

To:

Mayor and Council

From:

Jay Brunvand

Date:

May 15, 2024

Agenda Item: Consideration of a spirituous tasting room

REQUEST:

Staff is requesting Council to review and approve the attached Application for Colorado Liquor Sales Room (Distillery tasting room) to be located at the barn at 161 Main St.

INTRODUCTION:

This application is to MOVE the existing tasting room associated with Eagle River Distilling, LLC and currently located in the Meadow Mtn Business Park to a new construction located at 161 Main St, they will then forfeit their MMBP tasting room permit. This is a very specific application and has very limited conditions of which a municipality may deny the application.

The conditions for denial are:

- 1) Traffic, noise, or other neighborhood concerns in a manner that is inconsistent with local regulations
- 2) Granting the permit would result in violations of the Colorado Liquor Code or local laws
- 3) Issuance would violate local zoning laws

State law states this application for a Sales Room will be granted to the entity unless any of the three conditions apply. In the opinion of staff, none of the conditions apply. Attached please find Colorado Dept of Revenue Bulletin 14-02 which is a good summary of the request, application, and guidelines.

ANALYSIS:

Not Applicable

COMMUNITY INPUT:

Not Applicable

BUDGET / STAFF IMPACT:

The state does not allow a fee for this application.

STRATEGIC PLAN ALIGNMENT:

In accordance with Strategy #4 the Town will advance decisions/projects/initiatives that expand future opportunity and viability for Minturn. Both as an employer and a sales tax contributor these businesses each help further Minturn.

RECOMMENDED ACTION OR PROPOSED MOTION:

This item is approved on the Consent Agenda, no separate motion is required.

ATTACHMENTS:

Application and supporting documentation.

DR 8057 (02/01/24)
COLORADO DEPARTMENT OF REVENUE
Liquor Enforcement Division
PO Box 17087
Denver, CO 80217-0087
Fax (303) 866-2428
Phone (303) 205-2300

