AGENDA OF THE NHLC DIVISION OF ENFORCEMENT & LICENSING MEETING FOR THURSDAY, JUNE 24, 2021

- 1. RECOMMENDATION TO ACCEPT THE MINUTES FROM THE COMMISSION MEETING HELD JUNE 17, 2021.
- 2. SCHEDULED HEARINGS AT LIQUOR COMMISSION OFFICES, 50 STORRS STREET, CONCORD, NH:

June 23, 2021 at 12:30 p.m.:

Manchester Adult Lifestyles, 179 Elm Street, Manchester, NH 03101.
 Contesting denial of Retail Tobacco License #150917 licensed pursuant to RSA 178:4.
 Case #: 20-357-OF.

June 23, 2021 at 1:30 p.m.:

b. Dubai Night Club & Grill, 253 Wilson Street, Manchester, NH 03103.
 Restaurant, Full Service With Lounge License #1601103 licensed pursuant to RSA 178:21, II(a)(1)/RSA 178:22, V(q).
 Cited for violation of RSA 179:27 – allowed patrons to self-serve alcohol beverages. Date of violation: February 20, 2021.
 Case #: 21-147-OF.

June 30, 2021 at 1:00 p.m.:

c. The Cloud Lounge Cigar Bar, 2 Range Road, Salem, NH 03079.
 Cigar Bar, On-Premises Beverage/Wine/Liquor/Cigar/Tobacco License #402206 licensed pursuant to RSA 178:20-a/RSA 178:9-a.
 Renewal of license denied pursuant to RSA 178:20-a, II(a) & RSA 178:3, IX-a, XI.

3. NOTIFICATION OF ADMINISTRATIVE ACTION PER SETTLEMENT AGREEMENT:

None

4. RECOMMENDATION FOR NON-CONTESTED ADMINISTRATIVE ACTION FOR COMMISSION APPROVAL:

- a. Butternut Farm, 195 Meaderboro Road, Farmington, NH 03835.
 Wine Manufacturer License #567130 licensed pursuant to RSA 178:8.
 Cited for violation of RSA 178:8, IV failed to file a wine manufacturer tax report by the 10th of the following month.
 Warning.
- b. Circle K, 73 Main Street, Hanover, NH 03755.

Combination, Off-Premises, Beverage/Wine/Tobacco License #3220947 licensed pursuant to RSA 178:18/RSA 126-K:4.

Cited for violation of RSA 179:8, I – failed to require the purchaser whose age was in question to furnish an acceptable form of identification that such person was 21 years of age.

Cited for violation of RSA 179:5, I – served or sold alcoholic beverage to an individual who was under the age of twenty-one.

Date of violations: March 29, 2021.

Case #: 21-192-OF.

\$100 administrative fine and a warning respectively.

Copper Cannon Distillery, 2 Lyman Way, West Chesterfield, NH 03466.
 Liquor Manufacturer License #288319 licensed pursuant to RSA 178:6.
 Cited for violation of RSA 178:6, VI – failed to file a tax report by the 10th of the following month. Warning.

5. LICENSE APPLICATIONS RECOMMENDED FOR COMMISSION APPROVAL:

- a. 112 Market LLC, 112 Kancamagus Highway, Conway, NH 03818.
 To be issued Combination, Off-Premises, Beverage/Wine/Tobacco License #3404147 pursuant to RSA 178:18/RSA 126-K:4.
 30-Day Temporary License issued 6/16/2021.
- b. Campground Operations LLC DBA Forest Glen Campground,
 7 Forest Glen Lane, Lee, NH 03861.
 To be issued Combination License #3393847 pursuant to RSA 178:18.
- c. DEM Food Service LLC DBA Dynasty Restaurant, 24 Signal Street, Rochester, NH 03867. To be issued Restaurant, Full Service With Lounge License #1626103 pursuant to RSA 178:21, II(a)(1)/RSA 178:22, V(q). 30-Day Temporary License issued 6/16/2021.
- d. PA Scolardi LLC DBA Vapor Market, 160 Plaistow Road, Plaistow, NH 03865. To be issued Retail Tobacco License #158717 pursuant to RSA 178:19-a 30-Day Temporary License issued 6/18/2021.
- e. Runaway Fun Park LLC DBA Carousel Grille, 10 Route 12 South, Fitzwilliam, NH 03447. To be issued Restaurant, On-Premises, Beverage & Wine License #1624503 pursuant to RSA 178:20.

