

**DEPARTMENT OF EXCISE AND LICENSES
DENVER, COLORADO**

FINAL DECISION

**IN THE MATTER OF THE APPLICATION TO RENEW A BUSINESS LICENSE
HELD BY ZAID, LLC, DOING BUSINESS AS AVONDALE LIQUOR, LOCATED
AT 1365 FEDERAL BLVD, DENVER, COLORADO**

RETAIL LIQUOR STORE LICENSE # 2014-BFN-1074543

Procedural History

1. On June 3, 2021, Zaid, LLC, doing business as Avondale Liquor (the “Licensee”), applied with the Department of Excise and Licenses (the “Department”) to renew a Retail Liquor Store License at 1365 Federal Blvd, Denver, Colorado (the “Renewal”).
2. Shortly after the Applicant applied to renew license, the Department received several complaints from registered neighborhood organizations (“RNOs”) representing residents of the neighborhood, elected city council officials representing residents of the neighborhood, and members of the Denver Police Department (“DPD”). As a result, the Director of Excise and Licensing (the “Director”) Ordered a renewal hearing pursuant to the Denver Revised Municipal Code (“D.R.M.C.”) § 32-20(d).
3. The Director specified in her August 11, 2021, Renewal Hearing Order that “[t]estimony and evidence may be taken regarding the existence of good cause for the Director to deny the Applicant’s renewal application, including, but not limited to, testimony and evidence regarding the reasonable requirements of the neighborhood and the desires of the adult inhabits thereof.” Renewal Hr’g Order, Aug. 11, 2021.
4. The renewal hearing was conducted virtually over the course of several days:
 - a. October 20, 2021, at 6:00 p.m.,
 - b. October 21, 2021, at 6:00 p.m.,
 - c. November 9, 2021, at 6:00 p.m.,
 - d. November 10, 2021, at 6:00 p.m.; and
 - e. December 17, 2021, at 9:00 a.m.
5. On December 23, 2021, both the City and County of Denver (the “City”) and the Licensee provided written closing arguments.

6. On February 4, 2022, the hearing officer issued a Recommended Decision with the recommendation that the Renewal be granted with eight conditions placed on the renewed license (the “Recommended Decision”).
7. On February 14, 2022, the Department received objections to the Recommended Decision submitted by the Licensee (the “Licensee’s Objections”).
8. On February 18, 2022, the Department received objections to the Recommended Decision submitted by the City (the “City’s Objections”).
9. On February 22, 2022, the Department received the City’s Response to Licensee’s Objections to the Recommended Decision (the “City’s Response”).
10. On February 23, 2022 the Department received the Licensee’s Response to City’s Objections to the Recommended Decision (the “Licensee’s Response”).
11. On February 25, 2022, the Department received objections to the Recommended Decision submitted by Jamie Torres, Councilwoman for District 3 (the “Councilwoman’s Objections”).
12. On March 1, 2022, the Department received correspondence from the Licensee’s objecting to the Councilwoman’s Objections.

Background

13. The hearing in the instant matter was held pursuant to D.R.M.C. § 32-20(d) which provides that the Director may hold a hearing concerning any licensing renewal application upon complaint or the Director’s own motion.
14. D.R.M.C. § 32-20(e)(1) further provides, in pertinent part, that the Director may deny a renewal application where:

There are causes for denial as provided in [D.R.M.C. §] 32-11, or grounds for suspension, revocation or other licensing sanction as provided in [D.R.M.C.] section 32-22, or rules and regulation adopted pursuant thereto.

15. D.R.M.C. § 32-11(a)(1) precludes the renewal of a license where “[t]he issuance of a license to the applicant or licensee would not comply with any applicable state or local law, or any rules and regulation adopted pursuant thereto.”
16. Under state law, specifically C.R.S. § 44-3-301(2), before granting any retail liquor sale license, “all licensing authorities shall consider... the reasonable requirements of the neighborhood, the desires of the adult inhabitant as evidenced by petitions, remonstrations, or otherwise, and all other reasonable restrictions that are or may be placed upon the neighborhood by the local licensing authority.”

