



TENNESSEE ALCOHOLIC BEVERAGE COMMISSION
MINTUES
THURSDAY, MARCH 22, 2018
1:30 p.m.

The March meeting was held on March 22, 2018, in Nashville, Tennessee. Chairman Skiles and Commissioner Jones were present. Ashleigh Harb Roberts was introduced as the Commissioner for the Middle Section of Tennessee. Present on behalf of TABC were the following: Director Byrd, Asst. Director Blair, Commission Counsel Stepp, Commission Counsel Hollingshead-Cook, Christopher Dowell, Nancy Townsend, Mark Reineke, Nichelle Dorroh, and Coty Shadowens

Ashleigh Harb Roberts was introduced and was welcomed as the Commissioner for the Middle District. Director Byrd provided background information on Commissioner Roberts.

1. REVIEW/APPROVAL OF THE FEBRUARY 22, 2018, COMMISSION MEETING MINUTES

Discussion/Action Taken: Commissioner Jones moved the minutes be accepted as presented. Commissioner Skiles seconded the motion. The motion passed with three ayes.

2. RETAIL MATTERS

A. OLD BUSINESS - none

B. NEW BUSINESS

**1. HAPPY TAP LIQUOR
CORDOVA, TENNESSEE (SHELBY COUNTY)**

Applicant: Samson Kassaye, 100%

Mr. Kassaye submitted an application for a retail package store to do business at 1204 N. Houston Levee Rd., Ste. 106, Cordova, TN 38018. The TABC staff confirmed with the Shelby County that this location is located in unincorporated Shelby County and is not within any municipality. As such, this application does not meet the requirements of T.C.A. § 57-3-106(a)(1)¹ which restricts retail sales

¹ T.C.A. § 57-3-106(a)(1): Except as provided in subsection (g), the voters of any county may, by local option election, permit the manufacture, receipt, sale, storage, transportation, distribution and possession of alcoholic beverages, within the territorial limits of such county, by a majority vote, at an election held as hereinafter provided, and, in the event of such permission, the manufacture, receipt, sale, storage, transportation, distribution and possession of alcoholic beverages in such county are lawful; provided, that sales at retail as herein defined shall be made only in the municipalities in such county as herein defined, or within a civil district of such county, which district shall have a population of thirty thousand (30,000) persons or over, according to the federal census for the year 1950 or any subsequent census, but which civil district shall not have lying either wholly or partly within its boundaries a municipality as herein defined.



to municipalities as defined in T.C.A. § 57-3-101(a).² A retail package store license cannot be issued for this location and the TABC staff recommends this application be denied.

Discussion/Action Taken: Director Byrd reviewed the matter to the Commission and recommended denial of the application. A discussion was held and Commission Counsel Stepp spoke on the communication with the applicant and the county attorney. Mr. Stepp commented that he confirmed with the county attorney that the location is in the unincorporated Shelby County and Mr. Stepp confirmed that he informed the applicant of the issue and the recommendation. Commissioner Jones moved the application be denied. Commissioner Roberts seconded the motion and the motion for denial passed with three ayes.

**2. WEST NASHVILLE WINE AND LIQUOR (LICENSE NO. 3524)
NASHVILLE, TENNESSEE (DAVIDSON COUNTY)**

Applicant: Maddox Enterprises LLC

Member(s): Current (%) Proposed (%)

Dan Maddox	50	99
James Maddox	50	1

The retail package store licensee located at 6670 Charlotte Pike, Nashville, TN is requesting approval for a transfer of interest between the existing members. The TABC staff recommends approval of this request.

Discussion/Action Taken: Director Byrd introduced the matter to the Commission and recommended approval of the request. Commissioner Jones motioned for approval subject to any pending items. Commissioner Roberts seconded the motion and it passed with three ayes.

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

Applicant: Inderjit Heer

² T.C.A. § 57-3-101(a): As used in this title, unless the context requires otherwise:

(14) "Municipality" means an incorporated town or city having a population of nine hundred twenty-five (925) persons or over by the federal census of 1950 or any subsequent federal census; provided, however, that when any incorporated town or city by ordinance authorizes a census to be taken of such incorporated town or city and shall furnish to the commission a certified copy of the census containing the name, address, age and sex of each person enumerated therein, and if the census shall show that the incorporated town or city has a population of nine hundred twenty-five (925) persons or over, the commission, upon verification of the census, may declare such incorporated town or city to be a "municipality" for all intents and purposes of this chapter;



Current licensee: Nandall LLC d/b/a Liquor World (license no. 3766)
Proposed licensee: Inderjit Heer d/b/a Liquor World

Before the Commission is a request for approval of a new retail package store licensee at 837 W. Jackson St., Cookeville, TN 38501. The applicant is purchasing the business from the existing owner³ and will lease the premises from landlord Caps Enterprises. The TABC staff recommends conditional approval of this request subject to receipt of the following items:

- a. license fee
- b. responsible vendor fee

Discussion/Action Taken: Director Byrd reviewed the matter and recommended conditional approval of the application. Commissioner Jones commented generally on applications and allowing conditional items. Commissioner Roberts moved for approval conditioned on the license fee and responsible vendor fee. Commissioner Jones seconded the motion and it was approved with three ayes.

