

CITY OF COLORADO SPRINGS LIQUOR OR 3.2% FERMENTED MALT BEVERAGE APPLICATION

NEW LICENSE TRANSFER OF OWNERSHIP

Type of License applying for (Check One)

- | | | | | |
|--|---|---|--|-----------------------------------|
| <input checked="" type="checkbox"/> Hotel/Restaurant | <input type="checkbox"/> Hotel/Restaurant w/Optional Premises | <input type="checkbox"/> Tavern | <input type="checkbox"/> Beer & Wine | <input type="checkbox"/> Brew Pub |
| <input type="checkbox"/> Retail Liquor Store | <input type="checkbox"/> 3.2% Beer On Premises | <input type="checkbox"/> 3.2% Beer Off Premises | <input type="checkbox"/> 3.2% Beer On and Off Premises | |
| <input type="checkbox"/> Drugstore | <input type="checkbox"/> Racetrack | <input type="checkbox"/> Optional Premises | <input type="checkbox"/> Club | <input type="checkbox"/> Vinters |

APPLICANT INFORMATION

Name of Applicant: DHCS Associates LLC	Property Tax Schedule No. : Schedule: 664,035 Parcel: 6432103001
Trade Name (DBA): Doubletree by Hilton Colorado Springs	Business Telephone: 717-576-8900
Address of Premises: 1775 E. Cheyenne Mtn Blvd, Colorado Springs, CO 80906	Alternate Telephone:

IF THIS IS A TRANSFER OF AN EXISTING LICENSE – THE FOLLOWING MUST BE ANSWERED:

Present trade name of establishment (dba)	Present State License No.	Present Class of License	Present Expiration Date
Doubletree Hotel World Arena	4700220	H&R (City)	10/28/2016

If the applicant is: a Corporation, Limited Liability Company, Partnership or Association, list all officers, directors, general partners and managing members, position held and percentage owned.

NAME	POSITION HELD	%OWNED
Kenneth Kochenour	Managing Member	40%
Ira Lubert 2004 Family Trust	Member	40%
Jonathan M. Lubert	Principal Trustee of Ira Lubert 2004 Family Trust	N/A

FINANCIAL INFORMATION

TOTAL INVESTMENT IN BUSINESS (include purchase, start up, inventory) \$ 22,500,000

Source(s) of funds invested (provide names, banks, and indicate checking, savings, loan, promissory note, gift or other).

THE FOLLOWING INFORMATION MUST REFLECT THE SOLE SOURCE OF FUNDS INVESTED. NO OTHER PERSON OR PARTIES MAY HAVE A FINANCIAL INTEREST IN THE BUSINESS FOR WHICH THIS AFFIDAVIT IS SUBMITTED.

NAME/ADDRESS OF FUNDING SOURCE (bank(s), individual(s), et al.)	FUNDING SOURCE (checking/savings/ loan/ note/ gift)	AMOUNT
Kenneth K. Kochenour - Checking, BB+T	Checking	500,000
Kenneth K. Kochenour - Loan, Mid Penn Bank	Loan	2,500,000
Ira Lubert 2004 Family Trust	Various	3,000,000
Various Members Under 10% Interest		1,500,000
DHCS Associates LLC	Loan	15,000,000

List applicant(s) prior experience in the sale of alcoholic beverages. Include dates and locations.

Business Name & Address	Applicant's Name	Experience/Position	Dates
None See attachment			

DO NOT ALTER THESE FORMS IN ANY MANNER

Has the applicant previously been issued a liquor or beer license (include any of the partners, if a partnership; members or manager if a limited liability company; or officers, stockholders or directors if a corporation)? yes no

If yes, identify the business and any current or former financial interest in said business including any loans to or from a licensee.

Name of Business	Address	Type/amt. of Interest
None		

PREMISES/ESTABLISHMENT

Terms of legal possession of the premises for which the application is made? own lease Upon Closing, expected 1/20/16

If leased provide terms: Start date N/A End date N/A

Dimensions of premises No Change Square footage 289,578 sq. ft. Seating Capacity Approx 2164 in banquet and meeting rooms

Is there a patio area? yes no -- If yes, provide dimensions 1700 sq. ft.

