

FARGO CITY COMMISSION AGENDA
Monday, September 22, 2008 - 5:00 P.M.

CITY COMMISSION MEETINGS ARE BROADCAST LIVE ON TV FARGO (Channel 99). They are rebroadcast at 7 p.m. each Thursday and again at 8:00 a.m. each Saturday and are also included in our video archive at www.cityoffargo.com/commission.

- A. Pledge of Allegiance.
- B. Roll Call.
- C. Approve Order of Agenda.
- D. Minutes (Regular Meeting, September 8, 2008).

* * * Consent Agenda - Approve the Following * * *

- a. 2nd reading, waive reading and final adoption of an Ordinance Annexing a Certain Parcel of Land Lying in the North Half of Section 3, Township 138 North, Range 49 West; 1st reading, 9/8/08.
- b. 2nd reading, waive reading and final adoption of Ordinances Rezoning Certain Parcels of Land Lying in the following; 1st reading, 9/8/08:
 - (1) Section 4, Township 138 North, Range 49 West.
 - (2) Prairie Grove First Addition.
 - (3) Aldrich & Roberts Addition.
- c. Waive requirement to receive and file the Ordinance one week prior to 1st reading and 1st reading of an Ordinance Relating to Imposition of a Sales and Use Tax (Infrastructure Capital Improvements).
- d. Transfer of fixed assets to the Convention and Visitors Bureau.
- e. Agreement with AON Consulting for prescription benefit management to include RFP development, vendor search, evaluation of proposals and post selection implementation.
- f. Receive and file Year to Date – Budget to Actual Report for August 2008.
- g. Contract with the North Dakota Department of Health for the WIC Program (CFDA #10.557).
- h. Health Department budget adjustments and contract with Dakota Medical Foundation in the amount of \$4,000 for a Baby Steps/Nurse-Family Partnership.
- i. Receive and file the 2007 Community Development Annual Performance Report.
- j. Bid award for shelving and interior furnishings for the Main Library.
- k. Application filed by William and Dianna Sandsmark for a 3-year tax exemption for improvements made to a building at 2310 10th Street South.
- l. 90 day extension of the Class "FA" Alcoholic Beverage License held by Brent Olson (Bennigan's) until 12/31/08.

- n. Applications for Games of Chance:
 - (1) El Zagal Mobile Nobles for a raffle on 1/10/09.
 - (2) Fargo South High School Athletics for raffles from 9/18/08 to 4/1/09.
 - (3) ASPIRE, Inc. for a raffle on 10/7/08.
 - (4) Make A Wish Foundation for a raffle on 10/24/08.
- o. Purchase Agreement with MBL Properties, LLP for Lot 3, Block 7, Maple Valley Addition for a lift station site (Improvement District No. 5759).
- p. No-Build Easement Agreement with The Pierce Company and Nodak Mutual Insurance Company for the east 10 feet of property in Roberts 2nd Addition.
- q. Easement Agreement with A & F Development, L.L.C.F for property located in Sheyenne Industrial Center Third Addition.
- r. Agreement for Entry and Construction with TAB Properties, LLC for property located along 32nd Avenue South, west of 45th Street (Improvement District No. 5777).
- s. Professional Services Agreement with Ulteig Engineers for Improvement District No. 5838.
- t. Agreement and Memorandum of Agreement Regarding Special Assessments with Matrix Properties Corporation (Improvement District Nos. 5384 and 5385).
- u. Quit Claim Deeds and Temporary Construction Easements from NDDOT in connection with reconstruction of University Drive.
- v. Bid awards for Project Nos. 5798, 5814 and SW 08-03.
- w. Bid advertisement for Project No. 5854.
- x. Contracts and bonds for Project Nos. 5647 and 5790.
- y. Bills.
- z. Bid award for Improvement District No. 5853.
- aa. Create Improvement District Nos. 5547 and 5773.
- bb. Contract and bond for Improvement District No. 5819.

* * * Regular Agenda * * *

- 1. Non-binding Agreement of Intent with Garrison Diversion for the Red River Water Supply Project.
- 2. Public Hearings - 5:15 p.m.:
 - a. Transfer of a Class "CD" Alcoholic Beverage License from Old Broadway Corporation d/b/a Just One to Old Broadway d/b/a J. L. Beers, 518 1st Avenue North.
 - b. Transfer of a Class "ABH" Alcoholic Beverage License from Nodak Hotels, LLC d/b/a Prairie Rose Inn, 1340 21st Avenue South, to Imperial Hospitality d/b/a Prairie Rose Inn.

- c. Transfer of a Class "FA" Alcoholic Beverage License from Dakota GM, Inc. d/b/a Green Mill Restaurant, 3340 13th Avenue South, to GM Fargo, LLC d/b/a Green Mill Restaurant & Bar.
- d. Transfer of a Class "FA" Alcoholic Beverage License "location only" from FTS Fargo, Inc. d/b/a Hooters to 3431 Fiechtner Drive.
- e. Application filed by Service Oil, Inc. d/b/a North Town Sports Bar & Grill for a Class "FA" Alcoholic Beverage License at 3520 12th Avenue North.
- f. City of Fargo 2009 budget.

People with disabilities who plan to attend the meeting and need special accommodations should contact the Commission Office at 241-1310 or TDD 241-8258. Please contact us at least three business days in advance of public meetings to give our staff adequate time to make arrangements.

Minutes are available on the City of Fargo Web site at www.cityoffargo.com/commission



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OFFICE OF THE CITY ADMINISTRATOR
Pat Zavoral

MEMORANDUM

TO: BOARD OF CITY COMMISSIONERS

FROM: CITY ADMINISTRATOR PAT ZAVORAL *PZ*

DATE: SEPTEMBER 18, 2008

SUBJECT: NON-BINDING AGREEMENT OF INTENT WITH GDCD

Attached is a non-binding Agreement of Intent with Garrison Diversion Conservancy District (GDCD) to enter into a water service contract for sometime in the future to deliver water in the Sheyenne River to Fargo's intake facility in that river. The water will be brought from the Missouri River canal system into Lake Ashtabula reservoir and released when Fargo's current permitted water supplies are not available. The need for this non-binding Agreement of Intent is to allow GDCD staff to determine the quantity of water needed by water districts and communities in the 13 counties in eastern North Dakota that are members of the Lake Agassiz Water Authority and have joined together to implement the Red River Valley Water Supply Project (RRVWSP). Determining the quantity of water will allow the GDCD staff and consultants to begin planning and sizing the water treatment and delivery system to the Valley and to solidify the cost of the project.

At this time, the Agreement of Intent calls for a \$5,000 non-refundable deposit and a declaration of how much water Fargo intends to purchase. The Fargo staff and consultants have been involved with the RRVWSP since its inception and the projected water need for Fargo is 38 cubic feet per second which translates to about 25 million gallons a day. Our current average usage is about 9 million gallons a day in the winter months and 13 million gallons a day during the summer months. A feature of the RRVWSP, which is different from other state water projects such as the Southwest Water Authority sponsored project and the Northwest Area Water Supply project, is that those projects deliver treated water to each resident or business while the RRVWSP delivers raw water to Fargo's Sheyenne River intake. There are more treatment and delivery costs involved in delivering this water to our citizens once the water is taken from the Sheyenne. This is all background information for the question as to how much the RRVWSP will cost the Fargo taxpayers. It appears when this project is implemented, water rates can expect to increase from \$2 to \$5 a month per household for this raw water supply project. Staff is preparing a draft rate schedule for all of the water infrastructure needs, including the RRVWSP costs, for the next 25 years which will be presented to you in the very near future.



**AGREEMENT OF INTENT
TO ENTER INTO A WATER SERVICE CONTRACT
FOR A SUPPLEMENTAL WATER SUPPLY**

I. PARTIES

This non-binding Agreement of Intent is by and between the Garrison Diversion Conservancy District, PO Box 140, Carrington, North Dakota, 58421, hereinafter referred to as Garrison Diversion and _____, hereinafter referred to as the City/Water District.

II. PURPOSE OF AGREEMENT

The proposed supplemental water supply shall be referred to as the Red River Valley Water Supply Project, or RRVWSP. In order to develop sufficiently detailed and accurate preliminary designs for the RRVWSP, upon which further critical decisions concerning the RRVWSP can and will be based, it is necessary to identify as accurately as possible those cities and rural water districts which intend to contract for water from the RRVWSP. Therefore, the purpose of this Agreement of Intent is for Garrison Diversion to secure from the City/Water District a commitment of intent to contract for water from the RRVWSP in accordance with terms of this and subsequent agreements, for the reasons expressed in this section, and for the City/Water District to be assured that delivery of sufficient amounts of water to satisfy its projected needs to the area in which it is located will be included in the development of preliminary designs for the RRVWSP.

III. GENERAL TERMS OF AGREEMENT

1. The City/Water District hereby states its intent that it will enter into a water service contract with Garrison Diversion prior to June 30, 2010, based on a City/Water District nomination of _____ cfs for domestic needs and _____ cfs for industrial needs provided that the costs remain consistent with the EES Consulting Preliminary Cost Allocation Results Memo of May 1, 2008. Such water service contract shall be contingent upon approval of a satisfactory funding plan by the North Dakota Legislature for the RRVWSP in accordance and consistent with the terms and provisions of such water service contract. The water service contract will contain provisions concerning fees, the amount of water to be supplied, and other matters, all of which shall be consistent with the final recommendations of Garrison Diversion, in consultation with Lake Agassiz Water Authority, as part of the preliminary designs to be submitted on or before January 1, 2010.
2. Garrison Diversion agrees that the above nominated water needs of the City/Water District will be included in the development of preliminary designs for the RRVWSP.
3. Garrison Diversion further agrees to work with the Lake Agassiz Water Authority and its constituents to develop the previously described water service contract setting forth acceptable terms and conditions under which the City/Water District will be provided a supplemental water supply from the RRVWSP. The target date for presentation of a draft contract to their governing bodies is February 15, 2010.
4. This Agreement is a non-binding commitment of intent by the City/Water District to enter into a water service contract with Garrison Diversion to purchase a supplemental water supply from the

RRVWSP. This commitment is based on the City's/Water District's estimated share of capital costs as provided by the EES Consulting Preliminary Cost Allocation Results Memo of May 1, 2008, and the above nomination. The terms of this Agreement of Intent shall not be construed to establish the terms, fees, or conditions, under which the supplemental water supply shall be purchased pursuant to such water service contract.