4. STATELINE LIQUOR PIONEER, TENNESSEE (CAMPBELL COUNTY)

Applicant: KVD II LLC
Member(s): Pinkesh S. Patel, 100%

Current licensee: VRL Hotels 7, LLC (Bijal Patel, 50% and Viral Patel, 50%)
d/b/a State Line Liquor (license no. 4175)
Proposed licensee: KVD II LLC d/b/a Stateline Liquor

Before the Commission is a request for approval of a new package store licensee to be located at 200 Howard Baker Hwy., Pioneer, TN 37847. The applicant is purchasing the business from the existing owner⁴ and will lease the premises from landlord KVD LLC. The TABC staff recommends conditional approval of this request subject to receipt of the following item:

- a. license fee

³ In accordance with Tennessee law, sellers are to transfer title and possession of the liquor inventory to the applicant via TABC licensed wholesalers' involvement.

⁴ In accordance with Tennessee law, sellers are to transfer title and possession of the liquor inventory to the applicant via TABC licensed wholesalers' involvement.



Discussion/Action Taken: Director Byrd reviewed the matter to the Commission and recommended conditional approval of the application. Director Byrd commented on the RLPS application process and noted that the online system contemplates a more complete application because of the required documentation. Director Byrd spoke briefly on items that are common conditional requirements. Commissioner Jones moved the application be approved subject to receipt of any items as stated. Commissioner Roberts seconded the motion. The motion passed with three eyes.

**5. LIQUOR DEPOT
NORRIS, TENNESSEE (ANDERSON COUNTY)**

Applicant: VRL Hotels 11, LLC
Member(s): Viralkumar Patel (50%) and Bijalkumari Patel (50%)

Current licensee: Sawyer Boys LLC d/b/a Sawyer Boys Spirits (license no. 3814)
Proposed licensee: VRL Hotels 11, LLC d/b/a Liquor Depot

Before the Commission is a request for approval of a new licensee to be located at 3354 Andersonville Hwy., Norris, TN 37828. The applicant is purchasing the business from the existing owner⁵ and the applicant acquired the real property where the store is located. The TABC staff recommends conditional approval of the license subject to receipt of the following items:

- a. license fee

Discussion/Action Taken: Director Byrd reviewed the matter to the Commission and recommended conditional approval of the application subject to the license fee. Commissioner Jones moved for approval subject to receipt of any items as stated. Commissioner Roberts seconded the motion and it passed with three eyes.

**6. VINTAGE WINE & SPIRITS (LICENSE NO. 1006)
CHATTANOOGA, TENNESSEE (HAMILTON COUNTY)**

Applicant: Vintage Wine & Spirits Inc.

Shareholder:	<u>Before</u>	<u>After</u>
	Martha Coradini, 100%	Jennifer Coradini, 100%

⁵ In accordance with Tennessee law, sellers are to transfer title and possession of the liquor inventory to the applicant via TABC licensed wholesalers' involvement.



Retail package store licensee no. 1006 located at 800 Mountain Creek Rd., Chattanooga, TN 37405 is requesting approval for a transfer of ownership. Martha Coradini passed away and left her interest in the package store to daughter, Jennifer Coradini. The TABC staff recommends approval of this request.

Discussion/Action Taken: Director Byrd reviewed the matter to the Commission and recommended approval of the request. Commissioner Jones moved for approval and Commissioner Roberts seconded the motion. The motion for approval passed with three ayes.

