

MUNICIPALITY OF ANCHORAGE

ANCHORAGE ASSEMBLY

Minutes for Special Meeting of January 15, 2002

1. CALL TO ORDER:

The meeting was convened at 3:03 p.m. by Assembly Chairman Dick Traini in the Assembly Chambers, 3600 Denali, Anchorage, Alaska.

2. ROLL CALL:

Present: Dan Sullivan, Fay Von Gemmingen, Melinda Taylor, Doug Van Etten, Dick Traini, Anna Fairclough, Dan Kendall, Allan Tesche, Janice Shamberg, Dick Tremaine.
Absent: Cheryl Clementson (excused).

3. NEW PUBLIC HEARING:

A. Resolution No. AR 2001-367, a resolution of the Municipality of Anchorage setting a hearing to **consider protesting the continued operation of the beverage dispensary-tourism liquor license for Spenard Paradise Inn**, Assemblymember Von Gemmingen.

1. Assembly Memorandum No. AM 83-2002, protest of the continued operation of the Beverage Dispensary-Tourism Liquor License for Spenard Paradise Inn (License No. 1139), Assembly Chair Traini. **(LAID ON THE TABLE)**.

Ms. Shamberg moved, to go into deliberative session with legal counsel.
seconded by Ms. Fairclough,
and it passed without
objection.

The meeting went into deliberative session with legal counsel from 3:04 p.m. to 3:27 p.m.

Ms. Fairclough moved, not to release the tapes of the deliberative session.
seconded by Ms. Von Gemmingen,
and it passed without
objections.

Chairman Traini opened the public hearing and asked if anyone wished to speak.

ANCHORAGE POLICE DEPARTMENT CHIEF MONEGAN said he had arranged for as many officers as possible to be present who had examined the premises, made contacts and carried out enforcement actions at the Paradise Inn.

ANCHORAGE POLICE DEPARTMENT OFFICER BELL said he had been asked to speak specifically about an incident that happened in August at the Paradise Inn. He had been a police officer assigned to the Spenard area for about six years. On August 26, 2001 at about 9:30 p.m., he was contacted by a citizen in front of the substation in Spenard. The citizen was concerned that his roommate, Mr. Nyholm, had been extremely intoxicated when he left the apartment and was probably out driving around drunk. He knew that his roommate frequented the Paradise Inn, formerly the South Seas Bar. The roommate drove by that location and spotted Mr. Nyholm's Explorer parked in the parking lot. He then went to the substation to inform a police officer that his roommate was driving drunk. The citizen was prepared to sit outside of the bar until Mr. Nyholm got into his car and started to drive and then call the police again. Officer Bell decided not to wait until that happened. He and another officer went into the lounge area of the bar and spotted Mr. Nyholm, who had a beer and a full shot glass sitting in front of him. The officers approached Mr. Nyholm and asked his name to insure that it was the same man they were looking for. Officer Bell observed that his head was hanging down and he appeared to be having trouble sitting up straight. When they talked, Mr. Nyholm had slurred speech and it was difficult to understand what he was saying. The officer noted that the bartender was Mr. Song, who he knew from previous contacts. Mr. Song had reached up and put the shot glass behind the bar as if it was not there. Officer Bell took Mr. Nyholm outside for further questioning. When Mr. Nyholm got up from the bar, he nearly fell over and had to use the barstool for support. They went outside and talked about Mr. Nyholm's drinking and what the roommate had reported. He also talked with Mr. Song and another individual that had admitted to serving alcohol to Mr. Nyholm. Both Mr. Song and the other individual said that they did not see any signs of intoxication and Mr. Nyholm had no problem walking and talking when he arrived at the bar. Mr. Nyholm stated that he had two beers. Mr. Song and the other individual said they had each served him one beer. Mr. Nyholm provided a breath sample in the portable breath tester and registered a .287. At that time, Officer Bell cited and arrested Mr. Nyholm, Mr. Song, and the other employee for alcohol violations.

In response to Mr. Tesche, Officer Bell said he had not seen Mr. Song serve the alcohol to Mr. Nyholm, but he saw Mr. Song remove the shot glass. Mr. Song and Mr. Holtz acknowledged that they had each served Mr. Nyholm one beer. Officer Bell did not recall if Mr. Nyholm had stated who had served him the alcohol.

In response to Mr. Sullivan, Officer Bell said he had not been subpoenaed to testify and was not aware of the outcome of the trial.

MR. COFFEY said he represented Mr. Song. Mr. Song was charged with the sale of alcohol to a drunken person on the premises. He went to court on December 28, 2001. Mr. Song pled no contest and was fined \$200 with six months suspended imposition of sentence. Mr. Holtz pled no contest and was fined \$150 with six months suspended imposition of sentence.

In response to Mr. Sullivan, Mr. Coffey said both Mr. Song and Mr. Holtz pled no contest to the charges. They were both found guilty of the alcohol violations by virtue of the no contest plea. There were no other actions taken.

In response to Mr. Tesche, Mr. Coffey stipulated that the judgment entered in the District Court, dated December 28, 2001, and was the judgment that he had referred to.

Mr. Tesche requested that the two judgments of conviction, based on pleas of no contest dated December 28, 2001 with respect to Mr. Song and Mr. Holtz before the District Court, be entered into the record.

In response to Mr. Tesche, Mr. Coffey said he did not represent Mr. Song or Mr. Holtz in the criminal matter. He had no basis for objecting to the admittance of the two judgments. As far as he knew the documents were true, accurate and correct, but he did not know if the documents were the originals.

Ms. Lee translated for Mr. Song. Mr. Coffey noted that Ms. Lee was acceptable as a translator and translated in court proceedings.

In response to Chairman Traini, Mr. Song said he pled no contest to the charge of serving alcohol to a drunken person, which was in violation of AS 4.16.040.

Mr. Tesche read exhibit A into the record. Judgment of conviction for Mr. Song entered into the District Court, State of Alaska, December 28, 2001, guilty of serving alcohol to an intoxicated person in violation AS 4.16.040.

In response to Mr. Tesche, Mr. Song said the information on exhibit A was correct.

In response to Mr. Tesche, Mr. Coffey said Mr. Holtz was not currently present at the Assembly meeting.

In response to Chairman Traini, Mr. Song said Mr. Holtz no longer worked for him and was terminated 15 days ago.

In response to Mr. Tesche, Anchorage Police Chief Monegan said the date of the offense was August 26, 2001. The officers who handled the investigation and charges were under his direct supervision. The offense was serving alcohol to an intoxicated person in violation of AS 4.16.040. According to their records, exhibit B correctly reflected the disposition of the case. He felt that exhibit B resembled the judgment commonly used in the District Court for these types of matters.

Mr. Tesche introduced exhibit B, judgment of conviction for Don Holtz entered into the District Court, State of Alaska, December 28, 2001, guilty of serving alcohol to an intoxicated person in violation of AS 4.16.040.

Mr. Tesche noted that they had been advised by counsel that a license action would take place if the Board found that a licensee knowingly allowed a violation to take place by an employee or recklessly failed to discharge his supervisory duties with respect to a licensee.

In response to Mr. Tesche, Officer Bell said based on his observations it had been obvious to himself and the other officer that Mr. Nyholm had been extremely intoxicated, which was confirmed by his breath level of .287. He felt Mr. Nyholm's intoxication was easily recognizable. It was his understanding that the Paradise Inn was supposed to have videotape surveillance of the area where alcohol was being served. He had asked for the videotape to determine Mr. Nyholm's level of intoxication when he arrived at the bar as well as who had served alcohol to him. The bar manager provided a videotape of the parking lot area. He was told that they did not have a videotape of the bar area where the alcohol was being served. Mr. Song had been on the premises and working behind the bar at the time of the incident.

In response to Mr. Sullivan, Officer Bell said he did not view the videotape of the parking lot area. He seized the videotape as evidence and placed it in the Anchorage Police Department's property.

In response to Ms. Fairclough, Mr. Coffey said Don Holtz had been terminated 15 days after the court proceeding.

In response to Ms. Fairclough, Mr. Song said he had an active TAM card and provided it for review.

Ms. Fairclough noted that Mr. Song had provided an alcohol management certificate card, #056336, which expired on December 3, 2004. She noted that the card had been issued prior to the judgment.

In response to Ms. Fairclough, Mr. Song said he had an active TAM card prior to the issuance of this card.

In response to Chairman Traini, Mr. Song said Mr. Holtz was not currently employed, working or associated with the operation of the facility in any way.

In response to Mr. Sullivan, Mr. Song said he was aware of the condition placed on the Paradise Inn's liquor license in 1998 that required a video monitoring system of the interior of the bar. The monitoring system for the interior of the bar was in operation on August 26, 2001 when the violation occurred.

In response to Mr. Sullivan, Mr. Coffey said the bar manager, Mr. Elsted, stated that the police officer was told that there were videotapes of both the inside and outside of the bar. He asked the officer which tape he wanted and the officer requested the videotape of the parking lot. The videotape of the interior of the bar was no longer available. Mr. Song was aware of condition K, which required assessment of apparent sobriety. When they assessed Mr. Nyholm, they apparently assessed him incorrectly. It would be a violation of condition K if a person was not allowed to make a mistake, but if condition K allowed for mistakes then it would not be a violation. If condition K required a person to make an assessment and their judgment was incorrect then there would not be a violation, because the assessment was made. The court convicted, because the assessment was either not made or made improperly. He noted that the requirement was to assess, but the assessment could be wrong. Making a mistake does not automatically mean that the condition was violated.

Mr. Sullivan noted that the blood alcohol level was .287, which was over three times the new legal limit.

Mr. Coffey noted that the courts specifically exclude the portable breath tests, because they were unreliable.

