

October 7, 2011

Dawgs N Hawgs Club 310 E. Louisiana St. McKinney, Texas 75069

To Whom It May Concern:

Dawgs N Hawgs Club ("Club") is the holder of an alcohol permit ("Alcohol Permit") and a special use permit ("SUP"), issued pursuant to Ordinance 2010-06-015, from the City of McKinney ("City") to operate a private club at 310 E. Louisiana Street. The Club holds a Private Club Permit issued by the Texas Alcoholic Beverage Commission ("TABC") for the sale of alcohol in the Club.

Ordinance 2010-06-015 provides that as a private club, the Club shall be operated in accordance with Section 146-46 of the City's Code of Ordinances. Section 146-46(84)(d) provides that a private club special use permit holder is subject to the terms and conditions of Chapter 138, Article II. Therefore, as the holder of an SUP operating a private club, the Club must comply with Section 138-22, which provides that "[n]ot less than 35 percent of the gross receipts of such establishment shall be derived from the sale of food consumed on the premises." Section 138-22 further provides that "[t]he holder of such permit shall provide audits at its expense".

On September 20, 2011, the City received the Club's 2010 financial report from its Certified Public Account, Mildred M. Cain, stating that the Club had food sales for 2010 of \$14,725 and alcohol sales of \$91,416. Based upon the financial report provided by the Club, the City has determined that the Club is not in compliance with Section 138-22 and the alcohol permit for the Club is revoked effective October 8, 2011. Therefore, the Club must cease selling alcohol immediately.

The City is hereby providing notice, pursuant to Section 138-24 of the Code, that a public hearing is scheduled for the City Council meeting on **October 18, 2011**, at **6:00 p.m.,** for the purpose of determining compliance or

**City of McKinney** 

noncompliance by the Club, during the 2010 audit year, with the requirements of Chapter 138, Article II. The public hearing will be held in the City Council chambers, at the City of McKinney City Hall, 222 N. Tennessee, McKinney, Texas 75069. The SUP shall be in effect pending the hearing.

Please be advised, that selling alcohol in the City without an Alcohol Permit is a violation of Sections 14-51 – 14-53 of the McKinney Code of Ordinances and the Club is subject to all applicable penalties contained therein. Failure to comply with this notice may result in the City seeking any additional remedies available by law and notification to Texas Alcoholic Beverage Commission of non-compliance with City requirements.

Sincerely,

Sandy Hart, TRMC, MMC

City Secretary

cc:

TABC Planning Director

Chief of Police