

**NORTH CAROLINA ALCOHOLIC BEVERAGE CONTROL
COMMISSION MEETING MINUTES
JANUARY 11, 2023**

The following narrative summarizes the North Carolina Alcoholic Beverage Control Commission (hereinafter “Commission”) meeting held at 400 East Tryon Road in Raleigh, North Carolina, on January 11, 2023, beginning at 10:00 AM. The meeting was recorded, and a copy of the recording is on file at the Commission within the Legal Section.

ROLL CALL AND ANNOUNCEMENTS

Chairman Hank Bauer called the January 11 Commission meeting to order and welcomed those who were attending. Chairman Bauer introduced himself and Commissioner Norman Mitchell, Sr. Commissioner Mitchell thanked everyone and expressed how good it was to be back. He enjoyed meeting the newer employees, including Mr. Edwards as well as Mr. DeSilva, and seeing many familiar faces. Commissioner Mitchell stated he was looking forward to a productive year and once again thanked everyone.

MINUTES OF THE DECEMBER 14, 2022, COMMISSION MEETING

Chairman Bauer requested a motion to waive the reading of the minutes of the December 14, 2022, Commission meeting into the record. Chairman Bauer made the motion. Commissioner Mitchell seconded the motion. A vote was held, and the motion passed.

Chairman Bauer requested a motion to approve the minutes of the December 14, 2022, Commission meeting. Chairman Bauer made the motion. Commissioner Mitchell seconded the motion. A vote was held, and the motion passed.

CONFLICTS OF INTEREST

In compliance with N.C.G.S. §138A-35, entitled Other Rules of Conduct, Chairman Bauer asked if there were any conflicts of interest or any conditions or facts which might create the appearance of a conflict of interest with respect to any matters on the agenda. Chairman Bauer stated he had reviewed the agenda and found no conflicts. Commissioner Mitchell also stated he found no conflicts.

I. HEARING CASES AND OFFERS IN COMPROMISE – 60

Chairman Bauer recognized General Counsel Stacey Carter-Coley. Ms. Carter-Coley stated there were no contested cases for this month’s agenda. Ms. Carter-Coley did have one request for a continuance for item #43. She requested that item #43, Cosmos Cuisine and Cocktails be continued to the February agenda meeting. Commissioner Mitchell made a motion to continue the case, Chairman Bauer seconded the motion. A vote was held, the motion passed.

General Counsel Stacey Carter-Coley recommended approval of the remaining Offers in Compromise on the agenda. Ms. Carter-Coley asked if there was anyone present who would like to address any of the remaining offers on the agenda. After hearing no response, Ms. Carter-Coley asked that the remaining offers be ratified by the Commission. Commissioner Mitchell made a motion to adopt the legal staff's recommendation. Chairman Bauer seconded the motion. A vote was held, the motion passed.

II. EXEMPTION REQUEST PURSUANT TO N.C.G.S. §18B-1116(b) – DNA BEVERAGE COMPANY, LLC DBA/ NOMAD WINE WORKS AND THE BREWER’S KETTLE, DBA/ THE BREWER’S KETTLE

Chairman Bauer again called upon General Counsel Stacey Carter-Coley to address the exemption request. Ms. Carter-Coley yielded the floor to Assistant General Counsel Renee Metz to handle all exemption matters on the agenda today.

Ms. Metz named the parties involved for the record (see caption above). Ms. Renee Metz stated that Mr. Armstrong has a partial ownership in the Brewers Kettle but will have 100% ownership in Nomad Wine Works. They have agreed they will sell no wine products produced at Nomad Wine Works to the retail locations that are called The Brewer’s Kettle.

Ms. Metz recommended approval of the exemption with the condition that no wine products be sold from the commercial entity to the retail entities. Commissioner Mitchell made a motion to accept staff recommendation and Chairman Bauer seconded the motion. A vote was held, the motion passed.