In response to Chairman Traini, Mr. Coffey requested the opportunity to talk with Mr. Song before he decided whether or not he would testify before the Assembly.

In response to Mr. Sullivan, Mr. Elsted said he was present on August 26, 2001 when the officers issued the notice of violation and arrested Mr. Song and Mr. Holtz. The police officer asked Mr. Elsted if he had a videotape of the bar area. He explained that he had tapes of both the bar and the parking lot. The officer had explained that Mr. Nyholm was already intoxicated before he got to the bar. When Mr. Nyholm came into the bar, he sat down at the first seat. Mr. Elsted had informed the officer that the videotape of the parking lot would show Mr. Nyholm walking into the bar whereas the videotape of the interior of the bar would only show him walking a short distance and sitting down at the first seat. The officer chose the videotape of the parking lot. The videotape of the interior of the bar was no longer available, because they were recycled every 15 days. After Mr. Song went to court and pled no contest, the tape was recycled. Mr. Elsted said he had reviewed the videotape of the bar from August 26, 2001 and he had also talked with Mr. Nyholm that night. Mr. Nyholm came into the bar, was served one drink, talked to a woman at the bar, was served a second drink and then the officers came into the bar looking for him. The officers talked with Mr. Nyholm and took him outside. He did not feel that Mr. Nyholm appeared to be intoxicated until he went outside. As Mr. Nyholm was going outside with the officers, Mr. Elsted saw him get off of the barstool and felt he was functional. Mr. Nyholm had two beers, but the shot glass belonged to the woman that was sitting next to him. Mr. Nyholm had used a credit card to pay for his beers, but the receipt was no longer available.

Mr. Sullivan said he did not understand why the videotape of the interior of the bar and the receipt for the drinks had not been saved if they showed that the charges were incorrect.

Mr. Coffey read from page 7 of the police report. "Once outside, it was even easier to detect how drunk Mr. Nyholm was."

Chairman Traini swore in Officer Bell, Anchorage Police Chief Monegan, Mr. Coffey, Mr. Song, Mr. Elsted and Ms. Lee (translator). They all swore that their testimony, including the testimony they had already given, would be the truth, the whole truth and nothing but the truth.

In response to Ms. Shamberg, Officer Bell said Mr. Nyholm's roommate had said that he was falling down drunk when he left the apartment. He noted that he was not an expert, but assuming that a person had not eaten and drank the alcohol within an hour, a blood alcohol level of .287 would be equivalent to 19 drinks. If Mr. Nyholm had two drinks at the Paradise Inn then he could have had as many as 17 drinks prior to that time.

In response to Ms. Von Gemmingen, Officer Bell disagreed with Mr. Elsted regarding what had happened with the videotapes. The tape of the interior of the bar would have been the one that he would have requested. He had questioned Mr. Song about the shot glass, because it was obvious that Mr. Song did not want him to know that it belonged to Mr. Nyholm. The interior video would have shown who served Mr. Nyholm and his intoxication level at the bar. He was specifically told that they did not have a videotape of the interior of the bar. His police report indicated that the conditions of the Paradise Inn required them to have an interior videotape, but it had not been available. When they talked to Mr. Nyholm, his answers were slurred, his eyes were glassy and appeared lazy or tired, he was swaying on his chair and when he stood up he nearly fell to the ground. The interior videotape would have shown Mr. Nyholm's condition, which would have confirmed the police officers' observations. Officer Bell had interviewed Mr. Elsted that evening and he mentioned some things that might be of interest to the Assembly. Mr. Elsted said that he observed Mr. Nyholm when he arrived at the bar. He indicated that Mr. Nyholm was sober, walked fine, spoke fine and they had no reason to believe that he was drunk. He said he knew Mr. Nyholm from prior drinking at the South Seas Bar, which was why they observed him so closely. He said they had previously ejected Mr. Nyholm from the bar for being intoxicated.

In response to Mr. Kendall, Officer Bell said he conducted a Breathalyzer test on Mr. Nyholm. He had been arrested for being a drunken person on a premise and released. They did not do a blood alcohol test at the scene. The Anchorage Police Department did not normally do blood alcohol tests for being drunk on a premise. He observed Mr. Nyholm and asked him to do a field sobriety test, which he declined. The field sobriety test was required when someone was stopped for driving while intoxicated. In a DWI situation, the Alaska Implied Consent Law requires the person to provide a breath sample. They are not required to provide a blood sample, but they have that option. He gave the portable Breathalyzer test, because that was what he had available to him at the time. Mr. Nyholm chose not to participate in a field sobriety test and it was not required because he was not driving a vehicle at the time.

In response to Mr. Coffey, Officer Bell said the blood alcohol level of .287 was equivalent to 19 drinks assuming they were standard drinks consumed in an hour and no food had been eaten. Mr. Nyholm's roommate had called Officer Bell the next day and stated that he had counted 13 empty beer cans at home. A person is presumed impaired at a blood alcohol level of .08. Police officers determine whether or not a person is drunk through observations.

In response to Mr. Sullivan, Officer Bell said he had been contacted by the roommate at about 9:30 p.m. that evening. He responded to the Paradise Inn within 20 to 30 minutes, because he had to wait for another officer to arrive. Based on what he had been told, he believed that Mr. Nyholm had been intoxicated before arriving at the Paradise Inn.

Chairman Traini read the definition of a drunken person according to the Alcoholic Beverage Control 2001 Edition. A drunken person means a person whose physical or mental conduct was substantially impaired as a result of intoxication of an alcoholic beverage into the person's body and exhibits both plainly and easily observed and discovered outward manifestations of behavior commonly known to be produced by the over consumption of alcohol beverages.

In response to Mr. Sullivan, Officer Bell said his report stated that Mr. Song had said he was not going to serve Mr. Nyholm any more alcohol, because he was intoxicated. Based on the fact that Mr. Song removed the shot glass and his

statement, he believed that Mr. Song was aware that Mr. Nyholm was intoxicated. Mr. Elsted also indicated that he had told Mr. Song not to serve Mr. Nyholm any more alcohol.

Anchorage Police Chief Monegan said it had been indicated that Mr. Holtz was no longer employed or working at the Paradise Inn. Officer Paige went over and made contact with the other employees at the Paradise Inn and had some new information.

Chairman Traini swore in Officer Paige. Officer Paige swore that his testimony would be the truth, the whole truth and nothing but the truth.

OFFICER PAIGE said Officer Bell indicated to Officer Hsieh that Mr. Holtz was at the Paradise Inn today and was under the impression that he was still employed there. Officer Hsieh asked Officer Paige to go over to the Paradise Inn to see if that were true. He went to the Paradise Inn about a half-hour ago and tape-recorded his visit. He spoke with the person at the front desk, who indicated that Mr. Holtz was still employed. He spoke with Mr. Holtz, who indicated that he worked stocking the bar. Mr. Holtz said he had a TAM card and had been working there since February, but he did not get paid.

Mr. Tremaine asked counsel for advice on how to hold someone in contempt of court, because he believed someone had lied under oath. He wanted to know how to deal with that, including the possibility of incarceration.

Chairman Traini asked Mr. Tremaine to talk to Deputy Municipal Attorney Dennis Wheeler off the record.

Mr. Tesche noted that if the Assembly found evidence that suggested an individual had not testified truthfully, the best they could do was to take that into consideration in deciding what weight, if any, to give that witness' prior testimony.

In response to Ms. Fairclough, Mr. Song said Mr. Holtz was helping as a volunteer stocking the bar as an exercise. He was not being paid for the work. He was living at the Paradise Inn and paid rent on a monthly basis. Mr. Holtz was retired from the military and received a pension. Mr. Song said he understood what an oath was.

Mr. Sullivan noted that the question asked was whether or not there was any relationship between Mr. Holtz and Mr. Song. He felt a tenant/landlord relationship should have been disclosed. He also felt a relationship, as a volunteer employee in the same location where he was cited for a criminal violation, should have been disclosed. He was disturbed that the Assembly was told that Mr. Holtz had no relationship or employment with the owner, but he was both a tenant and an employee.

Mr. Coffey said the question had been whether or not Mr. Holtz was involved in the conduct of the operation of the business and not whether or not Mr. Holtz was paid or unpaid.

Chairman Traini pointed out that Mr. Song, through his translator, said Mr. Holtz did stocking for the bar as an exercise, which would be involved with the operation of the business.

Mr. Sullivan said if a person did stocking, cleaning or anything that helped a business to succeed or operate that would be considered as a relationship to the business. He felt the Assembly had not been given a truthful answer.

Chairman Traini swore in Sam O'Connor. Mr. O'Connor swore his testimony would be the truth, the whole truth and nothing but the truth.

SAM O'CONNOR said he was the president of the Westside Community Patrol. They had problems with the Paradise Inn on a regular basis. The community was frustrated, because they wanted to make their community a safer place. The owners of the Paradise Inn said that they were trying to do a better job, but it was not getting better. Several months ago the Assembly took action and told the Paradise Inn that they would lose their liquor license unless they straightened up their act. There were improvements after the Assembly's action and he urged them to follow through with what they started.

