

# TENNESSEE ALCOHOLIC BEVERAGE COMMISSION



## MINUTES July 27, 2011 1:30 pm

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The regular meeting of the Tennessee Alcoholic Beverage Commission was held on Wednesday, July 27, 2011 in Nashville, Tennessee at 1:30 p.m. Chairperson Mary McDaniel, Commissioner Bryan Kaegi and Commissioner John Jones were present. Executive Director Danielle Elks, CLEO Mark Hutchens and SAC Brad Allison were present.

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1. **The Minutes for June 15, 2011 Commission Meeting were approved.**

2. **RETAIL MATTERS**

A. **LIQUOR BARN  
CARYVILLE, TENNESSEE (CAMPBELL COUNTY)**

**Applicant: John Davenport**

Before the Commission is a request for a new retail store to be located at 161 John McGhee Boulevard in Caryville, Tennessee. Mr. Davenport intends to initially invest \$450,000 to operate the business. Financing is based upon a loan from Community Trust Bank (\$300,000) and existing personal funds. Mr. Davenport and his wife, Tina, own the property where the business will be located. All documentation has been submitted with the exception of the following:

- a. Loan document with Community Trust Bank;
- b. Lease to Mr. Davenport

**Discussion/Action Taken:**

Director Elks reviewed the matter to the Commission. Director Elks recommended approval.

Commissioner Jones made a motion to approve upon submission of the pending documentation. Commissioner Kaegi seconded the motion and it passed with 3 ayes.

**B. CROWN WINE AND SPIRITS  
COOKEVILLE, TENNESSEE (PUTNAM COUNTY)**

**Applicant: Inderjit Kaur**

Before the Commission is a request for a new retail store to be located at 1030 North Washington Avenue in Cookeville, Tennessee. Ms. Kaur wishes to initially invest \$200,000 to operate the business. Financing is based upon a loan from Community Bank of the Cumberland (\$100,000) and existing personal funds. Ms. Kaur is leasing the property from William Walker for a period of five years, with monthly rent at \$4000. All documentation has been submitted with the exception of the following:

- a. TABC Inspection;
- b. Acknowledgement of the rules/regulations;
- c. Signature page on loan agreement.

**Discussion/Action Taken:**

Director Elks reviewed the matter to the Commission. Director Elks recommended approval.

Commissioner Kaegi made a motion to approve upon submission of the pending documentation. Commissioner Jones seconded the motion and it passed with 3 ayes.

**C. AMERICAN WINE AND SPIRITS  
COOKEVILLE, TENNESSEE (PUTNAM COUNTY)**

**Applicant: American Wine and Spirits, LLC**

**Members: Daniel Brooks and Stacy Winningham**

Before the Commission is a request for a new retail store to be located at 932 East 10<sup>th</sup> Street, Suite C in Cookeville, Tennessee. Mr. Brooks wishes to invest \$275,000 and Mr. Winningham wishes to invest the property and building (value \$200,000) to initially operate the business. If approved, the business would operate as a LLC, with each member having 50% interest. Financing for Mr. Brooks is based upon existing personal funds. Mr. Winningham is leasing the property to the LLC for a period of one year, with one five year option: monthly rent will be \$2000. All documentation has been submitted with the exception of the following:

- a. TABC Inspection;
- b. Acknowledgement of the rules/regulations;
- c. Verification of Mr. Brooks financing.

**Discussion/Action Taken:**

Daniel Brooks and Stacy Winningham were present at the meeting. Daniel Brooks stated that initially they were originally investing \$275,000. He stated that when he initially submitted the paperwork that he was not sure of the exact amount that they would be investing in the business, but the amount will be approximately \$300,000 to open the business. Director Elks stated that with the submitted information that she would recommend approval.