17. The Colorado Court of Appeals decided, in *Price Haskell, Inc. v. Denver Dept. of Excise and Licenses*, 694 P.2d 364, 366 (Colo. App. 1984), that the needs and desires of the neighborhood may be considered for purposes of license renewal when proper notice is given.
18. Additionally, C.R.S. § 44-3-103(19)(d) provides that good cause, for the purpose of denying a license renewal, includes “[e]vidence that the licensed premises has been operating in a manner that adversely affects the public health, welfare, or safety of the immediate neighborhood in which the establishment is located, which evidence must include a continuing pattern of fights, violent activity or disorderly conduct.”
19. Upon consideration of all the testimony and evidence presented, the hearing officer determined that that sufficient good cause had not been presented to deny the Renewal, and that granting the Renewal would have no adverse effect on the health, safety, welfare, or morals of the designated area. Recommended Decision, ¶¶ g, h. However, the hearing officer also found the suggested license conditions requested by the City beneficial to the licensee and the neighborhood. Recommended Decision, ¶ f. Accordingly, the hearing officer recommended that the Renewal be granted with the following conditions placed on the face of the license:
 - a. "All current employees of Zaid LLC shall be trained in the safe service and sale of alcohol within thirty (30) days of this condition being place on the license, and new employees shall be trained in the safe service and sale of alcohol within thirty (30) days after their hire date."
 - b. "Licensee shall require a government-issued Photo ID be presented for all liquor sales, and Licensee shall verify each ID by a point-of-sale system or other ID scanner prior to any sale of alcohol."
 - c. "Licensee shall employ a minimum of two (2) staff members, one of whom may be a licensed security guard, on site between the hours of 3:00 p.m. and the close of business each day."
 - d. "Licensee shall hire a licensed security guard or off-duty Denver Police Officer to provide security services for the licensed premises, and adjoining areas leased by the Licensee, on Fridays, Saturdays, and Sundays from 6:00 p.m. to close of business."
 - e. "Licensee shall not allow loitering on the licensed premises or on adjoining areas leased by the Licensee at any time."
 - f. "Licensee shall not allow consumption of alcohol on the licensed premises or on adjoining areas leased by the Licensee at any time."
 - g. "Licensee shall cause the licensed premises and adjoining areas leased by the Licensee to be cleaned twice daily, including removing all litter, emptying trash cans, sweeping, and removing broken glass. Graffiti on the licensed premises and adjoining areas leased by the Licensee shall be cleaned and/or covered within 72 hours."

- h. "The licensed premises and adjoining areas leased by the Licensee, excluding restrooms, shall be kept visible to staff members via direct line of sight or security cameras."

Recommended Decision, p. 13-14, ¶¶ 1-8.

Findings and Conclusions

20. The Director, having reviewed the Recommended Decision, each of the Objections and Responses filed by the parties, the entire record, all legal arguments, and all filings in this matter, accepts the hearing officer's summary of the testimony, exhibits, and evidence, to the extent that those findings are consistent with the findings herein.
21. The Director first finds that the hearing officer erred in failing to admit evidence regarding the needs and desires of the neighborhood at the renewal hearing. *See* D.R.M.C. § 32-11(a)(1), C.R.S. § 44-3-301(2), and *Price Haskel, Inc.*, 694 P.2d at 366. Further, specific notice was provided to all parties in the August 11, 2021, Renewal Hearing Order that testimony and evidence regarding needs and desires may be taken at the hearing.
22. The holding in *Squire Restaurant and Lounge, Inc. v. City and County of Denver*, 890 P.2d 164 (Colo. App. 1994), is not an absolute preclusion from considering the needs and desires of the neighborhood when determining whether a liquor license should be renewed: "[t]his is not to suggest that in no circumstances could it be appropriate to consider the needs of the community in deciding whether good cause exists not to renew a liquor license." *Id* at 170.
23. The Colorado Court of Appeals, in *Squire*, considered the statutory scheme and the Department's regulations that were in place 30 years ago. The Court noted that *at that time* there were no provisions in the liquor code or Department regulations or procedures making any criteria applicable to the initial issuance of a license also applicable to the decision to renew.
24. Since the holding in *Squire*, the Department has updated its Hearing Policy and Procedures ("HPP") to explicitly make needs and desires of the neighborhood applicable to renewal hearings:

The provisions contained in Article I (General Provisions) shall apply to all hearings for Liquor License renewals conducted by the Department. However, Article II (Procedures Applicable Only to Needs & Desires Hearings) only apply to hearings for Liquor License renewals upon proper notice to the Applicant.

H.P.P. § 5.1 (Oct. 22, 2018).

25. Here, in contrast to *Squire*, there is a Department policy incorporating the needs and desires of the neighborhood in renewal hearings when proper notice is provided. Licensee was provided proper notice that needs and desires of the neighborhood would be addressed at the renewal hearing.
26. The Director accepts the hearing officer's conclusion that there was not sufficient good cause presented to deny the renewal of the license. Recommended Decision, ¶ h. The Director also notes, however, that the record does not contain evidence and testimony regarding needs and desires due to the hearing officer's erroneous decision not to admit such evidence. The Director's acceptance of the hearing officer's finding in this matter is not a finding by the Director that good cause may not exist; rather, it is a finding that sufficient evidence of good cause was not presented as part of the formal record in this matter.
27. The Director finds that there is good cause to support the imposition of conditions on the face of the license to ensure that the Licensee will operate lawfully and in a manner that does not adversely impact the neighborhood, pursuant to the Department's Hearing Policies and Procedures ("HPPs") § 1.6.5.7.