IV. ESTIMATE OF COSTS

Based on 2005 costs, it is estimated that the operation and maintenance cost of the RRVWSP will be about \$4000 per cubic feet per second (cfs) of capacity per year pro rata contracted for in the water service contract. Preliminary estimates of the capital construction costs of the RRVWSP, based on 2005 costs, are approximately \$660 million. More accurate determination of capital construction costs and of operation and maintenance costs will be provided as part of the development of preliminary designs for the RRVWSP.

V. COMMITMENT FEE

The City/Water District agrees to pay to Garrison Diversion a non-refundable commitment fee of \$3500 per cfs of their projected supplemental water supply need pro rata for the City/Water District based on the above nomination, not to exceed \$5000. Payment of the commitment fee shall be forwarded to Garrison Diversion along with the executed copies of this Agreement of Intent. The fee shall be applied to Lake Agassiz Water Authority's share of preliminary design costs.

Approved and entered into by resolution of the Garrison Diversion Conservancy District this 10th day of October, 2008.

General Manager and Secretary

By resolution of the governing body of the City/Water District, enacted on the ____ day of _____, 2008, the foregoing Agreement of Intent to enter into a water service contract for a supplemental water supply with Garrison Diversion was approved, and the execution of this Agreement was duly authorized.

DATE

City/Water District of _____

Mayor/President _____

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MEMORANDUM

TO: Board of City Commissioners
FROM: Steven Sprague, City Auditor
SUBJECT: Old Broadway Class CD License acquired from Just One
DATE: September 4, 2008

In October 2007 the City Commission approved the transfer of the Class CD liquor license from Just One to the Old Broadway Corporation, at that time the location was not known. The Commission requested an update regarding securing a location in six months. At that time Mr. Thorson had purchased the old Lauerman's building and was planning on locating the license there. Before the license was transferred Mr. Thorson sold the property to Scott Hennen who opened a radio station at 64 Broadway. Mr. Thorson requested additional time to find a location for the license.

Mr. Thorson has purchased the building at 514 – 520 1st Avenue North and would like to locate the license at 518 1st Avenue North; however, the building will be remodeled and redeveloped so the license will not be used immediately.

Recommended Motion:

Approve transferring the Just One, Class CD, liquor license from the Old Broadway Corporation at 16 Broadway to the Old Broadway Corporation at 518 1st Avenue North.

**OLD BROADWAY CORPORATION
P.O. BOX 2043
FARGO, ND 58107-2043
PHONE (701) 237-5151**

August 27, 2008

City of Fargo
City Auditor's Office
200 3rd Street North
Fargo, ND 58102

ATTN: Steve Sprague

Dear Steve:

The Old Broadway Corporation previously requested that the Just One Class CD Liquor License currently owned by the Old Broadway be transferred to our corporate office at 16 Broadway, Suite 208, in Fargo, North Dakota.

We are requesting at this time that the Class CD Liquor license be transferred to 518 1st Avenue North, Fargo, North Dakota. Global Development, L.L.C. has recently acquired the building at 514 – 520 1st Avenue North from its former owner. It is the intention of Global Development, L.L.C. to lease the space at 518 1st Avenue North to the Old Broadway Corporation for the business of an off-sale retail store for the sale specialty beers.

If you have any questions or need additional information, please feel free to contact me at (701) 237-5151, extension 11.

Sincerely,

OLD BROADWAY CORPORATION



Randy Thorson
PRESIDENT

RT:vlb

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MEMORANDUM

TO: Chief Keith Ternes
FROM: Sgt. Ross Renner
DATE: Sept, 9th 2008

SUBJECT: Application for the transfer of a Class "ABH" Alcoholic Beverage License from Nodak Hotel's, LLC d/b/a Prairie Rose Inn to Imperial Hospitality, LLC d/b/a Prairie Rose Inn to be located at 1340 21st Ave. South Fargo, North Dakota.

In accordance with Section 25-1505 of the Fargo Municipal Code, I have conducted an investigation into the character, reputation, and fitness of the applicants listed on the supplied application.

I conducted a background investigation on the following individuals; Hitesh Patel, Anil Patel, Mahendra Patel and Kari Anderson. During these investigations the applicants' criminal background, credit history, past residence history as well as any interaction they may have had with law enforcement in any state were questioned.

Upon completing these investigations and further follow-up investigation, I am disclosing the following information:

Hatish Patel

Criminal Background: No areas of concern.

Credit History: No areas of concern.

Anil Patel

Criminal Background: No areas of concern.

Credit History: No areas of concern.

Mahendra Patel

Criminal Background: No areas of concern.

Credit History: No areas of concern.

Kari Anderson (Manager)

Criminal Background:	December 6 th 1996	Insufficient Funds Check charge Cass County, ND. Disposition: Guilty
	February 22 nd 1997	Driving Under the Influence Fargo, ND. Police Department Disposition: Guilty

Credit History: No areas of concern.

Investigation Notes

Upon review of the submitted application I found that Hitesh Patel has ownership in the liquor license at the Quality Inn in Jamestown, ND. and Dickinson, ND. After contacting the Jamestown, ND. Police Department they informed me the bar at the Quality Inn did fail a compliance check on 09/16/05. I contacted Hitesh Patel and asked him about this incident. Mr. Patel stated they did fail the compliance check and as a result the employee and general manager were fired. I was unable to find any other information of concern related to either business.

The submitted application also indicates Anil Patel has a business interest in the Trappers Lounge In Minot, ND. I was unable to locate any information of concern related to this business.

Business Location

The application submitted is for a business currently located at 1340 21st Ave. South Fargo, ND. The immediate area surrounding this establishment consists of a mix of commercial, apartment properties and single family homes. I have found the following licensed liquor establishments in the immediate area, Peppers American Café, Bottle Barn Liquors, Happy Joe's Pizza and the Cajun Café.

Conclusion

Upon completion of this investigation I believe I have discovered all information related to the listed applicants and all information related to the issuance of the requested liquor license. I have provided this completed background investigation to Fargo Police Chief Keith Ternes for his review and recommendation

Sgt. Ross Renner



APPLICATION FOR ALCOHOLIC BEVERAGE LICENSE

The following section to be completed by City Staff:

Date Received by Auditor's Office: 7/14/08
Investigations Fee Paid (\$250) [X] Yes ___ No Date paid: 7/14/08
Check # 1021

Reviewed -Health Department by: ___ Date: ___
Comments (or see attached report):

Reviewed -Fire Department by: ___ Date: ___
Comments (or see attached report):

Reviewed -Inspections Division by: ___ Date: ___
Comments (or see attached report):

Reviewed -Police Department by: Sgt. Ross Pen Date: 9-9-08
(See attached report):

[X] Approval Recommendation ___ Denial Recommendation
[Signature] Chief of Police 09-11-08 Date

Reviewed -Liquor Control Committee on (date):

___ Approval Recommendation ___ Denial Recommendation
(See attached comments or minutes)

Reviewed -City Commission on (date):

___ Approval ___ Denial
(See attached minutes)

Business/Company name: IMPERIAL Hospitality LLC

Doing business as: Prairie Rose Inn

This application is for the Class or Classes of Licenses checked:

- Class A Authorizes the licensee to sell "on-sale" only.
- Class B Authorizes the licensee to sell "off-sale" only. "Off-Sale" licensed premises must be no closer than 100 feet to any grocery store, drug store or gasoline service station or any part thereof.
- Class B "Limited" Authorizes the licensee to sell "off-sale" only. License is Non Transferable. "Off-Sale" licensed premises must be no closer than 100 feet to any grocery store, drug store or gasoline service station or any part thereof.
- Class AB Authorizes the licensee to sell "on-sale" and "off-sale". "Off-Sale" licensed premises must be no closer than 100 feet to any grocery store, drug store or gasoline service station or any part thereof.
- Class ABH Authorizes the licensee to sell "on-sale" and "off sale", at hotels & motels with 100 more guest rooms only.
- Class ABHRZ Authorizes licensee to sell "on-sale" and "off sale" at hotels in Renaissance Zone with 15 guest rooms
- Class C Authorizes the licensee to sell beer "on-sale" only.
- Class D Authorizes the licensee to sell beer "off-sale" only.
- Class F Authorizes the licensee to sell "on-sale" only served at table or booth; no bar allowed. Requires 50% or more of its annual gross receipts from the sale of prepared meals and not alcoholic beverages.
- Class FA Authorizes the licensee to sell "on-sale" only, physical bar is allowed. Requires 50% of more of its annual gross receipts from the sale of prepared meals and not alcoholic beverages.
- Class FARZ Authorizes the licensee to sell "on-sale" only; physical bar allowed. Required to be in the Renaissance Zone. No gaming and no "E" permits allowed. Requires 50% or more of its annual gross receipts from the sale of prepared meals and not alcoholic beverages. The initial fee is 1/2 of the FA license.
- Class FA-Golf On USGA Golf Course of 9 or more holes. Requires 25% receipts of food sales from April to October and 50% the rest of the year.
- Class G Authorizes the licensee to sell wine and sparkling wine "on-sale" only, served at table or booth, no bar. Requires 50% food sales.
- Class H Authorizes the licensee to sell beer "on-sale" only, served at table of booth, with no bar allowed and requires 50% food sales.
- Class I Authorizes the licensee to sell beer, wine, and other sparkling wine "on-sale" only. A physical bar is allowed and requires 50% food sales.
- Class J Authorizes the licensee to sell "on-sale" only at a non-profit organization for military purposes.
- Class L Authorizes the licensee to sell "on-sale" only on an excursion boat operating on the Red River.

- () Class M Authorizes the licensee to operate a "Microbrew Pub" and to sell "on-sale" and "off-sale" offered in conjunction with another license.
- () Class N Authorizes the licensee to sell "on-sale" only at a stadium with a minimum seating capacity of 2,500.
- () Class O Authorizes the licensee to operate a winemaker and/or vendor of winemaking supplies and related services.
- () Class P Authorizes the licensee to operate a domestic winery and to sell wine "on-sale" and "off-sale." Allows limited beer sales.
- () Class W Authorizes the licensee to operate a wine bar, serving wine and limited beer "on-sale." A physical bar is allowed and requires 20% food sales.
- () Class Z Authorizes the licensee to sell "on-sale" only issued to individuals and partnerships not currently holding another "A", "AB", "ABH", or "ABH-RZ". This license is non-transferable.