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

**D. LOOKOUT MOUNTAIN WINE AND SPIRITS  
LOOKOUT MOUNTAIN, TENNESSEE (HAMILTON COUNTY)**

**Applicant: TSBB II, LLC**

**Members: Alex Tarumianz; Ewing Strant; Huxley Brown; Zane Brown**

Before the Commission is a request for a new retail store to be located at 124 Watauga Lane, Suite C in Lookout Mountain, Tennessee. (The retail business previously located at this address closed on June 9, 2011, with all inventory returned to the wholesalers. Three of the previous stockholders associated with the previous license are members of TSBB II, LLC.) Mr. Tarumianz, Mr. Strant, Mr. Brown and Mr. Brown wish to initially invest \$10,000 each to operate this business. Financing is based upon existing personal funds. The applicant LLC is sub-leasing the property from TSBB I, LLC for a period of ten years at \$1500/month. (Blackthorn House, LLC is the ultimate landlord.) Applicant is requesting a **name change** to Spirits on the Mountain. All documentation has been submitted with the exception of the following:

- a. Bank credit checks on all members;
- b. Payment of all outstanding citations of previous licensee.

**Discussion/Action Taken:**

Director Elks reviewed the matter to the Commission. Director Elks recommended approval for transfer of ownership and name change.

Commissioner Jones made a motion to approve the transfer of ownership. Commissioner Kaegi seconded the motion and it passed with 3 ayes.

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

**E. ADMIRAL WINE AND SPIRITS  
KNOXVILLE, TENNESSEE (KNOX COUNTY)**

**Applicant: Admiral Wine and Spirits, LLC**  
**Members: Charles Richardson and Brett Richardson**

Before the Commission is a request for a new retail store to be located at 2081 Willow Loop Way in Knoxville, Tennessee. Charles Richardson wishes to initially invest \$400,000 to operate the business. Financing is based upon a line of credit with UBS. If approved, each member would have a 50% interest. Charles and Brett Richardson will be leasing the property to the applicant LLC for a period of five years, with monthly rent beginning at \$3000/month and increasing to \$5000/month over the term of the lease. All documentation has been submitted with the exception of the following:

- a. TABC Inspection;
- b. Acknowledgement of the rules/regulations;
- c. Brett Richardson's resignation from Bob's Package Store; -  
Federal Tax Stamp in LLC's name.

**Discussion/Action Taken:**

Director Elks reviewed the matter to the Commission. Director Elks recommended approval.

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

**F. VILLAGE WINE AND SPIRITS  
MONTEAGLE, TENNESSEE (GRUNDY COUNTY)**

**Licensee: Village Wine and Spirits, Inc.**  
**Stockholders: Michael Gifford**

Before the Commission is a request to transfer location of an existing retail store. Mr. Gifford wishes to move from 808 West Main Street to 813 West Main Street in Monteagle, Tennessee. Mr. Gifford advises that his current lease is expiring in August, 2011, and he owns the property for the proposed location. He will lease the property to the corporate licensee for a

period of one year at \$1200/month. All documentation has been submitted with the exception of the following:

- a. Use and Occupancy permit.

**Discussion/Action Taken:**

Director Elks reviewed the matter to the Commission. Director Elks recommended approval.

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

**G. THE PACKAGE STORE  
MORRISTOWN, TENNESSEE (HAMBLEN COUNTY)**

**Licensee/Seller: The Liquor Store, Inc.**  
**Stockholder: Connie Shepherd**  
**Applicant/Buyer: Om Sai Baba, Inc.**  
**Stockholder: Gauri Patel**

Before the Commission is a request for a change of ownership of the retail store currently located at 1506 Cumberland Street in Morristown, Tennessee. Ms. Gauri Patel wishes to purchase the business from Connie Shepherd for \$441,000. Financing is based upon the following loans: Dipak Patel (\$70,000); Savita Patel (\$85,000); Pankaj Patel (\$80,000), and Connie Shepherd (\$50,000). If approved, Ms. Patel will operate the business as a corporation. The applicant has not submitted a lease and/or deed at the time of this writing. All documentation has been submitted with the exception of the following:

- a. Lease and/or deed;
- b. TABC Inspection;
- c. Acknowledgement of the rules/regulations;
- d. Promissory note with Connie Shepherd;
- e. Financial and bank credit checks on Gauri Patel; Dipak Patel; Savita Patel and Pankaj Patel.
- f. Source of the remaining \$156,000 for purchase price.

