

#34

FEB 26 2009



Chandler • Arizona
Where Values Make The Difference

MEMORANDUM Planning and Development – CC Memo No. 09-014

DATE: FEBRUARY 5, 2009

TO: MAYOR AND CITY COUNCIL

THRU: W. MARK PENTZ, CITY MANAGER *WMP*
 JEFF KURTZ, ACTING PLANNING & DEVELOPMENT DIRECTOR *JK*
 BOB WEWORSKI, PLANNING MANAGER *KH BW*

FROM: BILL DERMODY, SENIOR CITY PLANNER *BD*

SUBJECT: UP08-0068 HOLLYWOOD BILLIARDS

Request: Use Permit extension approval to sell and serve beer and wine within a billiards hall, internet café, and entertainment facility (Series 7 Liquor License)

Location: 3029 N. Alma School Road #114, northeast corner of Elliot and Alma School Roads within the Paseo Del Oro shopping center

Applicant: Duck Hong/Sam Lee

RECOMMENDATION

The request is for Use Permit approval to sell and serve beer and wine within a billiards hall, café, and entertainment facility (Series 7 Liquor License). Planning Commission and Staff, finding consistency with the General Plan, recommend approval for one (1) additional year subject to conditions.

BACKGROUND

Hollywood Billiards is a billiards hall, internet café, and entertainment facility located at the northeast corner of Elliot and Alma School Roads within the Paseo Del Oro shopping center anchored by Pure Fitness. The tenant space, formerly occupied by Peter Piper's Pizza, has been occupied by the subject business since early 2007. The subject business received city approvals for a Series 12 Restaurant License in July 2007, but the state did not process the license due to the entertainment-oriented floor plan rather than one more typical of a restaurant. The current Series 7 Liquor Use Permit was approved in December 2007 for one (1) year.

The business is open 10 a.m. to 2 a.m. Sunday through Thursday and 10 a.m. to 3 a.m. Fridays and Saturdays. The 12,800 square-foot suite consists primarily of a 4,000 square foot pool hall area with 18 playing tables, a 4,000 square foot party room in the southern portion of the suite, and a 1,000 square foot internet café near the suite entrance. The party room contains several pool and air hockey tables, a stage for live entertainment, and a dance floor. The party room was added in late 2008 in space formerly dedicated to pool tables without building permits and in violation of the existing Use Permit for alcohol sales. The business ownership was instructed in early January 2009 to cease use of the party room pending the current Use Permit request. Building permits have been applied for.

The shopping center is zoned to allow Community Commercial (C-2) uses, including restaurants, bars, and pool halls. The center has two active Use Permits for alcohol sales: a Series 9 Liquor Store Use Permit for Liquor Square and a Series 6 Bar Use Permit for Priceless Too; both of the existing liquor uses are located at the center's southeastern end. The subject suite's previous occupants, Peter Piper's Pizza and Pistol Pete's, sold alcohol under a Series 7 Wine & Beer License.

A facility with a Series 7 Wine & Beer License must be located at least 300' from schools with K-12 programs and churches—the subject suite meets this requirement. A church and a charter high school are located on the second floor on the center's northern end and a day care is located within the Pure Fitness facility. The church and the high school are located more than 300' from Hollywood Billiards.

The Use Permit is to be used in association with a Series 7 liquor license. A Series 7 License allows the sale of wine and beer by individual portions for on-premise consumption or in the original container for off-premise consumption. A stipulation recommended by Planning Commission and Staff restricts the alcohol to on-premise consumption only.

DISCUSSION

Planning Commission and Staff find no negative land use impacts arising from the proposed use as restricted by recommended conditions. Public access to the facility is from the parking lot and the party room does not have any doors or windows directly accessing the rear of the building toward the neighborhood. Customer access through the building's rear will be prohibited. Planning Commission and Staff recommend a one-year time limit on the Use Permit because of the history of noncompliance and to monitor any live entertainment externalities.

PUBLIC/NEIGHBORHOOD NOTIFICATION

- This request was noticed in accordance with the requirements of the Chandler Zoning Code.
- A neighborhood meeting was held on January 22, 2009 at Potrero Grill & Bar (northeast corner of Warner Road and Arizona Avenue). 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 not aware of any opposition. In early 2008, a residential neighbor complained about a rear door being left open at night. After the business was reminded of their Use Permit commitments, the rear door reportedly ceased to be a problem.

PLANNING COMMISSION VOTE REPORT

Motion to approve.

In Favor: 5 Opposed: 0 Absent: 2 (Irby, Rivers)

The applicant presented a request for a three- (3) year extension. Planning Commission instead concurred with the Staff recommendation of a one- (1) year extension.

