



**Chandler • Arizona**  
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#65  
JUN 28 2007

**MEMORANDUM**

**Planning and Development – CC Memo No. 07-139**

**DATE:** JUNE 7, 2007

**TO:** MAYOR AND CITY COUNCIL

**THRU:** W. MARK PENTZ, CITY MANAGER  
DOUG BALLARD, PLANNING AND DEVELOPMENT DIRECTOR  
JEFF KURTZ, ASSISTANT PLANNING AND DEVELOPMENT DIRECTOR  
BOB WEWORSKI, PLANNING MANAGER

**FROM:** BILL DERMODY, CITY PLANNER

**SUBJECT:** UP07-0038 REGAL BEAGLE

**Request:** Use Permit to allow alcohol sales for on-site consumption in conjunction with a Series 6 Bar License

**Location:** 6045 W. Chandler Blvd., Suite #7  
Southwest corner of Kyrene Rd. and Chandler Blvd.

**Applicant:** CDT Phoenix LLC, dba Regal Beagle

**RECOMMENDATION**

The request is for Use Permit approval to sell alcohol for on-site consumption in conjunction with a Series 6 Bar License. Planning Commission and Staff, finding consistency with the General Plan, recommend approval for three (3) years subject to conditions.

**BACKGROUND**

The subject property is located at the southwest corner of Kyrene Road and Chandler Boulevard within the Kyrene Village Center anchored by Basha's. The center is surrounded on all sides by mostly commercial and industrial uses, including vacant land to the south that has been approved for the Paloma Kyrene Business Community. The nearest residential neighborhood is south of the southeast corner of the main intersection. The business is a restaurant/sports bar that has operated at this location for 3+ years. The facility served alcohol under a Series 12 Restaurant License until 2006 when they received Use Permit approval for one year to serve under a Series 6 Bar License. The license change was prompted by a State audit that found food sales to be

short of Series 12 requirements (at least 40% of sales must be in food and non-alcoholic beverages).

The establishment, which has a full menu of American food, provides seating for 125-145 persons, including space for 25 persons at the bar, 60 on the patio, and 40-60 in the main seating area. Hours of operation are 11:00 a.m. to 2:00 a.m. daily.

The subject property, previously occupied by Hitts and Howie's Pub & Eatery, originally received Use Permit approval to sell alcohol under a Series 12 license in 1988, and received amended Use Permit approval in 1992 in order to add a patio. Other active liquor Use Permits in the center include Series 10 (Beer & Wine Store) approval for Basha's, Series 6 (Bar License) approval for Kyrene Lanes bowling alley, Series 12 (Restaurant License) approval for Big Star BBQ, and Series 12 (Restaurant License) approval for India Gate restaurant. Also, CVS Pharmacy, across the street on the southeast corner of the arterial intersection, has a Series 10 (Beer & Wine Store) license.

A Series 6 liquor license allows sales of all types of alcohol both for on-site consumption in individual portions and for off-site consumption. However, Planning Commission and Staff recommend a condition that would limit alcohol sales at this location to those for on-site consumption only. The applicant is in agreement with the condition.

### **DISCUSSION**

This business received much neighborhood attention in 2006 when applying for a change from the Series 12 Restaurant License to the Series 6 Bar License. Residents to the southeast, across Kyrene Road, noted litter problems in their area and raised concerns that the subject business would act more like a nightclub under the new license. Neither of these issues have apparently become problems over the past year. Planning Commission and Staff recommend a three (3) year time limit in order to allow continued monitoring of these issues.

The 2006 Use Permit approval included a condition that "the applicant shall work toward the State of Arizona's Series 12 food sales requirements." The business' share of sales in food and non-alcoholic beverages has remained steady and has not progressed toward the 40% minimum for a Series 12 license. The business has taken a number of steps to attempt to increase food sales, including elimination of all but one pool table, increasing food prices, and temporarily expanding hours to provide breakfast. It appears that the business continues to operate substantially like a restaurant/grill and not more like a nightclub as feared, and therefore the business meets the spirit of this condition and continues to act as a good neighbor.