**Discussion/Action Taken:**

Tucker Herndon, attorney, was present at the meeting. Director Elks asked Tucker Herndon if Dipak Patel have any interest in another retail package store, financial or otherwise. Tucker Herndon stated that Dipak Patel did not have any interest in another retail package store. Director Elks

stated if Dipak Patel does have any interest then the establishment would face disciplinary action. Director Elks stated that the staff have a TABC Agent complete the investigation of Dipak Patel. However, Director Elks indicated that if this investigation of Mr. Patel's involvement is proper and correct, the lease and/or deed is submitted and the source of the remaining \$156,000 for purchase price is resolved, then she would recommend approval.

Commissioner Jones made a motion to approve subject to submission of the pending information and documentation. Commissioner Kaegi seconded the motion and it passed with 3 ayes.

**H. LUCCHESI LIQUORS  
MEMPHIS, TENNESSEE (SHELBY COUNTY)**

**Licensee/Seller: Wilma Lucchesi**  
**Applicant/Buyer: Ronald Christian Lucchesi**

Before the Commission is a request for a change of ownership of the retail store currently located at 3934 Thomas Street in Memphis, Tennessee. Ronald Christian Lucchesi wishes to purchase this business for \$200,000. Financing in the amount of \$250,000 is based upon a promissory note with Silvio Ronald Lucchesi. The applicant is leasing the property from the Silvio F. and Wilma Lucchesi Revocable Trust for a period of ten years at \$750/month. All documentation has been submitted with the exception of the following:

- a. Questionnaire for Silvio Frances Lucchesi;
- b. TABC Inspection;
- c. Acknowledgement of the rules/regulations.

**Discussion/Action Taken:**

Director Elks reviewed the matter to the Commission. Director Elks recommended approval upon submission of the pending documents.

Chairperson McDaniel made a motion to approve subject to receipt of the remaining documents. Commissioner Jones seconded the motion and it passed with 3 ayes.

**I. HILLTOP PACKAGE STORE  
OAK RIDGE, TENNESSEE (ANDERSON COUNTY)**

**Licensee/Seller:** Hilltop Package Store, Inc.  
**Stockholder:** Brenda Anderson  
**Applicant/Buyer:** Hilltop Wine and Spirits, LLC  
**Member:** Troy Howe

Before the Commission is a request for a change of ownership of the retail store currently located at 344 North Illinois Avenue in Oak Ridge, Tennessee. Troy Howe wishes to purchase the business for \$51,000. Financing is based upon existing personal funds. If approved, the business would be operated as a LLC. Further, Mr. Howe is requesting a **transfer of location** of the retail store to 346 North Illinois Avenue in Oak Ridge. The LLC would lease the property from Hilltop Rental, LLC (which is owned by Troy Howe) for a period of five years at \$1675/month.

Lastly, if approved, Mr. Howe is requesting a **name change** to Hilltop Wine and Spirits. All documentation has been submitted with the exception of the following:

- a. Federal Tax Stamp in the LLC's name.

**Discussion/Action Taken:**

Director Elks reviewed the matter to the Commission. Director Elks recommended approval for transfer of ownership, location and name change.

Commissioner Jones made a motion to approve the transfer of ownership. Commissioner Kaegi seconded the motion and it passed with 3 ayes.

Commissioner Jones made a motion to approve the transfer of location. Commissioner Kaegi seconded the motion and it passed with 3 ayes.

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

**J. CORSAIR ARTISAN  
NASHVILLE, TENNESSEE (DAVIDSON COUNTY)**

**Applicant:** Corsair Artisan, LLC  
**Members:** Andrew Webber, Amy Waddell Bell and Darek Bell

Before the Commission is a request for a new retail store to be located at 1200 Clinton Street, Suite 8 in Nashville, Tennessee. In April, 2010, Corsair Artisan, LLC was approved for a manufacturer's permit. Concurrent with the manufacturer's application, Corsair Artisan, LLC also

made application for a retail store to be located on the manufacturer's premises as allowed by T.C.A. § 57-3-204(f). However, the applicant was unable to obtain a certificate of compliance from the city, and the application was indefinitely continued.

