

**LICENSES AND CONSUMER SERVICES
LICENSE INSPECTOR'S REPORT**

License Number: L190-50223 **Police File Number:** 13690

Date of Application: May 20, 2015

Inspector: Michele Harvet, 612-673-5484

Applicant/Legal Entity: 201 South Eleventh, LLC

DBA/Trade Name: Monello/Constantine

Complete Address: 1115 2nd Avenue South, Minneapolis, MN 55403

Responsible person within 75 miles of Minneapolis City Hall: Michelle Massey

Public Hearing Required: No

License Conditions: None at this time.

License Requested: On-Sale Liquor with Sunday Sales, Class B

Most Recent License Approved at this Location: On-Sale Liquor with Sunday Sales, Class B

Purpose of Application: To obtain an On-Sale Liquor with Sunday Sales, Class B for a new proprietor, in the space being diminished by Hotel Ivy.

Neighborhood/Ward: Downtown West / 7

Zoning: B4S-2/DP – This is a permitted use in the Downtown Service/Downtown Parking Overlay District

7 acre requirement: Met.

Off-Street Parking: The Office of the Zoning Administrator has determined that zero spaces are required to be provided on site.

Seating: Inside: 200 Seats Outside: 75

Maximum Capacity: Inside: TBD Maximum Capacity Outside: 125

Food Service Requirement: This establishment meets the minimum food service requirements set forth in MCO 360.65.

Alcohol Server Training: Training will be provided by Alcohol Compliance Services.

Hours of operation proposed: 6:30 A.M. to 2:00 A.M. Daily

Metropolitan Council Service Availability Charges: A SAC determination letter February 25, 2015, advised that there is a total of 10 SAC units due for this project. This has been paid under BIRE-3096382.

HISTORY OF LOCATION

Hotel Ivy has operated at this location with an On-Sale Liquor with Sunday Sales, Class A, License since 2007.

APPLICANT

The applicant is 201 South Eleventh, LLC, a Minnesota company formed on January 16, 2015, under Chapter 322B (File Number 806344200025), having the required restriction on the transfer of shares and has the following shareholders:

The shareholders/officers of 201 South Eleventh, LLC are as follows:

<u>Name</u>	<u>Title</u>	<u>Shares</u>
Jester Concepts, LLC	Sole Member	100%
Brent Frederick	Governor, President/Chief Manager, Treasurer	
Jacob Toledo	Governor	

The shareholders/officers of Jester Concepts, LLC are as follows:

<u>Name</u>	<u>DOB</u>	<u>Title</u>	<u>Shares</u>
Brent Frederick	7/6/80	President/CEO	50%
Jacob Toledo	5/6/80	VP/Secretary/Treasurer	50%

The applicants have several years of experience owning and operating in the food/alcohol service industry. They meet all minimum requirements including criminal and financial background checks.

MANAGER

The general manager at Monello/Constantine will be Michelle Massey. Ms. Massey has worked in the food/alcoholic beverage industry since 2004.

POLICE REVIEW

Police Licensing and this Inspector have reviewed the expenses and source of funds reported in this application. The applicant has provided documentation showing adequate legal and traceable funding for this venture and has passed the criminal background check. The First Precinct of the Minneapolis Police Department has discussed security issues with the applicant.

PREMISES

The licensed premises are on the street level and basement level with approximately 8055 square feet. There is seating for approximately 200 people which includes three bars (two on the main floor and one on the lower level). There is also space for storage, restrooms, coolers and liquor storage. This space was licensed premises for Hotel Ivy. Hotel Ivy is diminishing their licensed premises in order to allow Monello/Constantine to operate the restaurant/bar in their hotel. The first floor lobby

area will continue to be operated by Hotel Ivy. The lease and diagram associated with this application explicitly show the space that each business will have as licensed premises. The space for Monello/Constantine is compact and contiguous. There are no undefined spaces.

OUTDOOR PATIO

The outdoor patio will be located along 2nd Avenue South in a small courtyard area (960 square feet) in front of the hotel. There will be seating for approximately 75 people.

BUSINESS PLAN/OPERATIONS

Initial Training

Monello has contracted with Alcohol Compliance Services (ACS) to conduct the initial alcohol compliance training for staff; they anticipate offering the training either preopening, or if not logistically feasible, within 30 days of opening.

Ongoing & Regular Training

Alcohol compliance training will be offered to pertinent employees on at least an annual basis by a qualified, outside training provider, ACS. Company training materials will consist of memos, emails, handouts, company policy handbooks, outside professional providers and vendor's seminars/lectures, and ongoing verbal training via management and ownership.

All new employees handling alcohol who present evidence of completion of an acceptable alcohol compliance training program within the last year will be trained by management staff using the materials given during on-site training and internal company training materials. New employees who cannot demonstrate acceptable alcohol compliance training within the last year will be required to attend such training offered by ACS.

