

**LICENSES AND CONSUMER SERVICES  
LICENSE INSPECTOR'S REPORT**

**License Number:** L188-50135      **Police File Number:** 13657

**Date of Application:** March 12, 2015

**Inspector:** Michele Harvet, 612-673-5484

**Applicant/Legal Entity:** Maracas Entertainment Corp

**DBA/Trade Name:** Azul Nightclub

**Complete Address:** 400 3<sup>rd</sup> Avenue North, Minneapolis, MN 55401

**Responsible person(s) within 75 miles of Minneapolis City Hall:** James Carlson/Wilfrido Hernandez

**Public Hearing Required:** No

**License Conditions:** Yes

**License Requested:** On-Sale Liquor with Sunday Sales, Class A

**Most Recent License Approved at this Location:** On-Sale Liquor with Sunday Sales, Class A

**Purpose of Application:** To obtain an On-Sale Liquor with Sunday Sales, Class A for a new proprietor

**Neighborhood/Ward:** Northloop/ 3

**Zoning:** B4S-2/DP – This is a permitted use in the Downtown Service/Downtown Parking Overlay District

**7 acre requirement:** Met.

**Off-Street Parking:** The Office of the Zoning Administrator has determined that zero spaces are required to be provided on site.

**Seating:** Inside: 80 Seats      Outside: 20

**Maximum Capacity:** Inside: 540      Maximum Capacity Outside: 40

**Food Service Requirement:** This establishment meets the minimum food service requirements set forth in MCO 360.65.

**Alcohol Server Training:** Training will be provided by Ben Gisselman of ALE Training

**Hours of operation proposed:**      **Interior:** 11:00 A.M. to 2:00 A.M. Daily

**Exterior:** 11:00 A.M. to 2:00 A.M. Daily

**Metropolitan Council Service Availability Charges:** A new SAC determination is not required for this existing use.

**HISTORY OF LOCATION**

Several different nightclubs have operated at this location over the last 23 years or more, with an On-Sale Liquor with Sunday Sales, Class A license. The most recent was 400 Sound Bar.

**APPLICANT**

The applicant is Maracas Entertainment Corp; a Minnesota company, formed on December 5, 2014, under Chapter 302A (File Number 797930500020) having the required restriction on the transfer of shares and has the following owners:

<u>Name</u>	<u>DOB</u>	<u>Title</u>	<u>Shares</u>
James Carlson	8/3/65	President	50%
Wilfrido Hernandez	10/12/59	Vice President	50%

The applicants do not have experience in operating a nightclub. They meet all minimum requirements including criminal and financial background checks.

**MANAGER**

The manager at Azul Nightclub will be James Carlson. Mr. Carlson has approximately eleven years of experience in public and community relations

**POLICE REVIEW**

Police Licensing and this Inspector have reviewed the expenses and source of funds reported in this application. The applicant has provided documentation showing adequate legal and traceable funding for this venture and has passed the criminal background check. The First Precinct of the Minneapolis Police Department has discussed security issues with the applicant.

**PREMISES**

The licensed premises will consist of a portion of the physical space formerly occupied by Tropix and Visage, including a sidewalk cafe. The two former establishments, Tropix and Visage, occupied over 10,000 square feet of space on the first floor in the Historic Crane building, 400 3<sup>rd</sup> Avenue North. The owner of Visage split the space into two spaces, The Rosewood Room at Visage, a smaller area of approximately 3,500 square feet and a larger area of approximately 6,400 square feet called Visage. The premises for this application will only be for the larger area, consisting of approximately 6,400 square feet. Minor kitchen remodeling has taken place since Visage vacated the premises. There will be seating for 80 patrons at booths, tables and two bars. There is also a dance floor and a stage central to the establishment. The space is compact and contiguous. There are no undefined spaces.

## **OUTDOOR SEATING AREA**

There will be an outdoor patio, on city public right of way property, in front of the establishment, facing 3rd Avenue North. It will have five tables that seat four people each. A combination of permanently installed railings, stanchions and planters will be used to distinguish Azul Nightclub from property from neighboring businesses. There will be no sound system or speakers servicing the sidewalk café/outdoor patio portion of the establishment.

## **BUSINESS PLAN/OPERATIONS**

All alcohol servers will be required to ask for identification from all patrons that appear under 40 years of age. Servers will monitor the amount of alcohol each guest is consuming in order to prevent over serving and intoxicated guests. They will perform quarterly self-audits. Employees will be rewarded for passing a youth alcohol compliance check. If a server fails a compliance check, they will be placed on probation which could lead up to termination if there is another violation. All servers will read and sign an employee alcohol service agreement.

There will be staff specifically assigned to security for the establishment. Staff will be trained on several different security issues. They will be responsible for maintaining the safety of guests and the prevention of illegal activities on the premises. They will call for police assistance if someone they have asked to leave does not leave.

There will be a small menu of Latin American cuisine items like pork wings, Peruvian scallops and sweet plantains. The price range is \$9.99-\$11.99.

