

DOCKET NO. 581864

IN RE G.T. MANAGEMENT INC.	§	BEFORE THE
D/B/A CLUB 2551	§	
PERMIT NOS. MB217702, LB217703,	§	
& PE217704	§	TEXAS ALCOHOLIC
	§	
DALLAS COUNTY, TEXAS	§	
(SOAH DOCKET NO. 458-99-2889)	§	BEVERAGE COMMISSION

ORDER

CAME ON FOR CONSIDERATION this 14th day of June, 2000, the above-styled and numbered cause.

After proper notice was given, this case was heard by Administrative Law Judge Tanya Cooper. The hearing convened on February 4, 2000 and recessed on February 4, 2000. The the hearing was reconvened and recessed on February 29, 2000 . The Administrative Law Judge made and filed a Proposal For Decision containing Findings of Fact and Conclusions of Law on May 17, 2000. This Proposal For Decision was properly served on all parties who were given an opportunity to file Exceptions and Replies as part of the record herein. Exceptions have been filed.

The Assistant Administrator of the Texas Alcoholic Beverage Commission, after review and due consideration of the Proposal for Decision, Transcripts, and Exhibits, adopts the Findings of Fact and Conclusions of Law of the Administrative Law Judge, which are contained in the Proposal For Decision and incorporates those Findings of Fact and Conclusions of Law into this Order, as if such were fully set out and separately stated herein. All Proposed Findings of Fact and Conclusions of Law, submitted by any party, which are not specifically adopted herein are denied.

IT IS THEREFORE ORDERED, by the Assistant Administrator of the Texas Alcoholic Beverage Commission, pursuant to Subchapter B of Chapter 5 of the Texas Alcoholic Beverage Code and 16 TAC §31.1, of the Commission Rules, that Permit Nos. MB217702, LB217703, & PE217704 be **GRANTED**.

This Order will become final and enforceable on July 5, 2000, unless a Motion for Rehearing is filed **before** that date.

By copy of this Order, service shall be made upon all parties by facsimile and by mail as indicated below.

WITNESS MY HAND AND SEAL OF OFFICE on this the 14th day of June, 2000.

On Behalf of the Administrator,

A handwritten signature in cursive script, appearing to read "Randy Yarbrough", is written over a horizontal line.

Randy Yarbrough, Assistant Administrator
Texas Alcoholic Beverage Commission

TEG/bc

The Honorable Tanya Cooper
Administrative Law Judge
State Office of Administrative Hearings
VIA FACSIMILE (817) 626-7448

Holly Wise, Docket Clerk
State Office of Administrative Hearings
300 West 15th Street, Suite 504
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Timothy E. Griffith
ATTORNEY FOR PETITIONER
TABC Legal Section

Licensing Division
Dallas District Office

State Office of Administrative Hearings



Shelia Bailey Taylor
Chief Administrative Law Judge

May 18, 2000



Doyme Bailey
Administrator
Texas Alcoholic Beverage Commission
5806 Mesa Drive, Suite 160
Austin, Texas 78731

VIA CERTIFIED MAIL Z 283 051 958
Return Receipt Requested

RE: Docket No. 458-99-2889; Texas Alcoholic Beverage Commission vs. G. T. Management, Inc.
d/b/a Club 2551 (TABC Case No. 581864)

Dear Mr. Bailey:

Enclosed please find a Proposal for Decision in the above-referenced cause for the consideration of the Texas Alcoholic Beverage Commission. Copies of the proposal are being sent to Timothy Griffith, attorney for Texas Alcoholic Beverage Commission, and to Daniel Perez, Attorney for Respondent. For reasons discussed in the proposal, I recommend that Respondent's application for renewal of its Mixed Beverage Permit, Mixed Beverage Late Hours Permit and Beverage Cartage Permit should be granted.

Pursuant to the Administrative Procedure Act, each party has the right to file exceptions to the proposal, accompanied by supporting briefs. Exceptions, replies to the exceptions, and supporting briefs must be filed with the Commission according to the agency's rules, with a copy to the State Office of Administrative Hearings. A party filing exceptions, replies, and briefs must serve a copy on the other party hereto.