In response to Mr. Tesche, Mr. O'Connor said he had been with the Westside Community Patrol since 1994. They patrol the streets and report observed criminal activity to law enforcement agencies. He had never been a customer at the Paradise Inn. Mr. Song has accompanied Mr. O'Connor on the patrol for two nights to observe. Mr. Song has offered the Westside Community Patrol donations, which they refused. He has had contact with the security of the Paradise Inn several times outside the establishment. Over the years they had observed numerous prostitutes and drug dealers going in and out of the establishment. He had been on the premises or in the vicinity and observed what was going on several thousand times since 1994. Based on his observations, the Paradise Inn has been used as a resort for illegal narcotic trafficking, prostitutes and the promoters of prostitution based on testimony and videotapes. They videotape the area and if a drunk driver is arrested, the Anchorage Police Department confiscates the videotapes. Mr. O'Connor either made the videotapes or he witnessed them being made. The videotapes show prostitutes going in and out of the Paradise Inn. When they approach a prostitute or a drug dealer, they take photographs of them on public property. The prostitutes go into the Paradise Inn to get away from the patrollers. We do not get out of our vehicles or enter the building. The patrollers are aware of the prostitutes and drug dealers in the area, because of personal contacts with police officers and listening to the police scanners. He felt the information was reliable. On several occasions they had witnessed people in the rooms actually dropping a rope out of the window to distribute drugs. Other than personal testimony, they had no evidence that the premise was being used to distribute narcotics. The Paradise Inn used to be much worse. He was fearful that if the Assembly did not take action then they would return to their old ways. About a year and a half ago, they found a crack pipe in the parking lot on the eastside of the building. The only time he went inside of the building was for an accompanied tour.

In response to Mr. Coffey, Mr. O'Connor said he had testified last summer that he had alerted Mr. Song to the presence of prostitutes and Mr. Song had run them off. The positive changes at the Paradise Inn took place shortly after the Assembly started their action in May. The problems at the Paradise Inn have diminished, but not ceased. He had not personally seen any evidence of narcotics in the last six months. He had seen prostitutes entering the Paradise Inn in the last six months on a casual basis. Mr. Song appeared to be cooperative in trying to solve the problems. He did not have any

trouble communicating his concerns to Mr. Song and they understood each other clearly. Mr. Song spoke very good English. Mr. Song had been uncooperative when Mr. Washington was his head of security. Mr. Washington was a drug dealer and was dealing drugs out of his premises. Mr. Washington has been gone for over a year, but Mr. O'Connor had told Mr. Song that Mr. Washington was a problem about three years ago.

In response to Chairman Traini, Mr. O'Connor said Mr. Song did not have a translator during their discussions and they had spoken in English.

In response to Mr. Tesche, Mr. O'Connor said the current reputation of the Paradise Inn was that it was a house of prostitution. He did not know what their current reputation was regarding narcotics. As of last weekend, the Paradise Inn was a place where prostitution occurred.

Chairman Traini swore in Tom McGrath. Mr. McGrath swore that his testimony would be the truth, the whole truth and nothing but the truth.

TOM McGRATH said he had testified on this issue many times over the years. The last time he testified was at the meeting on July 24. The Paradise Inn had a reputation over the years as being a place of lawlessness. He felt that the testimony of the police officer spoke to that. Over the years he had witnessed many prostitutes going in and out of the Paradise Inn. He was unable to testify about the Paradise Inn regarding narcotics, because he did not go into the building. His business was located just down the street from the Paradise Inn. The liquor license for the Paradise Inn was taken away several years ago. Two and a half years ago, Mr. Sullivan brought forth a motion to give the liquor license back so that Mr. Song could have one more chance. Mr. Sullivan had asked Mr. McGrath whether or not Mr. Song should be given another chance and he felt Mr. Song should be given another chance, because the previous problems had been with his wife. The problems have not gone away. Last summer Mr. Song testified that he only had six rooms available for rent. According to Title 4, they should have ten rooms available for rent to maintain the tourism license. He did not know whether or not it was legal to barter with Mr. Holtz for his employment, but Workman's Comp, the IRS and the State Division of Labor would probably like to know about it. He felt that everything about the Paradise Inn was wrong and needed to be fixed. As a neighbor of the Paradise Inn, he was tired of something always being wrong.

Chairman Traini swore in Margaret Auth. Ms. Auth swore that her testimony would be the truth, the whole truth and nothing but the truth.

MARGARET AUTH said she testified at the hearing last summer. She worked for a non-profit community-based organization six years ago that was funded by drug interdiction money. They worked with neighborhoods to develop steps to deal with alcohol and drug related issues. Over six years ago, she had been working with people in the Spenard area. She felt it was alarming six years later the same problems were still present and unimproved. The people who had complained said there were problems with drug trafficking between the Easy Inn and the Paradise Inn, which was the South Seas Bar at the time. The Paradise Inn had a legacy of these types of problems. The police department, the community and the Community Council were all aware of the problems. The Community Council had been dealing with the owners of the Paradise Inn for years and nothing had changed. The Community Council had worked with the Paradise Inn to bring them into compliance with everything that every other liquor licensee had to comply with. The Paradise Inn has come before the Assembly on numerous occasions and it continued to be a problem. She felt it was discouraging to drive down the street, knowing what these people are doing, and see it continue. She pled with the Assembly to deal with the issue.

In response to Chairman Traini, Ms. Fairclough said she had a problem with postponing the action. They had four police officers present on city time, as well as two private attorneys. She felt the Assembly needed to deal with this issue immediately and not postpone it until after the regular Assembly meeting.

Chairman Traini said the regular Assembly meeting had been noticed to begin at 5:00 o'clock and it needed to start at that time.

In response to Chairman Traini, Municipal Attorney Dennis Wheeler said the regular Assembly meeting needed to start at 5:00 o'clock. He recommended continuing the issue after the regular meeting.

<p>Mr. Kendall moved, seconded by Mr. Tesche, and it passed with Ms. Fairclough objecting.</p>	<p>to continue the public hearing on AR 2001-367 immediately following the regular Assembly meeting.</p>
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Ms. Von Gemmingen noted that they had no continued public hearings on the agenda for the regular Assembly meeting and this item could be addressed during that time period.

In response to Chairman Traini, Mr. Coffey said he did not object to continuing the public hearing on AR 2001-367 following the regular Assembly meeting.

Chairman Traini adjourned the special Assembly meeting and noted that it would continue following the regular Assembly meeting.

The meeting recessed at 4:57 p.m. and reconvened at 8:07 p.m.

Chairman Traini swore in Diane Olson. Ms. Olson swore her testimony would be the truth, the whole truth and nothing but the truth.

DIANE OLSON said she was a member of the Westside Community Patrol for five years. She was the dispatcher and listened to all of the radio communications. The last few months had been pretty quiet at the Paradise Inn, but in the last three weeks the problems had started occurring again.

In response to Mr. Sullivan, Ms. Olson said she did not personally observe all the situations, but monitored them on the radio as the dispatcher. In the last few weeks, she recalled at least five or six incidents of prostitutes going back into the Paradise Inn. She had been with the Westside Community Patrol for five years. She went out on patrols as well as working the dispatch. During her patrols, she had patrolled the area by the Paradise Inn during the daytime and witnessed prostitutes going into the Paradise Inn.

In response to Mr. Tesche, Ms. Olson said she had no personal knowledge of the use or sale of drugs at the Paradise Inn, but she had worked the dispatch when other patrollers had observed drug trafficking. She had seen known prostitutes loitering and going in and out of the Paradise Inn with different people. There were 15 to 20 women that the Westside Community Patrol was familiar with and knew as prostitutes. She had seen things about the women's demeanor, conduct and dress that would suggest that they were soliciting or loitering for the purposes of prostitution, including waving to the traffic, looking behind them as they walk, and slowing down when cars went by. She observed the behavior as recently as yesterday at about 2:00 o'clock on 30th Avenue. The Paradise Inn had a reputation for prostitution, as well as a place where drugs were used or available.

In response to Mr. Coffey, Ms. Olson said the Westside Community Patrol did not maintain an actual gallery book of known prostitutes, but they have taken pictures of them at different times. She had not personally offered to pictures to the owner of the Paradise Inn, but other patrols members may have. She had seen the pictures. The pictures were kept in files at the president of the Westside Community Patrol's residence.

Chairman Traini swore in Alicia Knight. Ms. Knight swore her testimony would be the truth, the whole truth and nothing but the truth.

ALICIA KNIGHT said she was a patroller for the Westside Community Patrol. She was very familiar with 30th Avenue and the activity going on at the Paradise Inn, as well as some of the other establishments in the area. She has personally seen acts of solicitation of prostitution. She has called in a suspicious vehicle in the parking lot of the Paradise Inn as recent as last Sunday. The vehicle was identified as a vehicle known for its drug activities. She did not know what went on inside of the Paradise Inn, but she had witnessed things from the outside and through the windows.

In response to Mr. Sullivan, Ms. Knight said one of the previous attorneys, Michael White received a copy of a book that the Westside Community Patrol maintained and contained pictures of known prostitutes. The full color book, which was referred to as the hooker book, was offered and left at the Paradise Inn during the last protest period in 2000.

In response to Mr. Tesche, Ms. Knight said the general reputation of the Paradise Inn was as a dive. It has a reputation for both drugs and prostitution. She had personally observed drug deals in the parking lot, solicitation and prostitutes going in and out of the building. She had observed prostitutes working through the windows of the Paradise Inn. She described the drug deals in the parking lot that she observed, which she had seen on more than one occasion. Someone pulled up in a vehicle, another person came out from inside of the Paradise Inn, there was an exchange of a white substance and the car drove away. There was a female who was working out of the window upstairs at the Paradise Inn. People would drive up and honk the horn; the woman would come down, get in the car and then return a few minutes later. She has observed known prostitutes hanging around the side of the building and in the parking lot. The women would flag down traffic; get into the vehicle when it stopped and then return a few minutes later.

In response to Mr. Tremaine, Ms. Knight described the window where she observed the woman working, which was the center window on the second floor. She had supplied pictures of convicted prostitutes the last time she testified. The woman that had been working from the window of the Paradise Inn was a convicted prostitute who had a warrant out for her arrest. The incident occurred during the late winter or early spring of 2000.