Azul Nightclub intends to operate as a Latin-themed nightclub offering live music and international acts. Entertainment will be provided in the form of live bands, folk dancing and disc jockeys.

All litter and trash will be removed from a 100 feet radius of the premises on a twice daily basis (opening and closing times).

Noise issues will be addressed in the following manner. The venue uses a sound system that distributes sound evenly throughout the interior of the business eliminating the need for high volume coming from one central point within the establishment. They will monitor the sound coming from any open patio doors to ensure it is not at above ambient sound levels. Also, they will work with their patrons to ensure that they keep the noise down on the patio. If there are noise complaints, they will address the complaints in a respectful manner. Management will address concerns immediately. Closing procedures are to turn up the lights and turn off the music at 2:00am, encourage patrons to finish their drinks, then direct patrons to exit starting at 2:15am with all patrons exited by 2:30am. Azul Nightclub will not accept any guests from party buses or pedal pubs unless they have been properly screened.

Security staff will be responsible for ensuring that guests and other people do not loiter on the public sidewalk outside the premises and employ techniques to move them along, encouraging departure from the area. Staff will assist with clearing the sidewalk area and commit to a security presence in the area for at least 30 minutes after the time of closing.

There are no mechanical amusement devices. No charitable gambling or sports team sponsorships are being planned. Approval is based on final inspections being completed.

## **PUBLIC HEARING SUMMARY**

A public hearing is not required for this license application.

## **RECOMMENDATION**

The Licenses and Consumer Services Division recommends approving this application for an On-Sale Liquor with Sunday Sales, Class A License.

## **LICENSE CONDITIONS**

1. The licensee shall email their live band event schedule and advertisements to the Minneapolis Police 1<sup>st</sup> Precinct and Business Licensing every two weeks for the purpose of assessing Azul Nightclub's security and staffing needs based on the potential event draw of patron numbers in excess of regular business operations.
2. The licensee shall take all necessary and prudent steps to avoid violent incidents from occurring at their establishment during events by assessing the reasonably foreseeable risks associated with the nature of the event(s), the history of the performer(s), and the anticipated number of attendees.
3. No glass bottles will be served to patrons.
4. The licensee must verify the age of all persons seeking to purchase beverage alcohol.
5. The licensee will not provide outdoor speakers. Should outdoor speakers be added in the future, the licensee shall meet with a representative of the City of Minneapolis Environmental Management Division prior to operating outdoor speakers to undergo a sound mitigation evaluation to review strategies to minimize unwanted sound emanating from the outdoor area and implement those recommended strategies.
6. To assist in the prevention of reoccurring disturbances by known persons, the licensee shall compile, maintain and share with the 1<sup>st</sup> Precinct a "Do Not Admit/86" list of persons who have been trespassed and/or refused service per Minnesota Administrative Rule 7515.0590.Subp.3.
7. The licensee shall utilize a metal detector to wand persons seeking to gain entrance to the establishment as needed or as determined by Minneapolis Police.
8. Each bar area in the establishment will have a staff person assigned as the "controller" with the duties to oversee the amount of alcohol being served to reduce the potential of over serving patrons.
9. Dedicated security staff will monitor the activity in the establishment and if any criminal activity is observed, security must escort the customer from the premises and request Minneapolis Police assistance at the exit of the business.
10. Dedicated security staff shall not allow customers or passersby to loiter for any purpose near the establishment during business hours. Dedicated security staff shall assist in crowd dispersal for at least one half hour after closing of the establishment to prevent loitering.

11. The licensee will not distribute hand-bills advertising promotions to anyone walking on city sidewalks, streets, or alleys; nor place any on parked motor vehicles.
12. The licensee shall send a representative to monthly LINC meetings.
13. The licensee will collect all litter within 100 feet of the exterior of the building housing the licensed premises on a daily basis.
14. The licensee shall not advertise nor promote "18 plus/all ages" events on the premises. For purposes of this agreement, "18 plus/all ages" events shall be defined as an event that is advertised as an 18 plus/all ages event that offers live entertainment or a DJ in a nightclub type setting.
15. All persons seeking to gain entrance to the establishment who appear to be under the age of 21 shall be required to present legitimate identification as a condition of entrance except during private events that are not open to the public. No minors will be allowed to remain on the premises unless as otherwise allowed under State Statute 340A.503.
16. The patio area shall be restricted to the approved plan. The number of patrons on the patio should not exceed the total customer capacity specified in the license application. Noise coming from patrons in all outdoor areas will be managed consistent with the requirements of Chapter 389 of the Minneapolis Code of Ordinances.
17. The city council may review the operation of any outdoor area in connection with the renewal of the on-sale license for the establishment or at any other time for good cause. Violation of the terms and conditions of this section shall be grounds for revocation, suspension, or refusal to renew the on-sale license for that portion of the licensed premises pertaining to the outside area.
18. During live performances and special events, Azul Nightclub will keep an accurate occupancy count and immediately share such figures upon the request of any official or officer of the City of Minneapolis. Azul Nightclub shall not let more patrons into the establishment than is legally allowed, with the occupancy number posted in plain sight near the main entrance of the establishment.