The following section to be completed by the applicant:

Initial #1 - #8 to indicate you understand and agree to these terms of the "Z", "W" or "B Limited" license. Then print your name and sign in the space provided below:

ALL APPLICANTS must initial #9 - #16 and sign in the space provided below.

1. _____ My business may sell "On Sale" only (Class Z & W).
- 1a. _____ My business may sell "Off Sale" only; **NO** "On-Sale" liquor sales are permitted. ("B Limited)
2. _____ This license shall only be issued to individuals or partnerships (natural persons only), corporations for liability purposes, except as otherwise provided hereinafter.
3. _____ I may not obtain more than one "Z", "W" or "B Limited" license.
4. _____ If I hold an "A", "B", "AB", "ABH or ABH-RZ" license, I may not obtain a "Z", "W" or "B Limited" license.
5. _____ If I voluntarily go out of business, file a bankruptcy petition, become insolvent or otherwise cease business, the license reverts to the City of Fargo. This license may be transferred to reflect a change in location of your licensed premises.
6. _____ The license may be transferred to my heirs (children only) during my lifetime. Upon my death, the license may be transferred to my heir(s), but may not be transferred to any other person, partnership, firm of corporation. If any partner in a partnership holding the license dies, the remaining partner(s) may continue to hold the license, but no partnership interest may be issued to any new partner. The ordinance will allow a partnership between the original licensee and his children which may take the form of a corporate entity under North Dakota law. Shares in the corporation may be transferred to the children, but transfer of shares to anyone else will constitute a sale that will cause the license to revert to the City of Fargo. As the ordinance indicates, the intent of this provision is to allow a transfer between a parent and children but a transfer of shares to anyone else is absolutely prohibited.
7. _____ If I sell my business as a "going concern" (i.e., a complete and operational bar), the purchaser of the business has the first preference to purchase the "Z", "W" or "B Limited" license from the City. (The purchaser must meet all other relevant conditions and requirements for such a purchase.)
- 8a. _____ If I am issued a "B Limited" license, I must pay an initial fee for the license in the amount of \$80,000 and an annual fee for the license in the amount of the \$1,400 at the beginning of each license year.
- 8b. _____ "Z" Initial \$105,000. Annual \$1,700.
- 8c. _____ "W" Initial \$25,000. Annual \$1,000.
9. ~~_____~~ **✓ AA** All Applicants must assure there is adequate off-street parking for my business (within the discretion of-and as approved by-the City Commission). Membership in the current City parking program (e.g., "P.O.P.") may place me in compliance with this requirement.

ATTN: STUBBINS

701-476-4188

- 10. KAT I have received a copy of the Alcoholic Beverage Ordinance (s) of the City of Fargo, read the ordinances and am familiar with the conditions and requirements of these ordinances.
- 11. KAT If granted an alcoholic beverage license, I will obey, abide by and comply with the State of North Dakota Liquor Control Act, and the City of Fargo Alcoholic Beverage ordinances, as well as any amendments to either of these, which may be made from time to time.
- 12. KAT I understand either, I, my manager(s), or both of us must attend a yearly meeting (date and time to be announced) with representatives from the Police and Health departments to discuss law enforcement and safety concerns as a condition of license renewal.
- 13. KAT I understand that the premises described in this application, if licensed for alcoholic beverage sales, may be inspected at any time by the Chief of Police, or any officer of the Police or Health Departments as allowed by city ordinances and state law. My employees and I will cooperate with such inspections.
- 14. KAT I understand that all employees, managers and owners engaged in mixing, pouring or service of alcoholic beverages **MUST** attend Server Training.
- 15. KAT I am familiar with the questions, answers and other information as it appears in the complete application for an alcoholic beverage license, and the answers and information are, to the best of my belief and knowledge, true, complete and accurate. (Note: This application must be made under oath before a Notary Public.)
- 16. KAT I recognize the City of Fargo is subject to open records laws contained in chapter 44-04 of the N.D. Century Code. Section 44-04-18.4 contains an exception for trade secrets, proprietary, commercial, and financial information. I agree in submitting the application, that I have familiarized myself with this law. If any information being forwarded to the City of Fargo is claimed as confidential or proprietary under this section, I must clearly indicate this in writing when I submit this application, pointing out, in detail, why the information submitted is claimed as an exemption under section 44-04-18.4. I further agree to respond to, as well as to aid the City, in responding to any claim under 44.04-21.1 concerning this claim of confidentiality under 44-04-18.4.

* Applicant printed name: _____ Signature: _____

Applicant printed name: _____ Signature: _____

Applicant printed name: _____ Signature: _____

- 10. KMS I have received a copy of the Alcoholic Beverage Ordinance (s) of the City of Fargo, read the ordinances and am familiar with the conditions and requirements of these ordinances.
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Applicant printed name: _____ Signature: _____

Applicant printed name: _____ Signature: _____

Applicant printed name: _____ Signature: _____

Business/Company name: Imperial Hospitality LLC
Doing business as: Prairie Rose Inn

Business address (location): 1340 21st Ave. South, Fargo, ND
Mailing address: _____ 58103

Legal description of the premises to be licensed: Lot 2 less west 20' of the south 150', and the east 16.5' of the north 290' of Lot 3, Block 10A Manor Addition, City of Fargo, Cass County, ND

Does applicant wish to describe, depict, or otherwise identify various areas or spaces within the building which shall constitute the licensed premises in accordance with Section 25-1501, Subsection 8? Yes No

Is the premises now occupied by another business? Yes No

Type of business currently there: Hotel/Motel - lounge

Mailing address: 1340 - 21st Ave S. Fargo, ND 58104
(address) (city) (state & zip)

Business e-mail address: Rancolle@yahoo.com

Phone number: (701) 235 - 3141 Other number: (701) 269 - 1350

Do you own or rent the property where the license will be used? Own Rent
If you rent, provide the following information:

N/A
(name) (address) (city) (state & zip)

If you are the owner of the property, are there any delinquent taxes against the premises?
 Yes No If "yes", in what amount? _____

Applicant Information:

Name: Hitesh J. Patel
(first) (middle) (last) (maiden name)

Address: 840 - 17th St E Dickinson, ND 58601
(address) (city) (state & zip)

How long have you lived at the address? 5 1/2 YRS

Provide your address history for the past 5 years: (Use additional page if necessary.)

From 2002 to 2008 Address: 840 - 17th St E. Dickinson, ND
From _____ to _____ Address: _____
From _____ to _____ Address: _____

E-mail address: bill-nodak@yahoo.com

Home phone number: (701) 225-7092 Other number: (701) 269-1350

Date of Birth: Aug 14, 1966 Place of Birth: Gujarat, India

List each driver's license you have ever had and the state of issue:

DL#: PAT-66-9114 State of Issue: ND Dates: 7-24-2006
exp. 8/14/2010

DL#: _____ State of Issue: _____ Dates: _____

DL#: _____ State of Issue: _____ Dates: _____

Has your driver's license ever been suspended or revoked? _____ Yes No If "yes," where and when.

If "yes," have you ever been issued a citation for driving after your license was suspended or revoked? _____ Yes _____ No If "yes," where and when.

N/A

Have you ever been convicted, plead guilty, or plead "no contest" to any law of the U.S., or any state, or of any local ordinance (other than traffic)? (DUI **should not** be considered a "traffic offense"—and therefore must be listed) _____ Yes No If yes, provide the date of arrest, location, charge, and sentence or each conviction.

Have you been issued a citation for any alcohol-related offense? _____ Yes No If "yes," provide the date, location, and charge for each citation:

List all federal, state, and local licenses (including liquor licenses; excluding driver's licenses) you currently hold, formerly held, or may have an interest in:

Have any of the above named licenses ever been suspended or revoked? ____ Yes No

If yes, list the dates and reasons for the suspensions or revocations:

N/A

List your employment/business history for the past 7 years period: Use additional pages if necessary.)

From: 2001 to 2002 Business name: Cranberry Market

Address: Andover, NJ Position/Title: Cashier

From: 2002 to present Business name: Quality Inn

Address: 11 Museum dr Dickinson Position/Title: Owner

From: _____ to _____ Business name: _____

Address: _____ Position/Title: _____

From: _____ to _____ Business name: _____

Address: _____ Position/Title: _____

Do you currently own or have a financial interest in any other business that sells or serves alcoholic beverages? Yes ____ No If "yes," list each business below:

Quality Inn - Dickinson

Quality Inn - Jamestown

Have you ever manufactured, sold, or distributed alcoholic beverages on the wholesale or retail level? ____ Yes No If "yes, indicate where, when, and for whom below:

Do you have any current or prior management experience working for a business that sells or serves alcohol? Yes ____ No If "yes," describe below:

Operator/Manager Information

Are you going to operate this business personally? ___ Yes X No If "no", who will operate it?

Name: Kari A Anderson - Greuel
(first) (middle) (last) (maiden name)

Address: 1021 17th St. S FARGO ND 58103
(address) (city) (state & zip)

Home phone number: 701 200-2992 Other number: () _____

Date of Birth: 9.3.1959 Place of Birth: Fargo

Are you going to have a manager or assistant in this business? X Yes ___ No If the manager is not the same as the operator, provide the following manager information:

Name: _____
(first) (middle) (city) (maiden name)

Address: _____
(address) (city) (state & zip)

Home phone number: () _____ Other number: () _____

Date of Birth: _____ Place of Birth: _____

(Important: The name and other information about your manager must be provided before a license can be issued. If the manager changes during the course of the license period, you must provide the City Auditor's Office with updated information about the new manager immediately.)

Business Site Plan

On the following page (or on attached pages if additional space is needed), provide a detailed diagram and description of the design, location, and square footage of the premises to be licensed.

- * The scale should be state, such as 1"=20'. The direction N should be indicated towards the top.
- * The diagram should include placement of all pertinent features of the interior of the licensed premises, such as seating areas, kitchens, offices, repair areas, restrooms, etc. The exterior parking area should also be shown.

2c

MEMORANDUM

TO: Chief Keith Ternes

FROM: Sgt. Ross Renner

DATE: September 4th, 2008

SUBJECT: Application for a transfer of a Class "FA" Alcoholic Beverage License from Dakota GM, Inc. d/b/a: Green Mill Restaurant located at 3340 13th Ave. South Fargo, North Dakota. to GM Fargo, LLC d/b/a: Green Mill Restaurant & Bar to be located at 3340 13th Ave. South Fargo, North Dakota.