Licensee's Impact on the Neighborhood

28. The Director incorporates the hearing officer's summary of the testimony to the extent that summary is consistent with the findings herein and notes the following additional relevant testimony regarding the Licensee's impact on the neighborhood.
29. Councilwoman Jaime Torres testified that she contacted the owners of Avondale Liquor shortly after the transfer of ownership to the Licensee in effort to discuss neighborhood concerns and a proposed Good Neighbor Agreement ("GNA"). She testified that they discussed the removal of a food truck from the premises, a trespass agreement with the Denver Police Department ("DPD") and restricting the sales of single-serving alcoholic drinks. After this conversation, Councilwoman Torres never heard back from the Licensee and there was no GNA or other agreement in place to address these constituent concerns. She further testified that there are problems with intoxicated individuals in the area who contribute to physical altercations and property damage. She also explained that the licensed premises is close to Paco Sánchez Park and bus stops, both of which are concerns for criminal activity. The Councilwoman testified that she resides in the Villa Park neighborhood, but she did not testify that she resides within the designated area. Hearing Recording, Oct. 21, 2021, Part 1, 01:15:00- 01:36:31. As such, pursuant to HPP section 1.2, her testimony may not be afforded any weight.
30. Leah Rounds, the Business Outreach Committee Chair of the West Colfax Association of Neighbors ("WeCAN") testified that there is a lot of public drunkenness at the corner of 14th and Federal along with people fighting and

jumping in front of vehicles in the street. Hearing Recording, Oct. 21, 2021, Part 1, 02:08:00 – 02:33:27.

31. Jaime Aguilar, a resident of Bell Park and president of Villa Park Neighborhood Association, testified that he commutes in that area and that he's very "intimidated by the area." He mentioned that it is a "very scary place" especially when the food truck is there. He testified that he has witnessed people passed out in the area, has seen people getting pushed into the road in front of vehicles, and has seen people drinking from brown paper bags. He stated that he tries to avoid the area and take different routes. He explained that he has seen "people of questionable states" walking out of Avondale Liquor. Hearing Recording, Oct. 21, 2021, Part 1, 02:33:27 – Part 2, 00:13:09.
32. Glenn Harper, executive committee member of Sun Valley Community Collation RNO, testified that he drives through the intersection frequently and often sees individuals lying on the sidewalk and lots of individuals at that intersection. He further explained that crime and safety at that intersection is a regular topic of concern at neighborhood meetings. Hearing Recording, Oct. 21, 2021, Part 2, 00:13:09 – 00:23:13.
33. Carlos Maestas testified that he could see the back of the licensed premises from his kitchen window when he lived in the area. He reported daily observations of individuals drinking alcohol and doing drugs behind the licensed premises. He explained that he observed individuals drinking from alcohol containers that were in paper bags similar to the bags used by the Licensee. He mentioned that individuals would gather near the licensed premises around 9:00 a.m. and would stay in that area until about 11:00 p.m. He oftentimes would see people passed out behind the licensed premises as well. Mr. Maestas testified that he used to purchase alcohol from the Licensee and usually would only see one person in the store; sometimes there would be no one at the register. He never saw any staff at the licensed premises picking up litter on the property or addressing the individuals loitering. He testified that problems arose not from those who were travelling via the bus, but rather the people who stayed near the licensed premises to consume alcohol and other drugs. He testified that he believes these individuals were getting their alcohol from the Licensee because of the paper bags and because the next nearest liquor store is five blocks away. In addition, he testified that his wife witnessed a stabbing behind the licensed premises involving a group of people who loitered there. His children later witnessed an individual overdose and die in the same location. Mr. Maestas believes that the Licensee contributes to the crime in the area. He noted that when the store was previously closed due to license suspension, the "core individuals" who loitered behind the licensed premises were no longer there and he did not see people consuming alcohol. Hearing Recording, Oct. 21, 2021, Part 2, 00:23:13 – 00:56:51.