**City of Minneapolis**  
**Licenses and Consumer Services Division**  
350 South Fifth Street Room 1-C City Hall  
Minneapolis, Minnesota 55415  
[www.minneapolismn.gov](http://www.minneapolismn.gov)



**Spanish- Atención.** Si desea recibir asistencia gratuita para traducir esta información, llame 612-673-2700  
**Somali- Ogow.** Haddii aad dooneyso in lagaa kaalmeeyo tarjamadda macluumaadkani oo lacag la' aan wac 612-673-3500  
**Hmong-Ceeb toom.** Yog koj xav tau kev pab txhais cov xov no rau koj dawb, hu 612-673-2800  
**English- Attention.** If you need this material in an alternate format, have questions, are deaf or hard-of-hearing, please call 612-673-3000.  
TTY: 612-673-2626 or 612-673-2157

MARACAS ENTERTAINMENT CORP  
JAMES CARLSON  
400 3RD AVE N  
MINNEAPOLIS, MN 55401

26-MAR-15

Request Number: 15-1101936

**BUSINESS LICENSE OPERATING CONDITIONS**

Re: L188-50135 AZUL NIGHTCLUB for LIQ ON-SALE A W/SS SERIES 2000 and L161-50525 for SIDEWALK CAFÉ LICENSE

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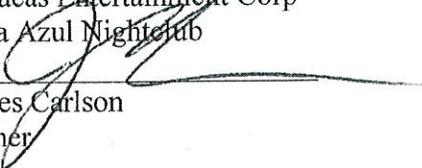
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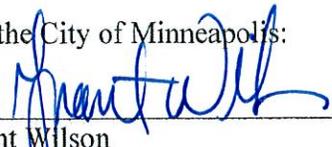
I have read and understand the conditions listed above. I agree with the conditions and understand that failure on our part or on the part of my company or employees to adhere to these conditions, may be cause for future adverse license action, including the suspension, revocation, or denial of the renewal of the **Azul Nightclub** licenses. These conditions will be effective for the duration the license operates at these premises, unless otherwise amended by the City Council of Minneapolis.

Based upon the foregoing, this agreement is FREELY & VOLUNTARILY ENTERED INTO IN GOOD FAITH:

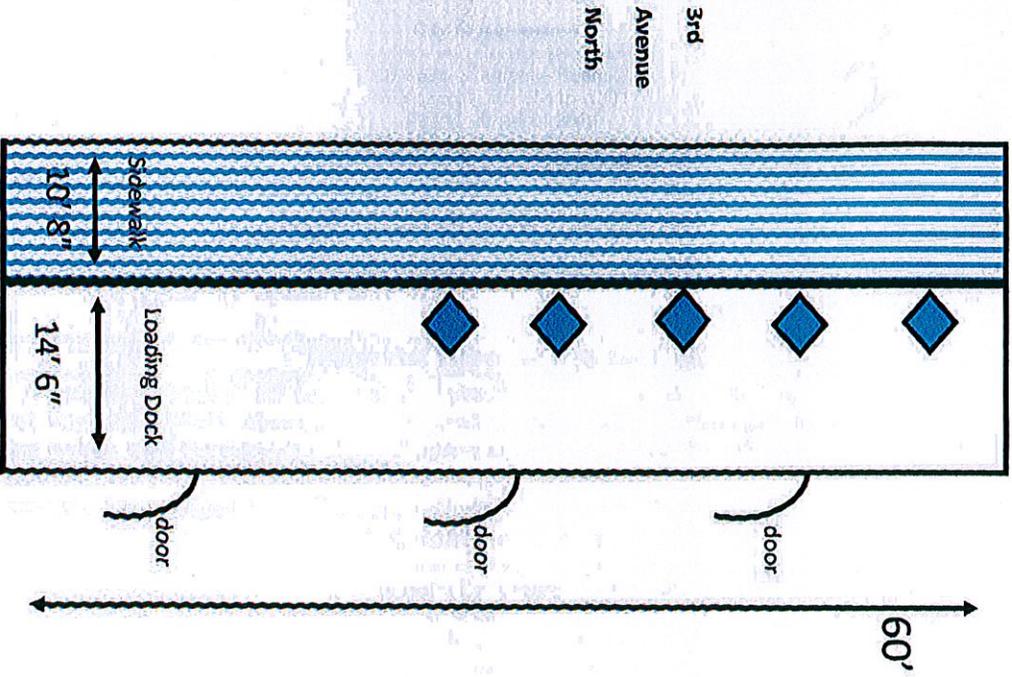
Maracas Entertainment Corp  
d/b/a Azul Nightclub  
By:   
James Carlson  
Owner

Date: 3-30-15

For the City of Minneapolis:

By:   
Grant Wilson  
Manager  
Licenses & Consumer Services

Date: 3-30-15



*Approved 3.2.15*  
*JPGMS*

**Azul Nightclub**  
**400 3rd Avenue N**  
**Minneapolis, MN 55401**  
**James Carlson — Wilfrido Hernandez, Owners**  
**612-703-7417**