In accordance with Section 25-1505 of the Fargo Municipal Code, I have conducted an investigation into the character, reputation and fitness of the applicants listed on the supplied application.

During this investigation I questioned the applicants' criminal background, credit history, past residence history as well as any interaction they may have had with law enforcement in any state.

Upon completing this investigation, I am disclosing the following information relating to Paul Dzubnar, Micheal Drummer and Douglas Demars.

Paul Dzubnar

Criminal History: No areas of concern

Credit History: No areas of concern

Micheal Drummer

Criminal History: No areas of concern

Credit History: No areas of concern

Douglas Demars

Criminal History: August 18th 2005 Driving Under the Influence of Alcohol
Fargo Police Department
Guilty Plea: 02/21/06

June 7th 2005 Disorderly Conduct
Becker County, MN. Sheriff's Dept.
Guilty Plea: 08/15/2005

June 27th 2006

Driving Under the Influence of Alcohol
Cass County, ND. Sheriff's Department
Dismissed: 11/30/07

Upon speaking with Mr. Demar's about his 2005 Driving Under the Influence conviction he provided the following explanation. Mr. Demars stated he was going through a divorce at the time of the arrest causing him to drink to much, resulting in the arrest.

I also found a conviction for Disorderly Conduct dated June 7th 2005. I contacted the Becker County Sheriff's Department in Detroit Lakes, MN. and requested a copy of the report. Upon speaking with their records staff I was informed they were unable to locate the report in their records and were unable to locate a copy anywhere to include the court. They were able to inform me that a brief statement in the case file indicated a person was looking in a window.

Upon speaking with Mr. Demars about this incident he stated he was at his ex-wife's residence and began looking in her car when she contacted the police. Mr. Demars stated he was very upset about his wife being with another man at her residence. Mr. Demars stated he did strike her car at one point during this incident. Mr. Demars stated he was intoxicated at the time and was arrested by the police on this particular day.

I asked Mr. Demars about the 2006 Driving Under the Influence Arrest. Mr. Demars stated an individual from the public called into dispatch stating his vehicle was swerving. Upon review of the Cass County Sheriff's Department report I found that Mr. Demars was actually stopped by a West Fargo Police Department Officer; who then turned the investigation over to a Cass County Deputy for further investigation. Mr. Demars was arrested for Driving Under the Influence of Alcohol as a result of this investigation. Mr. Demars submitted to a chemical test indicating his reported alcohol content to be .16. This charge was eventually dismissed upon appeal due to the West Fargo Officer being outside his jurisdiction when the stop was made. Mr. Demars stated he was at a friend house and had a few drinks and did not feel he was under the influence when he left in his vehicle on this particular day.

Credit History: No areas of concern

Investigation notes

During my investigation I spoke to Paul Dzubnar and Michael Drummer about the other establishments they currently own. Both individuals indicated they have never had a liquor license suspended or revoked at any of their establishments. I was unable to find any violations at these establishments although Mr. Drummer indicated he believed they had failed a compliance check at the Lakeville, MN. business last year.

The application submitted is for a business currently located at 3340 13th Ave. South. The following establishments hold liquor licenses in this area; Juana's, West Acres Bowl, Cactus Jacks, Doublewood Lounge and the Acapulco Mexican Restaurant.

Upon review of the Fargo Police Records system relating to the Green Mill Restaurant I found two compliance check failures that occurred on the following dates, 03/22/04 and 08/28/07. Upon speaking with the current general manager Douglas Demars he indicated the employee's were fired as a result of the failure each time. Mr. Demars has been the general manager of the restaurant for the past four years.

Conclusion

Upon completion of this investigation I believe I have discovered all information related to the listed applicants and the proposed location. I have provided this completed background investigation to Fargo Police Chief Keith Ternes for his review and recommendation.

Sgt. Ross Renner



APPLICATION FOR ALCOHOLIC BEVERAGE LICENSE

The following section to be completed by City Staff:

Date Received by Auditor's Office: 7-28-08
Investigations Fee Paid (\$250) [X] Yes ___ No Date paid: 7-28-08
Check # _____ Vision Bank CASHIER CHECK

Reviewed --Health Department by: _____ Date: _____
Comments (or see attached report): _____

Reviewed --Fire Department by: _____ Date: _____
Comments (or see attached report): _____

Reviewed --Inspections Division by: _____ Date: _____
Comments (or see attached report): _____

Reviewed --Police Department by: Sgt. Ray P. _____ Date: 9-9-08
(See attached report):

[Signature] Approval Recommendation _____ Denial Recommendation
Chief of Police Date: 09-11-08

Reviewed --Liquor Control Committee on (date): _____

Approval Recommendation _____ Denial Recommendation
(See attached comments or minutes)

Reviewed --City Commission on (date): _____

Approval _____ Denial _____
(See attached minutes)

Business/Company name: GREEN MILE RESTAURANT & BAR

Doing business as: GM FARGO, LLC

This application is for the Class or Classes of Licenses checked:

- Class A Authorizes the licensee to sell "on-sale" only.
- Class B Authorizes the licensee to sell "off-sale" only. "Off-Sale" licensed premises must be no closer than 100 feet to any grocery store, drug store or gasoline service station or any part thereof.
- Class B "Limited" Authorizes the licensee to sell "off-sale" only. License is Non Transferable. "Off-Sale" licensed premises must be no closer than 100 feet to any grocery store, drug store or gasoline service station or any part thereof.
- Class AB Authorizes the licensee to sell "on-sale" and "off-sale". "Off-Sale" licensed premises must be no closer than 100 feet to any grocery store, drug store or gasoline service station or any part thereof.
- Class ABH Authorizes the licensee to sell "on-sale" and "off sale", at hotels & motels with 100 more guest rooms only.
- Class ABHRZ Authorizes licensee to sell "on-sale" and "off sale" at hotels in Renaissance Zone with 15 guest rooms
- Class C Authorizes the licensee to sell beer "on-sale" only.
- Class D Authorizes the licensee to sell beer "off-sale" only.
- Class F Authorizes the licensee to sell "on-sale" only served at table or booth; no bar allowed. Requires 50% or more of its annual gross receipts from the sale of prepared meals and not alcoholic beverages.
- Class FA Authorizes the licensee to sell "on-sale" only, physical bar is allowed. Requires 50% of more of its annual gross receipts from the sale of prepared meals and not alcoholic beverage...
- Class FARZ Authorizes the licensee to sell "on-sale" only; physical bar allowed. Required to be in the Renaissance Zone. No gaming and no "E" permits allowed. Requires 50% or more of its annual gross receipts from the sale of prepared meals and not alcoholic beverages. The initial fee is 1/2 of the FA license.
- Class FA-Golf On USGA Golf Course of 9 or more holes. Requires 25% receipts of food sales from April to October and 50% the rest of the year.
- Class G Authorizes the licensee to sell wine and sparkling wine "on-sale" only, served at table or booth, no bar. Requires 50% food sales.
- Class H Authorizes the licensee to sell beer "on-sale" only, served at table of booth, with no bar allowed and requires 50% food sales.
- Class I Authorizes the licensee to sell beer, wine, and other sparkling wine "on-sale" only. A physical bar is allowed and requires 50% food sales.
- Class J Authorizes the licensee to sell "on-sale" only at a non-profit organization for military purposes.
- Class L Authorizes the licensee to sell "on-sale" only on an excursion boat operating on the Red River.

- CURRENT OWNER HAS A

FA-7

- I NEED THE SAME AS CURRENT

FA-7

- () Class M Authorizes the licensee to operate a "Microbrew Pub" and to sell "on-sale" and "off-sale" offered in conjunction with another license.
- () Class N Authorizes the licensee to sell "on-sale" only at a stadium with a minimum seating capacity of 2,500.
- () Class O Authorizes the licensee to operate a winemaker and/or vendor of winemaking supplies and related services.
- () Class P Authorizes the licensee to operate a domestic winery and to sell wine "on-sale" and "off-sale." Allows limited beer sales.
- () Class W Authorizes the licensee to operate a wine bar, serving wine and limited beer "on-sale." A physical bar is allowed and requires 20% food sales.
- () Class Z Authorizes the licensee to sell "on-sale" only issued to individuals and partnerships not currently holding another "A", "AB", "ABH", or "ABH-RZ". This license is non-transferable.


The following section to be completed by the applicant:


Initial #1 - #8 to indicate you understand and agree to these terms of the "Z", "W" or "B Limited" license. Then print your name and sign in the space provided below:

ALL APPLICANTS must initial #9 - #16 and sign in the space provided below.

1. _____ My business may sell "On Sale" only (Class Z & W).
- 1a. _____ My business may sell "Off Sale" only; NO "On-Sale" liquor sales are permitted. ("B Limited)
2. _____ This license shall only be issued to individuals or partnerships (natural persons only), corporations for liability purposes, except as otherwise provided hereinafter.
3. _____ I may not obtain more than one "Z", "W" or "B Limited" license.
4. _____ If I hold an "A", "B", "AB", "ABH or ABH-RZ" license, I may not obtain a "Z", "W" or "B Limited" license.
5. _____ If I voluntarily go out of business, file a bankruptcy petition, become insolvent or otherwise cease business, the license reverts to the City of Fargo. This license may be transferred to reflect a change in location of your licensed premises.
6. _____ The license may be transferred to my heirs (children only) during my lifetime. Upon my death, the license may be transferred to my heir(s), but may not be transferred to any other person, partnership, firm or corporation. If any partner in a partnership holding the license dies, the remaining partner(s) may continue to hold the license, but no partnership interest may be issued to any new partner. The ordinance will allow a partnership between the original licensee and his children which may take the form of a corporate entity under North Dakota law. Shares in the corporation may be transferred to the children, but transfer of shares to anyone else will constitute a sale that will cause the license to revert to the City of Fargo. As the ordinance indicates, the intent of this provision is to allow a transfer between a parent and children but a transfer of shares to anyone else is absolutely prohibited.
7. _____ If I sell my business as a "going concern" (i.e., a complete and operational bar), the purchaser of the business has the first preference to purchase the "Z", "W" or "B Limited" license from the City. (The purchaser must meet all other relevant conditions and requirements for such a purchase.)
- 8a. _____ If I am issued a "B Limited" license, I must pay an initial fee for the license in the amount of \$80,000 and an annual fee for the license in the amount of the \$1,400 at the beginning of each license year.
- 8b. _____ "Z" Initial \$105,000. Annual \$1,700.
- 8c. _____ "W" Initial \$25,000. Annual \$1,000.
9. PMJ MMO All Applicants must assure there is adequate off-street parking for my business (within the discretion of-and as approved by-the City Commission). Membership in the current City parking program (e.g., "P.O.P.") may place me in compliance with this requirement.