The applicant has since obtained a certificate of compliance and has updated its application for the retail store. The updated application is now before the Commission. Andrew Webber, Amy Waddell Bell and Darek Bell intend to invest a total of \$44,273 to operate the business (distillery and retail store). Financing was based upon a loan from Darek Bell in 2008. Additional lines of credit exist with the Bank of Nashville. The LLC is leasing the property from Barry Walker for a period of four years with two, four year options to renew. Monthly rent begins at \$3150 and increases to \$4200 over the term of the lease. All documentation has been submitted with the exception of the following:

- a. TABC Inspection;
- b. Acknowledgement of the rules/regulations.

**Discussion/Action Taken:**

Darek Bell and William Cheek, III, attorney, were present. Director Elks reviewed the application to the Commission and stated that she would recommend approval upon submission of the TABC Inspection and the Acknowledgment of the rules/regulations.

Commissioner Kaegi made a motion to approve subject to submission of the pending documentation. Commissioner Jones seconded the motion and it passed with 3 ayes.

**3. WHOLESALE MATTERS**

**A. ALEXSEY'S IMPORTS  
NASHVILLE, TENNESSEE (DAVIDSON COUNTY)**

**Licensee: Alexei Khimenko**

Before the Commission is a request for an expansion to the existing warehouse for Alexsey's Imports. The wholesale business is currently located at 1056 Acorn Drive in Nashville, and Mr. Khimenko wishes to expand to 1054-1056 Acorn Drive. The landlord, Tenn-Tex will remain the same. The term of the lease will be for four years, with monthly rent beginning at \$4150 and increasing to \$4357. All documentation has been submitted with the exception of the following:



- a. Signatures on the lease;
- b. TABC Inspection; and
- c. Use and Occupancy permit.

**Discussion/Action Taken:**

Alexei Khimenko was present. Director Elks reviewed the application to the Commission and stated that she would recommend approval upon submission of the TABC Inspection and the Use and Occupancy permit.

Commissioner Kaegi made a motion to approve subject to submission of the pending documentation. Commissioner Jones seconded the motion and it passed with 3 ayes.

**B. DELIRIUM WINE AND SPIRITS  
NASHVILLE, TENNESSEE**

**Licensee: Delirium Wine and Spirits, Inc.**  
**Stockholder: Stan Dibin**

Before the Commission is a request for a transfer of location of the wholesale business currently located at 2901 Armory Drive, Suite 105 in Nashville, Tennessee. The proposed location is 409 Harding Industrial Drive in Nashville, Tennessee. The licensee will be renting the property from the Harding Business Park Partnership for a period of five years, two months, with monthly rent beginning at \$2545 and increasing to \$2745 over the term of the lease. The request is based upon the desire to expand the business. As with the current location, Delirium Wine and Spirits, Inc. is sub-leasing a portion of the property to World Vintage, LLC, an importer.

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

- a. TABC Inspection;
- b. Use and Occupancy permit.

**Discussion/Action Taken:**

Stan Dibin was present. Director Elks reviewed the application to the Commission and stated that she would recommend approval upon submission of the TABC Inspection and the Use and Occupancy permit.

Commissioner Kaegi made a motion to approve subject to submission of the pending documentation. Commissioner Jones seconded the motion and it passed with 3 ayes.

**4. WINERY MATTERS**

**A. BLUES CITY BREWERY**

**Applicant: Blues City Brewery, LLC**

**Members: Sabina Bossard, Kurt Bosshard, George Parke, III,  
William Bosshard, John Bosshard, III, Ralfph Morello**

Before the Commission is a request for a new winery to be located at 5151 East Raines Road in Memphis, Tennessee. If approved, the business will be operated as a LLC. Blues City Brewery, LLC was approved for a manufacturer's license at the June, 2011 Commission meeting. (During the recent legislative session, a bill was passed (HB 986/ SB 1224) which clarified that a manufacturer licensed by the TABC would be able to brew high alcoholic content beer (beer containing greater than 5% alcoholic content by weight. This bill further allows such manufacturer to sell the product at retail and be licensed as a restaurant. Pursuant to that legislation, Blues City Brewery will be manufacturing both regular beer and high alcoholic content beer.) Blues City Brewery, LLC is now making application for a winery license to permit the manufacturer of wine coolers and hard cider. The applicant is leasing the property from the Industrial Development Board of the City of Memphis and the County of Shelby, Tennessee. The LLC is investing \$35,000,000 to operate the business. All documentation has been submitted with the exception of the following:

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

**Discussion/Action Taken:**

Director Elks reviewed the application to the Commission and stated that she would recommend approval upon submission of the TABC Inspection, Acknowledgement of the rules/regulation and the Use and Occupancy permit.