34. Lieutenant Jacob Herrera testified and was qualified as an expert in crime prevention. He testified that the Department of Safety conducted a study finding the intersection of 14th and Federal a “persistent violent location.” Due to this designation, the Department of Safety requested that DPD investigate ways to mitigate the criminal activity in that area. Before conducting site visits in the area, Lt. Herrera predicted that the main source of problems was Decatur Station, a nearby transportation station, as it is a heavily trafficked facility. However, he testified that after conducting site visits to various businesses and organizations in the area, the Licensee’s premises was the one that “stood out.” He noticed a lot of graffiti on the outside of the building, stating: “almost every component on the property had graffiti on it.” He observed broken glass in the parking lot, litter, and a lot of people loitering on the property. He testified that Decatur Station was very well maintained, had no graffiti, it had armed security guards, it was well lit, and it had a CCTV system. He testified to Exhibits C-11 and C-12 noting that the vast preponderance of violent crime takes place on the Licensee’s property. He testified regarding his prior conversations with the Licensee regarding specific concerns: graffiti; weeds; appearance needed to be cleaned up to look nicer; making displays of single serving alcohol less prominent; better control over parking lot; and removing the cardboard advertisements blocking the windows. Lt. Herrera testified that the Licensee stated they would consider the recommendations but ultimately none were acted upon. While recent clean-up events have covered area graffiti and cleaned up the parking lot, the Licensee did not participate and was not responsible for these efforts. From a crime prevention perspective, Lt. Herrera testified that these factors are important because when a building is covered in graffiti and trash, it becomes an attractive nuisance to criminal activity; it signals that this is a place that doesn’t have strong ownership or control over the environment; and it is a place where criminal behavior will go unnoticed or unreported. Lt. Herrera also testified regarding Crime Prevention Through Environmental Design (“CPTed”), a prevailing theory in crime prevention that looks at environmental changes as a means to prevent or deter criminal activity. He explained that how a business looks can attract criminal activity. He further testified that the Licensee frequently would refuse to participate in prosecution of crimes that occurred on its premises by refusing to press charges for shoplifting incidents or not providing surveillance video footage of other criminal activities. He explained that generally, when word gets around between people who like to steal alcohol that certain businesses do not prosecute, it further increases the likelihood of future shoplifting or criminal activity. He further testified that District 1 where the Licensee is located is a large place with a lot of people and large venues such as Mile High, the Pepsi Center, and Elich Gardens. Lt. Herrera noted that “it’s astonishing ... that this little patch of asphalt has the highest concentration of violent crime than all the other places.” He went on to say that there were more aggravated assaults on the Licensee’s property than at any of those other locations, and that alcohol was involved in most of the violent crime that occurred at the Licensee’s property and in the area of 14th and Federal. He has observed, through HALO cameras, individuals who exit the

- licensed premises and consume alcohol (placed in brown paper bags) in the Licensee's parking lot. He further testified that neither the owner nor the employees of the Licensee have asked DPD for help with loitering and drinking on their property. Hearing Recording, Oct. 22, 2021, Part 1, 00:15:30 – Part 2, 00:45:00.
35. Community Resource Officer Robert Gibbs testified that he is trained in CPTed analysis. He testified that he offered to conduct a CPTed analysis for the Licensee at no cost and with no requirement Licensee take the recommended actions, but that the Licensee declined to participate. Officer Gibbs provided some suggestions to help reduce crime areas around the licensed premises by limiting single serve alcohol, shortening the hours that the food truck was at the premises, removing the advertisements that were blocking the windows, adding lighting, and cleaning graffiti and trash; however, he testified that the Licensee was not interested in adopting any of these strategies. He further testified that Licensee does not participate in DPD's "Trespass Agreement" program and that such participation would empower DPD to patrol the property for trespassers which would help mitigate the criminal activity. He further stated that there is a 7-11 convenient store that sells single serve beer about five (5) blocks away; he stated people "could" be making their purchases at the 7-11 and then walking to the Avondale area with the alcohol "but that's quite a walk." Hearing Recording, Oct. 22, 2021, Part 2, 00:46:00 – Part 2, 01:43:50.
36. Community Resource Officer Adam Glasby testified that he has interacted with the Licensee and received a similar response as Ofc. Gibbs and Lt. Herrera. He initially contacted Licensee to discuss the high crime rate and ways the Licensee could help deter criminal activity. He testified that the response he received from Licensee was something along the lines of "you don't do anything for us, so you don't need our help." After further conversation, Officer Glasby testified that Licensee appeared more accepting of working with officers. However, Licensee did not take action on any of the recommendations and did not participate or help in the community cleanup of the Licensee's property held on June 23, 2021. Ofc. Glasby testified that on June 23, 2021, approximately 50 volunteers came out and cleaned the litter from the Licensee's premises and covered up the graffiti. He stated it took them approximately four (4) hours to clean the property. Licensee did not help and did not keep up with the improvement as new graffiti and trash started to accumulate shortly afterwards. Hearing Recording, Nov. 10, 2021, Part 1, 00:14:18 – 00:53:29.
37. DPD Crime Analyst Lindsey Horvat, who was tendered and accepted as an expert in crime data analysis, testified that Licensee is an attractor of crime in the area. She testified that the intersection of 14th and Federal came to her attention due to continued issues in the area and the Manager of Safety's Office declaring the location a "persistently violent hotspot." Ms. Horvat testified that she was tasked with identifying why the area is a hot spot for violent crime. Her investigation revealed that the Licensee is an "attractor" for criminal activity. She stated other