- 10. PMO
MAD I have received a copy of the Alcoholic Beverage Ordinance (s) of the City of Fargo, read the ordinances and am familiar with the conditions and requirements of these ordinances.
- 11. PMO
MAD If granted an alcoholic beverage license, I will obey, abide by and comply with the State of North Dakota Liquor Control Act, and the City of Fargo Alcoholic Beverage ordinances, as well as any amendments to either of these, which may be made from time to time.
- 12. PMO
MAD I understand either, I, my manager(s), or both of us must attend a yearly meeting (date and time to be announced) with representatives from the Police and Health departments to discuss law enforcement and safety concerns as a condition of license renewal.
- 13. PMO
MAD I understand that the premises described in this application, if licensed for alcoholic beverage sales, may be inspected at any time by the Chief of Police, or any officer of the Police or Health Departments as allowed by city ordinances and state law. My employees and I will cooperate with such inspections.
- 14. PMO
MAD I understand that all employees, managers and owners engaged in mixing, pouring or service of alcoholic beverages MUST attend Server Training.
- 15. PMO
MAD I am familiar with the questions, answers and other information as it appears in the complete application for an alcoholic beverage license, and the answers and information are, to the best of my belief and knowledge, true, complete and accurate. (Note: This application must be made under oath before a Notary Public.)
- 16. PMO
MAD I recognize the City of Fargo is subject to open records laws contained in chapter 44-04 of the N.D. Century Code. Section 44-04-18.4 contains an exception for trade secrets, proprietary, commercial, and financial information. I agree in submitting the application, that I have familiarized myself with this law. If any information being forwarded to the City of Fargo is claimed as confidential or proprietary under this section, I must clearly indicate this in writing when I submit this application, pointing out, in detail, why the information submitted is claimed as an exemption under section 44-04-18.4. I further agree to respond to, as well as to aid the City, in responding to any claim under 44.04-21.1 concerning this claim of confidentiality under 44-04-18.4.

Applicant printed name: Paul M. Devenar Signature: 

Applicant printed name: Michael Devenar Signature: 

Applicant printed name: _____ Signature: _____

Business/Company name: GM FARGO LLC
Doing business as: GREEN MILL RESTAURANT & BAR

Business address (location): 3340 13TH AVE. SOUTH 58103
Mailing address: (SAME)

* Legal description of the premises to be licensed: SEE PURCHASE AGREEMENT
GM FARGO LLC, EXHIBIT A.

Does applicant wish to describe, depict, or otherwise identify various areas or spaces within the building which shall constitute the licensed premises in accordance with Section 25-1501, Subsection 8? Yes (); No ();

Is the premises now occupied by another business? Yes ___ No X

Type of business currently there: Green Mill

Mailing address: SAME
(address) (city) (state & zip)

Business e-mail address: pauld@greenmill.com / fargo@greenmill.com

Phone number: (701) 298-8000 Other number: (612) 251-5178

Do you own or rent the property where the license will be used? (X) Own Rent
If you rent, provide the following information:

(name) (address) (city) (state & zip)

If you are the owner of the property, are there any delinquent taxes against the premises? Yes ___ No (X) If "yes", in what amount? _____

Applicant Information:

Name: PAUL MATTHEW DEUBNAR
(first) (middle) (last) (maiden name)

Address: 2160 BAYARD AVE; ST. PAUL, MN 55116
(address) (city) (state & zip)

How long have you lived at the address? 64 YEARS

Provide your address history for the past 5 years: (Use additional page if necessary.)

From 4/2002 to PRESENT Address: 2160 BAYARD AVE; ST. PAUL, MN 55116
From 7/1999 to 4/2002 Address: 134 ARDENT COURT; MOUNT LAUREL, NJ 08051
From 8/1996 to 7/1999 Address: 1718B NEVADA DR. GFAFB, ND

E-mail address: pauld@greenmill.com

Home phone number: (651) 699-4599 Other number: (612) 251-5178 (c)

Date of Birth: 8-19-72 Place of Birth: ST. PAUL, MN (RAMSEY CTY.)

List each driver's license you have ever had and the state of issue:

ALWAYS MN,
BUT # CHANGED
WHEN MN SWITCHED
FORMAT OF LICENSE.

DL#: V692209528817 State of Issue: MN Dates: 8/19/1988 - Present

DL#: D-215-676-589-648 State of Issue: MN Dates: 8/19/1988 - Present

DL#: _____ State of Issue: _____ Dates: _____

Has your driver's license ever been suspended or revoked? Yes No If "yes," where and when.

If "yes," have you ever been issued a citation for driving after your license was suspended or revoked? Yes No If "yes," where and when.

Have you ever been convicted, plead guilty, or plead "no contest" to any law of the U.S., or any state, or of any local ordinance (other than traffic)? (DUI should not be considered a "traffic offense"—and therefore must be listed) Yes No If yes, provide the date of arrest, location, charge, and sentence or each conviction.

Have you been issued a citation for any alcohol-related offense? Yes No If "yes," provide the date, location, and charge for each citation:

List all federal, state, and local licenses (including liquor licenses; excluding driver's licenses) you currently hold, formerly held, or may have an interest in:

NONE FOR NORTH DAKOTA

MINNESOTA LIQUOR LICENSES

① LAKEVILLE

GREEN MILL RESTAURANT & BAR LIQUOR LICENSE

② ENCON

GREEN MILL RESTAURANT & BAR LIQUOR LICENSE

③ ROCHESTER

GREEN MILL RESTAURANT & BAR LIQUOR LICENSE

④ ST. PAUL

GREEN MILL RESTAURANT & BAR LIQUOR LICENSE

* SEE ATTACHED LICENSES

Have any of the above named licenses ever been suspended or revoked? Yes No

If yes, list the dates and reasons for the suspensions or revocations:

List your employment/business history for the past 7 years period: Use additional pages if necessary.)

From: 9/2002 to PRESENT Business name: GREEN MILL RESTAURANTS INC

Address: 3900 NORTHWOODS DR ROSEN HILLS, MD 55112 Position/Title: PRESIDENT

From: 4/2001 to 9/2002 Business name: TARGET CORP

Address: 1080 73RD AVENUE FRIDLEY, MN Position/Title: MANAGER

From: 8/1996 to 4/2002 Business name: US AIR FORCE

Address: GRAND FORKS AFB, ND McGUIRE AFB, NJ Position/Title: OFFICER - CAPTAIN

From: _____ to _____ Business name: _____

Address: _____ Position/Title: _____

Do you currently own or have a financial interest in any other business that sells or serves alcoholic beverages? Yes No If "yes," list each business below:

- GREEN MILL RESTAURANT: BAR(S)
 - LAKEVILLE, MN
 - ROCHESTER, MN
 - EAGAN, MN
 - ST. PAUL, MN

Have you ever manufactured, sold, or distributed alcoholic beverages on the wholesale or retail level? Yes No If "yes, indicate where, when, and for whom below:

SAME AS ABOVE.

Do you have any current or prior management experience working for a business that sells or serves alcohol? Yes No If "yes," describe below:

SAME AS ABOVE.

1/19

Partnership/Corporation Information (ALL Partners, Corporate Shareholders and Directors holding 5% or more of the outstanding stock must be listed—make copies and use additional pages as needed)

List your business structure: LLC (Partnership, Corporation, LLP, LLC)
(This section may be copied and pages attached for additional partners.)

Name: PAUL MATTHEW DZUSMARE
(first) (middle) (last) (maiden name)

Address: 2160 BAYARD AVE. ST. PAUL, MN 55116
(address) (city) (state & zip)

How long have you lived at the address? 6+ YEARS

Provide your address history for the past 5 years: (Use additional page if necessary.)

From _____ to _____ Address: _____

From _____ to _____ Address: _____

From _____ to _____ Address: _____

E-mail address: Pauld@greenmill.com

Home phone number: (651) 699-4599 Other number: (612) 251-5178

Date of Birth: 8-19-72 Place of Birth: ST. PAUL, MN (RAMSEY CTY.)

List each driver's license you have ever had and the state of issue:

DL#: V692209528817 State of Issue: MN Dates: 8/19/72 - PRESENT

DL#: _____ State of Issue: _____ Dates: _____

DL#: _____ State of Issue: _____ Dates: _____

Has your driver's license ever been suspended or revoked? Yes No If "yes", where and when.

If "yes," have you ever been issued a citation for driving after you license was suspended or revoked? Yes No If "yes", where and when?

Have you ever been convicted, plead guilty, or plead "no contest" to any law of the U.S., or any state, or of any local ordinance (other than traffic)? (DUI should not be considered a "traffic offense"—and therefore must be listed) Yes No If yes, provide the date of arrest, location, charge, and sentence for each conviction:

Have you been issued a citation for any alcohol-related offense? Yes No If "yes," provide the date, location, and charge for each citation:

List all federal, state, and local licenses (including liquor licenses; excluding driver's licenses) you currently hold, formerly held, or may have an interest in:

MINNESOTA LIQUOR LICENSES: GREEN MILLS 10: - LAKEVILLE, MN
- ROCHESTER, MN
- Eagan, MN
- ST. PAUL, MN

Have any of the above named licenses ever been suspended or revoked? Yes No If yes, list the dates and reasons for the suspensions or revocations:

List your employment/business history for the past 7 year's period: (Use additional pages if necessary.)

From: 9/2002 to PRESENT Business name: GREEN MILLS RESTAURANTS INC.