In response to Mr. Coffey, Ms. Knight said she testified at the last hearing. She recalled making the statement that the owner had taken quick action, often physically, when it was pointed out to him that there were loiterers hanging around his building. She knew of one instance when Mr. Song had become violent when it was pointed out to him that people were working outside of his establishment. She had seen prostitution and drug dealing in other Spenard areas. She had not seen a prostitute working out of the window of the Paradise Inn since the incident in 2000. Michael White was the previous attorney for Ms. Song. Mr. White took the hooker book from the substation, made copies of it and returned the book. The hooker book was no longer maintained, but it was in storage. She also had it on CD. The hooker book had not been updated since 1989, but they had current pictures of known prostitutes. She had not personally taken the recent pictures to the Paradise Inn for the owner's review.

In response to Ms. Fairclough, Ms. Knight said the Westside Community Patrol spent a lot of their time patrolling on West 30th Avenue.

Chairman Traini swore in Woody Sanders. Mr. Sanders swore his testimony would be the truth, the whole truth and nothing but the truth.

WOODY SANDERS said he owned a business next to Frigid North. Over the past ten years, many people have been trying to clean up the Spenard area. They have closed down many massage parlors, which used to line Spenard Road. The image of Spenard was very important to the tourist business. They have built a lot of new hotels in that area. They try to keep the people off the street. When prostitutes entered his establishment, he chased them out and they did not generally return. As long as they allow businesses in the area to attract prostitutes or drug dealers, they would never completely get rid of the problem. It is a privilege, not a right, to operate a liquor license in Alaska. The Paradise Inn holds a tourist license, which cannot be sold or moved to another location. It would currently take a hotel with over 50 rooms to obtain a tourist license. The tourist license was meant to enhance the hotel's business and attract tourists. He felt the Paradise Inn was a nightclub and they used their rooms to keep their liquor license. He noted that the owners of the Paradise Inn had been given many chances to clean up their business. The Paradise Inn has become a burden to the Assembly, the city, the police force and the community.

In response to Mr. Sullivan, Mr. Sanders said he had been operating his business on Spenard Road for six years. His opinion of the Paradise Inn was not based on personal knowledge, because he had never been inside the establishment.

His opinion was based on what he had heard from various people, customers, Assembly meetings and reports on the news. He drives by the Paradise Inn during the course of his business day and he had seen some of the things that were reported by the Westside Community Patrol. He felt the only way to get rid of the prostitutes on the street would be for the businesses in the area not to allow that type of business to be conducted in their establishments. He felt the Paradise Inn had a reputation for being an unsavory business.

In response to Mr. Coffey, Mr. Sanders said he and his wife had been accused of running an inappropriately operated business in the past. Some of the accusations were accurate, but they had cleaned up their business. He was glad that he had been given the opportunity to clean up his business. Some of the accusations had been unfair or exaggerated and some of it was based on rumor, speculation and hearsay. He had not had any trouble for quite a while. He agreed that even though a person might have problems, they could change their ways.

In response to Mr. Tesche, Mr. Sanders said he constantly heard about prostitution and drugs at the Paradise Inn. He had seen prostitutes in area. His wife did not like it when they picked up prostitutes in front of his business, so he followed them several times and witnessed them stopping in the parking lot and going into the Paradise Inn. He had not personally witnessed this in the past six months, because he was working full time for the Air National Guard and running a business, so he did not have time to monitor the situation.

Chairman Traini swore in Allen Thornhill. Mr. Thornhill swore his testimony would be the truth, the whole truth and nothing but the truth.

ALLEN THORNHILL said he had been a member of the Spenard Community Council for about 25 years. He has held the cameras and signs while helping to clean up Spenard Road. The Paradise Inn area had been a problem for the last 25 years. He noted that it was easy to identify the prostitutes in the area. He had taken pictures of prostitutes on numerous occasions in an attempt to clean up the area. He would like to see justice and closure to the problem, which the neighbors and the community deserved. They have worked hard to clean up the area and they needed some help in that endeavor.

In response to Mr. Tesche, Mr. Thornhill described how to identify prostitutes in the area. When you drive down the street and stop the car, the prostitutes would come over to the car. When a prostitute came over to the car, he would ask her to leave the area. He felt he could identify a prostitute by the way she looked, the way she stopped and the way she dressed. The prostitutes would flag down cars on the street and would be wearing flashy clothing.

Chairman Traini swore in Officer Derrick Hsieh. Officer Hsieh swore his testimony would be the truth, the whole truth and nothing but the truth.

In response to Mr. Tesche, Officer Derrick Hsieh provided three police reports that he had written and a large number of documents that Mr. Coffey had requested in discovery. The documents were incident reports concerning the Paradise Inn and other licensed establishments in the area. The document concerning the Paradise Inn went back three or four years. He reviewed the incident reports that were compiled by Anchorage Police Department officers. The criminal offenses included liquor license violations, assaults and various other offenses. The reports that he reviewed might suggest an association of the Paradise Inn with the use or possession of illegal drugs. A couple of years ago he had personally been involved in a number of calls to the Paradise Inn that appeared to involve drugs. He did not personally see any reports where they were able to come up with contraband or drugs that were either field or laboratory tested and came up positive for drugs. He noted a large number of calls, compared to the number of customers, at the Paradise Inn regarding assaults and disturbances. The bulk of the calls were either officer or victim initiated, which was contradictory to what they normally see at licensed establishments where security or bar operators would call the police department for assistance. He believed there were a number of calls regarding prostitution at the Paradise Inn. Officer Hsieh had been a police officer for seven years with five of those years assigned to the Spenard area. He had not worked in the Spenard area in the last year. He could not specifically testify about prostitution or drug activity at the Paradise Inn. He noted that many of the establishments in the Spenard area could have criminal problems. The difference was the attitude, ability and desire of the owners to correct the problems. Chilkoot Charlies is one of Anchorage's largest bars and they operate right down the street and do not seem to have those same problems. Chilkoot Charlies is a larger establishment with a larger customer base. They employ a professional security staff. The management of Chilkoot Charlies is willing and able to cooperate with the police department and they call if there are problems. Chilkoot Charlies is available for inspections, whereas at the Paradise Inn you have to ring a buzzer to get in the front door. The staff initiated most calls to the Anchorage Police Department from Chilkoot Charlies whereas at the Paradise Inn the victim or a third party typically initiated the calls.

In response to Mr. Coffey, Officer Hsieh said he had not worked in the Spenard area for about a year. He did not see any arrests for prostitution or drugs at the Paradise Inn contained in the provided records. He qualified his statement by noting that the documents listed the Paradise Inn by name, but a lot of the calls were listed as the intersection of 30th Avenue and Spenard Road. He felt the calls listed in the document were directly related to the Paradise Inn. He said the dispatchers would not direct him to the Paradise Inn if the problem were in the Enstar parking lot. He was not aware of any prostitution or drug charges that were made at the Paradise Inn. Officer Hsieh was involved with the complaints at Mr. Sanders' establishment. He agreed the reports could have included rumors, speculation and exaggerations. He felt that after reviewing the evidence, the truth would end up speaking for itself. His noted that even though he had not been working in the Spenard area, he was still a member of the community. He felt there was a certain degree of responsibility that went along with serving alcohol and he did not think that the owners of the Paradise Inn upheld that level of responsibility.

In response to Ms. Fairclough, Officer Hsieh said when he responded to the Paradise Inn, he spoke with Mr. Song directly. He did not recall Mr. Song needing a translator and they were able to communicate in English.

In response to Mr. Sullivan, Officer Hsieh said he would probably recognize some of the known prostitutes in the Westside Community Patrol's hooker book. He noted that Ms. Knight and the Westside Community Patrol probably had more current knowledge of the Spenard area. Their knowledge has proven reliable in the past. He described how they helped other hotels in the area that had prostitution or drug problems. They would review the records to see who was staying there, analyze the volume of phone calls, work with the hotel management to identify the problem people and

either eliminate them from the hotel or make an arrest. They had not been able to do that kind of work with the Paradise Inn, because the owner had not been cooperative. It was his understanding from Officer Bell and Officer Paige that Mr. Song had not been keeping room records.

In response to Mr. Coffey, Officer Hsieh said it was his understanding, but he had no personal knowledge, that Mr. Song did not keep room records. He knew from personal experience that Mr. Song had not been cooperative. He had participated in arrests for prostitution in Spenard. He had not participated in any arrests for acts of prostitution in any of the massage parlors in Spenard, but he knew other officers that had. He was vaguely familiar with the gentleman who had four or five massage parlors that were recently shut down and that was based upon investigations by police officers. He was not familiar with any similar investigation regarding the Paradise Inn.

In response to Ms. Von Gemmingen, Officer Paige said a disturbance could be either verbal or physical. A physical disturbance would take a higher priority than a verbal disturbance. The report indicates a total of 43 disturbance calls, 13 drug calls, and 17 calls for gambling and prostitution for 1998 through 2001 at the Paradise Inn. He had not been involved in the gambling or prostitution calls, which were handled by a specific task force who worked in unmarked cars and street clothes. A welfare check could be anything from newspapers piling up on a porch, someone calling from out of state that had not heard from someone for a while or a baby crying at a residence. Ms. Von Gemmingen noted that there were 46 welfare check calls at the Paradise Inn from 1998 to 2001. Officer Paige said he could not specify what the welfare check calls at the Paradise Inn were. Typically they did not produce written reports on welfare checks, unless someone had been assaulted, abused or something else occurred. He recalled seeing a sign a year ago at the Paradise Inn that said it was unlawful for anyone to enter for the purpose of prostitution or selling drugs. He did not recall seeing a sign that said the activities and behavior of patrons on these premises are continuously videotaped and copies of these tapes are provided to the Anchorage Police Department upon request, but he did not doubt that the sign was there.