attractors in the area included the RTD bus stops, the light rail, and nearby park. She described an “attractor” as being something that might draw people to an area and keep them at that area. She further testified that alcohol or intoxication was a factor in most of the crimes committed in the area. Violent criminal activity in that area was at its highest rates on Wednesdays between 3:00 p.m. to 4:00 p.m. and Sundays from 10:00 p.m. to 11:00 p.m. Property crimes in that area were at the highest rates on Saturdays between 7:00 p.m. and 8:00 p.m. and Sundays from 12:00 p.m. to 3:00 p.m. She further testified that the Licensee had nearly two times the amount of violent offenses as the convenience store nearby, which was the second highest hotspot. Notably, she testified that while crime in 2020 overall was down due to the pandemic and stay at home orders, violent crime at 14th and Federal did not decrease. She further testified that Exhibit C-13 does not show a decrease in crime for 2021 because C-13 only covered six months of criminal activity in 2021. Ms. Horvat also noted that the Licensee was closed for a total of 40 days in 2021 due to previous liquor law violations. As such, Ms. Horvat testified that the data in Exhibit C-13 does not show any sort of improvement in the rate of crime. Hearing Recording, Nov. 10, 2021, Part 1, 00:54:05 – Part 2, 01:45:51 and Hearing Recording, Nov. 11, 2021, Part 1, 00:49:00.

38. Michael DeMatte is a property owner who leases the licensed premises to the Licensee. He testified that he previously operated the liquor store before selling the liquor license and leasing the land and building. He testified regarding his plans for future improvements of the building since it was damaged in a hit and run. He also testified that he plans on removing the overhang, replacing the roof, and removing the trailer in the back of the property. He testified that he has never been able to stop the graffiti problem and that after painting over the graffiti it reappears shortly thereafter. He does not believe that the Licensee is the cause of crime in the area, but rather Paco Sánchez Park. He believes the RTD bus stops, and the light rail station are responsible for local crime and the loitering. He testified that it is the Licensee’s responsibility to deter loitering, to clean up graffiti, and to remove litter; that this is not his responsibility as a landlord. He testified that he has never seen public consumption in the parking lot but that he has seen consumption in the park. During Mr. DeMatte’s testimony, a person off camera was coaching him on how to respond to the questions from the attorneys thus causing credibility and reliability issues related to his testimony. Hearing Recording, Nov. 11, 2021, Part 1, 00:50:30 – 01:31:22.
39. Richard Vigil testified as a neighborhood witness who is a customer of the Licensee. He testified that he spends a minimal amount of time at the liquor store; he goes in, gets what he needs, and goes home. He stated that the Licensee does not adversely affect the community; he places the blame for the criminal activity on Paco Sánchez Park. He testified that a group of people loiter at the park and that he has observed people consuming alcohol at the park. He claimed that all criminal activity occurs in the park, but also acknowledged that he does not spend time at

the park. He claimed that he has not heard of any crime in the neighborhood and that he never witnessed any actions from the Licensee that would contribute to the crime. He testified that the Licensee does not have a security guard on the premises. He testified that prices have remained the same for the items he purchases (which include single-serving alcoholic beverages). Hearing Recording, Nov. 11, 2021, Part 1, 02:07:40 – 02:23:05.

40. Carlos Bonilla is the manager of Super Tire Incorporated, a business located next to Licensee. He testified that he has always noticed activity in the back of the tire store and the Licensee's premises. He further testified that once the light rail opened nearby, there was an increase in the transient/homeless population in the area. He stated that he cleans the litter at the tire store daily. He stated that the "wind comes and brings everyone else's trash" which consists of cans, beer cans, shooters: "like the cheap stuff." He testified that the Licensee sells these products and that the alcohol consumed in the area is likely purchased from the Licensee. He further testified that when "the old man" ran the liquor store he did not have the same problems he sees now in the area. He stated he had "never seen the stuff that goes on outside like we do now." Mr. Bonilla claimed that previous owners of the establishment were stricter than the Licensee, and that there was a noticeable change when the Licensee took over. He stated that the people who loiter in the area are usually the same people, but "when we see new people, we get afraid." He testified that he has witnessed people consuming alcohol in the Licensee's parking lot and surrounding area. He stated that he does report crimes and he will let those loitering use his phone to call 911 when needed. He testified that he has seen the Licensee picking up trash and painting over graffiti. Hearing Recording, Nov. 11, 2021, Part 1, 02:24:33 – 03:00:37.