Carding Policy & Use of Electronic ID Devices

Guests will be required to show proper identification, when requesting alcoholic beverages, if they appear to be under 35 years of age in the judgment of the server/seller. At 10pm, their policy is to only allow patrons that are 21 years of age and up.

Reward & Discipline Policy for Serving/Selling Alcohol to Underage Persons

At this time, they are considering an incentive system consisting of a variety of prizes for passing a compliance check or catching an underage attempt to purchase alcohol. An incentive program of this nature may encourage staff to be compliant with internal policies and the pertinent statutes and ordinances with respect to underage sales/service; however, it is the case that their company philosophy views adhering to the law as an essential and integral part of the job requirement of wait staff and alcohol-related sales positions in this industry and as such, no reward should be necessarily expected.

The first violation for an employee failing a compliance check or discovered willfully, or by means of carelessness/negligence, selling/serving to an underage person will result in the employee's immediate termination of employment or retraining depending on the severity of the situation.

Self Audits

They may adopt a secret shopper program to determine overall level of customer satisfaction and review staff.

Staffing Model

Monello will employ a total staff of approximately 75 employees working in the following areas: managers/assistant managers, floor supervisor, wait staff/servers, bartenders, bar-backs / help and security personnel. On a typical Friday or Saturday evening, they intend to staff approximately 3 persons in managerial-level positions, all cognizant of and cross trained for security matters.

Security Plan

Management and staff are trained in the basic principles of establishment security and their expected protocols for handling security-related issues. They have a philosophy of respectful enforcement; unruly and disruptive guests will be asked to leave the premises and when necessary, physically escorted off the premises.

Security at Monello will consist primarily of their employees. One employee will be designated head of security, as well as an assistant head of security; one of these employees will be on premises at all times that live entertainment is offered to the public. It is the duty of the on-site head of security/assistant head to keep an accurate count of all guests in order to avoid over occupancy. Once at capacity, additional guests will be denied entrance into the premises. All staff will be trained not to admit or serve intoxicated persons.

Dedicated security personnel will be stationed at the main entrance and cycling through the licensed premises including the outdoor patio area. Typical security duties on the premises include: assisting customers, deescalating situations, walking their assigned areas, communicating with management-level staff and employees on the floor on negative behavior or potentially difficult or escalating situations. They will have security present until all customers are out of the building and off the licensed premises.

Their closing and exit strategies incorporate defined tools utilized by staff to ensure orderly and peaceable exiting from the building and surrounding outdoor area. Beverage alcohol service ends no later than 2:00 a.m. with last call generally announced no later than 1:45 a.m. Once they stop serving alcohol, customers receive verbal notice from security personnel, any live entertainment ceases, announcements are made, and lights begin to come up. Security personnel will talk to patrons to encourage them to finish their drinks. They will also begin directing customers to the door by approximately 2:10 a.m. in order to achieve a gradual emptying of Monello by no later than 2:30 a.m.

Staff will also assist with ensuring that guests and other people do not loiter on the public sidewalk outside the premises and employ techniques to move them along, encouraging departure from the area. Security staff will assist with clearing the sidewalk area and commit to a security presence for at least 30 after the time of closing; in the case of a special event or a situation warranting additional attention, our security staff will remain for additional time. Security will regularly inform exiting guests to have a safe evening and to respect the surrounding area and neighborhood. Security will work with Minneapolis Police to escort potentially problematic guests away from the area.

Staff will practice an emergency evacuation plan and will cooperate with the Minneapolis Police Department when told to evacuate the premises. Staff will also be trained to call for police, fire or

emergency medical services response if any employee or guest is severely injured, needs medical services, or when any injury is the result of a criminal act.

Staff and security meetings are also held on an as-needed basis.

Staff will always be available to meet with representatives of the City of Minneapolis to address any security concerns.

If they feel they have underestimated their security needs, they will implement the necessary security improvements immediately. Security is a priority for them, and they commit to having in place the necessary and appropriate personnel and measures at all times. They commit to making reasonable adjustments to this security plan immediately as needed and to address potential future concerns.

Entertainment

The liquor license application for Monello/Constantine is for a class B on-sale liquor license with Sunday sales. They intend to offer radio and prerecorded music. They may offer an occasional DJ in the lower level for background music only. They will not have a dance floor. Entertainment is intended to serve as background music during dining hours kept at correspondingly low-mid range levels to allow for a relaxing dining and socialization experience. Entertainment later in the evening will serve as a background to moderate level and is intended to offer guest a reason to stay after their dining experience and as an added feature for later evening dining guests.

Community Impact Plan

Effect of Business on Area Safety & Welfare

The restaurant will provide an extra “eye on the street” for the Downtown area. Theirs is a “food first” concept, with a heavy focus on evening dining from 6pm to 11pm. They commit to providing a positive hospitality experience with minimal negative impact upon the surrounding area.