RECOMMENDED ACTION

Planning Commission and Staff, upon finding consistency with the General Plan and Community Commercial (C-2) zoning, recommend approval of UP08-0068 HOLLYWOOD BILLIARDS subject to the following conditions:

1. The Use Permit granted is for a Series 7 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. 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.
4. No alcohol shall be carried outside of the building into the parking lot or off-premises. Also, the sale of "To Go" packaged liquor is prohibited.
5. The Use Permit shall remain in effect for one (1) year 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.
6. There shall be no customer access through the rear of the building.
7. The applicant shall install software on the computers to prevent access to adult-oriented sites, internet gambling sites, and other inappropriate sites for children.
8. Live and recorded music must be controlled so as to not disturb the adjacent neighborhood.
9. The area adjacent to the establishment shall be maintained in a clean and orderly manner.

PROPOSED MOTION

Move to approve UP08-0068 HOLLYWOOD BILLIARDS Use Permit for alcohol sales subject to the conditions recommended by Planning Commission and Staff.

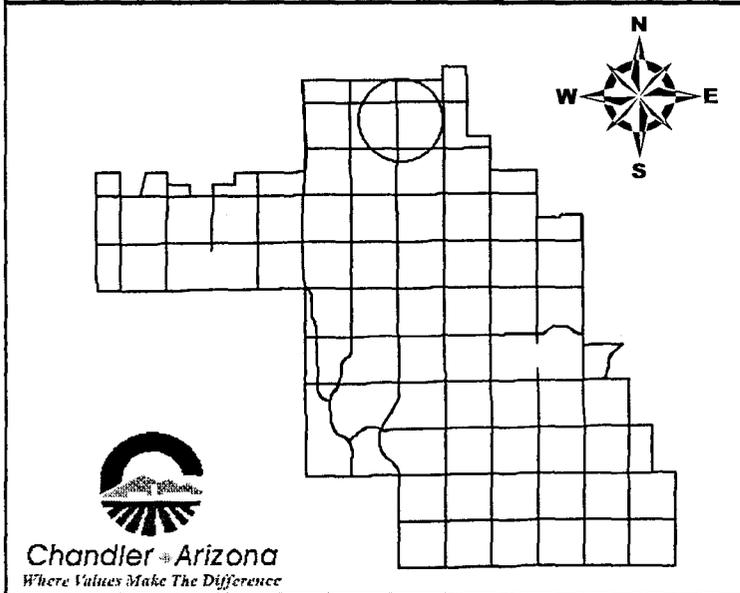
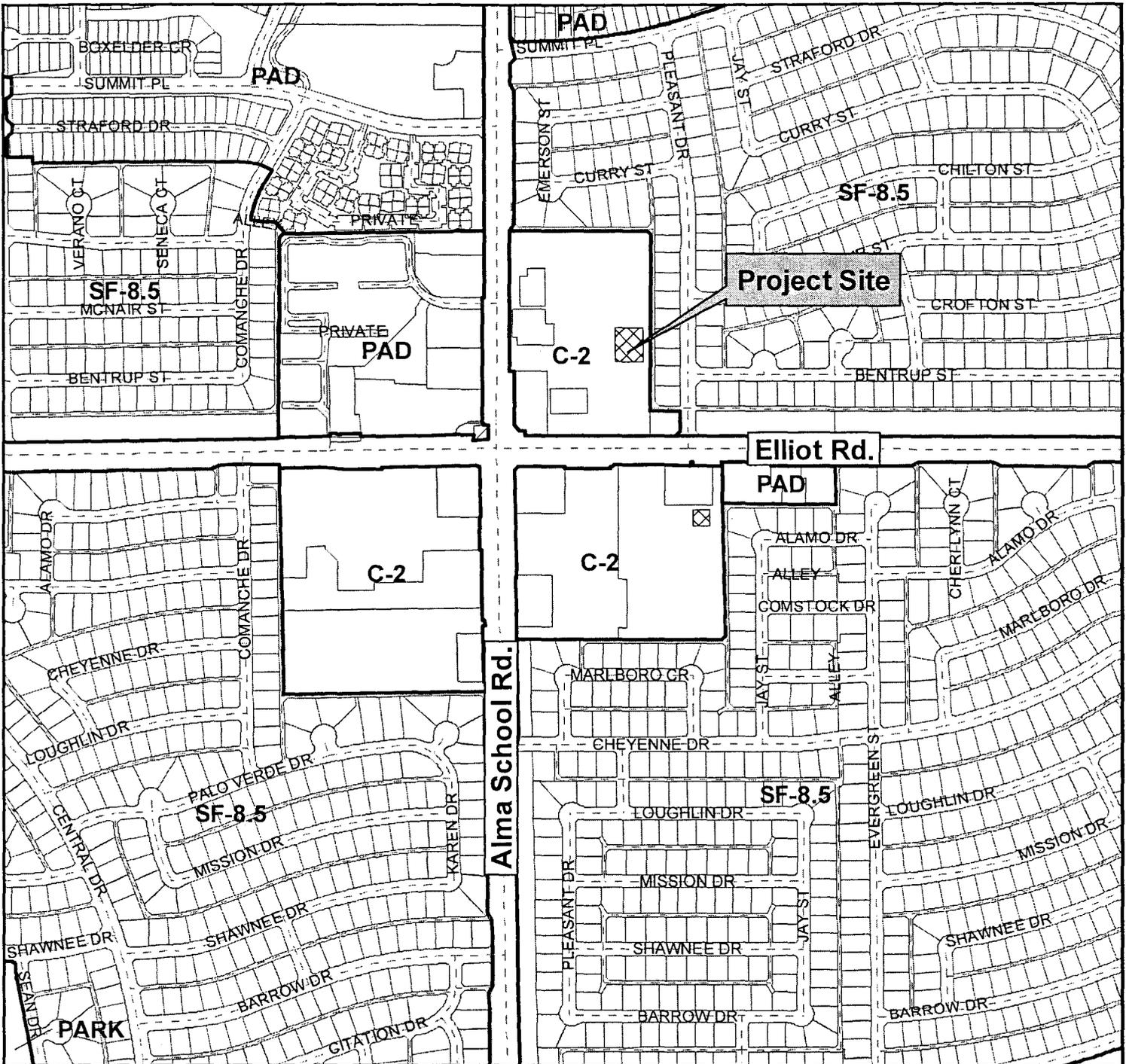
CC MEMO 09-014