41. Jason Moore testified that he has lived on Conejos off and on for about a year and that he does not consume alcohol but is familiar with the Licensee. He does not believe the Licensee is at fault for the safety issues at 14th and Federal and he enjoys purchasing cold beverages from the Licensee to consume while waiting for the bus. He testified that there are no bus shelters or benches at the bus stops surrounding the Licensee's property, and that on cold days people congregate under the awning in the Licensee's parking lot. He testified that he witnessed a customer who attempted to assault the "owner's daughter" when she refused to sell alcohol to that person. He stated that he had to physically intervene to prevent the assault. He testified that he works for KG Investment Corporation which is a company that helps people get out of debt and conducts marketing and advertisements. He referred to the Licensee as his client and states that he cleans up the area for the Licensee free of charge. When asked how clean up was related to marketing and getting out of debt, Mr. Moore testified that his company offers free service to companies that qualify. When asked how a company could qualify, he stated that he just "gave it to them" and that "talking with the daughter, I knew they needed help." He further testified that the Licensee does not have assistance from the state

regarding the criminal activity that occurs in the area. Hearing Recording, Nov. 11, 2021, Part 2, 00:00:00 – 00:47:40.

42. Zaid Ghebremeskeris the owner of the License testified. She testified that before purchasing Avondale Liquor she worked in mental health as a Certified Nursing Assistant. She explained that she has also worked at some of her father's liquor stores running the cash register and stocking, but never in a managerial position. Avondale Liquor is her first liquor store which she purchased in February of 2020. She testified that only she and her father work at the licensed premises and that she occasionally asks her cousin to work at the location in urgent situations. She testified that the Licensee did fail two compliance checks where her father sold alcohol to a person under the age of 21. She explained that her father was going through a divorce at that time, and she did not require him to undergo any training after the underage sales. She testified that she installed a point-of-sale system that requires either scanning an ID or manual input of the customer's date of birth to complete a transaction. She testified that she cleans the parking lot daily, and that litter accumulates because there are no trash cans at the bus stops. She testified that she is able to see the entire parking lot with her surveillance cameras and has not seen any of her customers consuming alcohol in the parking lot; however, she has seen individuals consuming alcohol at the bus stops. She testified that she has had shoplifting events at the liquor store; that she always calls DPD to report the shoplifting events; and that she has never declined to press charges. She testified she was unaware of the criminal activity at 14th and Federal until she attempted to renew her liquor license in June of 2021. However, she testified that she has been assaulted in the store. She testified that, on one occasion, when she told a man who was loitering to leave, he responded by throwing gasoline on her. She also mentioned that while cleaning the parking lot another person was calling her names and making unspecified threats to her. When another person threatened her, she testified that she told the person she would call DPD, but that person stated the police would not come. On another occasion, she declined to sell alcohol to a customer who got angry and told her to go back to her country or they would have her business shut down. She further testified that her cousin had an incident where a regular customer made "a mess" out of the sales counter, causing damage, because he would not let the customer return a product. She testified that she has not hired security or additional personnel due to the cost. She relies on DPD for security and testified that "at any time they should be there for us when we need it." She further testified regarding several times she called DPD for assistance and they did not respond to the call or did not respond immediately. She stated that DPD officers have encouraged her to hire security guards. Hearing Recording, Dec. 17, 2021, 00:04:31 – 01:34:40.
43. On rebuttal, Lt. Herrera testified that DPD is not able to respond to every call instantly. He stated that DPD has a prioritization scheme where threats to life are given priority, such as threats with a weapon and domestic violence cases. He

testified that he has reviewed criminal reports where the Licensee was the victim and refused to press charges. Lt. Herrera testified that a CPTed evaluation would help identify actions Licensee can take to make the location safer. Lt. Herrera testified that even without the evaluation, he would still recommend hiring security guards and/or additional employees, always having more than one person working the store, placing single-serving shooters behind the counter, and checking IDs at the door. Hearing Recording, Dec. 17, 2021, 01:36:3 – 01:51:17.

Licensee has operated Avondale Liquor in a manner that has had an adverse impact on public health, welfare, and the safety of the neighborhood.