### **PUBLIC/NEIGHBORHOOD NOTIFICATION**

- This request was noticed in accordance with the requirements of the Chandler Zoning Code.
- A neighborhood meeting was held on Tuesday May 29, 2007 at the restaurant. No citizens attended.
- The Police Department has been informed of the application and has responded with no issues or concerns.
- At the time of this writing, Staff is unaware of any opposition to this request.

**PLANNING COMMISSION VOTE REPORT**

Motion to approve:

In Favor: 5    Opposed: 0    Absent: 2 (Anderson & Irby)

**RECOMMENDED ACTION**

Planning Commission and Staff, upon finding consistency with the General Plan and Community Commercial (C-2) zoning, recommend approval of UP07-0038 REGAL BEAGLE subject to the following conditions:

1. The Use Permit granted is for a Series 6 license only, and any change of license shall require reapplication and new Use Permit approval.
2. The Use Permit is non-transferable to any other location.
3. No alcohol shall be carried outside of the building into the parking lot or off-premises. Sales of "to-go" liquor shall be prohibited.
4. Expansion or modification beyond the approved exhibits (Site Plan, Floor Plan and Narrative) shall void the Use Permit and require new Use Permit application and approval.
5. Any substantial change in the floor plan to include such items as, but not limited to, additional bar serving area or the addition of entertainment related uses shall require reapplication and approval of the Use Permit.
6. The Use Permit shall remain in effect for three (3) years from the effective date of City Council approval. Continuation of the Use Permit beyond the expiration date shall require re-application to and approval by the City of Chandler.
7. There shall be no music outside. Indoor music shall not disturb area residences.
8. Transfer of ownership shall require a new Use Permit.
9. The applicant shall provide security on the weekends, if necessary.
10. The applicant shall maintain a liaison program with the adjacent neighborhood that allows neighbors to directly contact a representative of the establishment with their concerns.
11. The applicant shall work to mitigate litter issues resulting from the use.

**PROPOSED MOTION**

Move to approve UP07-0038 REGAL BEAGLE Use Permit for liquor sales subject to the conditions recommended by Planning Commission and Staff.