In response to Mr. Tremaine, Officer Paige said in September he had been asked by then Lieutenant Monegan to take a look at the Paradise Inn and the Easy Inn as possible problem areas and consider the possibility of abatement. He talked with Mr. Song on several occasions and told him they could help clean the place up. The Spenard Hotel had its share of problems, but they had no reservations about calling the police department when something was wrong. He attempted to get the same type of information from the Paradise Inn through the person working the desk or Mr. Song to identify known prostitutes, but they did not maintain room records. The Spenard Hotel had cooperated with the police department and they caught people using illegal drugs, juvenile runaways and a variety of other things. The records that the Paradise Inn kept were in shambles. The general answer from the Paradise Inn was that the people who were staying in the rooms worked at the Paradise Inn and were long-term tenants.

In response to Chairman Traini, Officer Paige said he went to the Paradise Inn earlier today at 3:57 p.m. and taped his conversation with Mr. Holtz. The entire tape was about four minutes long.

In response to Chairman Traini, Municipal Attorney Dennis Wheeler asked for a few minutes to insure that it was appropriate to play the recorded conversation between Officer Paige and Mr. Holtz.

In response to Ms. Von Gemmingen, Officer Paige said he had talked with Mr. Song on several occasions. He had attended a landlord/tenant course and they received information on crime prevention in overnight lodging situations. He gave Mr. Song a copy of the information and reviewed the key points that he felt pertained to the Paradise Inn. Mr. Song had stated that one of his problems was that some people staying at the Paradise Inn did not have identification cards and he could not confirm their identity. Officer Paige informed Mr. Song that as the owner of an overnight establishment, he could deny people the right to stay there if they did not have picture positive identifications. He provided Mr. Song with the crime prevention information and asked him to review with an interpreter. Mr. Song had spoken to Officer Paige in English and he felt Mr. Song had understood him.

In response to Ms. Von Gemmingen, Officer Paige said he saw no indication of tourists using the Paradise Inn.

In response to Mr. Van Etten, Officer Paige said most of the officers who worked in the Spenard area knew that if something happened at the Paradise Inn that they would not receive a call for assistance. It would have to be officer initiated. We are familiar with the suspected prostitutes in the Spenard area. The hub of the prostitution activity seemed to be in the 30th Avenue and Spenard Road area. He felt the quantity of known prostitutes and drug dealers in the area was more of a red flag than the lack of calls from the Paradise Inn. He noted that he had very few dealings with the Paradise Inn regarding liquor. His main dealings had been assaults and claims of sexual assaults. Most of the claims of sexual assaults had been from prostitutes who would attempt to steal the johns' money. They also had records of burglary of dangerous drugs from people who had worked at the front desk. When this was brought to Mr. Song's attention, he would say he did not know the employee had that kind of a background, but a week or two later the same person would still be working there.

In response to Chairman Traini, Municipal Attorney Dennis Wheeler said it was their opinion that it was appropriate for the Assembly to listen to the tape-recorded conversation taken earlier today between Officer Paige and Mr. Holtz at the Paradise Inn.

Ms. Fairclough cited the code requirement that allowed the Assembly to listen to the tape-recorded conversation, AMC 2.30.125.D. In determining the operator's ability to maintain order and prevent unlawful conduct on a licensed premises, the Assembly may consider police reports, testimony presented before the Assembly, written comments submitted prior to or during the public hearing or other evidence deemed to be reliable and relevant.

Chairman Traini asked Officer Paige to play the tape-recorded conversation between himself and Mr. Holtz taken at the Paradise Inn taken earlier today. Officer Paige introduced himself to an employee at the Paradise Inn. He asked another employee if Mr. Holtz worked at the Paradise Inn and was told he was a bartender. Officer Paige introduced himself to Mr. Holtz. Mr. Holtz said he had been working at the Paradise Inn since February. He said he stocked the bar at about 4:30 p.m. and left at about 9:00 p.m. He stated that he did not get paid for his work and did not have Alaskan identification. Mr. Holtz said someone else stocked the bar, but he opened the bar and got it ready. He said he carried a

TAM card, which was required to serve alcohol. Mr. Holtz indicated that he lived at the Paradise Inn and paid rent. Officer Paige thanked Mr. Holtz and left the Paradise Inn.

In response to Ms. Fairclough, Officer Paige said the front desk clerk said he also lived at the Paradise Inn.

In response to Mr. Tremaine, Officer Paige said Mr. Holtz said he had been working at the Paradise Inn since February. He indicated that he lived at the Paradise Inn and paid rent. He stated he worked at the Paradise Inn from 4:30 p.m. to 9:00 p.m. He had a TAM card and was working the bar. He initially indicated that he was a stocker, but then he said somebody else stocked the bar. Officer Paige had no reason to believe that Mr. Holtz was not telling the truth during the conversation.

In response to Mr. Coffey, Officer Paige said Mr. Holtz said he worked as a volunteer and was not paid. He identified some documents presented by Mr. Coffey that were in Korean, had a picture of the Paradise Inn and their address on the front, which appeared to be a Korean advertisement for the Paradise Inn. The English on the document said "Alaska New World Travel and Tour, Inc., Grayline of Alaska, Korean GSA." Officer Paige said he had nothing to do with the compilation of the Freedom of Information request that had been made. Mr. Coffey reviewed the document and pointed out that some of the entries were at Spenard and 30th Avenue, but they were attributed to the Paradise Inn.

Chairman Traini swore in Sherman Ernouf. Mr. Ernouf swore that his testimony would be the truth, the whole truth and nothing but the truth.

SHERMAN ERNOUF said he was an attorney with Dan Coffey's office and he wanted to ask some question of Mr. Elsted.

In response to Mr. Ernouf, Mr. Elsted said he was the general manager for both the bar and the hotel of the Paradise Inn. He had been there since mid-June. He became involved when Mr. Song was in discussions with his previous attorney before the Assembly. He felt Mr. Song's previous attorney had not been truthful with his client. He had been trying to clean up the appearance and reputation of the Paradise Inn. He installed a new security camera in the Paradise Inn. He does not speak Korean and there is a communication gap between him and Mr. Song. He noted that when he spoke English to Mr. Song, he would say I know or I understand even when he did not. He had installed a new security system in the side parking lot. Several of the tapes had been turned over to the Anchorage Police Department when there were problems, such as one time when a woman was raped down the street. He was present when Mr. Song testified to the Assembly about his relationship with Mr. Holtz. Mr. Holtz was not a paid employee, but he stayed at the Paradise Inn and was paying rent on a monthly basis. Mr. Elsted identified some documents presented by Ms. Ernouf, which were cancelled checks made out to the Paradise Inn from Don Holtz in the amount of \$600.

Mr. Ernouf entered the cancelled checks from Mr. Holtz to the Paradise Inn into evidence as exhibit C.

In response to Mr. Ernouf, Mr. Elsted said Mr. Holtz was retired from the military. He was 65 years old and he was not ready to retire. Mr. Holtz helped out by answering phones, checking in guests, making beds and washing sheets.

In response to Chairman Traini, Mr. Elsted said Mr. Holtz used to bartend at the Paradise Inn, but he no longer worked as a bartender. He stocked the bar and occasionally worked as a bar-back, which was similar to a bartender. Mr. Holtz had never been paid for his services.

In response to Mr. Ernouf, Mr. Elsted felt they had cleaned up the prostitutes around the bar quite a bit. He did not know all the prostitutes in the area. Last week a woman ran into the bar and he ran her out, because Sam O'Connor explained that she was a new prostitute. They try to cooperate as much as possible. He indicated that he had never received a copy of the hooker book, but he would like to have a copy to identify known prostitutes. He felt they were constantly on thin ice when trying to determine whether a woman was a prostitute or simply needed a room for the night. He had been employed to keep the operation of the Paradise Inn as square as possible and he was committed to that.

In response to Mr. Tremaine, Mr. Elsted said Mr. Holtz rents a room at the Paradise Inn. He was waiting for his taxes and then he would be moving back to Florida. Mr. Holtz's relationship to the Paradise Inn was one of a tenant who occasionally helped out. He did not know what Mr. Holtz's relationship had been to the Paradise Inn prior to Mr. Elsted's employment. Mr. Song has given Mr. Elsted total authority over the Paradise Inn. Mr. Song did not know what happened at the Paradise Inn on a daily basis. Mr. Song did not completely understand the English language and often spoke before things were interpreted for him.

In response to Ms. Fairclough, Mr. Elsted said he did not know when the Korean flyer had been printed, but it was his understanding that it was printed every year.

Ms. Fairclough noted that she had called both the telephone numbers on the flyer. The first number beeped and asked for a message to be left. The second number was answered in a different language and identified as Tony's Korean Travel, which did not match what was printed on the flyer. She asked Mr. Coffey to supply the date the flyer was printed, because the flyer was being entered into evidence as a way that tourism was being developed.

In response to Ms. Fairclough, Mr. Elsted said he had researched the criteria for a tourism license. When the Paradise Inn obtained the tourism license in 1967, the minimum requirement was ten rooms. It was his understanding that Mr. Holtz had been living at the Paradise Inn since February, but he could only confirm the six months that he had been working there. Mr. Holtz had been paying \$600 per month for the room. The front desk person also said he was living at the Paradise Inn. He was not sure of his last name, but his first name was Bob. The Paradise Inn rents twelve rooms. There are several other rooms, including a karaoke room and an office.

In response to Chairman Traini, Mr. Elsted said the Paradise Inn had twelve rooms to rent.