Sincerely,

A handwritten signature in cursive script, appearing to read "Tanya Cooper".

Tanya Cooper,
Administrative Law Judge

TC:ds

Enclosure

xc: Holly Wise, State Office of Administrative Hearings, Austin, Texas - **Regular Mail**; Timothy Griffith, Staff Attorney, Texas Alcoholic Beverage Commission - **Regular Mail**; Daniel Perez, Attorney for Respondent, 4131 N. Central Expressway, Suite 360, Lock Box M-30, Dallas, Texas 75204-2114 **CERTIFIED MAIL NO. Z 283 051 959, RETURN RECEIPT REQUESTED**

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2100 N. Main Street, Suite 10 ♦ Fort Worth, Texas 76106
(817) 626-0003 Fax (817) 626-7448

DOCKET NO. 458-99-2889

TEXAS ALCOHOLIC BEVERAGE COMMISSION	§	BEFORE THE
	§	
	§	
V.	§	STATE OFFICE OF
	§	
G. T. MANAGEMENT, INC. D/B/A CLUB 2551 (NO. 581864)	§	ADMINISTRATIVE HEARINGS
	§	

PROPOSAL FOR DECISION

G.T. Management, Inc., d/b/a Club 2551 ("Respondent" or "Club 2551"), located at 2551 Lombardy Lane, Dallas, Dallas County, Texas, is the holder of a Mixed Beverage Permit, a Mixed Beverage Late Hours Permit, and a Beverage Cartage Permit issued by the Texas Alcoholic Beverage Commission ("the Commission"). Respondent has filed an application for renewal of these permits. The Commission's staff ("Staff") has received protests regarding renewal of these permits. This proposal for decision recommends the permits be issued.

I. PROCEDURAL HISTORY

On November 29, 1999, Staff issued a notice of hearing informing Club 2551 that a hearing would be held on its application for permit renewal. A hearing was convened on February 4, 2000, at the State Office of Administrative Hearing, 6300 Forest Park Road, Suite B-230, Dallas, Dallas County, Texas, before Tanya Cooper, an administrative law judge ("ALJ") with the State Office of Administrative Hearings ("SOAH"). Staff appeared and was represented by Timothy E. Griffith, Commission Staff Attorney. Respondent appeared and was represented by Daniel C. Perez, Attorney at Law. During this hearing, Respondent raised objections to the sufficiency of notice provided by Staff's document issued on November 29, 1999.

Upon consideration of the parties' positions, the ALJ directed Commission Staff to provide more detailed notice of its allegations to Respondent and recessed the hearing. On February 16, 2000, an Amended Notice of Hearing was issued by Staff to Respondent. This notice alleged that Staff was seeking denial of Respondent's permit renewal pursuant to its receipt of a protest filed under § 11.46(a)(8) of the Texas Alcoholic Beverage Code ("Code").¹ In support of its position, Staff alleged that

¹The commission or administrator may refuse to issue an original or renewal permit with or without a hearing if it has reasonable grounds to believe and finds that any of the following circumstances exists:

Respondent had engaged in a history of violations, complaints and investigations, including, but not limited to 287 calls for police service, violations of City of Dallas Codes, parking problems, overcrowded conditions, gang activity problems, public health concerns, and vandalism issues. The hearing was reconvened and recessed on February 29, 2000, and was concluded on March 14, 2000. The record closed on April 7, 2000, after the parties were provided with an opportunity to submit proposed findings of fact and conclusions of law and other materials in support of their positions.

II. JURISDICTION

The Commission has jurisdiction and authority over this matter pursuant to Chapter 5 and §§ 6.01, and 11.61 of the Code. TEX. ALCO. BEV. CODE ANN. § 1.01 *et seq.* (Vernon 2000). The State Office of Administrative Hearings has authority to conduct a hearing in this matter and make recommendations to the Commission, including the issuance of a proposal for decision containing findings of fact and conclusions of law, pursuant to TEX. GOV'T CODE ANN. ch. 2003 (Vernon 2000) and TEX. ALCO. BEV. CODE ANN. § 5.43 (Vernon 2000).