Anticipated number of employees? 80 off season, 150 in season

Will training be offered or required? yes no -- If yes, through what agency? Liquor Pros

Has the applicant or manager in Colorado, or any other State (include any of the partners, if a partnership members or manager if a limited liability company; or officers, stockholders or directors if a corporation), ever:	YES	NO
Been denied an alcohol beverage license?		✓
Had an alcohol beverage license suspended or revoked?		✓
Had interest in another entity where an alcohol beverage license was suspended or revoked?		✓
Ever been charged or convicted of a crime, received a suspended sentence, a deferred sentence, or have charges pending? If yes, provide explanation, date(s) and location(s).		✓

Has the applicant ever received a violation notice, suspension, or revocation for any liquor law violation, have charges pending; or has the applicant applied for and been denied a liquor or beer license anywhere in the United States?

Yes No

If yes, provide explanation, date(s) and location(s):

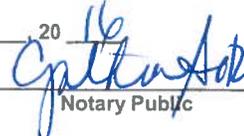
I declare under the penalty of perjury in the second degree that this application and all attachments are true, correct, and complete to the best of my knowledge. I understand that any falsehood or omission will jeopardize the application as such falsehood or omission constitutes evidence regarding the character of the applicant.


Signature

Title: Managing Member

State of New Jersey
County of Burlington

Subscribed and sworn to before me this 13 day of January 20 16

My Commission Expires: 11/20/20

Notary Public

DO NOT ALTER THESE FORMS IN ANY MANNER

ATTACHMENT JL

RE: Other Interests

Jonathan Mark Lubert has interests in the following licensed entities:

1. 2013 – Present: DRC Glassboro LLC, NJ, Retail Liquor, 5% Owner
2. 2012 – Present: DRC Spruce Street, LLC, PA Restaurant Liquor, 4% Owner
3. 2010 – Present: Valley Forge Convention Center Partners LP (or one of its subsidiaries), PA Liquor, 17% Owner and Board Member
4. 2008 – Present: DRC Investments, LLC, PA Restaurant Liquor, 7.725% Owner

I have no knowledge of violations or other notices, but it is possible that in the ordinary course of business, some of these entities may have received a violation notice.

AFFIDAVIT OF TRANSFER AND STATEMENT OF COMPLIANCE

Pursuant to the requirements of 12-47-303(3)(b), Colorado Revised Statutes, Licensee hereby states that all accounts for alcohol beverages sold to the Applicant are:

- Paid in full. There are no outstanding accounts with any Colorado Wholesalers.
- Licensee hereby certifies that the following is a complete list of accounts for alcohol beverages that are unpaid:

Licensee and Applicant agree that all accounts will be paid for from the proceeds at closing by the: Licensee Applicant

- Licensee unavailable to certify disposition of accounts for alcohol beverages - Inventory list attached. Transfer by operation of law - Regulation 47-304.
- Applicant will assume full responsibility for payment of the outstanding accounts as listed above.
- No alcohol beverage inventory transferred or sold.

Licensee hereby authorizes the transfer of its Colorado Retail Liquor License to the Applicant, its agent, or a company, corporation, partnership or other business entity to be formed by the Applicant.

Dated this 13th day of January, 2016.

Seller:

Colorado Springs Beverage Services, Inc.