Application for Colorado Liquor Sales Room

Regulation 47-428, 1 C.C.R. 203-2

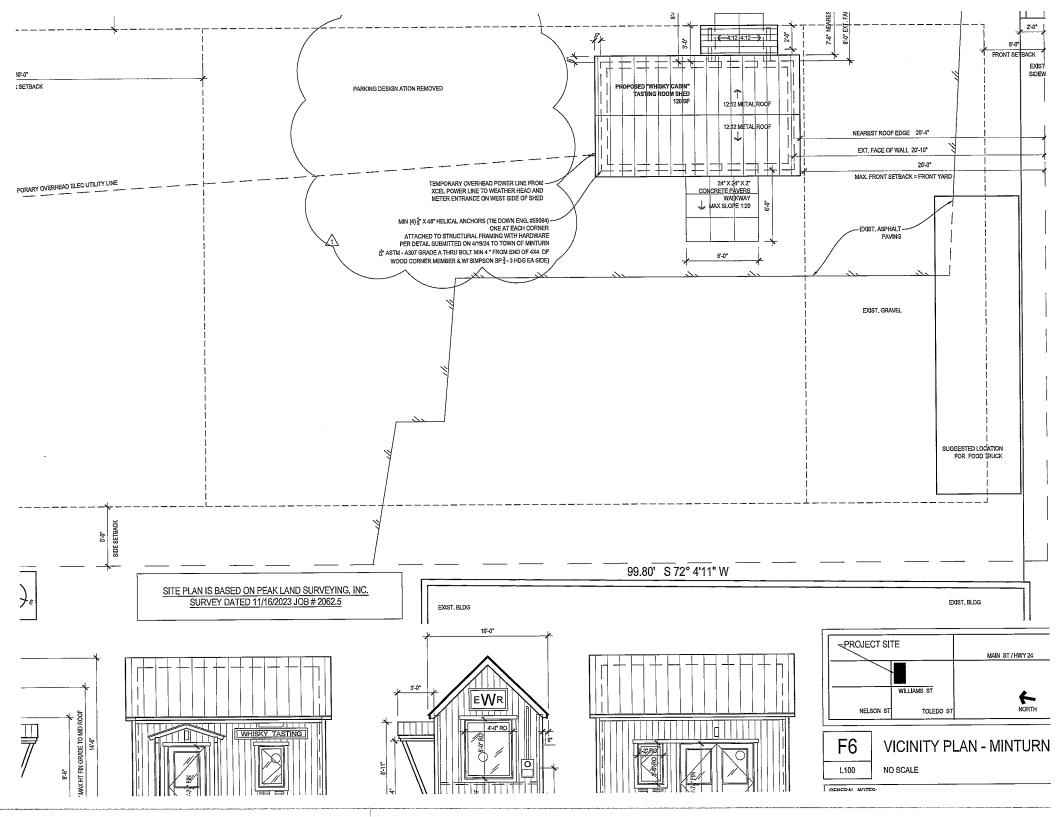
| Type of Sales: | O Ma | alt Liquor | 0 | Limited W | inery | 0 | Winery | • | Distillery |
|------------------------|------------|-----------------|---|---|-----------|---------|-------------|--------|------------|
| Duration: | Tempora | ry (3 days or l | ess) | • | Permaner | nt | | | |
| Name of Applicant ex | actly as i | t appears on | your c | urrent Colc | rado Liqu | or Lic | ense | | |
| Eagle River Distilling | LLC | | | | | | | | |
| Trade Name of Applic | ant | | | | | | | | |
| Eagle River Whisky | | | | | | | | | |
| State Sales Tax Num | ber | | | | Applica | ant Lic | quor Licen: | se Num | ber |
| 95312711-0000 | | | | | 03-17 | 117 | | | |
| Business Addres | SS | | , | | | | | | |
| Street Address | | | | 105-1010-1010-1010-1010-1010-1010-1010- | | | | | |
| 23698 US 24, Unit E | -1 | | | | | | | | |
| City | | | | | | | | State | ZIP Code |
| Minturn . | | | | | | | | СО | 81645 |
| Mailing Address | | | | | | | | | |
| Street Address | | | | | | | | | |
| PO Box 1253 | | | | | | | | | |
| City | | | | | | | | State | ZIP Code |
| Minturn | | | | | | | | co | 81645 |
| Phone Number | | Email Ad | dress | | | | | | |
| (970) 763-8660 | | spence@ | erwhi | sky.com | | | | | |
| Sales Room Add | ress | | | | | | | *** | |
| Street Address | | | | | | | | | |
| 161 Main St | | | , | | | | | | |
| City | | | | | | | | State | ZIP Code |
| Minturn | | | | | | | | СО | 81645 |

| Date of Ev | vents | | | | |
|-----------------------|---|--------------------------------|---------------------------------------|--------------------|--|
| From Date: | 05/30/2024 | Time: 1 | 2:00 | O AM | PM |
| To Date: | 05/29/2025 | Time: 6 | ::00 |] O AM | ● PM |
| If the even | t is occurring on the sa | me day du | ring the events time | period report | ted, select the day(s) below. |
| Sunday | Monday 🔲 T | uesday 🔳 | ■ Wednesday ■ | Thursday 🔳 | Friday 🔳 Saturday |
| | emises Granted by: (attach se Authorization | a copy of the | e Premises Use Authori | zation letter or l | ease if not previously submitted) |
| _ | easing Percent Basi | | es No Nonal Sheet if Necessary. | | |
| Alcohol wi | ll be sold (check all tha | at apply): | | | |
| | -premises consumption (if .icensing Authority) | selected, pl | lease file this applicatio | n with the Loca | al Licensing Authority and the |
| For off- | premises consumption | | | | |
| The Sales | Room Applicant affirn | ns they hav | ve complied with loc | al zoning res | strictions? |
| Yes | O No | | | | |
| Additiona | al Required Documer | ıts | | | |
| | an outlined diagram of pro | | ises | | |
| Attach with liq | a copy of the premises co | ntrol plan de t include res | scribing how the premis | and visibly into | rolled to ensure compliance xicated persons and insuring |
| Attach | a copy of any contracts ar | d/or operati | ng agreements pertaini | ng to the sales | room. |
| Local Licen | sing Authority Name | | | | |
| Town of Mi | | | · · · · · · · · · · · · · · · · · · · | | |
| | ation Copy Submitted to Loc | al Licensing | Authority | | |
| 04/29/2024 | ļ | | | | |