III. DISCUSSION

A. Evidence

1. **Physical Setting.** Club 2551 is located at 2551 Lombardy Lane, Dallas, Dallas County, Texas. The general surrounding area near Club 2551 is light industrial, with a few commercial businesses. Some of these businesses include The Hearthside Extended Stay Suites, a hotel to the south of Club 2551; Paccar Leasing Corporation, Caribinar International Co., Briggs Equipment Co., located to the northwest of the licensed premises; and Purvis Bearing Co., located to the west of Club 2551. Also located closely within this same area as Club 2551 are two other premises licensed by the Commission to serve alcoholic beverages, Country 2000 and Club 2001, both of which are located to the north of Club 2551. Vehicular access to the area including these business is limited by the configuration of the streets in relation to freeway exits and the one-way designation for the freeway's service road.

Club 2551 is the smallest licensed premises in relation to Country 2000 and Club 2001. It is approximately 7,730 square feet and has an occupancy certification of 533 persons. Parking for approximately 281 vehicles at Club 2551 is available on the street, in a small area along side the premises, and with valet parking arrangements

...

(8) the place or manner in which the applicant may conduct his business warrants the refusal of a permit based on the general welfare, health, peace, morals, and safety of the people and on the public sense of decency. TEX. ALCO. BEV. CODE ANN. § 11.46(a)(8) (Vernon 2000).

available off-site. Tejano and Latin dance music is featured at Club 2551 with its patrons being predominantly Hispanics.

Country 2000 and Club 2001 are roughly three or four times larger than Club 2551 in physical size. Occupancy certification for County 2000 is estimated to be between 2000 and 3000 persons. There is a shared parking lot for these two premises, as well as valet parking available. Country 2000 is a country-western bar featuring dance music, while Club 2001 is in direct competition with Club 2551, featuring Tejano or Latin dance music. Club 2001's patrons are also mostly Hispanics.

2. Staff.

a. **Witness Testimony.** In support of Staff's allegation regarding receipt of protests concerning Respondent's application for permit renewal, it presented several witnesses at the hearing. These witnesses included Dallas police officers, representatives from some of the above-listed business, and an agent for Texas Alcoholic Beverage Commission.

Officer Silver Valencia, Dallas Police Department, testified at the hearing regarding the problems in the Lombardy Lane area near Club 2551. He described overcrowded conditions and traffic problems relating how he had been struck by a vehicle during a contact with an individual on the roadway in front of the licensed premises. Officer Valencia, having worked as security personnel for Club 2001 located across the street, had observed lines of people wrapped around the outside of Club 2551 waiting to enter the premises. The presence of these people in the parking lot created noise with radios from vehicles playing and other boisterous activity ongoing in the parking lot. On one occasion, Officer Valencia, stated that he had heard gun fire in the area. In instances where he had participated in arrests of individuals in the area, some arrestees claimed membership in various gangs. When asked about the general area surrounding Lombardy Lane, Officer Valencia described Harry Hines as having numerous convenience stores, some of which sold alcoholic beverages; Northwest Highway, as an area with numerous bars and prostitution problems; Webb Chapel, was described as a high crime Hispanic area; and Shady Trail was depicted as an industrial area with its businesses closed when licensed premises such as Club 2551, County 2000, and Club 2001 were in operation. Officer Valencia opined that Club 2551 was responsible for the conditions in the Lombardy Lane area since the problems occurred when the premises was open for business; but also acknowledged that while working in this area in his capacity for the Dallas Police Department, he had received calls for service at Club 2001 for offenses relating to assaults, public intoxication, loud music, drinking in vehicles, and traffic concerns regarding unsafe driving.

Brook Grounds, employed by Hearthside Extended Stay Suites, testified that she was familiar with Club 2551, because her business is located across an open field from the licensed premises. Ms. Grounds discussed problems that her business was

experiencing and attributed these problems to Club 2551's patrons. She described parking problems with vehicles parked on the Fennel Street in front of her business and had engaged personnel to keep persons out of her business' parking lot that were not her patrons, her driveway had been on occasion blocked by persons stopped in the street, loud noises were coming from people and cars the area, vandalism of vehicles in the hotel parking lot had occurred, fights were observed among persons ongoing outside, people would attempt to enter the hotel to use the restroom, and when are not allowed inside, would urinate in public, and the area was littered with trash and broken beer bottles. Ms. Grounds conceded, however, that she had not been inside Club 2551 to observe Respondent's operations within the premises.