4700220

Licensee & License Number

Doubletree Hotel World Arena

Trade name



Signature

President and Shareholder

Position

Robert Mayo

Print Name

Buyer:

DHCS Associates LLC

Applicant

Doubletree by Hilton
Colorado Springs

Trade name

Signature

Managing Member

Position

Kenneth J. Kochenour

Print Name

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Colorado Springs Beverage Services, Inc.
4700220

Licensee & License Number

Doubletree Hotel World Arena

Trade name

Signature

President and Shareholder
Position

Robert Mayo
Print Name

Buyer:

DHCS Associates LLC
Applicant

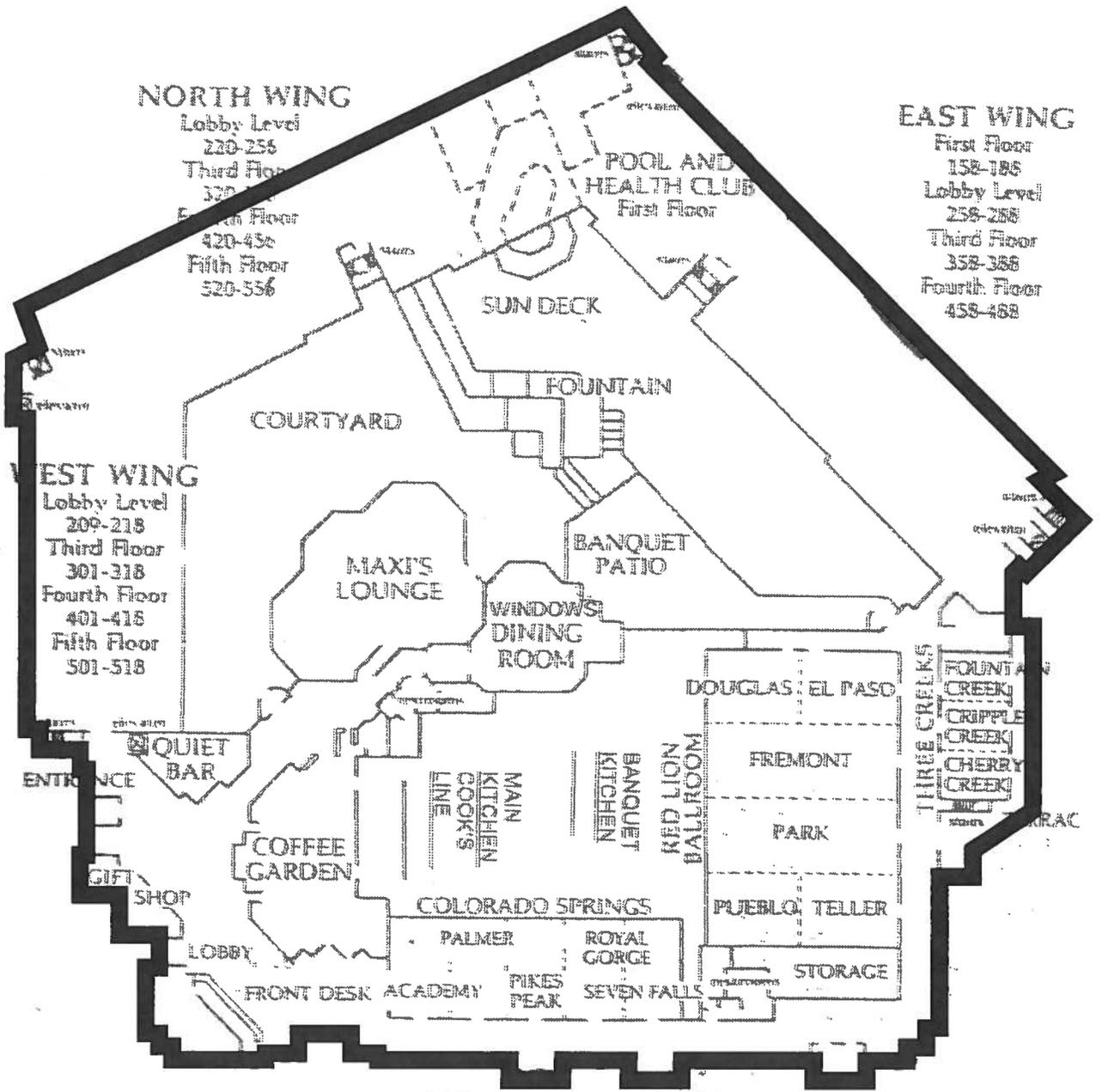
Doubletree by Hilton
Colorado Springs

Trade name

Signature

Managing Member
Position

Kenneth J. Kochenour
Print Name



NORTH WING

Lobby Level
220-256
Third Floor
320-356
Fourth Floor
420-456
Fifth Floor
520-556

EAST WING

First Floor
158-188
Lobby Level
258-288
Third Floor
358-388
Fourth Floor
458-488

WEST WING

Lobby Level
209-218
Third Floor
301-318
Fourth Floor
401-418
Fifth Floor
501-518

OVERVIEW OF FACILITY

BUILDING DATA