In response to Ms. Fairclough, Ms. Haas said she did not have any involvement in the tax records, but according to the records, the Paradise Inn had ten rooms to rent.

In response to Ms. Fairclough, Mr. Elsted said he should have a translator when speaking to his employer, because he had problems communicating with Mr. Song. They have both smoking and non-smoking rooms available.

In response to Mr. Sullivan, Mr. Elsted acknowledged the testimony from the police officer that stated rooms were not available for rent, because they were occupied by employees, which was before he took over management of the Paradise Inn. They did not have apartments with kitchenettes. He believed that when Mr. Song answered the question, he indicated they had six rooms available that particular night. The Paradise Inn has twelve rooms to rent. Mr. Elsted outlined his background as a hotel manager. He was born and raised in Alaska. He ran the nightclubs the Booby Trap and Moby Dicks in the 1970s. He had managed RonDons and the Point After. He worked for the Northern Lights Hotel off and on for the last four years. He had owned Café A la Carte, which was an espresso cart company that he started and had since sold. He owned Taster's Choice. He started 33 coffee carts throughout Alaska in various locations. He had criminal convictions, but had served his time. He had a narcotics charge when he was 19 years old. His most recent conviction was a fraud conviction two years ago.

In response to Chairman Traini, Mr. Elsted said he was not currently on probation.

In response to Mr. Sullivan, Mr. Elsted said he was not involved in any other family owned businesses in Anchorage. His sister owned the Chateau. The signs required by the current conditions were currently posted as required. The signs had not been real visible due to the color of the building, but the building had been repainted. The signs had been updated, but they had the same wording that was required by the current conditions. They had recently contracted with a professional security firm to provide the security officer for the Paradise Inn.

In response to Mr. Tesche, Mr. Elsted said Mr. Holtz was a 65 year old, lonely man who did not have anything to do in life. Mr. Holtz is a good man and truly believes that he is an employee. It was his opinion that Mr. Song had not understood the word affiliate when he was asked what affiliation Mr. Holtz had to the Paradise Inn. Mr. Holtz did not work for the Paradise Inn. He lives at the Paradise Inn and helps out, which gives him a reason to live.

In response to Chairman Traini, Mr. Elsted said the night Mr. Holtz was cited for serving alcohol to Mr. Nyholm, he was just helping out by bartending. He acknowledged that Mr. Holtz had taken money in exchange for alcohol.

In response to Ms. Taylor, Mr. Coffey said the Paradise Inn stopped advertising in the State Vacation Planner three years ago.

In response to Ms. Taylor, Mr. Song said the Paradise Inn was not a member of the Alaska Travel Industry Alliance or the Anchorage Chamber of Commerce. He had not been a past member of the Anchorage Convention Visitors Association Bureau, but had paid to become a member this year. He was a member of the Korean Travel Agency. The advertising budget for the Paradise Inn was approximately \$2,000 a year.

In response to Mr. Sullivan, Mr. Song said Mr. Holtz was a regular customer at the Paradise Inn. His last day of employment was December 28. Mr. Holtz was never paid a monthly wage, but he received a reduced room rate in exchange for his help.

In response to Ms. Shamberg, Mr. Elsted said all customers were charged the appropriate eight percent bed tax. The money for the rooms were collected and given to the accountant.

In response to Mr. Sullivan, Mr. Elsted said Mr. Holtz paid \$600 a month for his room at the Paradise Inn. Eight percent of \$600 would be \$24, so his room rate would be \$576 a month, plus eight-percent tax for a total of \$600. Mr. Holtz had never been paid as an employee since Mr. Elsted had worked at the Paradise Inn. The room card went to the accountant at the end of the month and the eight-percent bed tax was taken out. On the month that Mr. Holtz's rent check was for \$300, he believed that Mr. Holtz had also given Mr. Song \$300 in cash.

In response to Mr. Tesche, Mr. Elsted said the Paradise Inn was not being used for prostitution. The back door was kept locked. If a known drug dealer or prostitute came into the bar, they would run them out as quickly as possible. To the best of his knowledge, the Paradise Inn had not been used for prostitution or related offenses since the time he had been employed there. To his knowledge, the Paradise Inn had not been used for the possession or sale of illegal narcotics. He had not found any narcotics in the rooms, but he had found paraphernalia. He had found a pot pipe and a syringe, which could have belonged to a diabetic, when he cleaned a room at the Paradise Inn.

In response to Ms. Fairclough, Mr. Elsted said the Paradise Inn used a professional accountant and Mr. Coffey would provide the name of the CPA to the Assembly.

Mr. Coffey gave some closing remarks. He appreciated the time and energy that the Assembly expended on this issue. The consequences of what the Assembly decides would be significant for Mr. Song, as well as the community of Spenard. He felt the Assembly needed to balance the competing interests of a private business and a business operating in a way that was acceptable to the community. When he was first asked to represent the Paradise Inn, his first reaction was that he did not want to go anywhere near it, because it was a very hot political potato. He was persuaded to review the transcripts and tapes of the original hearing. It was clear to him that Mr. Song had been poorly presented to the Assembly. The question came down to the resolution before the Assembly. The Assembly could make two choices. The Assembly could protest renewal and take this record to the State Alcoholic Beverage Control (ABC) Board. Depending on how the State Alcoholic Beverage Control (ABC) Board judges the case, it could go to a hearing. Depending on how the hearing goes, it could go to court. Depending on how the court goes, it could go to a higher court. He suggested that there might be a better way to resolve the issue, which would be a more positive solution, achieves community standards, insures that those standards were articulated clearly and understood, and were clearly and unequivocally enforceable from the Assembly's perspective. Mr. Coffey's primary goal was to solve problems. There was clear evidence of problems in the Spenard area. He felt there were inaccuracies contained in the reports. If the word Paradise appeared in any of the reports, it was attributed to the Paradise Inn even when it happened blocks away or pertained to someone who formerly worked at the Paradise Inn. He noted that he was a member of the Board of Fisheries and they often made decisions that had economic consequences to people and their businesses. They weigh their decisions very carefully, because they had a

lot of power over people's lives. He tries to proceed cautiously and avoid the extreme consequences. He felt there was a lot of hearsay in the provided testimony. There had not been an arrest for drugs or prostitution at the Paradise Inn. There had been problems in the area and probably at the Paradise Inn as well. The question was whether or not it rose to the level of where the Assembly would say they were finished with them and the Paradise Inn was out of business. He urged the Assembly to consider the alternative that had been offered. The alternative was to clearly condition the license under 4.11.480.C, House Bill 69. They would go with the Assembly and tell the State Alcoholic Beverage Control (ABC) Board that the conditions were not arbitrary or unreasonable and they were acceptable to the licensee. The conditions would then be 110 percent enforceable. Should those conditions be violated at any time, the Assembly had a direct course for revocation of this license and the issue would end. This alternative would create the certainty that the Assembly wanted, but they avoid the absolute, which would be putting the Paradise Inn out of business. They were willing to work with Mr. Wheeler to insure that the conditions were clear and unequivocal. He believed that the officers' testimony was the most accurate in the sense that they used the term possibly. It could be. It might be. He urged the Assembly to accept the alternative to closing down the Paradise Inn with the absolute insistence that Mr. Song conformed his behavior to the requirements of the law and the community. This was done with the 515 Club and Anna's and there were no longer problems at those establishments and they maintained a viable business. If this approach did not work at the Paradise Inn, then Mr. Song and his business deserved whatever consequences might befall them in the future.

Chairman Traini asked if anyone else wished to speak. There was no one, and he closed the public hearing.

Mr. Sullivan noted an unnumbered memorandum had been prepared for the Assembly.

Deputy Municipal Attorney Dennis Wheeler said that based on the testimony they heard tonight, they had prepared a revised Assembly Memorandum for consideration, which he passed out to the Assemblymembers.

Mr. Sullivan moved, to accept the revised, unnumbered memorandum.
seconded by Mr. Tesche,

In response to Ms. Von Gemmingen, Municipal Attorney Dennis Wheeler said conviction of an alcohol-related incident would be grounds for a suspension or revocation of the liquor license.

Ms. Von Gemmingen moved, to incorporate block 1, lines 17 through 21
seconded by Mr. Sullivan, on the unnumbered memorandum.

Mr. Tesche felt the evidence was absolutely uncontraverted and the testimony showed two violations of Title 4. The evidence showed two convictions, which were backed up by testimony by the chief of police indicating the reliability of the documents. He was troubled that the convictions took place after the Assembly took up this matter on June 24, 2001 and August 14, 2001. The Assemblymembers had hoped the owners of the Paradise Inn would have gotten the message that Anchorage was watching how their business was conducted. Four or five months later there were two convictions of Title 4 violations on the premises. He felt the Assembly should incorporate lines 17 through 21 on the revised memorandum.

Mr. Tremaine concurred with Mr. Tesche and supported incorporating lines 17 through 21. He offered a friendly amendment to add, under AS 04.11.370, subsection 2, "Continuation of the manufacture, sale or service of alcoholic beverages by the licensee or permittee would be contrary to the best interest of the public." He felt it had been proven that under the closest of public scrutiny, having been threatened with revocation, they went out and committed severe violations of the liquor code. That was their second chance.

Ms. Von Gemmingen accepted Mr. Tesche's friendly amendment.

Question was called on the motion to amend the unnumbered Assembly memorandum and it passed:

AYES: Sullivan, Von Gemmingen, Taylor, Van Etten, Traini, Fairclough, Kendall, Tesche, Shamberg, Tremaine.
NAYS: None.

Mr. Sullivan moved, to amend the unnumbered Assembly memorandum, lines
Seconded by Mr. Tremaine, 23 through 29, to delete lines 23 and 24 up to the word "and" which appeared after "promoters of prostitution."