44. The Director may refuse to renew any license for good cause. C.R.S. 44-3-103(19); HPP § 5.5.4. “Good Cause” includes, among other definitions, “[e]vidence that the licensed premises have been operated in a manner that adversely affects the public health, welfare, or safety of the immediate neighborhood in which the establishment is located.” C.R.S. 44-3-103(19)(d). For purposes of finding good cause under this theory “evidence must include a continuing pattern of fights, violent activity, or disorderly conduct.” *Id.*
45. The Director has “full power to grant, renew, suspend during investigation and revoke after notice and hearing, all licenses issued under [Denver Revised Municipal Code (“D.R.M.C.”)] chapter 32.” D.R.M.C. § 32-1. Further, the Director may, at her discretion, “place additional conditions on the license as a result of evidence or testimony introduced at the hearing or as a result of the Department’s investigation or general policies.” HPP § 1.6.5.7.
46. Here, an overwhelming amount of testimony and other evidence has established that the intersection of 14th and Federal is a persistently violent hotspot and that the Licensee has been operating in such a manner that adversely affects the public health, welfare, and safety of the neighborhood. Licensee’s own testimony recounting the multiple violent events she has been victim to while working at the licensed premises demonstrates serious safety concerns and a continuing pattern of violent activity. She has been assaulted, doused with gasoline, and her life threatened on multiple occasions. Further, all of these incidents have occurred while she was working alone at the licensed premises. Testimony has established a continuing pattern of fights, public intoxication, drug use, and other violent events in and around the Licensee’s establishment.
47. Testimony has established that the Licensee is an attractor of criminal activity. Ofc. Gibbs and Lt. Herrera’s testimony established that the continuous presence of graffiti and litter on the premises expresses to criminals that the property is not well cared for or watched. Such an environment invites the heavy loitering and the open consumption of alcohol and drugs which has, in turn, had an impact on the amount of fighting, people being pushed into the roadway, people using and selling drugs,

- and people passing out on the sidewalk in the area. Further, testimony from Carlos Maestas demonstrated that the individuals who consume alcohol and drugs behind the licensed premises do so from about 9:00 a.m. to 11:00 p.m., which is consistent with Licensee's testimony regarding its hours of operation. Mr. Maestas' additional testimony that these individuals did not loiter when the store was closed due to Liquor Code violations further illustrates that Licensee's operation is an attractor of crime as described by DPD Crime Analyst Lindsey Horvat.
48. While the Licensee may not be the only attractor of crime in the area, testimony has established its failure to maintain the property in a neat and orderly fashion has signaled to criminals that the premises is not carefully watched and that criminal activity at this location would go unnoticed and unreported.
49. Testimony further established that the Licensee attracts criminal activity and violent criminal activity by not employing sufficient staff or security. The conclusion that such practices have contributed to violent activity is demonstrated by Licensee's own testimony that when threatened by loiterers in the parking lot, the individuals acknowledge that the police will not arrive in time, if at all. Licensee's testimony demonstrates that she relies on DPD to provide all security services to her liquor store, yet she knows that DPD cannot and does not arrive instantly when issues arise. Further, she acknowledges that DPD sometimes does not respond to her calls, yet she does not hire additional staff or security. Testimony from the Licensee's customers demonstrate that it is common knowledge that there usually is only one individual working at the store.
50. Lt. Herrera's testimony that Licensee's failure to report criminal activity and failure to prosecute shoplifters invites further criminal activity is persuasive. Testimony has established that the Licensee is, at best, inconsistent with reporting crime and such inconsistency attracts additional criminal activity.
51. Carlos Bonilla's testimony demonstrated that the criminal and violent activity was not as prevailing under prior operators of Avondale Liquor before the Licensee. His testimony acknowledged that when the light rail station was put into operation, it changed the amount of foot traffic and the make up in the area; however, back then he had "never seen the stuff that goes on outside like we do now." His testimony did not demonstrate that the light rail station or the bus stops are the culprit of the pervasive violent activity at 14th and Federal. Testimony from Lt. Herrera contrasted the actions taken by RTD to care for the property at Decatur Station with the lack of action taken by the Licensee. His testimony made clear that RTD maintained the property well and that the Licensee did not. Decatur Station did not have any graffiti or litter, it had armed security guards, and a comprehensive CCTV system. However, Avondale Liquor, just across the street, was kept in much worse conditions and has been inundated with loiterers using alcohol and drugs. Testimony at hearing established that the Licensee is located in an area known for

high criminal activity and, under the Licensee's ownership, it has been operating in a manner that has increased and welcomed further deterioration of the safety of the neighborhood.