7. SHELBY DR LIQUOR MEMPHIS, TENNESSEE (SHELBY COUNTY)

Applicant: Paradise Liquor LLC
Member(s): Kenneth Lapioli, 100%

Current licensee: Shelby Drive Liquors Inc. (Ernest M .Watson Jr., 100%)
d/b/a Shelby Drive Liquors (license no. 2025)
Proposed licensee: Paradise Liquor LLC d/b/a Shelby Dr. Liquors

Before the Commission is a request for approval of a new retail package store licensee at 1984 Shelby Dr., Memphis, TN 38116. Applicant is purchasing the business from the existing owner⁶ and will lease the premises from Progressive Realty Services LLC. The TABC staff recommends conditional approval of this request subject to receipt of the following items:

- a. certificate of occupancy
- b. inspection & acknowledgment of rules & regulations
- c. license fee

Discussion/Action Taken: Director Byrd reviewed the matter to the Commission and recommended conditional approval subject to the certificate of occupancy, inspection which includes an acknowledgment of the rules & regulations, and the license fee. Director Byrd commented on the background of this application regarding financial viability. Director Byrd noted that the seller provided additional financing to the applicant and that the inventory was included in the purchase price of the contract. A discussion was held. In response to a question

⁶ In accordance with Tennessee law, sellers are to transfer title and possession of the liquor inventory to the applicant via TABC licensed wholesalers' involvement.



from the Commission regarding the parameters to gauge financial viability, Director Byrd made comments and noted there is no bright line test but that there are a variety of factors involved.

Commissioner Jones moved for approval of the application subject to completion of any unfulfilled items. Commissioner Roberts seconded the motion and the motion passed with three ayes.

**8. JEHU WINE AND SPIRIT
MEMPHIS, TENNESSEE (SHELBY COUNTY)**

Applicant: Tizita Kidan

Before the Commission is a request for approval of a new retail package store to be located at 7505 US Highway 64, Ste. 101, Memphis, TN 38133. Applicant is leasing the premises from Appling Way I Management Company. The TABC staff recommends conditional approval of this request subject to receipt of the following item:

- a. license fee

Discussion/Action Taken: Director Byrd reviewed the matter to the Commission and recommended conditional approval of the application. Director Byrd commented on the background of this application regarding financial viability concerns and noted that staff was comfortable with the amount of capital being invested when initially staff was not and Director Byrd recommended conditional approval of the application. Commissioner Jones moved for approval of the application subject to receipt of any items not fulfilled. Commissioner Roberts seconded the motion and the motion was approved with three ayes.

3. WINERY MATTERS - none

4. FARM WINERY MATTERS - none

5. WHOLESALE MATTERS - none

6. DISTILLERY/BREWERY

A. OLD BUSINESS - none

B. NEW BUSINESS



**1. CASCADE HOLLOW DISTILLING CO. (LICENSE NO. 7)
TULLAHOMA, TENNESSEE (COFFEE COUNTY)**

Applicant: Diageo Americas Supply, Inc.
Member(s): Diageo North America, Inc., 100%

Location: 1950 Cascade Hollow Road, Tullahoma, Tennessee 37388

Licensee no. 7 is requesting Commission approval to expand its premises pursuant to T.C.A. § 57-3-202(i)(4)⁷ authorizing a distillery to sell alcoholic beverages for consumption on the premises of the distillery, including any property owned or leased by the distillery that is contiguous to the distillery location. The distillery has identified a portion of its property to be used for tastings and is seeking Commission approval to include such property as part of its licensed premises for the purpose of on premise consumption sales. The TABC staff recommends approval of this request.

Discussion/Action Taken: Director Byrd reviewed the matter to the Commission and recommended approval of the request. Commissioner Roberts moved for approval of the request and Commissioner Jones seconded the motion. The motion passed with three ayes.

**2. TENNESSEE LEGEND
COOKEVILLE, TENNESSEE (PUTNAM COUNTY)**

Applicant: Crystal Falls Spirits, LLC
Member(s): Jay Holeman, 100%

Before the Commission is a request for licensing of a manufacturer at 323 E. Spring St., Cookeville, TN 38501. Applicant will lease the premises from Heritage Commercial Holdings, GP. This will be the third manufacturer license for Crystal Falls Spirits, LLC.⁸ The TABC staff recommends conditional approval of this request subject to receipt of the following items:

⁷ T.C.A. § 57-3-202(i): (4) (A) A distiller's license issued or renewed under this section authorizes a distillery to sell to any person of legal drinking age alcoholic beverages for consumption on the premises of the distillery, other than the bonded premises, where such consumption is also permitted by federal law. Distilled spirits sold under this subdivision (i)(4) must be manufactured on the premises of the distillery. (B) As used in subdivision (i)(4)(A), "premises," for purposes of consumption on the premises: (i) Means any and all of the real property owned or leased by a distillery upon which the distillery is operated, including any real property owned by the distillery contiguous thereto; and (ii) Does not mean the bonded premises of a distillery.

⁸ Applicant holds manufacturer license no. 124 at 2874 Newport Hwy., Sevierville, TN 37876, and license no. 161 at 870 Winfield Dunn Parkway, Ste. 1 and 2, Sevierville, TN 37879.