Noise Management/Noise Abatement Plan

Due to the placement of their business in the downtown service district, the commercial nature of the area, the placement of the business at a major arterial street/intersection, their typical and expected clientele, they anticipate noise concerns will be minimal. Regardless, staff of Monello will regularly monitor noise emanating beyond the interior premises as well as noise generated from patrons immediately outside the premises.

They will train employees to address: loud or unruly behavior from any patron, removal procedures for unruly or disruptive patrons, and the importance of minimizing unwanted noise in the outdoor area. They commit to managing any wait lines and to remove any person exhibiting undesirable behavior or who is obviously intoxicated from such a wait line.

They commit to responding promptly to any concerns with improper or unacceptable noise levels. All noise-related complaints and concerns will be handled by the general manager or manager / supervisor on duty. It is the intent of Monello to comply with all noise-related ordinances and to be a good neighbor to the surrounding community.

Litter Removal Plan

Staff is thoroughly trained to properly sort and dispose of trash. They have a dedicated trash area inside of the building. They will assign one dedicated employee to daily patrol the 100' perimeter of the venue, to sweep the area directly in front of entrances where smoking may occur and the patio area, and to remove any and all litter found thereon. Litter patrol will be concentrated prior to opening of Monello, during/after mealtime and during final patrols made prior to employees' leaving after closing.

Team Sponsorship

At the present time, they have no immediate intent to sponsor competitive sports teams.

Hours of Operation

The anticipated initial hours of operation for Monello/Constantine will be from 6:30am to 2:30 am daily.

All beverage alcohol sales/service will cease no later than 2:00 a.m. Hours are subject to change depending upon customer demand, including the seasonality of demand, but in no case will exceed the maximum hours without the appropriate, approved pertinent license/permit. Service to customers in the outdoor patio will end approximately 15 minutes prior to closing time, i.e. by 1:45am.

Food Service /Menu

Monello/Constantine will be a fine-dining restaurant with bar areas that services Hotel Ivy. They offer a full kitchen on-premise, and prepare made-from-scratch Coastal Italian fare ranging in price from \$3 to \$28. They intend to offer full menu during virtually all hours of operation, with a reduced menu beginning at 11:00 pm and scaling back the kitchen approximately one hour prior to closing; these hours may be adjusted based upon factors such as customer demand.

Charitable Gambling Activities/Amusement

They do not plan to offer charitable gambling on the premises. There will be no amusement devices.

PUBLIC HEARING SUMMARY

A public hearing is not required for this license application.

RECOMMENDATION

The Licenses and Consumer Services Division recommends approving this application for an On-Sale Liquor with Sunday Sales, Class B license for Monello/Constantine.

LICENSE CONDITIONS

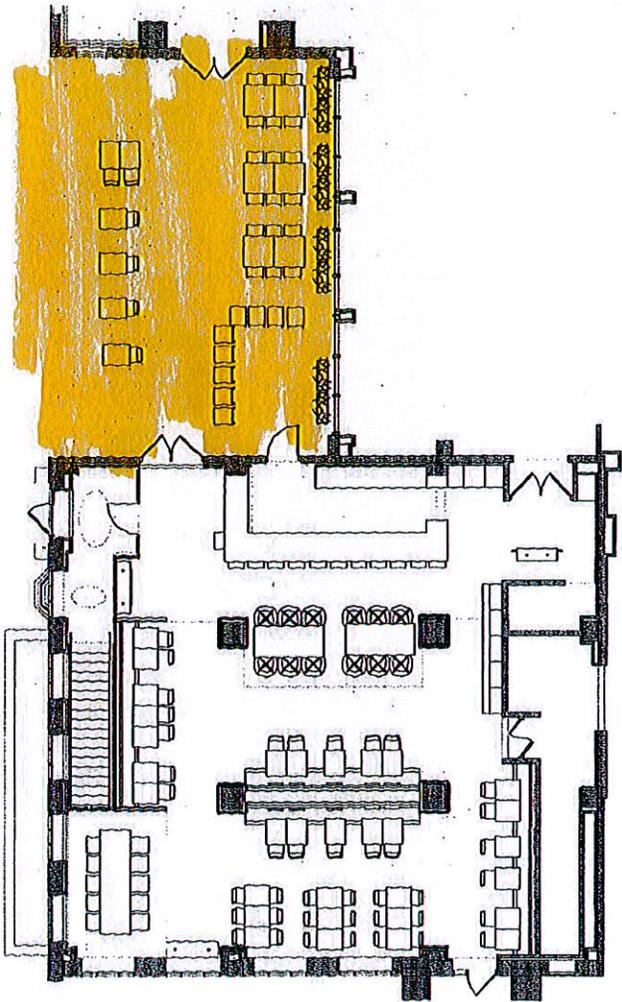
None at this time.



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1 ASK-03 1/16" = 1'-0"

Second Av



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ESG Project No. 214323.01

Addendum #1
ASK-03