Conditions

52. In the City's Closing Argument, the City requested conditions be added to the license to require Licensee to operate in a manner that does not adversely affect public health, welfare, and safety of the neighborhood. Proposed conditions include employee training, ID requirements, additional employee presence, security presence, cleaning and graffiti removal, and prohibitions of public consumption of alcohol and loitering. *See City's Closing Arg.*, p. 5.
53. The Director may, at her discretion, "place additional conditions on the license as a result of evidence or testimony introduced at the hearing or as a result of the Department's investigation or general policies." HPP 1.6.5.7. While it is helpful for the parties and the hearing officer to provide proposed conditions, the testimony and evidence allows the Director to craft conditions that address the concerns of the neighborhood and ensure that the Licensee's future operations do not adversely impact the neighborhood.
54. The conditions identified below were crafted by the Director after considering the testimony and evidence submitted by the parties, the Licensee's Objections, the City Attorney's Objections, and the Responses to the Objections. The conditions also reflect the concerns identified by DPD regarding how Licensee's practices have a tendency to invite crime.
55. Licensee only objected to two conditions proposed by the hearing officer: requiring government issued photo IDs for all liquor sales and requiring security guard services.
56. Licensee's argument against imposing the ID condition relies on whether the Department made specific allegations of related non-compliance in its Renewal Hearing Order. This however is inconsequential. Again, the Director may, at her discretion, "place additional conditions on the license ***as a result of evidence or testimony introduced at the hearing ...***" HPP § 1.6.5.7 (emphasis added). Licensee testified herself regarding two occasions her father sold alcohol to underage individuals, and Lt. Herrera testified how checking IDs can contribute to the safety in the area.
57. Further, the Director finds ample evidence to require Licensee to hire security guard services during specific days and times. Licensee argues against this requirement claiming that there is no evidence the Licensee has permitted criminal conduct to occur, and that Licensee regularly calls police to report crime. Licensee's own testimony has established that the licensed premises is a dangerous location, that DPD does not arrive instantly, and that she has been placed in danger of imminent

physical harm on multiple occasions. Imposing a condition to hire security services during high crime days and times is sufficiently based on the evidence.

58. The conditions being placed on the license are intended to direct Licensee to operate in a manner that does not adversely affect public health, welfare, or safety of the neighborhood. However, should the Department become aware of noncompliance and/or future violations, the Department may pursue disciplinary action against the license or set a subsequent renewal hearing on a future renewal application.
59. The Director encourages regular communication between Licensee, DPD, and the local RNOs to resolve issues. In other matters before the Department, parties have entered into private agreements detailing how the licensee and its neighbors will work collaboratively to address a set of issues, including crime related issues. These private agreements are commonly referred to as Good Neighbor Agreements (“GNA”). The Department may also place certain provisions identified in the GNA on the license as conditions, upon agreement by the parties. The parties in the instant matter might find that this is a useful tool to understand each other’s perspectives and address each other’s concerns. Furthermore, nothing herein is intended to prevent the Licensee from taking additional steps to mitigate crime and violence related to its operations.

ACCORDINGLY, the application filed by Zaid LLC, doing business as Avondale Liquor, to renew a Retail Liquor Store License at 1365 Federal Boulevard, Denver, Colorado, is hereby APPROVED, subject to the completion of all required inspections and cure of all findings defects. The following conditions shall be placed on the face of the license:

1. All current employees of Licensee and/or any person authorized by Licensee to sell alcohol beverages at the licensed premises shall be trained in the safe service and sale of alcohol within thirty (30) days of this condition being placed on the license. All new employees and/or persons authorized by Licensee to sell alcohol beverages at the licensed premises shall be trained in the safe service and sale of alcohol within thirty (30) days after their hire date.
2. Licensee shall require a government-issued Photo ID be presented for all liquor sales, and Licensee shall verify each ID by a point-of-sale system or other ID scanner prior to any sale of alcohol. Licensee may however accept any foreign ID permitted under Colorado Liquor Rules Regulation 47-912 (1 CCR 203-2: 47-912) even if the ID cannot be verified by such point-of-sale system.
3. The Licensee shall employ a minimum of two (2) staff members, one of whom may be a licensed security guard, on site between the hours of 3:00 p.m. and the close of business each day.
4. The Licensee shall not allow loitering on the licensed premises or on adjoining areas leased by the Licensee at any time.

5. The Licensee shall hire a licensed security guard or off-duty Denver Police Officer to provide security services for the licensed premises and adjoining areas leased by the Licensee on Fridays, Saturdays, and Sundays from 6:00 p.m. through the close of business each day.
6. The Licensee shall not allow consumption of alcohol on the licensed premises or on adjoining areas leased by the Licensee at any time.
7. The Licensee shall cause the licensed premises and adjoining areas and parking lots leased by the Licensee to be cleaned twice daily, removing all litter, emptying trash cans, sweeping debris, and removing broken glass.
8. The Licensee shall remove or cover graffiti on the licensed premises and adjoining areas leased by the Licensee within 72 hours of its appearance.
9. The licensed premises and adjoining areas leased by the Licensee, excluding restrooms, shall be kept visible to staff members via direct line of sight or security cameras.

If the Licensee wishes to remove or modify any condition from this license, the Licensee must apply for a modification to its Retail Liquor Store License and receive approval from the Director.

SO ORDERED this 24th day of August, 2022.



Molly Duplechian, Executive Director
Department of Excise and Licenses

CERTIFICATE OF DELIVERY

The undersigned hereby states and certifies that one true copy of the foregoing Final Decision was sent via mail and email on the __24th__ day of __August_____, 2022 to the following:

Adam Stapen, Attorney for the Licensee
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Dept. of Excise and Licenses