Mr. Sullivan felt it would be difficult for them to say that the licensed premises was used as a resort for illegal possessors, because they did not have a record that proved any arrests for that. The change would indicate the general reputation of the premises, which was a valid protest to the State Alcoholic Beverage Control (ABC) Board and would be more accurate of the presented facts.

Mr. Tesche said he was convinced that the evidence supported the finding on lines 23 and 24.

In response to Chairman Traini, Mr. Tesche said he disagreed with Mr. Sullivan's recommendation. He felt it could be somewhat broader, but he would go along with the will of the body.

Mr. Sullivan said they needed to build as accurate a record as possible before the State Alcoholic Beverage Control (ABC) Board. He felt it would weaken their case before the State Alcoholic Beverage Control (ABC) Board if they were to recommend revocation, because there had never been an arrest for either of the violations.

Chief Monegan referenced page 47, Tab E, police reports of drugs, case number was 99-28437. The report states that there had been an arrest for drugs that occurred in room 219 at the Paradise Inn.

In response to Mr. Tesche, Chief Monegan said he did not personally know of any other arrests at the Paradise Inn for either drugs or prostitution. He noted this one as he was looking through the paperwork.

Ms. Von Gemmingen pointed out that Mr. Elsted had stated that he found drug paraphernalia in the rooms. Her question had to do with the term illegal possessors or users of narcotics. They have had testimony regarding sellers of narcotics. She questioned if possessors or users of narcotics would be inferred from the testimony.

In response to Ms. Von Gemmingen, Deputy Municipal Attorney Dennis Wheeler said the language was lifted nearly verbatim from the statute. The statute did not include or exclude the sale of narcotics, but it permitted evidence on use of illegal narcotics, prostitution and promotion of prostitution. The language of the statute did not provide a basis for including or excluding drug sales.

<p>Mr. Tremaine moved,</p>	<p>to amend the unnumbered Assembly memorandum, line 25 to read “prostitution or promotion of prostitution, including any narcotics arrests on the premises directly related to the premises in 1999,”</p>
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In response to Mr. Tremaine, Deputy Municipal Attorney Dennis Wheeler noted the possibility of other incidents or other years where there was the illegal possession of narcotic. He suggested changing the wording to the effect of “including 1999 arrests.”

Mr. Tremaine withdrew his motion to amend line 25 of the unnumbered Assembly memorandum.

Mr. Sullivan did not feel that one incident was enough to state specifically that the licensed premises was used as a resort for illegal possessor or users of narcotics, but they certainly had the reputation. He felt they should go with the amendment as written, because it would provide a better picture to the State Alcoholic Beverage Control (ABC) Board.

Question was called on the motion to amend the unnumbered Assembly memorandum, and it passed:

AYES: Sullivan, Von Gemmingen, Taylor, Van Etten, Traini, Fairclough, Kendall, Tesche, Shamberg, Tremaine.
 NAYS: None.

<p>Ms. Fairclough moved, seconded by Ms. Taylor,</p>	<p>to amend the unnumbered Assembly memorandum and delete lines 31 and 32.</p>
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Mr. Sullivan said it was legal counsel’s opinion that conditions should be included in case one portion of this was not approved, but State Alcoholic Beverage Control (ABC) Board might consider another portion. He thought the recommendation was to be inclusive.

Deputy Municipal Attorney Dennis Wheeler said the Assembly could do an “if then” type of finding. If the Assembly did not get the revocation suspension, or if they got a suspension and they wanted conditions once the suspension was lifted, then the Assembly may need to slightly modify lines 31 and 32 to incorporate that sentiment.

Mr. Sullivan suggested adding the following language, “If State Alcoholic Beverage Control (ABC) Board decided not to follow our recommendation, we suggest the following conditions be imposed.”

Ms. Fairclough withdrew her motion to amend lines 31 and 32. It was her understanding that they were not dealing with a tourist location, but an apartment building that rented rooms by the month. She felt the testimony by the general manager; the owner, the interpreter and legal counsel indicated that the Paradise Inn was not being used in a manner that would qualify them to use a tourist license.

In response to Ms. Fairclough, Deputy Municipal Attorney Dennis Wheeler said based on his review of the statute, any changes to the tourism license would have to be made at the time of renewal of the license.

<p>Mr. Sullivan moved, seconded by Ms. Von Gemmingen,</p>	<p>to amend the unnumbered Assembly memorandum to adopt lines 1 through 29.</p>
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<p>Mr. Sullivan moved, seconded by Mr. Tesche</p>	<p>to amend the unnumbered Assembly memorandum, line 13, to be consistent with the language on page 1 to state “the licensed premises has a general reputation as a resort for illegal possessors, etcetera.”</p>
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<p>Mr. Tesche moved, seconded by Ms. Shamberg,</p>	<p>to amend the unnumbered Assembly memorandum to delete the findings on page 2, lines 1 and 2 and replace them with “The Assembly finds that the sworn testimony of the licensee, Mr. Song, was not credible when considered in light of the other more trustworthy evidence presented to the Anchorage Assembly.”</p>
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<p>Mr. Tesche moved, seconded by Ms. Shamberg,</p>	<p>to amend the unnumbered Assembly memorandum to delete the findings on page 2, lines 1 and 2, and replace them with “ The Assembly also finds that the sworn testimony of Mr. Elsted, offered on behalf of the licensee, is not credible based on his demeanor, his evasive answers, a prior fraud conviction and the inconsistencies with other, more trustworthy, evidence presented to the Anchorage Assembly.”</p>
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Mr. Sullivan did not feel that particular names needed to be mentioned, because it was implicit who the employee and licensees were. He noted they were dealing with a license and not personalities. He felt the wording should be as abstract and impassioned as possible.

Mr. Tesche noted that they were in a quasi-judicial proceeding. It was clear that the matter would be going to court. He felt the Assembly needed to be as specific and clear in their findings as possible. The finding offered by the legal department was adequate, but the finding he offered was stronger and more defensible. He felt the Assembly needed to be as explicit and clear as possible.

Ms. Von Gemmingen offered a friendly amendment to add subsets underneath lines 1 and 2 listing the items that Mr. Tesche had suggested.

Mr. Tesche accepted Ms. Von Gemmingen’s friendly amendment.

Deputy Municipal Attorney Dennis Wheeler said they had the unnumbered Assembly memorandum on the computer and could provide a clean copy for the Assembly.

Ms. Von Gemmingen moved, seconded by Ms. Fairclough, and it passed without Objection, to extend the meeting past 11:00 p.m.

Mr. Tremaine moved, Seconded by Mr. Tesche, and it passed without Objection, to amend the unnumbered Assembly memorandum to change page 2, line 1, to read “that the Anchorage Assembly finds that the sworn testimony presented by the licensee”

Mr. Tesche noted that legal counsel concurred with the addition of the subsets of line 2, page 2. They recommended, and he concurred, to delete the reference to the prior fraud conviction. He read the proposed language. “The Assembly finds that the sworn testimony of the licensee, Mr. Song, was not credible when considered in light of the other, more trustworthy, evidence presented to the Anchorage Assembly. The Assembly also finds that the sworn testimony of Mr. Elsted, offered on behalf of the licensee, is not credible based on his demeanor, his evasive answers and the inconsistencies with other, more trustworthy, evidence presented to the Anchorage Assembly.”

Question was called on the motion to the unnumbered Assembly memorandum and it passed:

AYES: Sullivan, Von Gemmingen, Taylor, Van Etten, Traini, Fairclough, Kendall, Tesche, Shamberg, Tremaine.
NAYS: None.

In response to Chairman Traini, Deputy Municipal Attorney Dennis Wheeler said section 04.16.370 required that the finding be that the licensed premises was used as a resort for illegal possessor or users of narcotics, prostitutes or promoters of prostitution. The reference to the use of character evidence was merely an explanation or list of some of the types of evidence that could be used to prove the finding, but it did not constitute a finding itself. If the Assembly found that the licensed premises was used as a resort for illegal possessors or users of narcotics, prostitutes or promoters of prostitution, it should include that finding in its notification to the Board. If the Assembly did not make that finding, it should not list it as a finding. They should state that it had been based on their character and reputation as a resort for those activities.

Mr. Tesche said if the Assembly was not prepared to make a finding that the licensed premises was used as a resort for illegal possession or users of narcotics, prostitutes or promoters of prostitution then they would need to delete the entire paragraph from lines 23 to 27.

Chairman Traini felt lines 23 and 24 should be added back in.

Mr. Tesche moved, Seconded by Ms. Von Gemmingen, to amend the unnumbered Assembly memorandum to reinstate the entire paragraph beginning at line 23 and ending at line 29.

Mr. Tremaine moved, to amend the unnumbered Assembly memorandum, line 24 to delete the words “and that” and substitute “as proved by” to read “promoters of prostitution as proved by the general reputation of the premises in the community” and remove “as a resort of illegal possessors or users of prostitutes or promoters of prostitution.”

Deputy Municipal Attorney Dennis Wheeler said the finding needed to be that the licensed premises was used as a resort for illegal possession or users of narcotics, prostitutes or promoters of prostitution. The general reputation evidence was sufficient to support that finding. The Board did not have to have specific instances of conduct plus the general reputation character evidence. The statutes indicated that either type of evidence would suffice to support the finding. He was concerned that dropping out the language of the finding and only referring to the nature of the evidence would be problematic.

In response to Mr. Tremaine, Chairman Traini said it was the opinion of legal counsel that lines 23 through 29 were sufficient.

Mr. Tremaine withdrew his motion to amend the unnumbered Assembly memorandum.

Mr. Tesche felt the evidence supported the entire finding without any amendments.

