

TENNESSEE ALCOHOLIC BEVERAGE COMMISSION



MINUTES April 21, 2011 1:30 pm

The regular meeting of the Tennessee Alcoholic Beverage Commission was held on Thursday, April 21, 2011 in Nashville, Tennessee at 1:30 p.m. Chairman John Jones, Commissioner Bryan Kaegi and Commissioner Mary McDaniel were present. Executive Director Danielle Elks, Acting Assistant Director Melinda Arrington and CLEO Mark Hutchens.

1. **The Minutes for March 17, 2011 Commission Meeting were approved.**

2. **OLD BUSINESS**

A. **LAKESWOOD LIQUORS
OLD HICKORY, TENNESSEE (DAVIDSON COUNTY)**

Licensee/Seller: Dilip Amin
Applicant/Buyer: Old Hickory Wine & Spirits, Inc.
Stockholder: Neil Dilip Amin

Before the Commission is a request for a transfer of ownership of the retail store located at 2405 Hadley Avenue in Old Hickory, Tennessee. Mr. Dilip Amin wishes to transfer the ownership of the business to his son for \$10.00. Mr. Amin will loan his son \$50,000 as operating capital for the business. If approved, Neil Amin will operate the business as a corporation. The corporation will be leasing the property from Shoppes at Lakewood Operating, LLC for a period of five years at \$3000/month. The applicant will also be requesting a **transfer of location** to 3838 Old Hickory Boulevard in Old Hickory. All documentation associated with the application is associated with the new location. Also, if approved, Neil Amin is requesting a business **name change** to Old Hickory Wine & Spirits. It should be noted that Neil Amin's mother is the current licensee of the retail business, Riverside Liquors, in Nashville, Tennessee. All documentation has been submitted with the exception of the following:

- a. Assignment of the lease to the corporation;
- b. Signatures on the bill of sale and loan agreements;
- c. TABC Inspection;
- d. Acknowledgement of the rules and regulations;
- e. Use and Occupancy permit;

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- f. Explanation why the City of Lakewood is issuing a certificate of compliance for an Old Hickory location.

Discussion/Action Taken:

Rob Pinson, attorney was present at the meeting. Director Elks stated that after sending out the agenda, the staff has received two complaints regarding Lakewood Liquors and also an allegation of hidden ownership. Director Elks requested a continuance of this matter to allow the staff and agents' sufficient time to investigate the allegations.

Commissioner Kaegi made a motion to continue this matter to the April Commission meeting. Commissioner McDaniel seconded the motion and it passed with 3 ayes.

Discussion/Action Taken 04/21/11:

Rob Pinson, attorney, was present at the meeting. Director Elks stated that this matter has been continued because there were allegations of hidden ownership. Director Elks advised several individuals were loaning money to the applicant and requested Rob Pinson to state what has transpired regarding the finances.

Rob Pinson stated that in October or November of 2010 the owner or current licensee, Dilip Amin, borrowed money from four individuals between \$20,000 and \$40,000 apiece to get out of no-buy status in order to get current with the wholesalers and also to pay for operations and to be able to move forward.

Rob Pinson advised he submitted copies of the loans and background information on the lenders and affidavits of Dilip Amin as to the facts as to why he borrowed the money. Rob Pinson also stated that he has drawn up promissory notes.

Director Elks stated that with the information Mr. Pinson supplied it is sufficient explanation to go forward with the application review.

Chairman Jones, asked if there was anyone present to speak in opposition to the application. No one present wished to speak against it.

Commissioner Kaegi made a motion to approve the ownership change and change of location upon submission of the pending documentation. Commissioner McDaniel seconded the motion and it was approved with 3 ayes.

Commissioner Kaegi made a motion to approve the name change. Commissioner McDaniel seconded the motion and it passed with 3 ayes.

3. NEW BUSINESS: RETAIL

A. DELBERT’S WINE AND SPIRITS
COOKEVILLE, TENNESSEE (PUTNAM COUNTY)

Applicant: Delbert’s Wine and Spirits, Inc.
Stockholders: Delbert and Phyllis Benjamin

Before the Commission is a request for a new retail store to be located at 921 South Willow Avenue, Suite D, in Cookeville, Tennessee. Delbert and Phyllis Benjamin wish to initially invest \$125,000-150,000 to operate the business as a corporation. Financing is based upon existing personal funds. Benjamin Properties owns the property and will be leasing the property to the corporation for \$1300/month. All documentation has been submitted with the exception of the following:

- a. TABC Inspection;
- b. Acknowledgment of the rules and regulations;
- c. Questionnaires for James and Richard Benjamin; .
- d. Sales tax number; and
- e. Verification of funds.