February 5, 2009

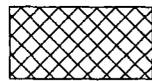
Page 4 of 4

Attachments

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

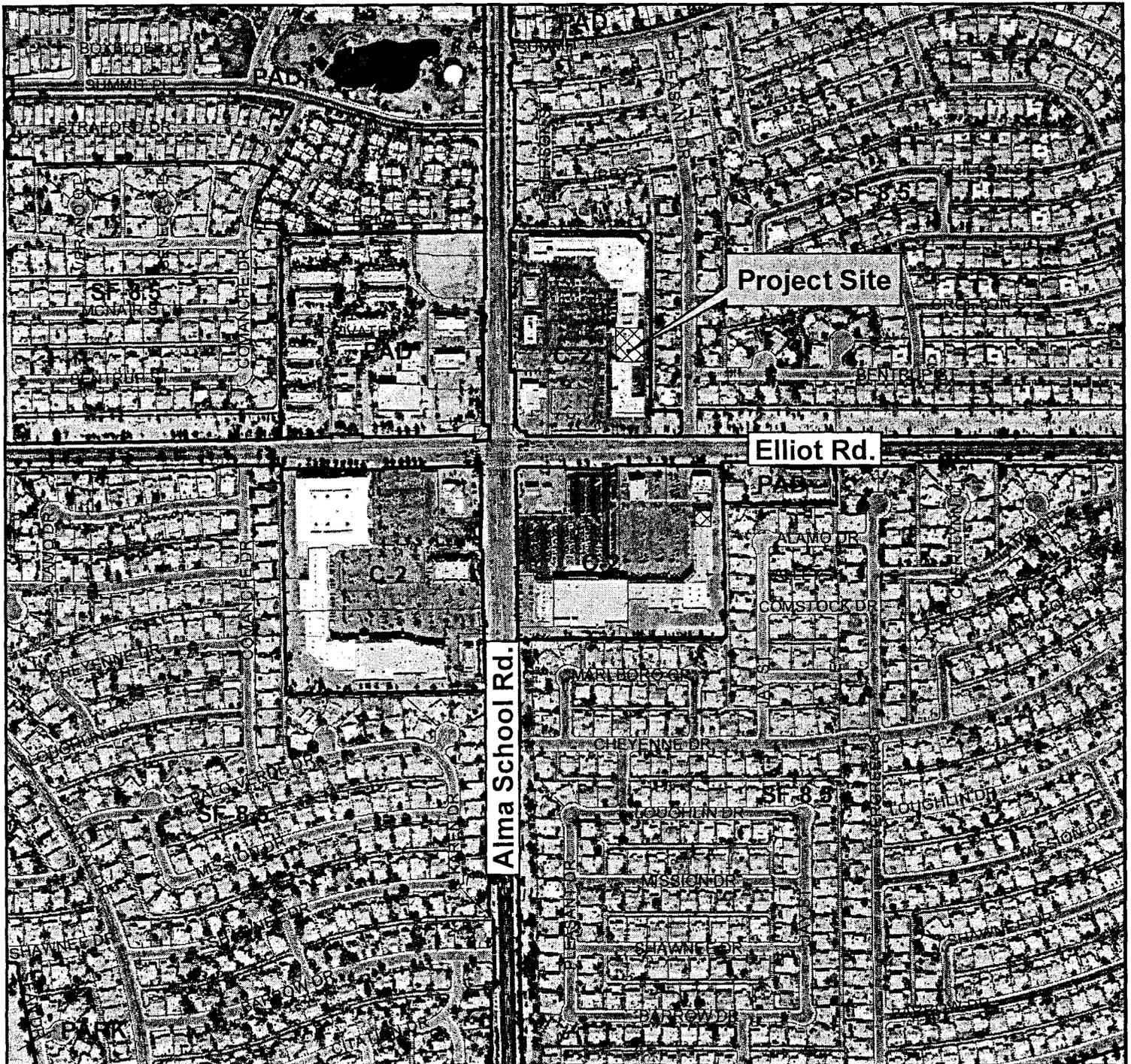


Vicinity Map

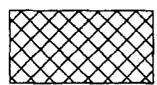
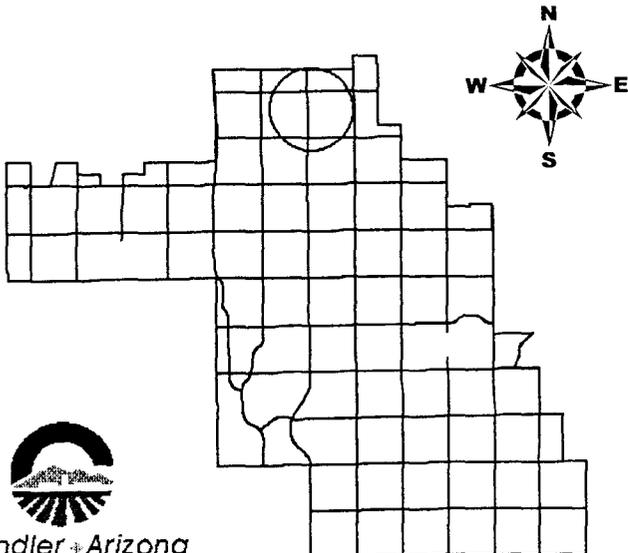


UP08-0068

**Hollywood Billiards and
Internet Cafe
Liquor Use Permit**



Vicinity Map



UP08-0068

Hollywood Billiards and
Internet Cafe
Liquor Use Permit



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CITY OF CHANDLER 12/16/2008

January 7, 2009

To: Planning and Development Dept.
Current Planning Division
City of Chandler

Re: Series 7 Liquor Use Permit Application
For onsite consumption in "Hollywood Billiard"
3029 N Alma School Road, Suite 114, Chandler

Project Description:

The application is to request Renewal Use Permit Approval to sell and serve beer/wine within premises. (Series 7 license)

Hollywood Billiard has been in business since February 2007 and is located at 3029 N. Alma School Road, Suite 114, Chandler, AZ 85225 (Northeast corner of Alma School Road and Elliot Road, which is in the Paseo Del Oro Shopping Center).

The subject business received Use Permit approval for one (1) year in November, 2007 to sell and serve beer/wine with a Series 7 license.

Within twelve thousand eight hundred (12,800) square feet of retail spaces, Hollywood Billiard has opened as the valley's greatest up to date Billiard and Internet café.

Hollywood Billiard has twenty five (25) pool tables in total (18 pool tables in main room and 7 pool tables in party room) and ten (10) video games, as well as , twenty five (25) high speed computers with always connected wireless internet service for laptops, thus proving the first and best service to our patrons and the city of Chandler.

The kitchen area is approximately 2,000 square feet with sufficient kitchen fixtures and equipment for preparing assortment of foods, such as pizza, chicken, nachos, hamburgers and hot dogs etc.

The Hollywood facility is a new concept in family entertainment, which provides a down home feeling and the excitement of one of a kind entertainment. Our goal is to appeal to all age groups, families, and walks of life to provide a complete entertainment experience as our patrons spend time with their loved ones.