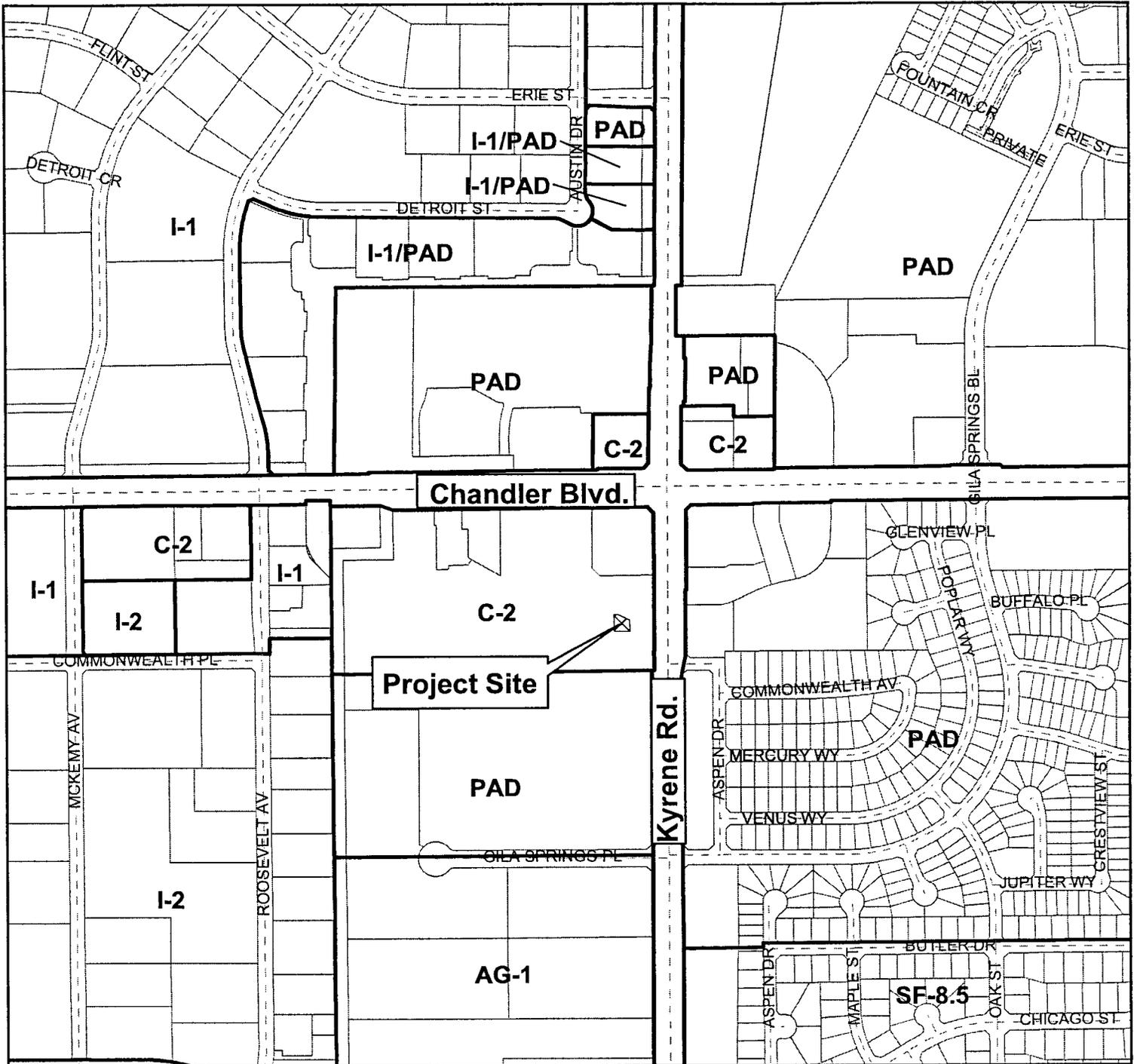
CC MEMO 07-139

June 7, 2007

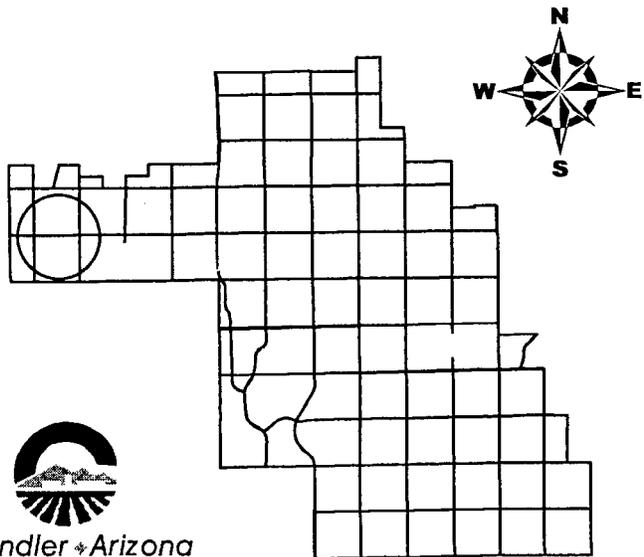
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**Attachments:**