Gross Areas
 Site Size 9.3 Acres
 Parking 417 Spaces
 Public Building Sz. 103,100 sq. ft.
 Guest Wing 186,478 sq. ft.
 TOTAL 289,578 sq. ft.

Guest Wing Information
 # of Guest Rooms 299
 # of Single Queens 84
 # of Double Queens 155
 # of Deluxe Kings 32
 # of Special Kings 22
 # of Parlor Suites 4
 # of Pres. Suites 2

Banquet Rooms
 Total Capacity (Approx) 1,600 persons
 (Main Ballroom 1,200)
 Total # of Mtg. Rooms 14

Dining and Retail Space
 Atrium Cafe 152 Seats
 Mexi's Grille 128 Seats
 Main Lounge 250 Seats
 Quiet Bar w/Patio 34 Seats
 Gift Shop 760 Sq. Feet

Amenities
 Full Health Club: Weight Room
 2 Saunas (in locker rooms)
 Jacuzzi
 Atrium Covered Pool

BUILDING DATA CONT.

Central Courtyard: Fountain
 Pool Deck
 Patio used for outside
 Banquet functions

Construction Data
 Building Height 4 Story Guest Wing
 1 Story Public Area

Structure: Wood Framing
 Concrete Slab Foundation
 Concrete Tile Roofing
 Stucco Exterior Walls

Fire Protection: Guest wings are separated from
 public building. Entire building
 is fully sprinkled, including
 attics.