Discussion/Action Taken:

Delbert Benjamin was present. Director Elks reviewed the matter to the Commissioners and recommended approval.

Commissioner Kaegi made a motion for approval. Commissioner McDaniel seconded the motion and it passed with 3 ayes.

B. VINE STREET WINE AND SPIRITS
BRENTWOOD, TENNESSEE (DAVIDSON COUNTY)

Licensee: Vine Street, LLC
Members: William McCorvey and Monte Silva

Before the Commission is a request for a new retail store to be located at 893 Old Hickory Boulevard, Suite 104 in Brentwood, Tennessee. William McCorvey wishes to initially invest \$122,000 to operate the business as a LLC. Financing is based upon a promissory note with Algie McCorvey. If approved, Mr. McCorvey will own 60% of the business, and Mr. Silva will own 40%. The LLC applicant is leasing the property from Brentwood Marketplace, LLC for a period of 5 years with monthly rent beginning at \$5799.75/month and increasing to \$6105/month over the term

of the lease. All documentation has been submitted with the exception of the following:

- a. TABC Inspection;
- b. Acknowledgement of the rules and regulations;
- c. Verification of Mr. Silva's resignation from Fleming's;
- d. Verification of Mrs. McCorvey's financing.

Discussion/Action Taken:

William McCorvey was present at the meeting. Director Elks stated that Monte Silva cannot be involved in the business because he works for Boundry Restaurant. Director Elks informed the Commission the statutes prohibit an individual to work or have an interest in a liquor-by-the-drink establishment if they operate or have ownership interest in a retail package store. William McCorvey stated that Monte Silva has relinquished his interest in the business and will remove his name from the lease. He is in the process of being removed from the Certificate of Compliance. Director Elks stated that upon verification of Mrs. McCorvey's financing and review of the pending documentation, she will recommend approval.

Commissioner Kaegi made a motion for approval upon submission of the pending documentation. Commissioner McDaniel seconded the motion and it passed with 3 ayes.

**C. BOULEVARD WINE AND SPIRITS
NASHVILLE, TENNESSEE (DAVIDSON COUNTY)**

Applicant: Boulevard Wine and Spirits, LLC
Members: Stephen Francescon, Sr.

Before the Commission is a request for a new retail store to be located at 600 Old Hickory Boulevard, in Nashville, Tennessee. Mr. Francescon wishes to initially invest approximately \$250,000. Financing is based upon personal funds and an additional line of credit is available from Franklyn Synergy Bank. The LLC applicant is leasing the property from Freeman-Dixon Family Standard Partnership for 5 years, 4 months with rent beginning at \$2000/month and increasing to \$4000/month over the term of the lease. All documentation has been submitted with the exception of the following:

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

Discussion/Action Taken:

Steve Francescon, Sr. was present at the meeting. Director Elks reviewed the matter to the Commissioners and recommended approval upon submission of the pending documentation.

Commissioner Kaegi made a motion for approval upon submission of the pending documentation. Commissioner McDaniel seconded the motion and it passed with 3 ayes.

**D. DISCOUNT WINE AND SPIRITS
COOKEVILLE, TENNESSEE (PUTNAM COUNTY)**

Applicant: Hيرادada, Inc.
Stockholder: Ritesh Patel

Before the Commission is a request for a new retail store to be located at 696 South Willow Avenue, Suite 6, in Cookeville, Tennessee. Mr. Patel wishes to initially invest \$100,000 to operate the business as a corporation. Financing is based upon existing personal funds. The corporate applicant will be leasing the property from South Willow Properties for a period of 3 years, 7 months, with monthly rent at \$875. All documentation has been submitted with the exception of the following:

- a. TABC Inspection;
- b. Acknowledgement of the rules and regulations;
- c. Bank Credit Check;
- d. Completion of Background Information form;
- e. Verification of funds.

Discussion/Action Taken:

Ritesh Patel was present at the meeting. Director Elks reviewed the matter to the Commissioners and recommended approval upon submission of the pending documentation.

Commissioner Kaegi made a motion for approval upon submission of the pending documentation. Commissioner McDaniel seconded the motion and it passed with 3 ayes.