The service manager of Briggs Equipment, Jeff Le Cuyer, testified that a number of problems had been observed on Briggs' premises in 1999. He related being approached by several Hispanic men late one evening that demanded his money and wallet, glass was scattered on the business' parking lot, business signs were destroyed, paint was applied to Briggs' building, a large window had been broken, drinks were located on the doorstep to the business, and a murder victim had been found on the Briggs' parking lot. Mr. Le Cuyer stated he did not know if these problems were associated with persons from Club 2551; but discussed the traffic and parking problems in the area having observed cruising on Fennel Street between Briggs and Club 2551. He testified to having seen people driving through Club 2551 parking lot, and after being unable to find a parking space in that lot, enter the Briggs' parking lot and stop. Because of this activity, Briggs Equipment had entered into a contract with a towing firm to remove anyone parked in their lot after 10:30 p.m.

Officer K. Zavishlak, Dallas Police Department, testified about his involvement with the City's nuisance abatement unit after receiving complaints from Purvis Bearing and the Police Department's gang and patrol units regarding Club 2551. Officer Zavishlak discussed aspects of this unit's observations covering the period from approximately August 12, 1997, until September 22, 1998. Service calls to the licensed premises were analyzed because of their adverse effect on police resources. He stated that a total of 92 arrests were made in the area, including offenses relating to robberies, narcotics, gang-related activities, and public intoxication. This number of arrests was consistent with the abatement unit's criteria for determining that a public nuisance existed. Because of this determination, a formal case was opened. As this investigation continued, a decrease was noted in arrest activity. No action was taken by the City at this point. The case was reopened in March, 1999, with another analysis of arrest activity being conducted for a three month period. Again, a significant number of arrests were noted, including assaults, thefts, criminal mischief, and public intoxication violations. Officer Zavishlak stated it was his opinion that Club 2551, as it was operated, was a public nuisance, however, he acknowledged that the City had closed its case in May, 1999, upon Respondent's cooperation with the unit to improve conditions in the area and a decline in criminal activity.

The last witness appearing for Staff was TABC Agent Gayle Casel, who conducted Staff's investigation into place and manner violations at Club 2551 due to the protest received to Club 2551's permit renewal application. Agent Casel visited the area near Club 2551 and documented instances of graffiti, broken bottles, trash, sign damage, tire tread marks on the pavement, and broken windows in October, 1999. Agent Casel stated that permit holders were required to maintain control of the entire licensed premises, both inside and outside. In the instant case, complaints regarding Club 2551's operation had been ongoing for at least three years. Agent Casel said complaints had been filed by the City of Dallas and other businesses in the area, including James W. Lee, the attorney for Kossy Corporation d/b/a County 2000 and Escapade Club Corporation d/b/a Escapade 2001 (Club 2001). Agent Casel stated that she was aware that Club 2001 and Club 2551 were competitors for Hispanic patrons and that the clubs were located across the street from each other. She also discussed steps that licensed premises might engage in to alleviate place and manner operational problems such as hiring security personnel, attracting another type of clientele, or closing.

b. Documentary Evidence. In addition to witness testimony, Staff presented documentary evidence, including the photos of the general area adjacent to Club 2551 taken by Agent Casel, correspondence from protestants regarding Club 2551's application for permit renewal, and a composite exhibit of Dallas Police Department offense reports.