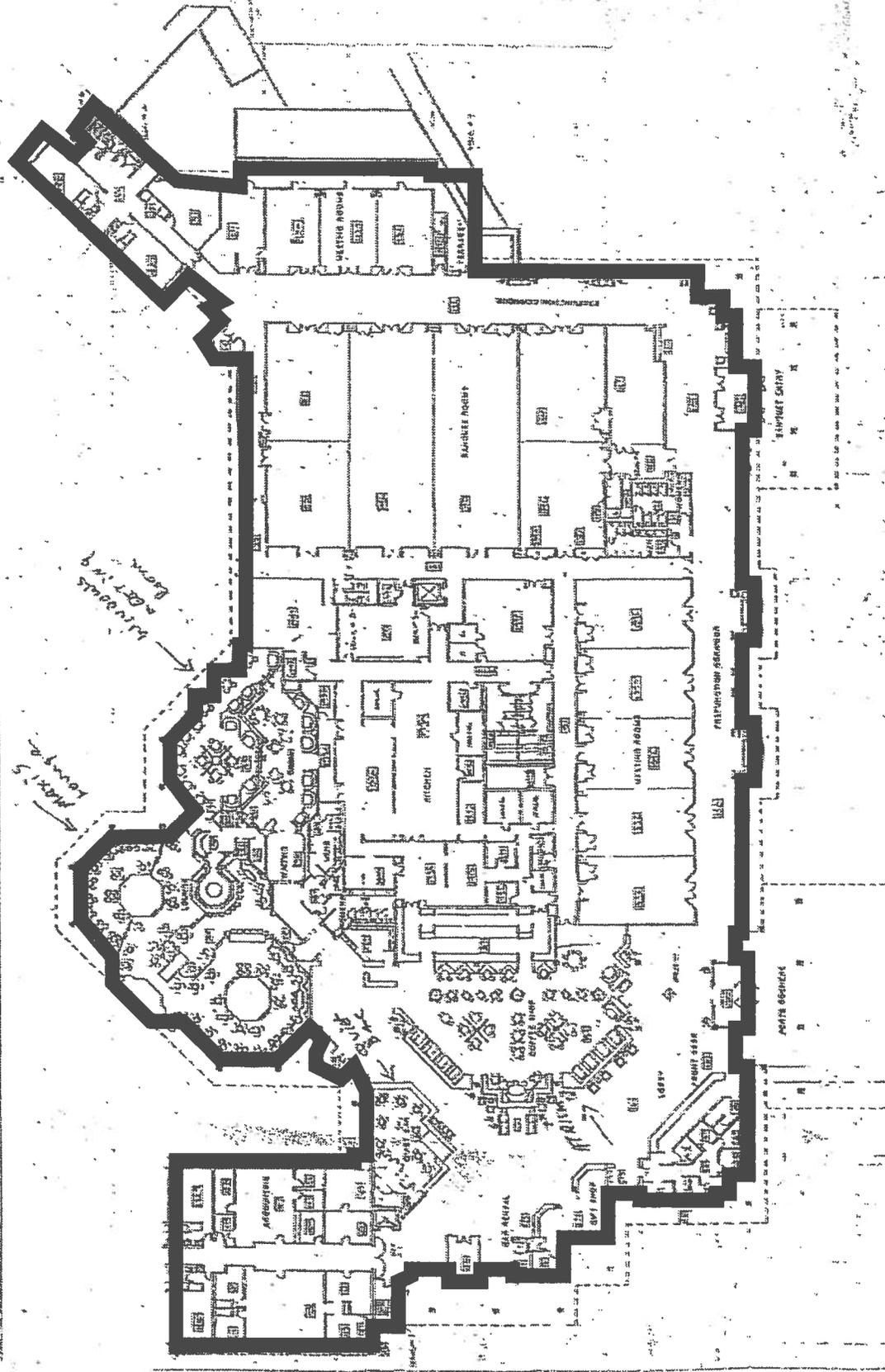
Elevation 6,035 Feet

Legal Description of Land

Annex A Map PBC-2 Zone
 A tract of land in the NE 1/4 of section 32, T14S,
 R66W of the 6th P.M., city of Colorado Springs, count
 of El Paso, state of Colorado. For: Gates Land
 Company.

<u>LOCATION</u>	<u>SQUARE FOOTAGE</u>	<u>SEATING CAPACITY</u>
Maxi's Lounge	5,532	340
Quiet Bar	655	48
Atrium Café	3,600	263
Colo. Springs Ballroom	4,750	355 (up to 500)
Grand Ballroom	10,240	688 (up to 1,500)
Three Creeks Meeting Rooms	1,848	117 (up to 200)
Windows Banquet Room	4,075	200