 30-Day Temporary License issued 6/21/2021.
- f. Spectacle Management, Inc., 609 Main Street, Laconia, NH 03246. To be issued Ballroom License #361311 pursuant to RSA 178:22, V(c). 30-Day Temporary License issued 6/16/2021.

6. <u>LICENSE APPLICATIONS RECOMMENDED FOR COMMISSION DENIAL:</u>

None

7. DIRECT SHIPPER APPLICATIONS RECOMMENDED FOR COMMISSION APPROVAL:

TOTAL NUMBER OF ACTIVE DIRECT SHIPPER PERMITS ENDING JUNE 18, 2021: 1,356

ITO Wines LLC DBA Traveling Vineyard, 1 Lake Niagara Lane, Naples, NY 14512. To be issued Direct Shipper, Importer Permit pursuant to RSA 178:27. (Importer)

8. DIRECT SHIPPER APPLICATIONS RECOMMENDED FOR COMMISSION DENIAL:

None

9. NOTIFICATION OF APPROVED PETITIONS:

a. Common Man Saloon, Inc. DBA Camp At Mill Falls, 300 DW Highway, Meredith, NH 30253.
Restaurant, Full Service With Lounge License #1083203 licensed pursuant to
RSA 178:21, II(a)(1)/RSA 178:22, V(q).
Requested approval for an outside area, to wit, an outside area with a capacity of 80 pursuant to RSA 178:24/Liq. 404.05.

El Charro, 5 Lumberyard Drive, Lincoln, NH 03251.
 Restaurant, Full Service With Lounge License #1480103 licensed pursuant to RSA 178:21, II(a)(1)/RSA 178:22, V(q).
 Requested approval for a temporary outside area, to wit, a temporary outside area with a capacity of 38 until October 11, 2021 pursuant to RSA 178:24/Liq. 404.05.

- c. Gunstock Mountain Resort, 719 Cherry Valley Road, Gilford, NH 03249. Sports Recreation Facility License #6022305 licensed pursuant to RSA 178:22, V(u)(1). Requested approval for an outside area, to wit, an outside area with a capacity of 1,500 on June 19 & 20, 2021 pursuant to RSA 178:24/Liq. 404.05.
- d. Munroe Place (The), 633 Route #3 South, Twin Mountain, NH 03595.
 Restaurant, On-Premises, Beverage & Wine License #1340103 licensed pursuant to RSA 178:20.
 Requested approval for two outside areas, to wit, two outside areas with a total capacity of 52 pursuant to RSA 178:24/Liq. 404.05.
- e. Pho Keene Great, 11 Central Square, Keene, NH 03431.
 Restaurant, On-Premises, Beverage/Wine/Liquor License #1580203 licensed pursuant to RSA 178:21.
 Requested approval for a temporary outside area, to wit, a temporary outside area with a capacity of 20 from June 21, 2021 through March 1, 2022 pursuant to RSA 178:24/Lig. 404.05.

10. PETITIONS RECOMMENDED FOR COMMISSION DENIAL:

None

11. TABLED ITEMS:

None

12. MISCELLANEOUS ITEMS RECOMMENDED FOR COMMISSION APPROVAL:

Exel, Inc. DBA DHL Supply Chain (USA), 1403 Route #3-A, Bow, NH 03304. Renewal of Liquor/Wine/Beverage Warehouse License #172212 effective July 1, 2021 through June 30, 2022 pursuant to RSA 178:11.

13. MISCELLANEOUS ITEMS RECOMMENDED FOR COMMISSION DENIAL:

None

14. NOTIFICATION OF COMPLIANCE CHECKS SCHEDULED WITHIN NINETY (90) DAYS:

None

15. RECOMMENDATION FOR ADMINISTRATIVE ACTION ON COMPLIANCE CHECKS FOR COMMISSION APPROVAL:

None

16. ADMINISTRATIVE HEARING DECISION PENDING:

None

17. ADMINISTRATIVE HEARING DECISION:

Babylon Hookah Lounge, 245 Maple Street, Manchester, NH 03103.

Cigar Bar, On-Premises Beverage/Wine/Liquor/Cigar/Tobacco License #405006 licensed pursuant to RSA 178:20-a/RSA 178:9-a.