3. Respondent

a. Witness Testimony. Luis Garza, Ray Vasquez, and Beverly Bray, agents or employees of Respondent, testified at the hearing. Mr. Vasquez is in charge of the day to day operations at Club 2551. He acknowledged that traffic and parking were a problem for all three clubs, County 2000, Club 2001, and Club 2551, however parking for Club 2551 was available on the street and alongside of the building, as well as available through a contracted valet parking service. Club 2551 is open Thursday through Sunday. The approved occupancy of the licensed premises is 533 patrons which is controlled by access to the premises being maintained at the door of the club. Mr. Vasquez stated that his patrons varied from night to night depending on the type of entertainment being provided, but the clientele was generally Hispanic in the age group of 18 to 35 on Thursday, Friday and Sunday, and on Saturday nights, the patrons of the club are generally older than age 35. Mr. Vasquez was also familiar with the operations of Club 2001 having been inside the club and on the club's parking lot. He testified that Club 2001 operates on Thursday, Friday, Saturday, and Sunday nights just as Club 2551 and the patrons of Club 2001 were also predominantly Hispanic. Mr. Vasquez stated that on numerous occasions the patrons from one club would migrate to the other club.

Mr. Garza is an officer of G. T. Management, Inc. During his testimony, he discussed the security provided at Club 2551, both inside the club and outside the

club in its parking area. Seven persons are employed to maintain security outside the premises, with two motor vehicles used to patrol in the area. Mr. Garza did acknowledge that Respondent's personnel did not enter onto other businesses to patrol due to the lack of authority for being present on the properties owned by others which were posted for "No Trespassing". Fifteen people are employed for maintaining security inside the club. Additionally, three persons are employed by Respondent to pick up any trash, no matter its origin, that is observed outside the club along Lombardy Lane, Shady Trail, Fennel Street, and along the freeway Service Road near Club 2551. Mr. Garza stated that he was not aware of any murders, assaults, gang activity, or other criminal activity occurring or ongoing in the licensed premises. Further, no TABC violations have occurred within the last two years on the premises according to Mr. Garza, and the violation history for the premises maintained by TABC staff indicates that same information. The most recent action noted on Club 2551's violation history is a permit suspension or penalty in lieu of suspension for a violation of failing to report a breach of the peace that Mr. Garza agreed to in 1999, however, the incident itself had occurred in 1997. Mr. Garza did not deny that problems with noise, traffic, trash, and vandalism did exist within the area, but felt that Respondent had taken measures to control these problems to the best of its ability.

Mr. Garza described the similarity and differences between Respondent's operation and the operation of Club 2001. The two clubs are open on the same nights and appeal to some of the same patrons, however, Club 2001 is a much larger facility. He described having observed persons parked in the parking lot of Club 2001 walking between the two clubs and seeing patrons at Club 2551 often wearing the plastic wristbands placed on their arms when entering Club 2001 indicating they had been at both clubs on the same evening. Mr. Garza, in response to Staff's evidence that problems in the area were associated with young Hispanic males, stated that Respondent's policy was to prohibit any person under the age of 18 from entering the licensed premises. He further noted that, because of this policy, any persons that might be circulating in the area that were younger than 18 were certainly not the customers of his business and that Respondent should not be held responsible for conduct of persons who are not its patrons at the licensed premises.

Beverly Bray, the office manager for Respondent, also testified at the hearing. She stated that she was familiar with the protest regarding Respondent's application for permit renewals and had also attended the meeting with City of Dallas officials regarding steps need to abate problems associated with Club 2551's operations. In preparation for meetings with City officials and this hearing, she had made a request for 911 call logs from the City of Dallas Police Department and obtained this documentation. According to Ms. Bray, this information indicated that the alleged calls for service relating to criminal activity were actually occurring in public places such as public streets, rather than inside the club or on its parking lot. Ms. Bray maintained that no criminal activity, such as murders, assaults, gunshots, robberies, fights, public intoxication incidents, or other criminal activity had been reported to her as having occurred on the licensed premises.

b. Documentary Evidence. Respondent offered several exhibits, including copies of correspondence between itself and City of Dallas officials, video tapes of the area including County 2000 and Club 2001, and 911 Call Sheets obtained from the City of Dallas Police Department.

B. Analysis, Conclusion, and Recommendation

It is clear from the evidence presented by both parties that problems with traffic congestion, parking, noise, trash, and graffiti exist in the area near Club 2551. However, Staff has failed to show that the source of these problems is attributable to Respondent's licensed premises.