**DETAIL OF MAIN FLOOR/GROUND FLOOR
MEETING AND BANQUET ROOMS, RESTAURANTS & LOUNGE, COFFEE SHOP**

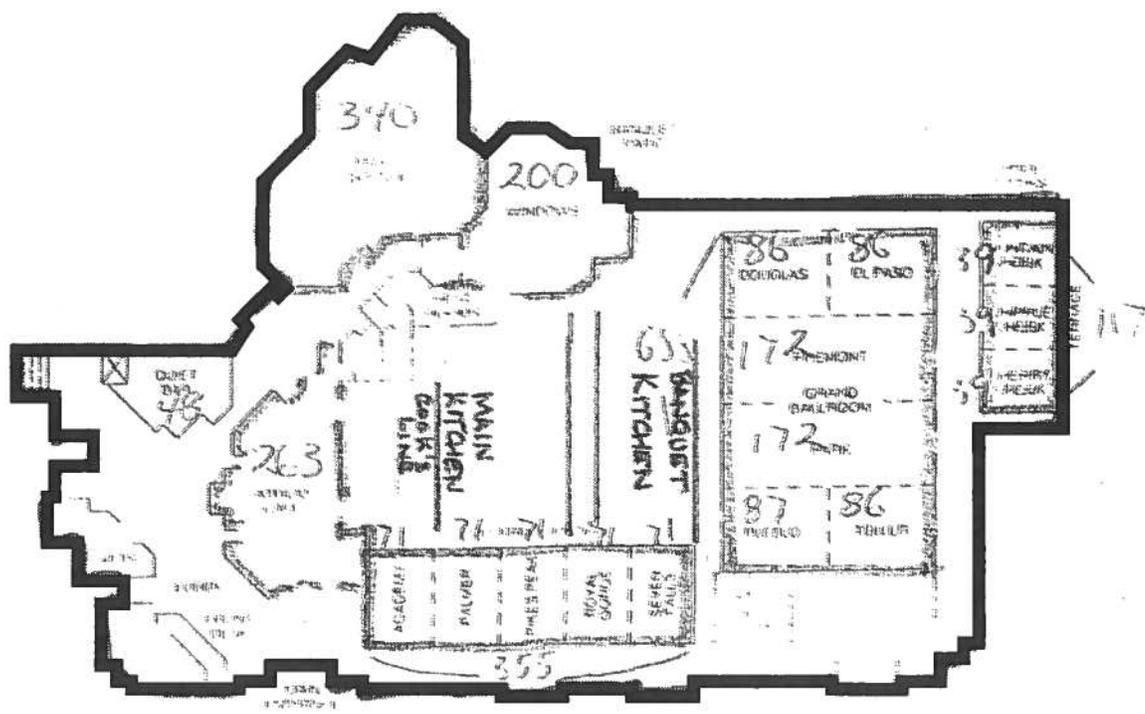