1. Vicinity Map
2. Site Plan
3. Floor Plan
4. Applicant Narrative



## Vicinity Map



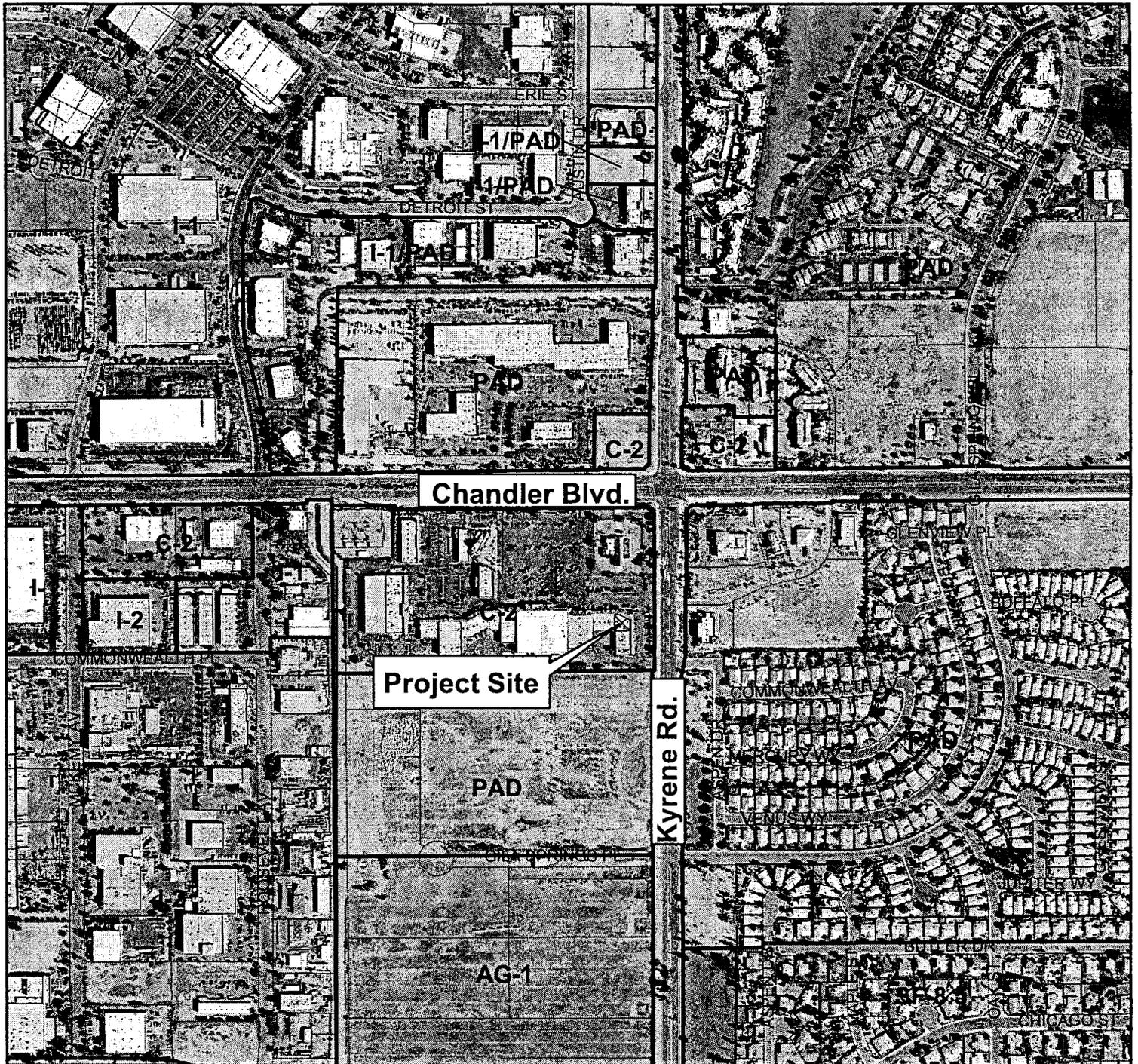
UP07-0038

Regal Beagle

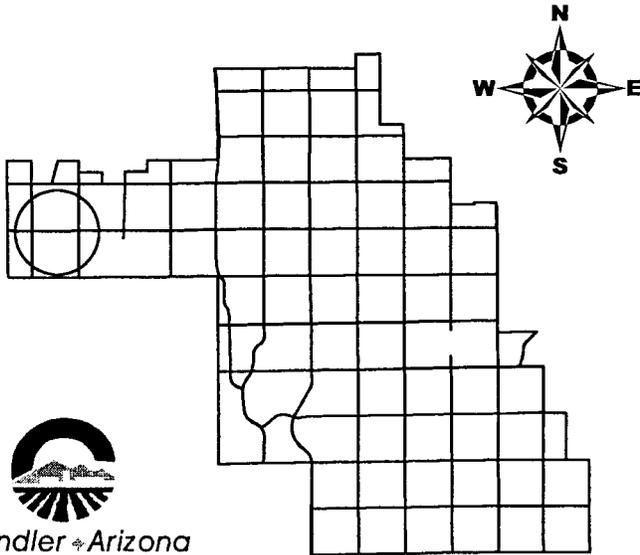


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## Vicinity Map



