds, to operate the business. The applicant will be leasing the property from STS Partners for an

indefinite period of time at \$1287.50/month. Note: Applicant is sub-leasing part of the building to World Vintage, LLC an importer. All documentation has been submitted with the exception of the following:

- a. TABC Inspection;
- b. Use and Occupancy;
- c. Acknowledgement of the rules and regulations;
- d. List of owners of STS Partners and World Vintage, LLC
- e. Affidavits from both applicant and World Vintage owners that the businesses are to physically separate and actually separate and distinct operations;
- f. STS Partners' written approval of sub-lease.

Discussion/Action Taken:

Stan Dibin was present at the meeting. Director Elks reviewed the application to the Commissioners and recommended approval upon submission of the following documentation:

- a. TABC Inspection;
- b. Acknowledgement of the rules and regulations;
- c. List of owners of STS Partners and World Vintage, LLC

Stan Dibin acknowledged that Delirium and World Vintage, a non-resident seller, must act independently of each other—both directly and indirectly. Further, he acknowledged that the two businesses must be physically separated. Commissioner Mathews made a motion to approve upon submission of the pending documentation and Commissioner Bond seconded the motion and it was approved with 3 ayes.

4. ADMINISTRATIVE CITATIONS

5. BUDGET

6. CONSENT ORDERS

7. PENDING MATTERS LIST

- 8. MISCELLANEOUS** – Commissioner Mathews stated that Director Elks, Assistant Director Carolyn Smith, CLEO Mark Hutchens and himself appeared before the State and Local Government Committee of the Senate regarding the issue of selling wine in the grocery stores, they were asked by one of the Committee members to make some comments about the matter of selling wine in the grocery stores. Commissioner Mathews was asked by the Committee what the opinion of the Commission would be if the enforcement and administration of the local

governments were made responsible for this matter instead of the Tennessee Alcoholic Beverage Commission. Chairman Jones stated that his opinion would be for the Tennessee Alcoholic Beverage Commission to be responsible and not left to the local governments. Chairman Jones stated that if this matter is left to the local governments that there would be less consistency to the application process regulation and to administer the law.

Commissioner Bond stated that she agreed that this matter should be regulated by the Tennessee Alcoholic Beverage Commission.

CLEO Hutchens stated that a lot of the cities and counties are short staffed already and they have such large territories to cover and they do more drug investigations. CLEO Hutchens stated that the local governments do not conduct a lot of minor stings for beer; therefore, he does not feel that they would do a lot of minor stings for the wine in grocery stores. He stated that one may see more investigations in the larger cities, but he feels that in the smaller territories that they do not have the staff for this type of responsibility.

Henry Hildebrand, III, attorney for the Tennessee wholesalers, stated that from an industry's perspective, that there are hundreds of cities/municipalities that have different interpretations and laws. Mr. Hildebrand stated that on the matter of importation of wine, that the importer obtain a license, be liable for the payment of taxes and be responsible and liable for delivery only to persons of twenty-one years or older and would require the buyer to sign for the product.

9. DATE OF NEXT MEETING – Thursday, March 19 and Thursday, April 23, 2009 at 1:30 p.m.

John A. Jones
Chairman

Shari Danielle Elks
Executive Director