Cited for violation of RSA 178:20-a, II(a) – failed to generate 60% of its quarterly gross revenue from the sale of cigars and cigar-related products.

Cited for violation of RSA 179:35 – failed to retain sales slips on the premises or readily available for examination by the Commission or its Liquor Investigators for a period of sixty (60) days.

Cited for violation of RSA 179:32, I – purchased supplies of liquor and wine from other than the Commission or as provided by law.

Dates of violations: February 13, 2021, March 12, 2021 & April 8, 2021.

Case #: 21-21-OF.

HEARING WAS HELD ON JUNE 9, 2021.

"DECISION AND ORDER - DISCUSSION AND DISPOSITION: Pursuant to RSA 178:2-a, temporary licenses shall be valid for the period specified in the license, which shall not exceed 90 days, and may not be renewed. During the temporary licensing period, the licensee committed violations of 178:20-a, 179:32 and 179:35.

"The director of licensing shall review each license application and submit to the commission a written recommendation on whether the license should be granted or denied. Upon deciding to grant or deny a license, the commission shall issue written findings stating its reasons for the decision." N.H. RSA 178:3, IX-a. Here, the Division of Enforcement recommended the license be denied, and the Commissioners followed that recommendation. Letters were sent to the licensee on April 14 and 15, 2021 detailing the reasons for the denial of a license.

"Any applicant denied a license under this chapter shall be granted a hearing by the commission, upon the applicant's request." N.H. RSA 178:3, X. Mr. Alarajy was given the opportunity for a hearing on June 9, 2021. During the hearing, he stipulated to the evidence and allegations presented by the Division of Enforcement.

"There shall be no presumption that any liquor license shall be renewed. The commission shall review all license requests for renewal, and shall not renew any license unless the licensee meets all of the current requirements for the issuance of a license. The commission may consider the licensee's record of violations, the manner in which the licensee has operated during the term of the license, the effect of the license on the neighborhood or community, and any other facts presented at the renewal hearing in determining whether to renew the license." N.H. RSA 178:3, XI. In addition to the violations being a reason for denying the license, it was a temporary license which may not be renewed.

The hearing held on behalf of Babylon Hookah Lounge is in essence, an appeals hearing, conducted under the rules of the liquor commission. As such, it amounts to a review of the decision made by the Commission, considering all facts and law presented at the hearing. In the present case, the Division of Enforcement presented evidence that the licensee was issued a temporary license pursuant to RSA 178:2-a, which may not be renewed. Further, evidence was presented that the licensee violated RSA 178:20-a II, 179:32 and 179:35 during the temporary licensing period. The licensee failed to meet a minimum of 60% of its revenue through the sale of cigars and cigar related products, purchased supplies from unauthorized distributors on multiple occasions, and failed to retain all of its invoices. The licensee stipulated to all evidence and exhibits submitted by the commission. Due to the following, the Division of Enforcement determined the licensee would not be able to comply with Title XIII, and as such, the Commissioners denied the application for a liquor license.

I have no doubt the opening of a business during the COVID-19 pandemic was very challenging, nor do I doubt the testimony from Mr. Thomas and Ms. Noyes in support of Mr. Alarajy. However, no evidence was presented to refute the fact that Babylon Hookah Lounge was not able to comply with Title XIII during the temporary license period. Further, temporary licenses may not be renewed. The Commissioners were well within their authority to deny the issuance of a liquor license under the law, facts and circumstances of this case. As such, I will not overturn their decision.

Penalty

There shall be no penalties for the violations committed by Babylon Hookah Lounge. The decision of the Commission to deny Babylon Hookah Lounge a license is upheld.

So Ordered this 15th day of June, 2021."

18. <u>MISCELLANEOUS ITEMS FOR INFORMATION ONLY:</u>

- a. Mill City Park At Franklin Falls at Trestle View Park, Central Street, Franklin, NH 03235. Issued Special, One-Day, Voluntary Nonprofit Organizations Beverage/Wine/Liquor License #617441 pursuant to RSA 178:22, V(I). Event date: June 19, 2021 from 11:00 a.m. 9:00 p.m.
- b. Queen City Pride NH at Arms Park, Manchester, NH 03103.
 Issued Special, One-Day, Voluntary Nonprofit Organizations Beverage/Wine/Liquor License #618941 pursuant to RSA 178:22, V(I).
 Event date: June 19, 2021 from 12:00 p.m. 6:00 p.m.