Address: 3900 NORTHWOODS DR (#215) Position/Title: PRESIDENT
ARDEN HILLS, MN 55122

From: 4/2002 to 9/2002 Business name: TARGET CORP

Address: 1090 73RD AVENUE Position/Title: MANAGER
FRIDLEY, MN

From: 8/1996 to 4/2002 Business name: US AIR FORCE

Address: GRAND FORKS AFB, ND Position/Title: OFFICER - CAPTAIN
MCGUIRE AFB, MS

From: _____ to _____ Business name: _____

Address: _____ Position/Title: _____

Do you currently own or have a financial interest in any other business that sells or serves alcoholic beverages? Yes No If "yes," list each business below:

GREEN MILLS RESTAURANT & BAR INC:

- LAKEVILLE, MN
- ROCHESTER, MN

Have you ever manufactured, sold, or distributed alcoholic beverages on the wholesale or retail level? Yes No If "yes," indicate where, when, and for whom below:

SAME AS ABOVE

Do you have any current or prior management experience working for a business that sells or serves alcohol? Yes No If "yes," describe below:

SAME AS ABOVE

Are all officers, directors, and shareholders holding more than 5% of the outstanding stock 21 years of age or older? Yes No ();

Address of Home Office 3900 NORTHWOODS DR. (#215) ARDEN HILLS, MN
Date Incorporated 10/2004 State of Incorporation MN SS12

If a subsidiary of any corporation, state name and address of parent corporation _____

Fargo

MAP

Partnership/Corporation Information (ALL Partners, Corporate Shareholders and Directors holding 5% or more of the outstanding stock must be listed—make copies and use additional pages as needed)

List your business structure: LLC (Partnership, Corporation, LLP, LLC)
(This section may be copied and pages attached for additional partners.)

Name: Michael Allan Drummer
(first) (middle) (last) (maiden name)

Address: 20127 59th Av Mankato MN 56001
(address) (city) (state & zip)

How long have you lived at the address? 15 yrs

Provide your address history for the past 5 years: (Use additional page if necessary.)

From _____ to _____ Address: _____

From _____ to _____ Address: _____

From _____ to _____ Address: _____

E-mail address: miked@drummercorp.com

Home phone number: (507) 420-7376 Other number: () _____

Date of Birth: 12-22-61 Place of Birth: Mankato, MN

List each driver's license you have ever had and the state of issue:

DL#: P066124332112 State of Issue: MN Dates: 1-2007 to 12-22-2010

DL#: _____ State of Issue: _____ Dates: _____

DL#: _____ State of Issue: _____ Dates: _____

Has your driver's license ever been suspended or revoked? Yes No If "yes", where and when.

If "yes," have you ever been issued a citation for driving after you license was suspended or revoked? Yes _____ No _____ If "yes", where and when?

Have you ever been convicted, plead guilty, or plead "no contest" to any law of the U.S., or any state, or of any local ordinance (other than traffic)? (DUI should not be considered a "traffic offense"—and therefore must be listed) Yes X No If yes, provide the date of arrest, location, charge, and sentence for each conviction:

Have you been issued a citation for any alcohol-related offense? Yes X No If "yes," provide the date, location, and charge for each citation:

List all federal, state, and local licenses (including liquor licenses; excluding driver's licenses) you currently hold, formerly held, or may have an interest in:

Have any of the above named licenses ever been suspended or revoked? Yes X No If yes, list the dates and reasons for the suspensions or revocations:

List your employment/business history for the past 7 year's period: (Use additional pages if necessary.)

From: _____ to _____ Business name: _____

Address: _____ Position/Title: _____

From: _____ to _____ Business name: _____

Address: _____ Position/Title: _____

From: _____ to _____ Business name: _____

Address: _____ Position/Title: _____

From: _____ to _____ Business name: _____

Address: _____ Position/Title: _____

See Attachment

Do you currently own or have a financial interest in any other business that sells or serves alcoholic beverages? X Yes No If "yes," list each business below:

Douglas

Operator/Manager Information

Are you going to operate this business personally? Yes No If "no", who will operate it?

Name: Douglas A. Demers
(first) (middle) (last) (maiden name)

Address: 2261 32nd Ave S. Fargo ND 58103
(address) (city) (state & zip)

Home phone number: (218) 729-9327 Other number: ()

Date of Birth: 11/24/65 Place of Birth: Fargo ND

Are you going to have a manager or assistant in this business? Yes No If the manager is not the same as the operator, provide the following manager information:

Name: _____
(first) (middle) (city) (maiden name)

Address: _____
(address) (city) (state & zip)

Home phone number: () Other number: ()

Date of Birth: _____ Place of Birth: _____

(Important: The name and other information about your manager must be provided before a license can be issued. If the manager changes during the course of the license period, you must provide the City Auditor's Office with updated information about the new manager immediately.)

Business Site Plan

On the following page (or on attached pages if additional space is needed), provide a detailed diagram and description of the design, location, and square footage of the premises to be licensed.

- * The scale should be state, such as 1"=20'. The direction N should be indicated towards the top.
- * The diagram should include placement of all pertinent features of the interior of the licensed premises, such as seating areas, kitchens, offices, repair areas, restrooms, etc. The exterior parking area should also be shown.

(2d)

MEMORANDUM

TO: Chief Keith Ternes
FROM: Sgt. Ross Renner
DATE: August 25, 2008

SUBJECT: Application for a location change of a Class "FA" Alcoholic Beverage License for FTS Fargo Inc. d/b/a: Hooters located at 3431 Fiechtner Drive Fargo, North Dakota.

In accordance with Section 25-1505 of the Fargo Municipal Code, I have conducted an investigation into the character, reputation and fitness of the applicants listed on the supplied application.

During this investigation I questioned the applicants' criminal background, credit history, past residence history as well as any interaction they may have had with law enforcement in any state.

Upon completing this investigation, I am disclosing the following information relating to Jonathon Taffer, Leland Swanson, Keith Evan and Tawnie Truchan.

Jonathon Taffer

Criminal History: No areas of concern

Credit History: No areas of concern

*It should be noted prior entries on Mr. Taffer's credit history did show two federal tax liens. These entrys have been removed and Mr. Taffer's credit history is now clear.

Leland Swanson

Criminal History: No areas of concern

Credit History: No areas of concern

Keith Evan

Criminal History: No areas of concern

Credit History: No areas of concern

Tawnie Truchan

Criminal History:	May 5 th 2000	MIP/MIC/MUI	NDSU Police
	Dec 15 th 1998	MIP/MIC/MUI	Fargo Police

Credit History: No areas of concern

Business Location

The application submitted is for a business to be located at 3431 Fiechtner Drive. The following establishments hold liquor licenses in this area; Juana's, West Acres Bowl, Cactus Jacks, Doublewood Lounge, Acapulco Mexican Restaurant and the Green Mill.

Investigation notes

Upon review of the Fargo Police records system I was able to find a compliance check failure that occurred on 03/20/2002 at the past Hooters location. I was unable to find any other information of a negative nature associated with this establishment.

The requested location is the former location of the Ponderosa Restaurant. The former building is being replaced by a new building with an expected opening of 09/25/08. Upon speaking with Jonathon Taffer he stated they do not anticipate any changes in the day to day operation that would significantly impact the business location or the liquor license.

Conclusion

Upon completion of this investigation I believe I have discovered all information related to the listed applicants and the proposed location. I have provided this completed background investigation to Fargo Police Chief Keith Ternes for his review and recommendation.

Sgt. Ross Renner



APPLICATION FOR ALCOHOLIC BEVERAGE LICENSE

The following section to be completed by City Staff:

Date Received by Auditor's Office: 7-7-08
Investigations Fee Paid (\$250) Yes No Date paid: _____
Check # _____

Reviewed—Health Department by: _____ Date: _____
Comments (or see attached report):

Reviewed—Fire Department by: _____ Date: _____
Comments (or see attached report):

Reviewed—Inspections Division by: _____ Date: _____
Comments (or see attached report):

Reviewed--Police Department by: Sgt. Paul Re Date: 08-4-08
(See attached report):

Approval Recommendation Denial Recommendation
[Signature] _____ 09.04.08
Chief of Police Date

Reviewed—Liquor Control Committee on (date): _____
 Approval Recommendation Denial Recommendation
(See attached comments or minutes)

Reviewed - City Commission on (date): _____
 Approval Denial
(See attached minutes)

Business/Company name: F T S Fargo, Inc.
Location Change

Doing business as: Hooters

This application is for the Class or Classes of Licenses checked:

- Class A Authorizes the licensee to sell "on-sale" only.
- Class B Authorizes the licensee to sell "off-sale" only. "Off-Sale" licensed premises must be no closer than 100 feet to any grocery store, drug store or gasoline service station or any part thereof.
- Class B "Limited" Authorizes the licensee to sell "off-sale" only. License is Non Transferable. "Off-Sale" licensed premises must be no closer than 100 feet to any grocery store, drug store or gasoline service station or any part thereof.
- Class AB Authorizes the licensee to sell "on-sale" and "off-sale". "Off-Sale" licensed premises must be no closer than 100 feet to any grocery store, drug store or gasoline service station or any part thereof.
- Class ABH Authorizes the licensee to sell "on-sale" and "off sale", at hotels & motels with 100 more guest rooms only.
- Class ABHRZ Authorizes licensee to sell "on-sale" and "off sale" at hotels in Renaissance Zone with 15 guest rooms
- Class C Authorizes the licensee to sell beer "on-sale" only.
- Class D Authorizes the licensee to sell beer "off-sale" only.
- Class F Authorizes the licensee to sell "on-sale" only served at table or booth; no bar allowed. Requires 50% or more of its annual gross receipts from the sale of prepared meals and not alcoholic beverages.
- Class FA Authorizes the licensee to sell "on-sale" only, physical bar is allowed. Requires 50% or more of its annual gross receipts from the sale of prepared meals and not alcoholic beverages.
- Class FARZ Authorizes the licensee to sell "on-sale" only; physical bar allowed. Required to be in the Renaissance Zone. No gaming and no "E" permits allowed. Requires 50% or more of its annual gross receipts from the sale of prepared meals and not alcoholic beverages. The initial fee is 1/2 of the FA license.
- Class FA-Golf On USGA Golf Course of 9 or more holes. Requires 25% receipts of food sales from April to October and 50% the rest of the year.
- Class G Authorizes the licensee to sell wine and sparkling wine "on-sale" only, served at table or booth, no bar. Requires 50% food sales.
- Class H Authorizes the licensee to sell beer "on-sale" only, served at table of booth, with no bar allowed and requires 50% food sales.
- Class I Authorizes the licensee to sell beer, wine, and other sparkling wine "on-sale" only. A physical bar is allowed and requires 50% food sales.
- Class J Authorizes the licensee to sell "on-sale" only at a non-profit organization for military purposes.
- Class L Authorizes the licensee to sell "on-sale" only on an excursion boat operating on the Red River

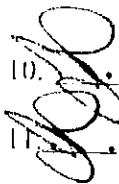
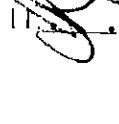
- () Class M Authorizes the licensee to operate a "Microbrew Pub" and to sell "on-sale" and "off-sale" off in conjunction with another license.
- () Class N Authorizes the licensee to sell "on-sale" only at a stadium with a minimum seating capacity of 2,500.
- () Class O Authorizes the licensee to operate a winemaker and/or vendor of winemaking supplies and related services.
- () Class P Authorizes the licensee to operate a domestic winery and to sell wine "on-sale" and "off-sale." Allows limited beer sales.
- () Class W Authorizes the licensee to operate a wine bar, serving wine and limited beer "on-sale." A physical bar is allowed and requires 20% food sales.
- () Class Z Authorizes the licensee to sell "on-sale" only issued to individuals and partnerships not currently holding another "A", "AB", "ABH", or "ABH-RZ". This license is non-transferable.