UP07-0038

Regal Beagle



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CITY OF CHANDLER 5/9/2007

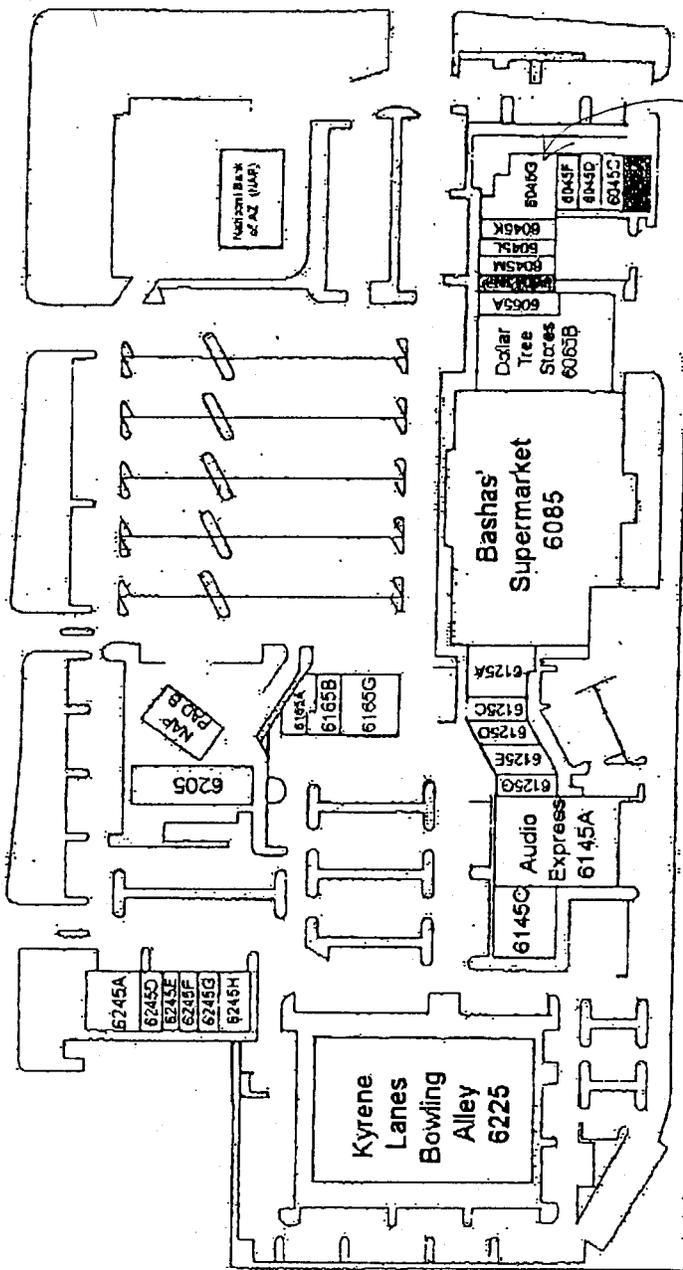
Kyrene Village  
6045 - 6245 W. Chandler Blv.  
Chandler, AZ 85226 - 3440