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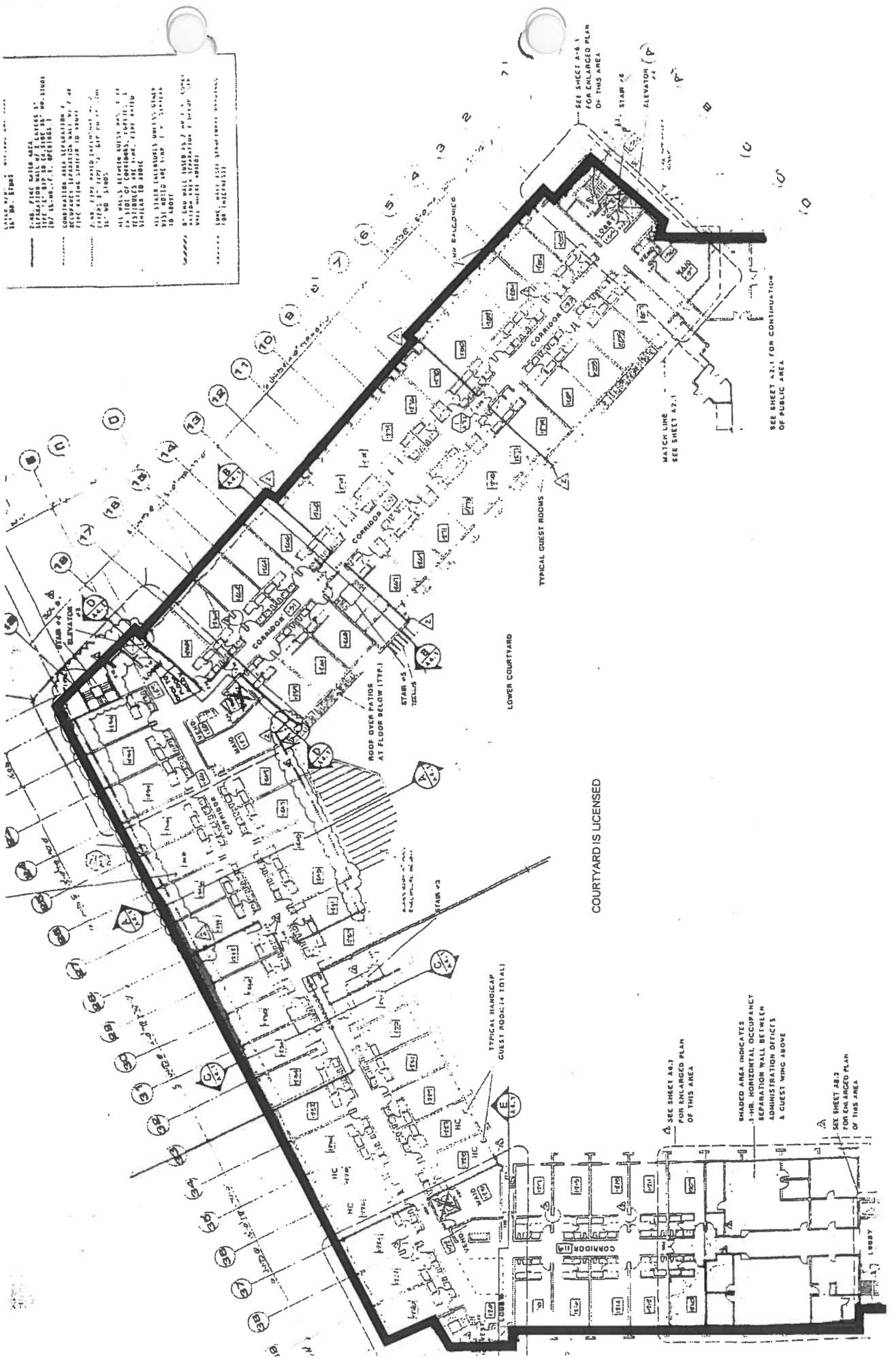
MEETING AND BANQUET FACILITIES