The following section to be completed by the applicant:


Initial #1 - #8 to indicate you understand and agree to these terms of the "Z", "W" or "B Limited" license. Then print your name and sign in the space provided below:


ALL APPLICANTS must initial #9 - #16 and sign in the space provided below.


- 1. My business may sell "On Sale" only (Class Z & W).
- 1i My business may sell "Off Sale" only; **NO** "On-Sale" liquor sales are permitted. ("B Limited)
- 2. This license shall only be issued to individuals or partnerships (natural persons only), corporations for liability purposes, except as otherwise provided hereinafter.
- 3. I may not obtain more than one "Z", "W" or "B Limited" license.
- 4. If I hold an "A", "B", "AB", "ABH or ABH-RZ" license, I may not obtain a "Z", "W" or "B Limited" license.
- 5. If I voluntarily go out of business, file a bankruptcy petition, become insolvent or otherwise cease business, the license reverts to the City of Fargo. This license may be transferred to reflect a change in location of your licensed premises.
- 6. The license may be transferred to my heirs (children only) during my lifetime. Upon my death, the license may be transferred to my heir(s), but may not be transferred to any other person, partnership, firm or corporation. If any partner in a partnership holding the license dies, the remaining partner(s) may continue to hold the license, but no partnership interest may be issued to any new partner. The ordinance will allow a partnership between the original licensee and his children which may take the form of a corporate entity under North Dakota law. Shares in the corporation may be transferred to the children, but transfer of shares to anyone else will constitute a sale that will cause the license to revert to the City of Fargo. As the ordinance indicates, the intent of this provision is to allow a transfer between a parent and children but a transfer of shares to anyone else is absolutely prohibited.
- 7. If I sell my business as a "going concern" (i.e., a complete and operational bar), the purchaser of the business has the first preference to purchase the "Z", "W" or "B Limited" license from the City. (The purchaser must meet all other relevant conditions and requirements for such a purchase.)
- 8a. If I am issued a "B Limited" license, I must pay an initial fee for the license in the amount of \$80,000 and an annual fee for the license in the amount of the \$1,400 at the beginning of each license year.
- 8b. "Z" Initial \$105,000. Annual \$1,700.
- 8c. "W" Initial \$25,000. Annual \$1,000.
- 9. All Applicants must assure there is adequate off-street parking for my business (within the discretion of and as approved by the City Commission). Membership in the current City parking program (e.g., "P.O.P.") may place me in compliance with this requirement.


- 10.  I have received a copy of the Alcoholic Beverage Ordinance (s) of the City of Fargo, read the ordinances and am familiar with the conditions and requirements of these ordinances.
- 11.  If granted an alcoholic beverage license, I will obey, abide by and comply with the State of North Dakota Liquor Control Act, and the City of Fargo Alcoholic Beverage ordinances, as well as any amendments to either of these, which may be made from time to time.


12.  I understand either, I, my manager(s), or both of us must attend a yearly meeting (date and time to be announced) with representatives from the Police and Health departments to discuss law enforcement and safety concerns as a condition of license renewal.

13.  I understand that the premises described in this application, if licensed for alcoholic beverage sales, may be inspected at any time by the Chief of Police, or any officer of the Police or Health Departments as allowed by city ordinances and state law. My employees and I will cooperate with such inspections.

14.  I understand that all employees, managers and owners engaged in mixing, pouring or service of alcoholic beverages MUST attend Server Training.

15.  I am familiar with the questions, answers and other information as it appears in the complete application for an alcoholic beverage license, and the answers and information are, to the best of my belief and knowledge, true, complete and accurate. (Note: This application must be made under oath before a Notary Public.)

16.  I recognize the City of Fargo is subject to open records laws contained in chapter 44-04 of the N.D. Century Code. Section 44-04-18.4 contains an exception for trade secrets, proprietary, commercial, and financial information. I agree in submitting the application, that I have familiarized myself with this law. If any information being forwarded to the City of Fargo is claimed as confidential or proprietary under this section, I must clearly indicate this in writing when I submit this application, pointing out, in detail, why the information submitted is claimed as an exemption under section 44-04-18.4. I further agree to respond to, as well as to aid the City, in responding to any claim under 44.04-21.1 concerning this claim of confidentiality under 44-04-18.4.

Applicant printed name: JONATHAN P. TAFFER Signature: 

Applicant printed name: _____ Signature: _____

Applicant printed name: _____ Signature: _____

Business Company name: F T S Fargo Inc
Doing business as: Hooters

Business address (location): 3431 Lichtner Drive
Mailing address: _____

Legal description of the premises to be licensed: See Attached

Does applicant wish to describe, depict, or otherwise identify various areas or spaces within the building which shall constitute the licensed premises in accordance with Section 25-1501, Subsection 8? Yes (); No

Is the premises now occupied by another business? Yes ___ No

Type of business currently there: Hooters

Mailing address: 1649 38th St. S., Fargo, ND 58103
(address) (city) (state & zip)

Business e-mail address: info@, jon@, starmarkhospitality.com

Phone number: (701) 281-8302 Other number: (561) 889-1880

Do you own or rent the property where the license will be used? Own ___ Rent

If you rent, provide the following information:
PPM, LLC 4445 2nd Ave. South Fargo ND 58103
(name) (address) (city) (state & zip)

If you are the owner of the property, are there any delinquent taxes against the premises? Yes ___ No ___ If "yes", in what amount? _____

Applicant Information:

Name: Jonathan Peter Taffer
(first) (middle) (last) (maiden name)

Address: 526 Edgemoor Lane, W. Palm Beach FL 33411
(address) (city) (state & zip)

How long have you lived at the address? 6 months

Provide your address history for the past 5 years: (Use additional page if necessary.)

From 2004 to 2007 Address: 5810 San Andros, West Palm Beach, FL
From 2002 to 2004 Address: 10333 Wilshire Blvd, Westwood, CA
From 1998 to 2002 Address: 5747 Collier Road, Woodland Hills, CA

Have any of the above named licenses ever been suspended or revoked? ___ Yes No

If yes, list the dates and reasons for the suspensions or revocations:

List your employment business history for the past 7 years period: Use additional pages if necessary.)

From: 2003 to current Business name: Taffer Dynamics, Inc.

Address: 1201 U.S. Hwy 1, Palm Beach, FL Position/Title: owner

From: 1999 to 2003 Business name: Television Restaurant Corp.

Address: 5747 Rolling Road, Woodland Hills, CA Position/Title: President

From: 1986 to 1999 Business name: Innovative Hospitality Concepts

Address: Downers Grove, IL Position/Title: President

From: _____ to _____ Business name: _____

Address: _____ Position/Title: _____

Do you currently own or have a financial interest in any other business that sells or serves alcoholic beverages? Yes ___ No If "yes," list each business below:

Hooters, Fargo, ND

Have you ever manufactured, sold, or distributed alcoholic beverages on the wholesale or retail level? ___ Yes No If "yes," indicate where, when, and for whom below:

Do you have any current or prior management experience working for a business that sells or serves alcohol? Yes ___ No If "yes," describe below:

35 years in the hospitality management industry

Jon Tatter (Applicant) is a shareholder/officer & director. His information is already in the Applicant section. The other shareholder/officer/director is Leland Swanson.

Partnership/Corporation Information (ALL Partners, Corporate Shareholders and Directors hold 5% or more of the outstanding stock must be listed—make copies and use additional pages as needed)

Is your business a ^{Corporation} partnership? Yes No If "yes," complete the following Section: (This section may be copied and pages attached for additional partners.)

Name: Leland Arthur Swanson Shareholders/direct
(first) (middle) (last) (maiden name)

Address: 12 Broadway #306 Fargo ND 58102
(address) (city) (state & zip)

How long have you lived at the address? 1-2 years

Provide your address history for the past 5 years: (Use additional page if necessary.)

From 2006 to Present Address: 12 Broadway #306 Fargo, ND

From 1987 to 2006 Address: 4410 S. University Drive, Fargo, ND

From _____ to _____ Address: _____

E-mail address: leeswanson123@hotmail.com

Home phone number: (701) 356-2700 Other number: (____) _____

Date of Birth: 3-7-51 Place of Birth: Fargo, ND

List each driver's license you have ever had and the state of issue:

DL#: _____ State of Issue: ND Dates: _____

DL#: _____ State of Issue: _____ Dates: _____

DL#: _____ State of Issue: _____ Dates: _____

Has your driver's license ever been suspended or revoked? Yes No If "yes", where and when.

If "yes," have you ever been issued a citation for driving after you license was suspended or revoked? Yes No If "yes", where and when?

Have you ever been convicted, plead guilty, or plead "no contest" to any law of the U.S., or any state, or of any local ordinance (other than traffic)? (DUI should not be considered a "traffic offense"-- and therefore must be listed) ___ Yes X No If yes, provide the date of arrest, location, charge, and sentence for each conviction:

Have you been issued a citation for any alcohol-related offense? ___ Yes X No If "yes," provide the date, location, and charge for each citation:

List all federal, state, and local licenses (including liquor licenses; excluding driver's licenses) you currently hold, formerly held, or may have an interest in:

Playmakers - Fargo, ND; Avalon; Stage 4-10; Bottle Barn;
Hooters - Fargo, ND

Have any of the above named licenses ever been suspended or revoked? ___ Yes X No If yes, list the dates and reasons for the suspensions or revocations:

List your employment/business history for the past 7 year's period: (Use additional pages if necessary.)