| Applicant Signature | Date (MM/DD/YY) |
|--|--|
| Applicant Signature | 04/29/24 |
| Title | |
| Member | |
| Notice to Local L | icensing Authority |
| This application for a Sales Room will be granted t listed conditions apply. If any of these conditions a immediately. | o the above name applicant unless any of the below pply please contact the State Licensing Authority |
| Issuance of this permit would impact traffic, noise, or o with local regulations or ordinances. | ther neighborhood concerns in a manner that is inconsistent |
| If granted this permit would result in violations of the (specify). | Colorado liquor code or the laws of the local government. |
| Issuance of this permit would violate local zoning laws. | |
| For events lasting three consecutive days or le business days to submit its determination to the | ss, the Local Licensing Authority has ten (10) State Licensing Authority. |
| For events lasting four or more consecutive da days to submit its determination to the State Lice | ys , the Local Licensing Authority has forty-five (45 ensing Authority. |
| Local Licensing Authorities can send the approva | al via mail or email to dor_liqlicensing@state.co.us |
| that the proposed sales room will not impact traff | m that the Local Licensing Authority has determined ic, noise, or other neighborhood concerns in a or ordinances or that the applicant will sufficiently |
| Licensing Authority Signature | Date (MM/DD/YY) |
| | |
| Local Licensing Authority Contact Name | |
| Phone Number | |
| | Object Do Not Object |

I declare under penalty of perjury in the second degree that this application and all attachments are

Oath of Applicant



Eagle River Distilling LLC dba Eagle River Whisky 23698 US Hwy 24 PO Box 1253 Minturn, CO 81645 970-763-8660

April 29, 2024

Premises Control Plan - 161 Main St, Minturn CO 81645

Hours of Operation: Wednesday - Sunday - 12PM - 6PM

Boundary: There will be no modified premises. Service area will only be inside the tasting room

Ingress and Egress: The premises is 120 square feet. The employee in the tasting room can observe entrance and exiting of customers.

Signage: "No open alcoholic beverages beyond this point" sign will be placed on the front and rear doors. The Colorado DR 8471 ("Minor Warning Sign") will be conspicuously displayed behind the bar.

Responsible Service: All staff will be TIPS trained and certified to help prevent sale of alcohol to visibly intoxicated persons. Staff will be instructed to ID anyone that appears under 50 years old. IDs appearing fraudulent will be confiscated and the CO Liquor Enforcement Division will be called.

EAGLE RIVER HOLDINGS, LTD.

Premises Use Authorization

April 29, 2024
Eagle River Distilling LLC
dba Eagle River Whisky
23698 US 24
Unit E-1
Minturn, CO 81645

Eagle River Holdings, Ltd. ("Owner") gives permission to Eagle River Distilling LLC dba Eagle River Whisky ("Tenant") to use the property located at 161 Main Street, Minturn, CO 81645. Tenant may use the property for a distilled spirits tasting room, for on and off premises liquor sales.

Tenant may occupy the premises for a term of 1 year, starting May 1st, 2024 and ending April 30, 2025.

This agreement may be renewed with the approval of both the Owner and Tenant at the end of the term.

Tenant agrees to indemnify and save harmless Owner from all damages and claims arising out of any act, omission or neglect by Tenant, and from any and all actions or causes of action arising from the Tenant's occupation or use of the property.

Owner agrees to notify Tenant of any change in land ownership, development, or use 30 days prior to change in status.

Owner: Sha

Title: Chief Executive Officer - Eagle River Holdings, Ltd

Date: 04/29/2024

Tenant: Rhell

Title: Member - Eagle River Whisky

Date: 04/29/2024



Enforcement Division - Liquor & Tobacco

Physical Address: 1881 Pierce Street Lakewood, CO 80214 Mailing Address: P.O. Box 173350 Denver, CO 80217-3350

BULLETIN 14-02

REFERENCE: MANUFACTURER SALESROOM GUIDE

October 21, 2014

Colorado Liquor Enforcement Division

Guide To Manufacturer Salesrooms Applications for Vinous and Spirituous Liquor

The Colorado Liquor Enforcement Division (Division) recognizes the growth and popularity of manufacturer sale rooms (MSR) for wineries, limited wineries, and distilleries pursuant to sections 12-47-402(2), C.R.S., 12-47-403(2)(e), C.R.S., 12-47-402(6), C.R.S. and Regulation 47-428, 1 C.C.R. 203-2.