Three licensed premises exist in close proximity to each other. All businesses are open on the same days of the week. The other two premises are significantly larger than Club 2551, one is in direct competition with Club 2551 for patrons, and both are protestants of Respondent's application for permit renewal.

All of the witnesses appearing for Staff showed sincerity and conviction in the way they expressed their opinions, but most of the events involving criminal activity or other difficulties associated with the area's traffic and parking problems being related by these witnesses were not occurring on the licensed premises. Further, the persons engaging in these activities, when observed could not be sufficiently identified as being solely the patrons of Club 2551, or any other licensed premises. Only one witness testified as to being present on at least one occasion when patrons in the parking lot of Club 2551 were boisterous, but given that this individual was employed by Respondent's competitor at the time of this observation, the ALJ is reluctant to determine that Respondent's place or manner of conducting its business was or is detrimental to the general welfare, health, peace, morals, or safety of the people.

The City of Dallas Police Department, at one point during 1998, had contacted TABC staff protesting Respondent's permit renewal application. Over the course of 1998 and 1999, Respondent and the City worked together to address problem issues. Ultimately, the City of Dallas was apparently satisfied with the progress made in the area by Respondent, documenting that its case was being closed on May 25, 1999, due to a decline in criminal activity in the area. The position of the City of Dallas is demonstrated in Respondent's Exhibit 2, and appears to be unchanged because Staff did not produce any evidence to the contrary through City officials.

Both Staff and Respondent provided documentary evidence relating to reports of criminal activities in the area of Club 2551 where police assistance was requested. The weight given to TABC's Exhibit 5 and Respondent's Exhibit 6 is slight since no meaningful comparisons can be made by the ALJ regarding the volume for calls for service in the area of 2551 Lombardy Lane with other similar areas within the City of Dallas. Additionally, Respondent's Exhibit 6 shows that a considerable number of the

overall 911 calls for service were likely being initiated by Respondent's personnel since the explanation comment for the call notes that the call was related to a "prisoner". From the testimony presented at the hearing, the ALJ infers that a prisoner would have been someone detained by Respondent's security personnel in furtherance of Respondent's instructions to maintain appropriate control over its premises.

Based on these reasons, the ALJ concludes the Staff failed to demonstrate that the place and manner in which the Respondent may conduct its business warrants the refusal of any permit based on the general welfare, health, peace, morals, and safety of the people and other public sense of decency. As a result, there is no basis for refusal of Respondent's application for renewal of its permits. The ALJ recommends these permits be issued. Any other requests for entry of specific findings of fact and conclusions of law, or any other requests for general or specific relief, if not expressly set forth below, should be and are denied.

IV. FINDINGS OF FACT

1. G.T. Management, Inc., ("Respondent" or "Club 2551") is the holder of a Mixed Beverage Permit, MB-217702, Mixed Beverage Late Hours Permit, LB-217703, and Beverage Cartage Permit PE-217704, issued by the Texas Alcoholic Beverage Commission ("Commission") for its premises located at 2551 Lombardy Lane, Dallas, Dallas County, Texas.
2. Upon Respondent's application for renewal of the permits described in Finding of Fact 1, protests to the application were filed by City of Dallas Police Department officials and neighboring business owners. The protest asserted that the application should be denied because the place and manner in which Respondent conducted its business was and may continue to be contrary to the general welfare, health, peace, morals, and safety of the people and on the public sense of decency, citing problems with traffic congestion, parking, and criminal activity occurring on the licensed premises.
3. On November 29, 1999, Commission's Staff issued a notice of hearing notifying all parties that a hearing would be held on the application and on February 16, 2000, an amended notice of hearing was issued informing the parties of nature of the hearing.
4. The hearing was conducted by Tanya Cooper, an administrative law judge with the State Office of Administrative Hearings ("SOAH") at the State Office of Administrative Hearings, 6300 Forest Park Road, Suite B-230, Dallas, Dallas County, Texas. Commission's Staff appeared and was represented by Timothy E. Griffith, Staff Attorney. Applicant appeared and was represented by Daniel E. Perez, Attorney at Law. The hearing concluded on March 14, 2000; the record closed on April 7, 2000, after the parties submitted additional written materials in support of their positions.