- a. certificate of occupancy
- b. license fee
- c. inspection and acknowledgment of rules and regulations

Discussion/Action Taken: Director Byrd reviewed the matter to the Commission and recommended conditional approval of the request subject to the certificate of occupancy, license fee, and the inspection which includes an acknowledgment of TABC rules and regulations. Commissioner Roberts moved for conditional approval of the application subject to the items mentioned by the Director. Commissioner Jones seconded the motion and it passed with three ayes.

7. PRIVATE CLUBS – none

8. ALCOHOLIC BEVERAGE COLLECTOR

A. OLD BUSINESS – none

B. NEW BUSINESS

1. THE WHISKEY CAVE

Applicant: Susan Clark

Applicant Susan Clark is requesting approval for licensing pursuant to T.C.A. § 57-3-209 as an alcoholic beverage collector⁹ and intends display the collection at her residence located at 1409 Sandy Valley Rd., Hendersonville, TN 37075. The TABC staff recommends conditional approval of the request subject to receipt of the following item:

- a. license fee

Discussion/Action Taken: Director Byrd reviewed the matter to the Commission and recommended conditional approval of the request. Director

⁹ T.C.A. § 57-3-209, reads in part: (a) For purposes of this section: (1) "Alcoholic beverage collector" means an individual who collects commemorative bottles containing alcoholic beverages, wine or distilled spirits, where the individual displays the collection in a location available to the public, either by appointment or on a regular schedule, and who sells collectible alcoholic beverages for the purpose of collection, without the intent that the collectible alcoholic beverage be consumed; and (2) "Collectible alcoholic beverage" means an alcoholic beverage, distilled spirit or wine in a unique or commemorative bottle, decanter or other container, not generally available at a licensee holding a permit issued pursuant to § 57-3-204. (b) Any individual qualifying as an alcoholic beverage collector may apply to the commission for a license as an alcoholic beverage collector, authorizing that individual to purchase wine, distilled spirits and other alcoholic beverages from any entity authorized to sell such products and shall be authorized to sell, in a face to face transaction only, collectible alcoholic beverages, as defined in this section, to any person twenty-one (21) years of age or older. The license may be issued notwithstanding the requirements of § 57-3-106.



Byrd spoke on this unique license type and a discussion followed. Commissioner Jones moved the license be approved subject to receipt of any conditional items. Commissioner Roberts seconded the motion and the motion passed with three ayes.

9. MISCELLANEOUS

A. RLPS Update

Discussion/Action Taken: Director Byrd requested IT Director, Christopher Dowell, to provide an RLPS update and Mr. Dowell updated the Commission on the status of RLPS and numbers of licenses and permits issued through RLPS. Director Byrd also commented on this matter.

B. Determination of Action Regarding Petition for Declaratory Order submitted by Tennessee Wine and Spirits Retailers Association

Discussion/Action Taken: Commission Counsel Keith Hollingshead-Cook provided an overview of the petition for declaratory order process and the three options for the Commission under the UAPA. Mr. Hollingshead-Cook summarized the petition and statutes involved and Mr. Hollingshead-Cook noted that the question the Commission is facing was a procedural question. Mr. Hollingshead-Cook briefly summarized the brief submitted by Total Wine. Mr. Hollingshead-Cook noted that the position of staff had not changed from the January meeting when the staff recommended the Total Wine application be approved. A discussion was held. Bill Hubbard addressed the Commission on behalf of Total Wine and Kurt Winstead addressed the Commission on behalf of the TWRSA. A discussion was held and the discussion included comments from the Commission that the Commission was satisfied with the January decision. Based on comments during the discussion Director Byrd then recommended the Commission affirmatively refuse to take action on the petition. Commissioner Jones moved that the Commission affirmatively act to deny the request and not issue a declaratory order. The motion passed with three ayes.

10. NEXT MEETING – Thursday, April 26, 2018, at 11:00 am.

Discussion/Action Taken: The April 26th meeting was moved to 11:00 a.m.

11. UPCOMING MEETINGS

- Thursday, April 26, 2018, at 11:00 a.m.
- Thursday, May 24, 2018, at 11:00 a.m.
- June (TBD)



Discussion/Action Taken: The April 26th meeting was moved to 11:00 a.m. and the Commission set the May meeting for Thursday, May 24, 2018, at 11:00 a.m. The June meeting date was not set.

Attachment to Follow

**APPROVED FOR ENTRY UPON THE MINUTE BOOKS OF THE TENNESSEE ALCOHOLIC
BEVERAGE COMMISSION THIS THE 26th DAY OF APRIL, 2018.**



COMMISSIONER



CLAYTON BYRD, DIRECTOR