Chandler Boulevard

Kyrene Road

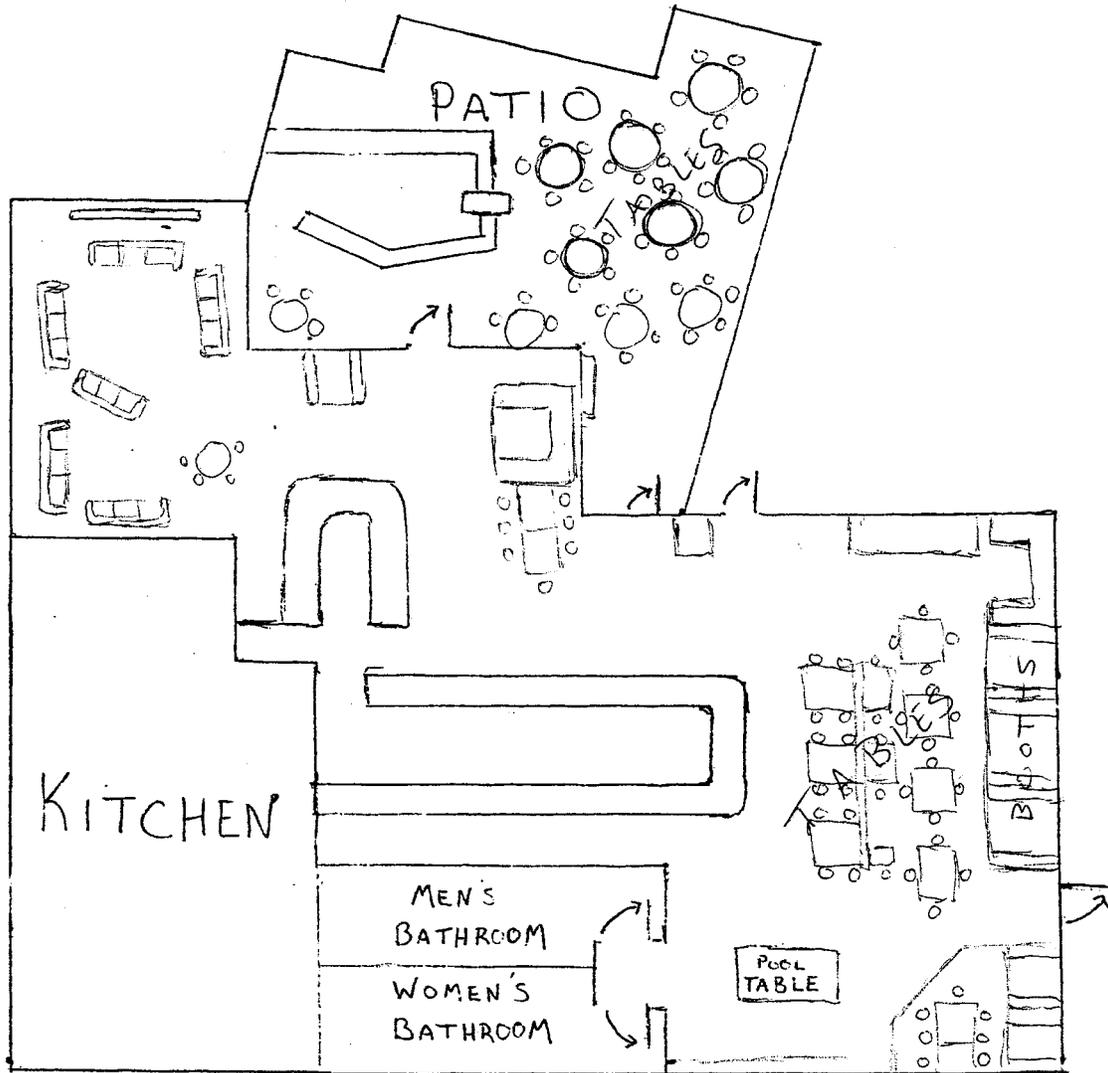


Regal Beagle



Handwritten notes: "Att: 602-0502", "Mike", "Frank"