The interior décor is highly upscale with bright lighting and is completely different from the traditional billiard. Furthermore, The entire Hollywood establishment is non-smoking, and once a patron enters the premises, all they speak about is how "nice this place is".

The Shopping Center provides plenty of parking spaces with sufficient lighting. Patrons is allowed to park in the entire parking lot within the Center per the CC&R regulations of the Shopping Center.

Adjacent to the line of pool tables, there is a designated party room (approximately 3,500 square feet) to provide a facility for birthday, wedding reception, bachelor party, family reunion and holiday gathering etc. We provide music for the convenience of our patrons either by disc jockey or live music for dancing.

The DJ starts playing music at 8:00 P.M. until 2:00 A.M. for a typical party night and week-end (Friday through Sunday). Live band plays for special party night ONLY, not every night. All music stops at 2:30 A.M. latest.

There are fifteen (15) forty two (42) inch digital flat screen televisions showing all different types of sporting event. Patrons who enjoys sports are able to visit the subject facility frequently with their family and friends to watch whatever sporting event they choose.

The business is open seven (7) days per week, Monday through Thursdays, from 10:00 a.m. to 2:00 a.m. and Friday through Sunday from 10:00 a.m. to 3:00 a.m.

No alcoholic beverage is allowed or consumed in the parking lot areas and outside the premises at all time. In short, Hollywood is a very safe and comfortable place for all patrons to come with family and friends for entertainment.

Patrons is able to come in any time during the regular hours of operation which will reduce the traffic impact and keep the traffic flow consistent or normal.

Tenant improvements, besides being highly upscale with sufficient insulation, includes a sound proofing system to reduce any possible noise shows the pride of ownership.

The subject business has an opportunity to demonstrate that Hollywood is a quality establishment under the proven management team. There is nothing but the pride of ownership on all tenant improvement built on the premise. The management feels the Hollywood is a strong and positive addition to the great City of Chandler.

