BEFORE THE LIQUOR CONTROL COMMISSION OF THE STATE OF OREGON

In the Matter of the
Application for a
Dispenser Class A (DA)
License by:

Stan J. and Arma Tsoumas
STAN'S GOURMET RESTAURANT
AND LOUNGE
4654 NE Columbia Boulevard
Portland, OR 97203
Multnomah County

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A hearing in the above matter was held on the 13th day of January, 1983, in Portland, Oregon, before Hearings Examiner Allen R. Scott. The record remained open until February 17, 1983, for submission of additional evidence. The Applicants appeared in person and were represented by Francis E. Harrington, Attorney at Law. The Commission was not represented by legal counsel. The Commission having considered the record of the hearing, the Proposed Order of the Hearings Examiner, Exceptions to the Proposed Order of the Hearings Examiner, and the entirety of the Criteria for the Issuance and Maintenance of Licenses and applicable statutes and regulations, enters the following:

FINDINGS OF FACT

- 1. Applicants seek a Dispenser Class A (DA) license at STAN'S GOURMET RESTAURANT AND LOUNGE (formerly Hamburger Basket). The premises presently holds a Restaurant (R) license.
- 2. The Commission's staff has recommended that the license be denied based upon OAR 845-05-030(1) (sufficient

licensed premises), OAR 845-05-040(1), 845-05-040(3)(f) (lesser services; gross sales), OAR 845-05-040(3)(a) (lesser services; not unique) and OAR 845-05-040(3)(b) (fast foods, short order foods).

- 3. Applicants' premises has been operating since October, 1982, with an R license.
- 4. The premises seats 60 in the restaurant, 34 in the lounge, and eight at the bar, for a total of 102.
- 5. The premises is open from 6:00 a.m. to 10:00 p.m. for dining seven days a week. The lounge remains open until mid-night.
- 6. The breakfast menu at Applicants' premises is a traditional breakfast menu.
- 7. The lunch menu at Applicants' premises is primarily a traditional American menu. It contains seven entrees: fish and chips, filet of salmon, prawns, reuben sandwich, sirloin steak, ground sirloin steak and french dip sandwich. Prices of these entrees range from \$3.95 to \$6.25. The menu also contains several large salads, including a Greek salad. Various burgers and sandwiches are also available, as are soup and deserts.
- 8. Applicants' dinner menu also contains primarily traditional American cuisine. Several steaks are offered, as are chicken, fish and chips, oysters, beef liver, prawns, salmon and other entrees. Prices of the dinners range from \$5.50 to \$11.95. Several dinner salads are also offered, as are many

sandwiches and burgers. The menu also offers homemade Greek pastries.

9. Since the premises opened, sales have been as follows:

MONTH	<u>F00D</u>	BEER AND WINE	TOTAL
1982 October November December	\$17,233 15,377 13,906	\$1,235 944 1,231	\$18,468 16,321 15,137
Average	15,505	1,136	16,641

- 10. At the time of application, Applicants estimated average total sales with a dispenser license of approximately \$60,000, with food averaging approximately \$45,000.
- ll. Columbia Boulevard has many businesses and industrial firms, employees some of which have patronized Applicants' premises.
- 12. The nearest premises with DA privileges are as follows: Divot Room (Broadmoor Golf Club), 0.6 miles west; Colwood Golf Course, 1.4 miles east; Holiday Inn, 1.9 miles east; Cosmopolitan Airtel, 2.1 miles northeast; The Grape Vine, 2.2 miles west; The Rimrock, 2.3 miles west; Formosa Cafe, 2.5 miles southwest; Portland Town and Country, 2.5 miles northeast.
- 13. The above noted premises differ generally from Applicants' premises in that some are rather expensive, airport facilities, two others are associated with golf clubs, and others are oriented towards entertainment.
 - 14. Applicants do not intend to have any entertainment.
- 15. Average monthly sales at dispenser outlets in Multno-mah County and the City of Portland have been as follows:

AREA	F00D	ALCOHOLIC BEVERAGES	TOTAL
Multnomah County	\$36,806	\$19,595	\$56,401
City of Portland	33,541	18,734	52,275

- 16. The City of Portland, which has a population of 366,960, has 305 DA or Dispenser Class B (DB) licensed outlets. Multnomah County, which has a population of 561,400, has 373 DA or DB outlets.
- 17. Applicant Stan J. Tsoumas has had many years of experience in the restaurant business.
- 18. Applicants presented a petition containing approximately 120 signatures of patrons who support the application.