Commissioner Jones made a motion to approve subject to submission of the pending documentation. Commissioner Kaegi seconded the motion and it passed with 3 ayes.

**B. SUGARLAND CELLARS  
GATLINBURG, TENNESSEE (SEIVER COUNTY)**

**Applicant: Sugarland Cellars, Inc.**

**Stockholders: Don Collier, Sara Ogle Valentine and James D. Ogle**

Before the Commission is a request for a new winery to be located at 1133 Parkway in Gatlinburg, Tennessee. Mr. Collier, Ms. Valentine, and Mr. Ogle wish to initially invest a total of \$140,000 (Mr. Collier--\$80,000, and Ms. Valentine and Mr. Ogle \$60,000 each.) Mr. Collier is financing his interest through a distribution from Mountain Valley Vineyards; Ms. Valentine and Mr. Ogle have a loan from a trust. Mr. Collier would have a 40% interest in the business, with Mr. Ogle and Ms. Valentine each having a 30% interest in the business. If approved, the corporate applicant will lease the property from Five Oaks Development Group, Inc. for a period of ten years at \$15,112.50/month. All documentation has been submitted with the exception of the following:

- a. TABC Inspection;
- b. Acknowledgment of the rules/regulations;
- c. Use and Occupancy permit.
- d. Loan agreement with Monroe and Thelma Hudgins Trust; and
- e. Certificate of approval from the Department of Agriculture.

**Discussion/Action Taken:**

Jennifer Albrecht, representative of Tennessee Farm Wine Brewers Association, was present. Director Elks reviewed the application to the Commission and stated that she would recommend approval upon submission of the pending documentation.

Commissioner Jones made a motion to approve subject to submission of the pending documentation. Commissioner Kaegi seconded the motion and it passed with 3 ayes.

**5. DISTILLERY MATTERS**

**A. B & B DISTILLERY  
KNOXVILLE, TENNESSEE (KNOX COUNTY)**

**Applicant: B and B Partners**

**Partners: Tammy and Stanley Brown**

Before the Commission is a request for a new distillery to be located at 5805 Walden Drive in Knoxville, Tennessee. Tammy and Stanley Brown wish to initially invest \$50,000. Financing is based upon a loan with Ed Campbell (\$25,000) and a loan from Capitol One (\$25,000). B & B Partners is leasing the property from RMC-Walden LLC for a period of three years at \$2700/month. All documentation has been submitted with the exception of the following:

- a. Partnership Agreement;
- b. Use and Occupancy permit;
- c. Acknowledgment of the rules/regulations.

**Discussion/Action Taken:**

Director Elks reviewed the application to the Commission and stated that she would recommend approval.

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

6. **BUDGET** - Director Elks stated that Finance and Administration requested that the TABC revert \$1.6 million dollars of its total budget to the general fund. Director Elks stated this amount is 26% of the TABC Budget. Because this request had just been received, details of the reversion are pending.
7. **CONSENT ORDERS**
8. **PENDING MATTERS LIST**
9. **MISCELLANEOUS**
  - A. **Monthly Summary of TABC Activity**
  - B. **New Personnel** - Juan Gomez – Special Agent, Nashville Post  
- Eric Thomas – Special Agent, Nashville Post  
- Rob Honnet – Special Agent, Knoxville Post  
Brad Allison was promoted to Special Agent in Charge, Nashville Post  
Carrie Webb was promoted to Assistant Special Agent in Charge, Nashville Post.
10. **DATE OF NEXT MEETING** – Tuesday, August 23, 2011 and Wednesday, September 28, 2011 at 1:30 p.m.

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Mary McDaniel  
Chairperson

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Shari Danielle Elks  
Executive Director