In response to Ms. Von Gemmingen, Chairman Traini said the wording would go back to its original form as provided by legal counsel.

Ms. Von Gemmingen noted that the Assembly had discussed whether or not the Paradise Inn qualified for a tourism license. They had the same discussion every time this issue came before the Assembly. The tourism license would be renewed next January, which would be the only time they could address the issue.

In response to Mr. Van Etten, Mr. Tesche did not believe that the lack of an arrest or conviction would necessarily prevent the Assembly from making a finding like this that would be supported in court, because they had the testimony and evidence offered by the neighbors, the patrol officers and the chief of police. He believed that if the Board and the higher courts gave appropriate and required deference to the Assembly, as a finder of fact, that substantial evidence would support the finding. He assured the Assembly that lawyers would argue that the evidence was insufficient to support the finding, which he would agree with if they did not have the testimony of the neighbors, the patrol and the chief of police. Even though he would prefer to see a string of unappealed convictions, he felt the evidence was sufficient to support the finding.

Question was called on the motion to amend the unnumbered Assembly memorandum and it passed:

AYES: Sullivan, Von Gemmingen, Taylor, Van Etten, Traini, Kendall, Tesche, Shamberg, Tremaine.

NAYS: Fairclough.

Mr. Van Etten moved,
seconded by Mr. Tesche,
and it passed without
Objection.

to amend the unnumbered Assembly memorandum
page 2, line 13, back to its original form.

Mr. Sullivan moved,
Seconded by Ms. Von Gemmingen,

to amend the unnumbered Assembly memorandum
page 1, lines 31 through 41, to change line 31 to state “in
the event that the State of Alaska Alcoholic Beverages
Control Board denies the Anchorage Assembly’s protest of
the continued operation of the license then the Anchorage
Assembly hereby recommends that the State of Alaska
impose the attached conditions.”

Mr. Sullivan said the attached conditions would be the conditions proposed by Mr. Coffey in his memorandum to the Assembly.

Mr. Van Etten said he would like to review the conditions proposed by Mr. Coffey. He felt there were a few items that should be strengthened.

Deputy Municipal Attorney Dennis Wheeler suggested that in the event that the State Alcoholic Beverage Control (ABC) Board chose to suspend the license, but not revoke it, the Assembly should consider whether or not it wanted the conditions to be attached after the suspension. If the Assembly wanted the State Alcoholic Beverage Control (ABC) Board to impose conditions after a suspension then a phrase such as “or suspends, but does not revoke” should be added.

Chairman Traini asked Mr. Wheeler to work on the wording.

Ms. Von Gemmingen referenced line 34, which referred to the old conditions. She was not sure if that would apply if they were going to consider new conditions. She felt they needed to review the conditions and incorporate them.

Mr. Sullivan pointed out that the Paradise Inn had failed to abide by the old conditions. Part of the record was that in addition to the proposed conditions, the old conditions were not applied with.

Ms. Fairclough said it was her belief that the State Alcoholic Beverage Control (ABC) Board ruled inappropriately by not incorporating the original conditions. She did not believe the State Alcoholic Beverage Control (ABC) Board had the power to do what they did when they sent it back to the Assembly.

Mr. Sullivan felt that was another fight for another day. It would be part of the record that the Assembly would say that the past conditions had not been complied with.

Ms. Shamberg said she wanted it on the record that she did not feel the State Alcoholic Beverage Control (ABC) Board acted appropriately. She did not believe it was within their authority to refuse to accept the conditions. She did not want to relinquish the Assembly’s power. She felt it needed to be clarified that originally the State Alcoholic Beverage Control (ABC) Board had acted inappropriately.

Ms. Shamberg felt the fact that the Paradise Inn had not complied with the previous conditions should be in the document before the new conditions and part of the official complaint.

Question was called on the motion to amend the unnumbered Assembly memorandum and it passed:

AYES: Sullivan, Von Gemmingen, Taylor, Van Etten, Traini, Fairclough, Kendall, Tesche, Shamberg, Tremaine.

NAYS: None.

Mr. Van Etten felt they needed some clarification and strengthening of some of the proposed licensed conditions as presented by Mr. Coffey. Item A, the licensed premise will provide one security officer between the hours of 9:00 p.m. and 3:00 a.m. on a nightly basis should be strengthened. He felt it should read, “a licensed, bonded security officer.” He felt they should clarify who the security officer would be as well as their credibility.

In response to Mr. Van Etten, Mr. Coffey said it was his understanding that the company that the Paradise Inn had agreed to hire security officers who were bonded and insured. He felt that would be an appropriate condition.

Mr. Van Etten referenced page 2, item H, and suggested the wording, “The management of the licensed premises or his designee shall attend at least six meetings of the Spenard Community Council meetings a year in an effort to help address community concerns and to work together to resolve issues as they may arise.”

In response to Mr. Van Etten, Mr. Coffey concurred to adding the word “may” before “arise.”

Chairman Traini asked Deputy Municipal Attorney Dennis Wheeler to finalize the unnumbered Assembly memorandum as amended. He asked Mr. Van Etten to write down all of his proposed alterations and provide them to Mr. Wheeler for the final document.

The meeting recessed at 11:10 p.m. and reconvened at 11:34 p.m.

Chairman Traini noted that legal counsel had passed out the amended, unnumbered Assembly memorandum with the exception of the amendments that Mr. Van Etten would propose.

Mr. Van Etten referenced the proposed license conditions for the Spenard Paradise Inn, present to the Anchorage Municipal Assembly presented at the special meeting of January 15, 2002.

Mr. Van Etten agreed with Chairman Traini’s clarification of his motion that Mr. Van Etten wanted to leave “under the licensee, under bar manager will not perform the function of a security guard.” Mr. Van Etten agreed.

Mr. Van Etten moved, Seconded by Mr. Sullivan, And it passed without objection.	to amend the conditions, exhibit 7, page 1, item A, to delete the sentence “Neither the licensee nor the bar manager will not perform the security officer duties, bar manager.”
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Mr. Van Etten moved, seconded by Ms. Fairclough, and it passed without Objection,	to amend the conditions, page 2, item G, to read “The licensee will cooperate with, and submit to the Spenard Community Council, a written review to include a summary of violations every six months.”
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Mr. Van Etten moved, Seconded by Mr. Sullivan, And it passed without Objection,	to amend the conditions, page 2, item I, to read “at 6 month intervals for a 2-year period after ABC Board action, the management of the licensed premises and its legal representatives will appear before the Assembly to review all quarterly police reports which involve the licensee.”
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Mr. Van Etten moved, Seconded by Mr. Tesche	to amend the conditions, page 3, to add condition O, to read: “A violation of any of these conditions will result in a protest of the continued operation of the licensed premises.”
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In response to Mr. Kendall, Mr. Sherman Ernouf, an attorney with Dan Coffey’s office, said the State Alcoholic Beverage Control (ABC) Board would ultimately decide if a violation had occurred, but they would not go into an analysis of whether the conditions themselves were arbitrary, caprice and unreasonable. With condition O, we would be agreeing that the conditions were reasonable and the question would only be whether or not a violation occurred.

Mr. Sullivan moved,	to amend the conditions, to add the following language: “If, after a public hearing, the Anchorage Assembly determines that a violation of these conditions has occurred,”
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Municipal Attorney Dennis Wheeler offered a friendly amendment, item O: “that the licensee recommends that the conditions A through N be imposed by the State Alcoholic Beverage Control (ABC) Board.”

In response to Chairman Traini, Mr. Sherman Ernouf, attorney for Licensee, agreed with the amendment.

Mr. Van Etten accepted Mr. Wheeler’s friendly amendment. The amendment was seconded by Mr. Kendall.

Chairman Traini called for a vote on the conditions themselves.

Mr. Tesche offered the following amendment prior to voting.

Mr. Tesche moved, seconded by Ms. Von Gemmingen, And it passed without Objection,	to amend the conditions, item K, line 2, to delete the words “Sergeant Jackson of” and line 3, delete the words “or his designee.”
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Chairman Traini clarified the motion to read: “The management of the Licensed Premises will be, at a minimum,” and Mr. Tesche concluded with: “contact the Anchorage Police Department on a monthly basis to resolve any police department concerns regarding the operation of the Licensed Premises.”

Ms. Von Gemmingen moved, seconded by Mr. Tesche, and it passed without objection.	to amend the conditions, page 1, item C, to read “much as possible” and item F should read “rear entrance.”
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Question was called on the motion to approve the conditions amended and it passed:

AYES: Sullivan, Von Gemmingen, Taylor, Van Etten, Traini, Fairclough, Kendall, Tesche, Shamberg, Tremaine.

NAYS: None.

Chairman Traini advised the memorandum as amended was before the Assembly. Chairman Traini called for discussion on the main motion.

Mr. Sullivan urged a yes vote.

Mr. Tremaine noted that when a person reapplied for a permit, especially a tourist license, they had to provide information on the document. He felt the information on the provided document had been a misrepresentation of the material facts.

In response to Mr. Tremaine, Chairman Traini felt the document should not undergo any further amendments.

Question was called on the motion to approve AM 83-2002 as amended and it passed:

AYES: Sullivan, Von Gemmingen, Taylor, Van Etten, Traini, Fairclough, Kendall, Tesche, Shamberg, Tremaine.

NAYS: None.

(Clerk’s Note: AR 2001-367 was not voted on.)

4. ADJOURNMENT:

Mr. Sullivan moved, to adjourn the meeting.
seconded by Ms. Fairclough,
and it passed without
objection.

Chairman Traini adjourned the meeting at 11:46 p.m.

Chairman

ATTEST:

Municipal Clerk

Date Minutes Approved: _____, 2002

GM:cmw