ULTIMATE FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. The existence of sufficient licensed premises in the locality set out in an application shall weigh against granting the application. For purposes of this section, the applicant's community will be a 10-mile radius for dispenser licenses and a two-mile radius for other licenses, unless the applicant establishes that a substantial portion of the patronage of the premises is or would be from a larger or smaller area. OAR 845-05-030(1).

The evidence does not establish the number of dispenser outlets or the population within a 10-mile radius of Applicants' premises. The evidence does establish that the City of Portland and Multnomah County have substantially more such premises than one per 2,000 population. However, the evidence presented by the Applicants is that they anticipate that much of their business will come from the general Columbia Boulevard

area. That area may therefore be considered to be more pertinent than either the 10-mile radius of the City or County themselves.

The Commission concludes that the evidence does not establish that there are sufficient licensed premises in the area and therefore concludes that this criterion is not a basis for denying the application.

2. Unfavorable consideration may be given to an applicant if applicant's premises will provide lesser services, facilities and economic benefit to the area or to the general public, as indicated by actual or reasonably projected number of patrons served, seating capacity, banquet facilities, hours of operation, number of employees, extent of investment in facilities, amenities, or other such characteristics. Gross sales figures may be used as a basis for determining the number of patrons served. OAR 845-05-040(3)(f).

Applicants' present sales are substantially below those of existing premises in the Portland-Multnomah County area. However, the Commission concludes that the sales are substantial, given the relative newness of the premises.

The Commission concludes that this criterion does not provide a basis for denying the license. .

3. Unfavorable consideration may be given to an applicant if the applicant's premises will not provide greater services, facilities and economic benefit to the area or to the general public than existing dispenser outlets in the community, and if the premises will not provide dining service or atmosphere which is unique or substantially different in quality or type from that offered by other licensees within a 20-mile radius as indicated by menu, decor and amenities, entertainment or other such characteristics. OAR 845-05-040(3)(a).

The evidence establishes that Applicants provide good quality food. The emphasis is on traditional American food, with a slight emphasis on Greek food. The evidence also indicated that the quiet atmosphere of Applicants' premises is different from that at several nearby premises and that Applicants' prices are less than those at some of the premises in the area.

The Commission concludes that this criterion provides a basis for granting the license.

4. Unfavorable consideration may be given to an applicant if the the applicant will provide primarily fast foods, short order foods, such as hamburgers, sandwiches, pancakes, eggs and pizza, or other foods with which distilled liquor drinks are not normally ordered. OAR 845-05-040(3)(b).

The evidence establishes that Applicants will provide full meals, not short order foods or fast foods. The Commission therefore concludes that this criterion is not a basis for denying the license.

ULTIMATE CONCLUSIONS OF LAW

Because Applicants' premises will provide a quiet atmosphere unusual in the area, and will provide good food at reasonable prices, the license should be granted. OAR 845-05-040(3)(f); OAR 845-05-040(3)(a).

FINAL ORDER

It is hereby ordered that the application for a Dispenser Class A (DA) license by Stan J. and Arma Tsoumas, in the trade name Stan's Gourmet Restaurant and Lounge, 4654 NE Columbia Boulevard, Portland, Oregon 97203 be GRANTED.

It is further ordered that due notice of such action, stating the reasons therefor, be given as provided by law.

Dated this 23rd day of May, 1983.

C. Dean Smith

Administrator

OREGON LIQUOR CONTROL COMMISSION

NOTICE: You are entitled to Judicial Review of this Order. Judicial Review may be obtained by filing a Petition for Review within 60 days from the service of this Order. Judicial Review is pursuant to the Provisions of ORS Chapter 183.