



CITY OF MCKINNEY, TEXAS

Legislation Text

File #: 12-248, **Version:** 2

Consider/Discuss/Act on the Apparent Noncompliance with an Approved Specific Use Permit for a Private Club (Dawgs N Hawgs), Approximately 0.11 Acres, Located on the South Side of Louisiana Street and Approximately 100 Feet West of McDonald Street

MEETING DATE: May 1, 2012

DEPARTMENT: Development Services - Planning
City Secretary

CONTACT: Jennifer Cox, AICP, Director of Planning
Sandy Hart, TRMC, MMC, City Secretary

RECOMMENDED CITY COUNCIL ACTION:

- Staff recommends City Council determine compliance or noncompliance with Dawgs N Hawgs' special use permit (SUP) for a private club during the 2011 audit year.

ITEM SUMMARY:

- A Public Hearing was held at the April 17th City Council meeting.
- On June 1, 2010, City Council approved Ordinance No. 2010-06-015 providing for a SUP for a private club for Dawgs N Hawgs. In addition to obtaining the SUP, the applicant also obtained the necessary alcohol permits from the Texas Alcoholic Beverage Commission (TABC) and the City in order to sell alcohol on the premises.
- 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 a 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 March 30, 2012, the City received the club's 2011 financial report from its accountant stating that the club had food sales of \$18,921 and alcohol sales of \$129,727. This represents less than 12.7 percent of their 2011 total sales from food.
- Based upon the finance report provided by the club, the City has determined that the club is

not in compliance with Section 138-22, The City Council must still conduct a public hearing and determine compliance or noncompliance with Dawgs N Hawgs' SUP for a private club during the 2011 audit year.

BACKGROUND INFORMATION:

- A Specific Use Permit for a private club allows a larger percentage (65%) of the total gross sales receipts from the sale of alcohol than a typical Mixed Beverage Permit (which allows 50%).

BOARD OR COMMISSION RECOMMENDATION:

- N/A