**E. INTERSTATE WINE & SPIRITS WAREHOUSE
COOKEVILLE, TENNESSEE (PUTNAM COUNTY)**

Applicant: Interstate Wine & Spirits, Inc.
Stockholders: William George, Thomas James and Carrie Limbacher

Before the Commission is a request for a new retail store to be located at 1427 Interstate Drive, in Cookeville, Tennessee. William George, Thomas James and Carrie Limbacher wish to initially invest a total of \$150,000 to operate the business. Financing is based upon personal funds and a loan to William George from Lynnders Family General Partnership. If approved, each would own 33% of the business. The corporate applicant is leasing the property from Interstate Partners for a period of one year at \$3000/month. All documentation has been submitted with the exception of the following:

- a. TABC Inspection;
- b. Acknowledgment of the rules and regulations.
- c. Acknowledgment from lender of demand note;
- d. List of partners for Lynnders Family Partnership and for Interstate Partners;
- e. Questionnaire for Deborah George.

Discussion/Action Taken:

William George was present at the meeting. Director Elks reviewed the matter to the Commissioners and recommended approval subject to the receipt of the requested documentation.

Commissioner Kaegi made a motion for approval. Commissioner McDaniel seconded the motion and it passed with 3 ayes.

**F. LIQUOR WORLD
COOKEVILLE, TENNESSEE (PUTNAM COUNTY)**

Applicant: NANDLAL, LLC

Members: Dishant Patel; Bharti Patel and Rita Patel

Before the Commission is a request for a new retail store to be located at 837 West Jackson Street in Cookeville, Tennessee. Dishant Patel (\$150,000), Bharti Patel (\$60,000) and Rita Patel (\$90,000) wish to initially invest a total of \$300,000. If approved, Dishant Patel would own 50% of the business; Bharti Patel—20%; and Rita Patel—30%. Financing is based upon existing personal funds. The LLC applicant is leasing the property from CAPS Enterprises for 15 years with monthly rent beginning at \$5000, and increasing to \$5180. All documentation has been submitted with the exception of the following:

- a. TABC Inspection;
- b. Acknowledgment of the rules and regulations;
- c. Verification that County Hearth Inn does not have a liquor license;

- d. Verification of sources of income;
- e. List of partners of CAPS Enterprises.

Discussion/Action Taken:

Director Elks reviewed the matter to the Commissioners and recommended approval subject to the receipt of the requested documentation.

Commissioner Kaegi made a motion for approval. Commissioner McDaniel seconded the motion and it passed with 3 ayes.

**G. ZIGGY’S PACKAGE STORE
CHATTANOOGA, TENNESSEE (HAMILTON COUNTY)**

Licensee: Ralph Zigner
Applicant: Estate of Ralph Zigner, Wanda Cagle—Executrix

Before the Commission is a request for a transfer of ownership of the retail store located at 602 Cherokee Boulevard in Chattanooga, Tennessee. The licensee, Mr. Zigner, passed away on November 26, 2010. Mr. Zigner’s estate, through its executrix, wishes the license be put in the estate’s name. All documentation has been submitted.

Discussion/Action Taken:

Director Elks reviewed the matter to the Commissioners and recommended approval.

Chairman Jones made a motion for approval. Commissioner McDaniel seconded the motion and it passed with 3 ayes.

**H. CAMPBELL STATION WINE & SPIRITS
FARRAGUT, TENNESSEE (KNOX COUNTY)**

Licensee: Silver Linings, LLC
Members: Gene and Pamela Treacy
Proposed Member: Gene Treacy

Before the Commission is a request for a transfer of partial ownership in the retail store located at 707 N. Campbell Station. Currently, Gene and Pamela Treacy own the business, with Mr. Treacy owning 49% and Mrs. Treacy owning 51%. Mrs. Treacy wishes to assign her 51% of the business to Mr. Treacy for \$10, with Mr. Treacy becoming 100% owner. All documentation has been submitted.

Discussion/Action Taken:

Director Elks reviewed the matter to the Commissioners and recommended approval.

Chairman Jones made a motion for approval. Commissioner McDaniel seconded the motion and it passed with 3 ayes.