III. EXEMPTION REQUEST PURSUANT TO N.C.G.S. §18B-1116(b) -ERIC WAGNER; BRUEPRINT BREWING COMPANY, LLC AND BRUEPRINT TAP ROOMS, LLC

Assistant General Counsel Renee Metz stated this is an exemption where the retail location is a satellite to the brewery but under a separate entity. The brewery is requesting an exemption to use their Brueprint Taproom as one of their three affiliated retail locations as authorized by statute. Commissioner Mitchell made the motion to adopt staff's recommendation. Chairman Bauer seconded the motion. A vote was held, and the motion was passed.

IV. ABC STORE LOCATION – OAK ISLAND ABC BOARD (EAST OAK ISLAND DRIVE AND NW 79TH STREET, OAK ISLAND)

Chairman Bauer recognized Deputy Commissioner Mike DeSilva to present item IV on the agenda. This is a request for approval of a new ABC store location by the Oak Island ABC Board.

Deputy Commissioner Mike DeSilva addressed the Commission. Mr. DeSilva stated on Nov 14 of 2022, Oak Island ABC Board requested approval from the NC ABC Commission to purchase a portion of land. The reason was to build a new building to operate an ABC store out of it. The location is East Oak Island Drive and NE 79th St. The new location would replace the present Oak Island ABC store located at 5402 E Oak Island Drive.

Commission Auditor/Investigator Supervisor Darnay Barefoot and Investigator Christine Leiby met with Oak Island ABC Board Chairman Jack Moore and General Manager Kay England on December 1, 2022. The board members have provided financial disclosures as requested. The proposed location is currently a vacant wooded property and is zoned for commercial businesses. There are a few businesses in the immediate vicinity of this location. The property is listed with the Brunswick County Register of Deeds and is currently owned by Ocean Side Holdings, LLC. The Oak Island ABC board signed a purchase contract which stated in that contract that the purchase is contingent upon the approval of the ABC Commission. The purchase price will be \$525,000.00 plus 2.1 million dollars for construction costs. The purchase price and construction cost will be financed through a bank loan which would be repaid through mortgage payments, generated from new store operations and the sale of the old store. The new store will be a stand-alone store and would be approximately 7,000 sq feet which would allow for more sales for Oak Island.

If approved, the board plans to open the store mid to late year of 2025. There are no schools in Oak Island and the closest school is Southport Christian School which is located about 3.5 miles away. The nearest church is Ocean View United Methodist Church located .3 miles away. The ABC store has a store located 1.4 miles away and will close with the opening of the new store.

On Nov 18, 2022, there were signs at the new location announcing the boards contentions of opening the ABC store. NCABCC Auditor/Investigator Supervisor Darnay Barefoot and NCABCC Investigator Christine Leiby both witnessed the signs on December 1, 2022, and by December 21, 2022, there were reports of objections via phone and voicemail in reference to the new store. These objections were mostly about traffic and wanting to preserve the tree canopy on the lot. In addition to the objections, there was some support for the new store location as well. Mr. DeSilva concluded that according to NC GS 18B requirements, all elements have been satisfied. Staff recommends that the Commission give consideration for the information shared today.

Commissioner Mitchell made a motion to adopt (or approve) staff recommendation. Chairman Bauer seconded the motion. A vote was held, and the motion passed.

V. OTHER BUSINESS

Chairman Bauer asked Ms. Stacey Carter-Coley and Mr. DeSilva if they had any other business to be heard. They both stated there was no other business. Chairman Bauer stated the next Commission meeting would be held Feb 8, 2023, in person at the ABC Commission beginning at 10am.

Chairman Bauer asked for a motion for adjournment of the January 2023 meeting. Commissioner Mitchell seconded the motion. A vote was held, the motion passed. The meeting adjourned.

/S/ Hank Bauer
Hank Bauer, Chairman
N.C. Alcoholic Beverage Control Commission

Respectfully submitted by,

/S/ Marie. R Harris
Marie Harris for the Legal Section