# REGAL BEAGLE FLOORPLAN



1 May 2007

Memorandum For City of Chandler, Planning and Zoning

From CDT Phoenix LLC, dba Regal Beagle 6045 W. Chandler Blvd #7  
Chandler, AZ 85226

Subject Use Permit – Series 6 Liquor License

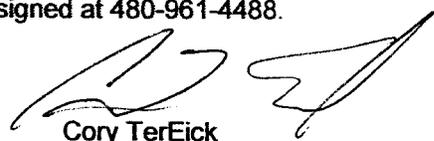
1. The purpose of this memorandum is to provide the City of Chandler a description of the intended use for the following property:

Regal Beagle  
6045 W. Chandler Blvd #7  
Chandler, AZ 85226

2. The Use Permit granted on May 11, 2006, was subject to a number of stipulations to include a time limiting condition causing the expiration of said Use Permit. With the Council's consideration, the Applicant requests the elimination of Stipulations 6, 12, and 13. Stipulations 6 and 13 were the time limiting conditions causing expiration of the current Use Permit. Stipulation 12 causes the Applicant to work toward the State of Arizona's Series 12 food sales requirements.

3. The Regal Beagle's operational hours are from 11am to 2am, seven days a week.

4. Any questions can be directed to the undersigned at 480-961-4488.



Cory TerEick  
CDT Phoenix LLC  
DBA Regal Beagle  
Managing Member

**ATTACHMENTS:**

Kyrene Village Site Plan  
Regal Beagle Floor Plan  
Cause for Stipulation 12 Removal

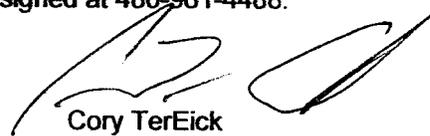
1 May 2007

Memorandum For City of Chandler, Planning and Zoning

From CDT Phoenix LLC, dba Regal Beagle 6045 W. Chandler Blvd #7  
Chandler, AZ 85226

Subject Use Permit – Series 6 Liquor License – Cause for Stipulation 12 Removal

1. The purpose of this memorandum is to address Stipulation 12 of current Use Permit and to request its removal in the new Use Permit.
2. During the past year, despite considerable effort, the Applicant failed to meet the 40% food sales requirement for a series 12 license. Although food sales volume did increase, food sales, as a percentage remained relatively consistent with the previous 15 years. The Applicant's efforts to meet this stipulation included:
  - a) Hiring outside consultants to evaluate and overhaul the kitchen and food program.
  - b) Remodeling the restaurant interior to attract a more affluent class of diner.
  - c) Implementing a more aggressive food marketing and advertising program.
  - d) Upgrading the menu to include food quality and increasing food prices as suggested by the Council during the 11 May, 2006 meeting.
  - e) Hiring a professional nightly janitorial company to increase cleanliness and aesthetic appeal of the restaurant.
  - f) Eliminating 3 of the 4 pool tables and 1 of the 2 dartboards to increase available seating area.
  - g) Expanding business hours to include a breakfast meal.
3. Stipulation 12 was originally imposed on the Applicant because of Council and neighborhood supposition that a #6 Liquor License could potentially adversely impact the neighborhood. To the Applicant's knowledge, this establishment has never met the 40% mark and was the original cause for its request for a #6 Use Permit. The Applicant's experience is that a 40% food sales requirement is both unrealistic and unnecessary for this location. There is no history of problems and the Regal Beagle has developed a very positive reputation in the community.
4. Any questions can be directed to the undersigned at 480-961-4488.



Cory TerEick  
CDT Phoenix LLC  
DBA Regal Beagle  
Managing Member