5. Respondent's licensed premises, Club 2551, is located in a light industrial area, with two much larger licensed premises located in close proximity, Country 2000 and Club 2001.
6. Respondent's certificate of occupancy designates 533 persons are permitted inside the premises at one time. Respondent's parking space is limited, but adequate for the occupancy level at 281 available parking spaces.
7. Lombardy Lane is the main thoroughfare for persons traveling to Club 2551, as well as Country 2000 and Club 2001, creating considerable traffic in the area when all three licensed premises are open for business.
8. Two areas in the immediate vicinity surrounding the Lombardy Lane area also have establishments that sell or serve alcoholic beverage, such as convenience stores and clubs, and have a high incident of crime. The other areas in close proximity to Lombardy Lane are industrial, undeveloped acreage, or residential with Hispanics comprising the majority of inhabitants in residential areas.
9. Although Commission's Staff demonstrated that problems with traffic congestion, parking, noise, vandalism, and criminal conduct exist in the Lombardy Lane vicinity, its evidence did not sufficiently establish that these problems were either occurring on Respondent's licensed premises or attributable to the conduct of Respondent's patrons.

V. CONCLUSIONS OF LAW

1. The Texas Alcoholic Beverage Commission has jurisdiction over this matter pursuant to Chapter 5 of the Texas Alcoholic Beverage Code (the Code), TEX. ALCO. BEV. CODE ANN. §1.01 et seq. (Vernon 2000).
2. The State Office of Administrative Hearings has jurisdiction over all matters relating to the conduct of a hearing in this proceeding, including the preparation of a proposal for decision with findings of fact and conclusions of law, pursuant to TEX. GOV'T CODE ANN. ch. 2003 (Vernon 2000).
3. Adequate notice of the hearing was provided as required by the Administrative Procedure Act, TEX. GOV'T CODE ANN. §§2001.051 and 2001.052 (Vernon 2000).
4. Based on the foregoing findings, a preponderance of the evidence does not show that issuance of the requested renewal of Respondent's permits will adversely affect the safety of the public, nor will it adversely affect the general welfare, peace, or morals of the people or violate the public sense of decency, pursuant to §11.46(a)(8) of the Code.

5. Based on the foregoing findings and conclusions, the application of Respondent for renewal of its Mixed Beverage Permit, Mixed Beverage Late Hours Permit and Beverage Cartage Permit should be granted.

Signed this 17th day of May, 2000.



TANYA COOPER
ADMINISTRATIVE LAW JUDGE
STATE OFFICE OF ADMINISTRATIVE HEARINGS

State Office of Administrative Hearings

Ready for Rand



Shelia Bailey Taylor
Chief Administrative Law Judge

May 18, 2000



Doyme Bailey
Administrator
Texas Alcoholic Beverage Commission
5806 Mesa Drive, Suite 160
Austin, Texas 78731

VIA CERTIFIED MAIL Z 283 051 958
Return Receipt Requested

RE: Docket No. 458-99-2889; Texas Alcoholic Beverage Commission vs. G. T. Management, Inc.
d/b/a Club 2551 (TABC Case No. 581864)

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Pursuant to the Administrative Procedure Act, each party has the right to file exceptions to the proposal, accompanied by supporting briefs. Exceptions, replies to the exceptions, and supporting briefs must be filed with the Commission according to the agency's rules, with a copy to the State Office of Administrative Hearings. A party filing exceptions, replies, and briefs must serve a copy on the other party hereto.

Sincerely,

Tanya Cooper,
Administrative Law Judge

TC:ds
Enclosure

xc: Holly Wise, State Office of Administrative Hearings, Austin, Texas - **Regular Mail**; Timothy Griffith, Staff Attorney, Texas Alcoholic Beverage Commission - **Regular Mail**; Daniel Perez, Attorney for Respondent, 4131 N. Central Expressway, Suite 360, Lock Box M-30, Dallas, Texas 75204-2114 **CERTIFIED MAIL NO. Z 283 051 959, RETURN RECEIPT REQUESTED**