**I. PARKWAY WINE AND LIQUOR
CORDOVA, TENNESSEE (SHELBY COUNTY)**

Licensee/Seller: Helena Stover
Applicant/Buyer: Dina's Enterprises, LLC
Member: Rishi Chopra

Before the Commission is a request for a transfer of ownership of the retail business located at 420 S. Germantown Parkway in Cordova, Tennessee. Mr. Rishi Chopra wishes to initially invest \$225,000 plus the cost of inventory from Ms. Stover. Financing is based upon a \$300,000 loan from Lajuanti Chopra. If approved, Mr. Chopra will be operating the business as a LLC, with such LLC leasing the property from Wolf River Commons 132, LLC for a period of 5 years, with the option of one extension. Monthly rent will begin at \$2558.75 and increase to \$3482.13 over the term of the lease. All documentation has been submitted with the exception of the following:

- a. Verification Mr. Chopra's restaurant does not have LBD license;
- b. Lease between Z Wolf River, LLC and Wolf River Commons 132, LLC;
- c. Loan agreement with Lajuanti Chopra;
- d. Financial background check and questionnaire for Lajuanti Chopra.

Discussion/Action Taken:

Director Elks reviewed the matter to the Commissioners and recommended approval subject to the receipt of the requested documentation.

Commissioner McDaniel made a motion for approval. Commissioner Kaegi seconded the motion and it passed with 3 ayes.

**J. HURRICANE WINE & SPIRITS
CHATTANOOGA, TENNESSEE (HAMILTON COUNTY)**

Licensee: Hurricane Wine & Spirits, LLC
Members: James Kinsella, William Woosley, David Whitener and Gerald Harriss
Proposed Members: James Kinsella, William Woosley, and David Whitener

Before the Commission is a request for a partial transfer of ownership of the retail store located at 8652 E. Brainerd Road, Suite 118, in Chattanooga, Tennessee. Currently, each member owns 25% of the LLC licensee. Mr. Harriss wishes to transfer his 25% to Mr. Woosley in exchange for his removal of the initial loan to operate the business. If approved, Mr. Woosley would own 50% of the business, and Mr. Kinsella and Mr. Whitener would continue to own 25%. All documentation has been submitted.

Discussion/Action Taken:

Director Elks reviewed the matter to the Commissioners and recommended approval.

Chairman Jones made a motion for approval. Commissioner Kaegi seconded the motion and it passed with 3 ayes.

**K. SPIRITS OF TIMBER CREEK
MEMPHIS, TENNESSEE (SHELBY COUNTY)**

Licensee/Seller: William Powers
Applicant/Buyer: Powers Investments, LLC
Members: Michael Powers, Lisa Carpenter, William Patrick Powers and Brian Powers

Before the Commission is a request for a transfer of ownership of the retail store located at 6 Timber Creek in Memphis, Tennessee. Michael Powers, Lisa Carpenter, William Patrick Powers, and Brian Powers wish to purchase the business from William Powers for \$360,000. Financing is based upon a promissory note with the seller. If approved, the LLC applicant will be leasing the property from Commerce Center, LP for a period of 6 ½ years, with monthly rent beginning at \$5809—including insurance and taxes. Each member would own 25%. All documentation has been submitted with the exception of the following:

- a. Questions 8, 9, and 19 answered on application;
- b. Explanation of why the promissory note indicates that Powers Investment, LLC is an Arkansas limited liability company.

Discussion/Action Taken:

Director Elks reviewed the matter to the Commissioners and recommended approval subject to the receipt of the requested documents.

Commissioner McDaniel made a motion for approval. Commissioner Kaegi seconded the motion and it passed with 3 ayes.

4. BUDGET

5. CONSENT ORDERS

6. PENDING MATTERS LIST

7. MISCELLANEOUS: NOMINATION AND ELECTION OF NEW CHAIRPERSON

Chairman Jones stated that as Chairman he has appreciated the staff and those that regularly attend the meetings over the past four years. However, due to his diminished vision, he would welcome the opportunity to have the Commission nominate a new chairman. He stated that he would be stepping down with only good feelings for the staff and the support that has been given him as the Chairman of the Commission.

Commissioner Kaegi nominated Commissioner McDaniel to be the new chairman of the Commission. Chairman Jones seconded the nomination. Chairman Jones moved that all nominations cease. Commissioner Kaegi seconded the motion. Chairman Jones stated that having no further nominations, the opportunity exists to vote in favor of Commissioner McDaniel becoming chairperson. The motion passed with 2 ayes.

Commissioner McDaniel stated that she appreciated the Commission voting her as Chair of the Commission. Chairperson McDaniel stated she looks forward to working with the Commission and the staff.

A. Monthly Summary of TABC Activity

8. DATE OF NEXT MEETING

Wednesday, May 25, 2011 at 1:30 p.m. and Wednesday, June 15, 2011 at 1:30 p.m.

Mary McDaniel
Chairperson

Shari Danielle Elks
Executive Director