In summary, the bright colors and luxurious interior space instantly changes the typical stereotype for a billiard from the moment patrons walk into Hollywood Billiard.

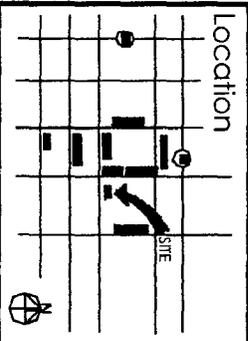
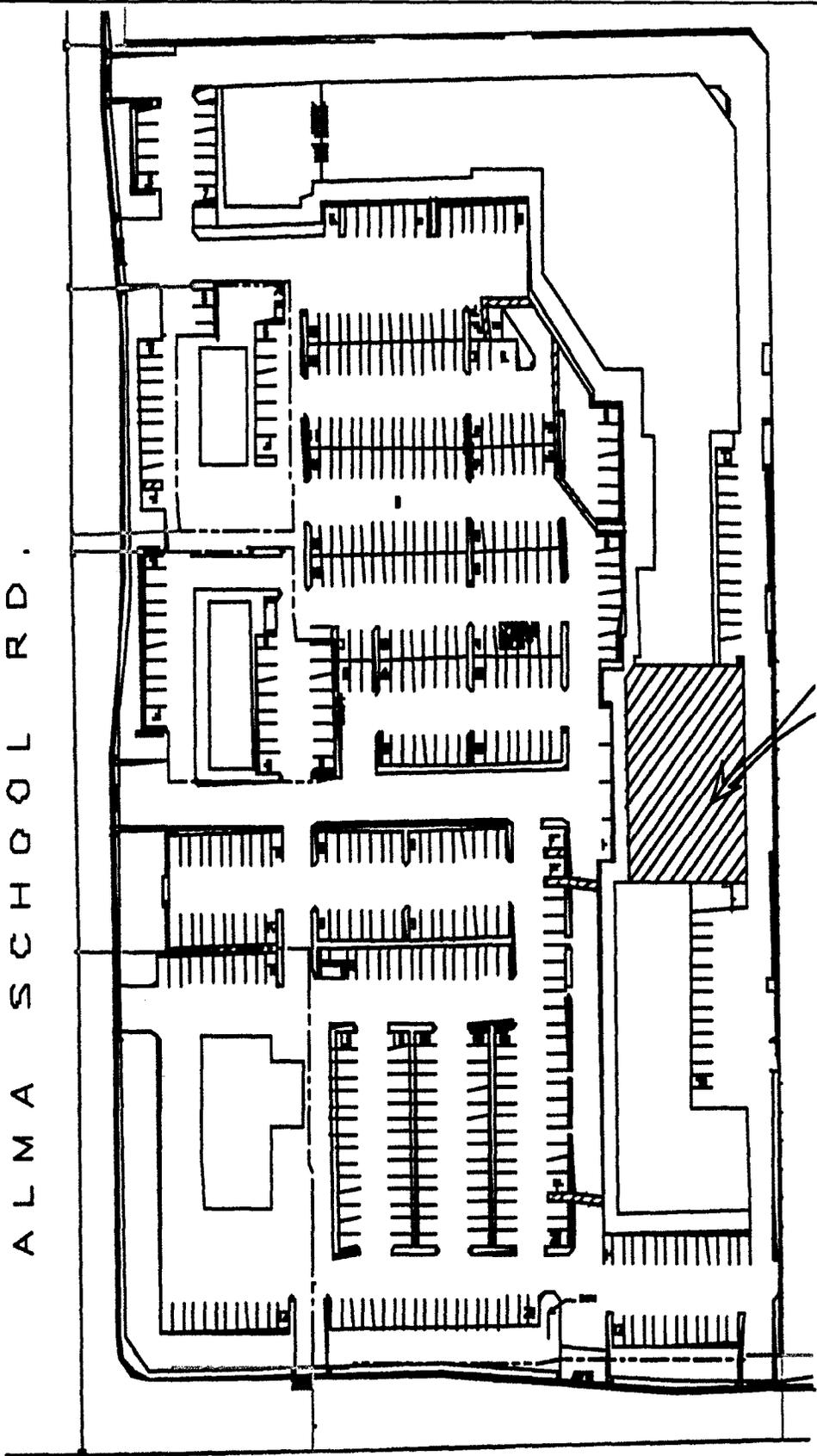
We, the management, look forward to have opportunity to contribute to the community of this great city of Chandler for many years come.