In order to assist applicants in obtaining an MSR license, the Division is providing the following guidelines for MSR applications:

- Complete Form DR8057 (Application for Colorado Vinous or Spirituous Liquor Manufacturer Sales Room) in its entirety. An MSR license cannot be issued if the application is incomplete. Typical mistakes include (but are not limited to) incomplete addresses, company and business names not matching on lease documents, insufficient premises control plans, and undefined licensed premises.
- 2. A copy of the MSR application must be provided to the local licensing authority where the MSR is located. If the MSR is temporary (three days or less), the state and local licensing authority must receive the MSR application no less than ten (10) business days prior to the event. If the MSR is permanent (more than three days), the state and local licensing authority must receive the application no less than 30 days prior to the sale of alcohol at the MSR.
- 3. The local licensing authority may object to the issuance of the MSR license pursuant to Regulation 47-428, 1 C.C.R. 203-2.
- 4. The Licensee may operate the MSR directly, hire individual staff to conduct sales at the MSR, or hire a company to conduct sales at the MSR. If the Licensee hires individual staff or a company to conduct sales at the MSR, the Licensee remains responsible for managing the MSR including hiring and terminating employees, ordering alcohol, and making any other management decisions.
- 5. If the Licensee hires an individual or company to conduct sales at the MSR, the Licensee shall provide to the Division copies of any contracts, agreements, leases, etc. between the Licensee

and the individual or company which detail the relationship between the Licensee and the company.

- 6. An individual or company hired to conduct sales at an MSR may be compensated on a percentage of sales basis. However, payment based on a percentage of alcohol sales constitutes a financial interest in a Licensee. Colorado law prohibits financial interests between certain license types. This prohibition may preclude the Licensee from hiring an individual or company to conduct sales at the MSR (compensated on a percentage of sales basis) if such individual or company has a financial interest in another license type and if overlapping financial interests are prohibited between the license types. A matrix detailing allowed and prohibited financial interests between all license types is attached.
 - a. In order to determine if a prohibited financial interest exists, the Licensee must disclose to the Division the name, birth date, and social security number of such individual or the names, birth dates, and social security numbers of all owners of the company.
 - b. If an individual or a company's compensation for conducting sales at the MSR is equal to 10% or more of the Licensee's overall alcohol sales, such individual or the owners of such company must complete form DR8404-I (Individual History Record) and provide fingerprints for a criminal background check.
- 7. The Licensee may also hire a manager of the MSR in accordance with Regulation 47-318, 1 C.C.R. 203-2. The manager may make management decisions for the MSR on behalf of the Licensee (including the hiring and firing of staff, ordering alcohol, and any other management decisions relating to the MRS). If the Licensee hires an individual to manage the MSR, the Licensee shall disclose all information regarding the manager to the Division. Such information shall include:
 - a. The Licensee shall provide copies of any contracts, agreements, leases, etc. between the Licensee and the individual that detail the relationship between the Licensee and the manager, and
 - b. Each manager must complete form DR8404-I (Individual History Record) and provide fingerprints for a criminal background check.
- 8. As stated in paragraph number 6, an individual hired to manage an MSR may be compensated on a percentage of sales basis. However, payment based on a percentage of alcohol sales constitutes a financial interest in a Licensee. Colorado law prohibits financial interests between certain license types. This prohibition may preclude the Licensee from hiring an individual to manage the MSR (compensated on a percentage of sales basis) if such individual has a financial interest in another license type and if overlapping financial interests are prohibited between the license types. A matrix detailing allowed and prohibited financial interests between all license types can be found on the Liquor Enforcement website or click here for the link.
- 9. The licensed premises of the Licensee's MSR may include another company's premises as long as a written agreement is in place providing to the Licensee exclusive control over the sale of

alcohol throughout the licensed premises (i.e., MSR sales of alcohol must be under the control of the Licensee or the Licensee's MSR manager and not the other company). The Licensee must provide a mechanism by which MSR alcohol sale transactions of the Licensee are kept separate from the other company's sales or business transactions. In some instances, a single point of sale system may be acceptable as long as sales records and proceeds of MSR alcohol sales are kept separate from the other company's transactions. All money, funds, and electronic payments (debit cards, credit cards, etc.) related to MSR sales of alcohol must be remitted directly to the Licensee and cannot be commingled with the other company's business transactions.

You may submit your application and all necessary documents and diagrams to <u>DOR_LED@state.co.us</u>. If you have any questions, please call the Division at 303-205-2300.