From: 191A to present Business name: Swanson Health Products
Address: Fargo, ND Position/Title: Owner

From: _____ to _____ Business name: _____

Address: _____ Position/Title: _____

From: _____ to _____ Business name: _____

Address: _____ Position/Title: _____

From: _____ to _____ Business name: _____

Address: _____ Position/Title: _____

Do you currently own or have a financial interest in any other business that sells or serves alcoholic beverages? X Yes ___ No If "yes," list each business below:

Bottle Barn, Playmakers, Avalon, Hooters - all in Fargo, ND

Have you ever manufactured, sold, or distributed alcoholic beverages on the wholesale or retail level? ___ Yes X No If "yes," indicate where, when, and for whom below:

Do you have any current or prior management experience working for a business that sells or serves alcohol? X Yes ___ No If "yes," describe below:

Ownership interests in Maymakers, Avalon, Bottle Barn and Hooters

Are all officers, directors, and shareholders holding more than 5% of the outstanding stock 21 years of age or older? Yes X; No ();

Address of Home Office 2525 9th Ave. S., Fargo, ND
Date Incorporated 8/2007 State of Incorporation ND

If a subsidiary of any corporation, state name and address of parent corporation _____

Operator/Manager Information

Are you going to operate this business personally? Yes No If "no", who will operate it?

Name: Kittie Michael Evan
(first) (middle) (last) (maiden name)

Address: 3017 37 1/2 Ave. S. Fargo ND 58104
(address) (city) (state & zip)

Home phone number: (701) 411-9121 Other number: ()

Date of Birth: 12/21/1968 Place of Birth: Ulster, New York

Are you going to have a manager or assistant in this business? Yes No If the manager is not the same as the operator, provide the following manager information:

Name: Tawnie Lee Trucken
(first) (middle) (city) (maiden name)

Address: 1820 40th St. SW, Apt. 105 Fargo ND 58103
(address) (city) (state & zip)

Home phone number: (701) 371-1426 Other number: ()

Date of Birth: 7/28/80 Place of Birth: Dickinson, ND

(Important: The name and other information about your manager must be provided before a license can be issued. If the manager changes during the course of the license period, you must provide the City Auditor's Office with updated information about the new manager immediately.)

Business Site Plan

On the following page (or on attached pages if additional space is needed), provide a detailed diagram and description of the design, location, and square footage of the premises to be licensed.

- * The scale should be state, such as 1" = 20'. The direction N should be indicated towards the top.
- * The diagram should include placement of all pertinent features of the interior of the licensed premises, such as seating areas, kitchens, offices, repair areas, restrooms, etc. The exterior parking area should also be shown.



A handwritten signature in black ink, enclosed in a hand-drawn oval. The signature appears to be "Jef".

Office of the Chief of Police

September 11, 2008

To: City Auditor Steve Sprague

From: Chief Keith Ternes

Re: Application for a Class FA Alcohol Beverage License for Service Oil, Inc. d/b/a North Town Sports Bar and Grill

After conducting the required background investigation of the applicants listed on the attached alcohol beverage license application, I am recommending conditional approval of the application.

The investigation into the credit history of the two individuals listed or proposed by the applicant, Mr. Steven Lenthe, as being the on-site manager of the establishment causes me enough concern to initially recommend denial of the application. However, it is my understanding that the president/owner of Service Oil, Inc., Mr. Dirk Lenthe, plans on identifying a more suitable person to act as the on-site manager at a later date.

So as not to delay or preclude Mr. Lenthe from moving forward with his business plans, I'm recommending approval of the attached liquor license application, but only under the following conditions:

- Neither Candie Valadez or Todd Busche may act as the on-site manager, or be identified as having a specific interest in the liquor license.
- Mr. Lenthe must provide you with the name of a person who must be cleared through the required background investigation, and deemed suitable to act as the on-site manager of the establishment as determined by the Fargo Police Department; these stipulations must be met *prior* to the first day of serving alcoholic beverages.

Please contact me if you have any questions or concerns regarding my recommendation.

MEMORANDUM

TO: Chief Keith Ternes
FROM: Sgt. Ross Renner
DATE: September 9, 2008

SUBJECT: Application for a Class "FA" Alcoholic Beverage License for Service Oil Inc. d/b/a North Town Sports Bar and Grill, located at 3520 12th Ave. North Fargo, North Dakota.

In accordance with Section 25-1505 of the Fargo Municipal Code, I have conducted an investigation into the character, reputation, and fitness of the applicants listed on the supplied application.

Steven Lenthe and Candie Valadez were interviewed by telephone. During these interviews the applicants' criminal background, credit history, past residence history as well as any interaction they may have had with law enforcement in any state were questioned.

Upon completing these interviews and further follow-up investigation, I am disclosing the following information:

Steven Lenthe

Criminal Background: No areas of concern

Credit History: No areas of concern

Candie Valadez (General Manager)

Criminal Background: No areas of concern

Credit History:	June 2003	Mid. America Energy Past Due: \$331.00
	July 2003	Quality Paper Back Book Past Due: \$204.00
	July 2003	Walmart Past Due: Unpaid Balance reported as a loss.
	April 2004	Stop N Go Past Due: \$55.00
	July 2004	Hornbachers Past Due: \$54.00

Jan. 2007

Halstad Telephone
Past Due: \$93.00

July 2007

MCI Communications
Past Due: \$777.00

Upon speaking with Candie Valadez she said she has had some credit problems in her recent past. When asked about the cause of these negative credit entries Mrs. Valdez indicated she was doing a poor job of managing her finances and has since corrected these problems. Mrs. Valdez indicates she was unaware of the entry from MCI and she will be looking into the entry from the Halstad Telephone Company to get it resolved. When I asked Mrs. Valadez about her employment history with the applicant she stated she has been employed with the applicant for approximately four years and has been the general manager for three months.

09/04/2008 I spoke with Mr. Lenthe about the credit history of Candie Valadez . I informed Mr. Lenthe that the recent negative credit entries related to Candie Valdez were of concern to Chief Ternes and I. Mr. Lenthe indicated he would get back to me on 09/05/08 with a decision relating to Candie Valadez.

On 09/05/08 Mr. Lenthe contacted me and indicated that Candie Valadez would not be the manager of the establishment and that it would take him a few days to select a manager.

On 09/08/08 I received another name of Todd Busche who was identified as the proposed manager of the establishment. Upon preliminary investigation I found information that would lead me to believe that Mr. Busche would not be a suitable candidate for this position due to his recent credit history entries. I spoke with Mr. Lenthe about his information. Mr. Lenthe decided to remove Mr. Busche from the application after receiving this information. During this conversation Mr. Lenthe indicated he would be withdrawing the application and waiting until they have a suitable Manager selected.

On 09/09/08 I spoke with City Auditor Steve Sprague who indicated he had spoken with Mr. Lenthe about the application. Mr. Sprague stated he had spoken with Mr. Lenthe about the possibility of submitting the application without a manager being selected. Mr. Sprague stated he was comfortable with this, with the expectation being when a suitable manager is selected they would have to go through the background investigation process.

Investigation notes

After reviewing the liquor license application I found that Mr. Lenthe is currently the holder of a class (FA) liquor license at the Fargo Green Mill restaurant. Upon review of the Fargo Police records systems I was able to locate two compliance check failures at the Fargo Green Mill Restaurant. These failures occurred on 03/22/04 and 08/28/2007, each time the employee was fired as a result of the failure. Mr. Lenthe also listed a liquor license suspension that occurred in November of 2007 at the Green Mill Restaurant in Grand Forks, ND. This suspension was the result of a second compliance check failure at this establishment. At the time of this investigation the Grand Forks Police Department indicates they have no pending issues with this establishment.

The applicant indicated he holds liquor licenses in the following cities as well as Grand Forks. I checked the cities of Bismarck, ND. Mandan, ND. Glyndon, MN. and Bemidji, MN. I found one sale of alcohol to a minor charge that occurred on 11/03/08 at Stamart #15 located at 1120 East Divide Bismarck, ND. This case involved a clerk selling alcohol to a nineteen year old minor who was not conducting a compliance check. The clerk was fired as a result of this incident.

The establishment listed on this application currently holds a class (F) Alcoholic Beverage license that was issued in July 2003. I have found no information of concern related to this establishment and the class (F) alcoholic beverage license.

Business Location

The submitted application is for a location that is mostly industrial in nature with a limited amount of retail sales. The establishment is part of a large truck stop complex near the intersection of 12th Av. N and I-29. There are no other licensed liquor establishments within a several block radius of the proposed location of this establishment. Residential housing, consisting of a trailer park and single or double family homes are located several blocks to the east. There are also a limited number of multi-unit housing units in this neighborhood. This neighborhood area also has an elementary school and a couple of churches.

Conclusion

Upon completion of this investigation I believe I have discovered all information related to the listed applicants and all information related to the issuance of the requested liquor license. I have provided this completed background investigation to Fargo Police Chief Keith Ternes for his review and recommendation

Sgt. Ross Renner

Page 53

SERVICE OIL, INC.

1718 East Main Ave., West Fargo North Dakota 58078
Phone 701-277-1050
Fax 701-277-1723

9/8/08

City Auditor
Steve Sprague
200 3rd Street North
Fargo, ND 58107

Dear Steve:

It is the intention of Service Oil, Inc. to proceed on the design and fit up of NorthTown Grill which will take 60 to 90 days and in that same time frame hire a bar manager for the facility. At which time I hire a bar manager I will forward information to you for a credit and background review.

I respectfully request the application process to continue without a bar manager being named at this time due to the length of time for design and fit up of the facility.

Sincerely,



Dirk Lenthe
President/Owner
Service Oil, Inc.



APPLICATION FOR ALCOHOLIC BEVERAGE LICENSE

The following section to be completed by City Staff:

Date Received by Auditor's Office: 7/16/08
Investigations Fee Paid (\$250) [X] Yes ___ No Date paid: 7/16/08
Check # 191105

Reviewed - Health Department by: ___ Date: ___
Comments (or see attached report):

Reviewed - Fire Department by: ___ Date: ___
Comments (or see attached report):

Reviewed - Inspections Division by: ___ Date: ___
Comments (or see attached report):

Reviewed - Police Department by: Sgt. Per [Signature] Date: 08-4-08
(See attached report):

___ Approval Recommendation ___ Denial Recommendation
Chief of Police Date

Reviewed - Liquor Control Committee on (date): ___
___ Approval Recommendation ___ Denial Recommendation
(See attached comments or minutes)

Reviewed - City Commission on (date): ___
___ Approval ___ Denial
(See attached minutes)

Business/Company name: Service Oil, Inc.