Sincerely,

Duck Y. Hong

HOLLYWOOD CAFE
 3029 N. ALMA SCHOOL RD. STE. # 114
 CHANDLER, AZ 85224

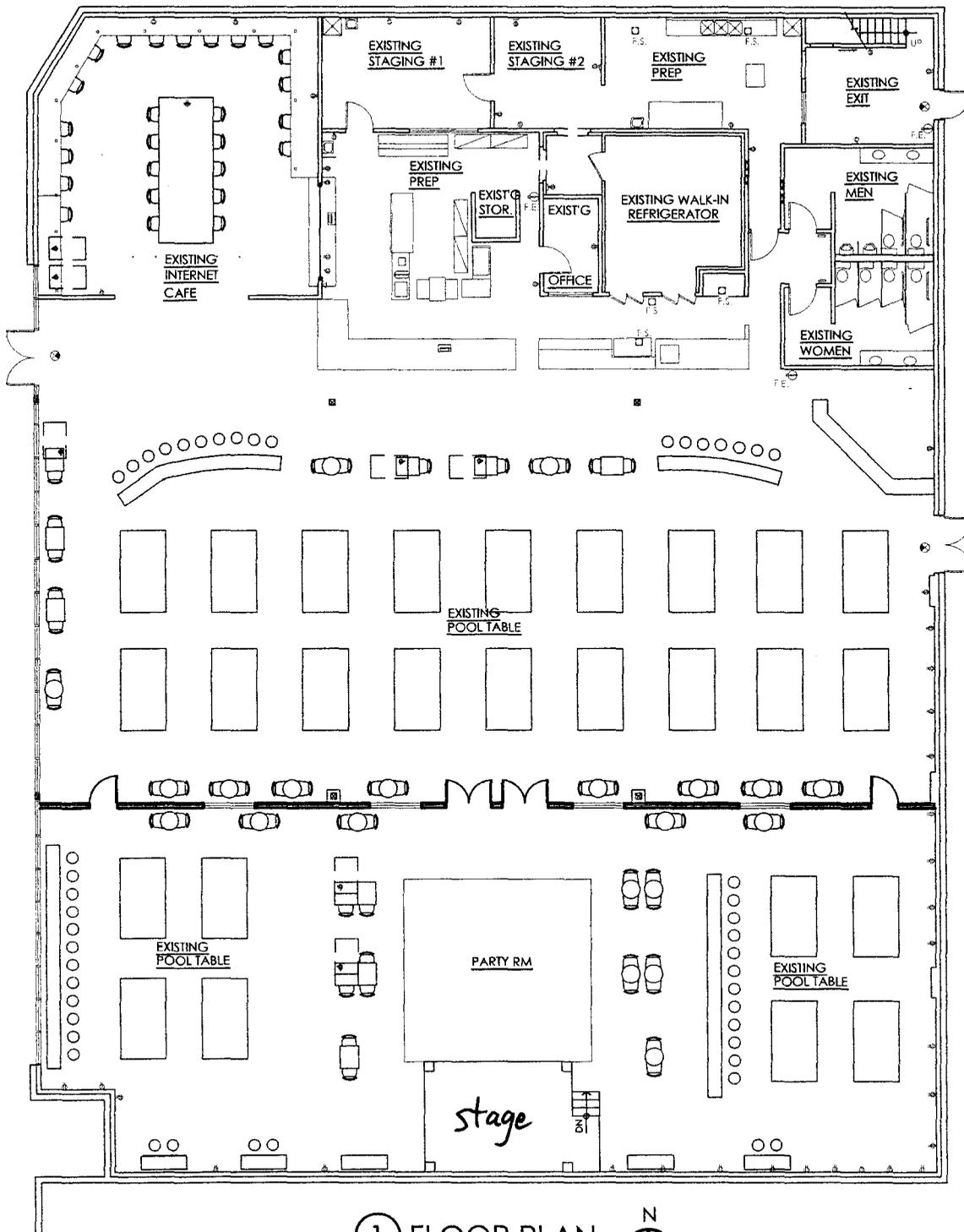
PROJECT LOCATION



Michael A. Vukobratovic
 License No. 1113
 State of Arizona
 Professional Engineer

HOLLYWOOD CAFE
 3029 N. ALMA SCHOOL RD. STE. # 114
 CHANDLER, AZ 85224





- LEGEND:**
- NEW WALL
 - EXISTING WALL TO REMAIN
 - N** NEW WORK
 - NONE** EXISTING TO REMAIN
 - D** EXISTING TO BE REMOVED
 - DUPLEX RECEPTACLE
 - QUADPLEX RECEPTACLE
 - TELEPHONE RECEPTACLE
 - F.S.** FLOOR SINK
 - F.D.** FLOOR DRAIN
 - FIRE EXTINGUISHER 2A-10BC
 - F.E.** ELECT. PANEL

① FLOOR PLAN
SCALE: N.T.S.

Esquire
ARCHITECTURE
PLANNING
LLC
13921 E. Gail Rd.
Scottsdale, AZ 85259
T: 480-361-7607

HOLLYWOOD CAFE
3029 N. ALMA SCHOOL RD. STE. #114
CHANDLER, AZ

ISSUE FOR HEARING
DATE: 01/12/09
SK-1

February 18, 2009

To: Honorable Mayor Dunn and Council Members
City of Chandler, AZ

Re: Series 7 Liquor Use Permit Renewal Application for Onsite Consumption at
Hollywood Billiard in Chandler, AZ.

Honorable Mayor Dunn and Council Members:

We are writing in regard to the Series 7 Liquor Use Permit Renewal Application for Hollywood Billiard located at 3029 N. Alma School Road, Suite 114, Chandler, AZ 85225 (northeast corner of Alma School Road and Elliot Road in the Paseo Del Oro Shopping Center).

Hollywood Billiard has been in business since February 2007 and received a Series 7 Use Permit approval for one year in November 2007 to sell and serve beer/wine. We understand that original applications are usually approved for one year to ensure that the business operation is trouble-free as approved and that after this probationary period, a three year renewal is customary. Since we have been trouble-free for the last 2 years, as supported by our very clean record with the City of Chandler and the Chandler Police Department, we were expecting to be granted the customary three-year renewal. However, at the February 4, 2009 Planning Commission meeting, our permit was approved for only one year with a floor plan change being cited as the reason for the reduced extension. At this meeting, it was designated for approval by a single "consent" motion without further Commission discussion or presentation on our part. Please be aware that we accept full responsibility for the floor plan change, which was comprised of the addition of a dividing wall, without first obtaining a building permit. To resolve this issue, we submitted a building permit application on December 11, 2008 and the initial inspection was performed by the city inspector on February 5, 2009. We are currently awaiting the final inspection. In the mean time, the private event room has not been used thus far.

We would like to clarify the floor plan change to highlight the minimal scope of the modification that was implemented (please find attached the floor plan for your reference). The total space of 12,800 square feet was divided into two smaller areas through the addition of a new dividing wall. Adjacent to a row of billiard tables, a private event room of approximately 3,500 square feet is now available to provide a facility for birthdays, wedding receptions, family reunions, holiday gatherings, and other private events. To facilitate this change, the number of billiard tables was reduced from 34 to 25 (18 in the main room and 7 in the private event room). We also ordered audio equipment to provide musical entertainment for the private functions (please find attached an invoice for the order placed on December 16, 2008). The private event room concept was included in the original business plan but only now implemented by the management to better utilize the available space to adapt to the worsening economic

climate. We will be at the City Council meeting on February 26, 2009 to be available to answer any questions you may have on this matter. Please understand that this is less about the length of the permit renewal but more about survival in this economic downturn which would be facilitated by a longer renewal.

We look forward to continuing to contribute to the community of this great city of Chandler for many years to come. To highlight our commitment to providing a safe and comfortable establishment for all patrons to come with family and friends, we adhere to a strict policy of not allowing alcoholic beverages in the parking lot areas outside of the premises at all times. Furthermore, our pride of ownership is exemplified by numerous upscale tenant improvements including a sound proofing system to reduce possible noise pollution. The management feels that Hollywood Billiard is a strong and positive addition to the great city of Chandler. Under the proven management team, this business has been transformed into a quality establishment and performed better than expected since its opening.

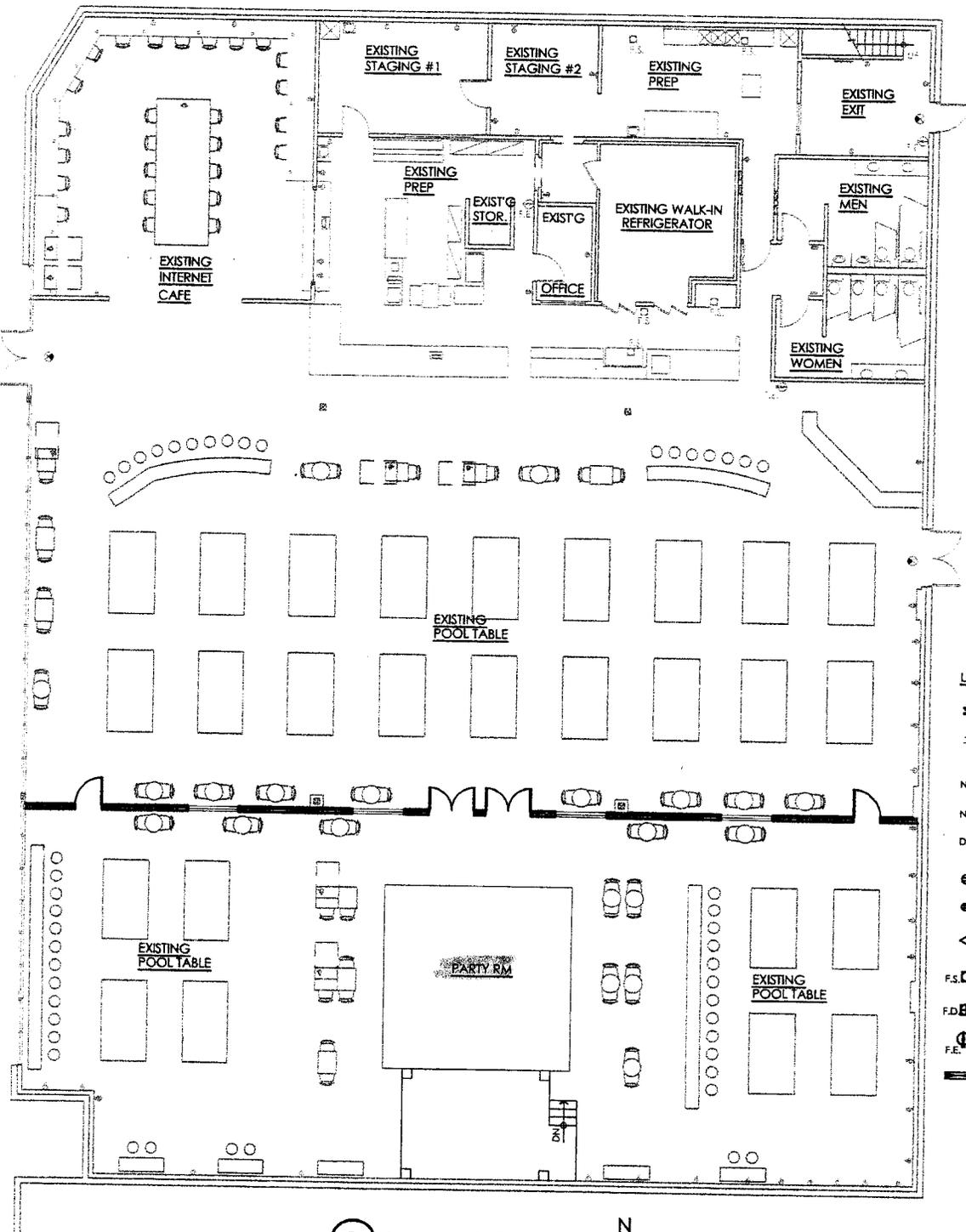
Thank you for your understanding on this matter in advance

Sincerely,

A handwritten signature in black ink, appearing to read 'Sam Lee', with a long horizontal flourish extending to the right.

Sam Lee

On behalf of the Hollywood Billiard management team



- LEGEND:**
- NEW WALL
 - EXISTING WALL TO REMAIN
 - N NEW WORK
 - NONE EXISTING TO REMAIN
 - D EXISTING TO BE REMOVED
 - DUPLEX RECEPTACLE
 - QUADPLEX RECEPTACLE
 - TELEPHONE RECEPTACLE
 - F.S. FLOOR SINK
 - F.D. FLOOR DRAIN
 - F.E. FIRE EXTINGUISHER 2A-10BC
 - ELECT. PANEL

① FLOOR PLAN N
SCALE: N.T.S.

Esquire
ARCHITECTURE
PLANNING
LLC
13921 E. Golf Rd.
Scottsdale, AZ 85259
T: 480-341-7407

HOLLYWOOD CAFE
3029 N. ALMA SCHOOL RD. STE. #114
CHANDLER, AZ

ISSUE FOR HEARING
DATE: 01/12/09
SK-1

INVOICE

CREATIVE PRODUCTS
4900 SAN FERNANDO RD.
GLENDALE, CA 91204
(818)244-5011

Invoice No. 121608

Date : 12/16/2008

Item	Description	Qty.	Price	Extended
S408	Mackie Speaker	4	\$599.00	\$2,396.00
S410	Mackie Subwoofer	4	\$685.00	\$2,740.00
M4000	Mackie Power Amplifier	3	\$795.00	\$2,385.00
166XL	DBX Compressor/Gate/Limiter	1	\$200.00	\$200.00
MG124CX	Yamaha 12Ch Mixer w/effector	1	\$200.00	\$200.00
Cable	Speaker Cable and XLR Cable	10	\$19.00	\$190.00
PGX24/Beta58-L5	Shure PGX Wireless Mic Set	1	\$350.00	\$350.00
SM58-LC	Shure Handheld Mic	1	\$85.00	\$85.00
Total				\$8,546.00

Serial Number

S408 - (21)RB12436,(21)RB12409,(21)RB12375,(21)RB12437

S410 - (21)RC12008,(21)RC12085,(21)RC12019,(21)RC

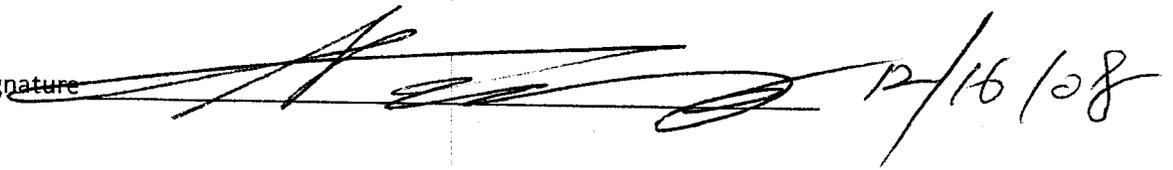
M4000 - (21)TN10141,(21)TN10088,(21)tn10136

1666XL - 01030945

MG124CX - UCCNI01303

PGX24/Beta58 - 1HL0107340

Customer Signature



A handwritten signature in black ink is written over the 'Customer Signature' label. To the right of the signature, the date '12/16/08' is handwritten in black ink.