Our 15 meeting rooms provide over 200,000 square feet of flexible space, including the Grand Ballroom, that accommodates up to 1,500 people. We provide full service catering and convenient meeting room levels as complete in-house audiovisual support and built-in IT systems. Our professional services staff is always on hand to ensure the success of every event, big or small.

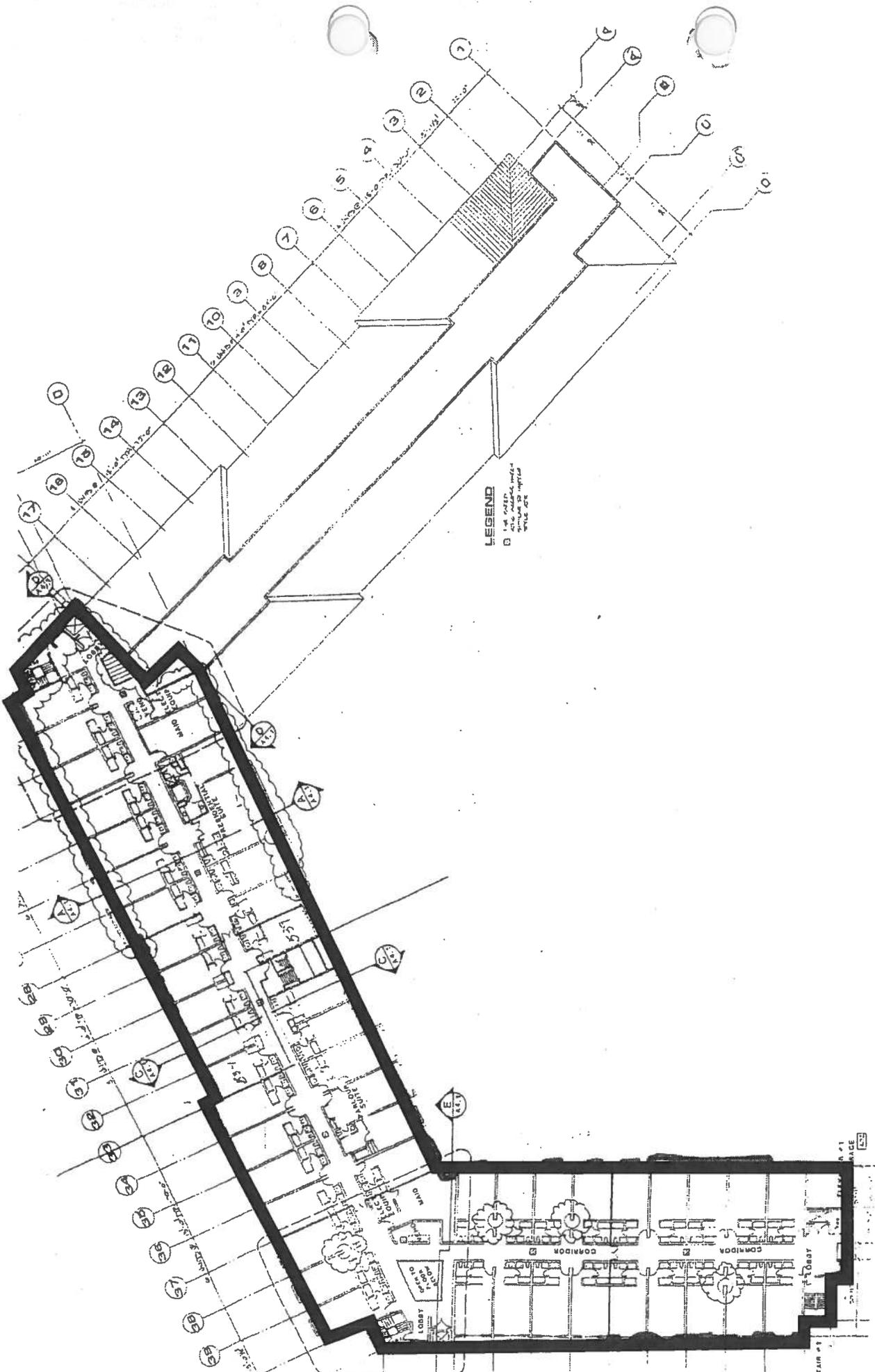
Room Name	Room Dimensions	Approx. Sq. Ft.	Capacity (Seated)	Capacity (Standing)	Capacity (Theater)	Capacity (Banquet)	Capacity (Boardroom)	Capacity (Classroom)	Capacity (Cafe)	Capacity (Breakout)	Capacity (Total)
Three Creeks	66' x 28'	1,848	36	130	130	100	100	200	100	25	26
Fourteen Creek	22' x 28'	616	40	50	50	50	50	70	20	25	16
Angelo Creek	22' x 26'	572	30	40	40	40	40	70	20	25	8
Fourty Creek	22' x 20'	440	20	30	30	30	30	70	20	21	11
Colorado Springs	125' x 38'	4,750	12	300	360	360	250	500	-	-	60
Academy	25' x 38'	950	12	100	100	72	40	90	40	38	12
Palmer	25' x 38'	950	12	100	100	72	40	90	40	38	12
Pikes Peak	25' x 38'	950	12	100	100	72	40	90	40	38	12
Royal Gorge	25' x 38'	950	12	100	100	72	40	90	40	38	12
Seven Falls	25' x 38'	950	12	100	100	72	40	90	40	38	12
Grand Ballroom	128' x 80'	10,240	14	1,500	850	1,100	650	1,300	-	-	84
Douglas	32' x 40'	1,280	14	210	90	90	72	175	52	44	14
El Paso	32' x 40'	1,280	14	210	90	90	72	175	52	44	14
Fremont	32' x 80'	2,560	14	425	180	250	175	375	-	-	33
Park	32' x 80'	2,560	14	425	180	250	175	375	-	-	33
Pueblo	32' x 40'	1,280	14	210	90	90	72	175	52	44	14
Teller	32' x 40'	1,280	14	210	90	90	72	175	52	44	14



WEST, NORTH & EAST WINGS - GROUND LEVEL (LOBBY LEVEL) -- ROOMS 209-288



1. FIRE RISK AREA
 2. FIRE RISK AREA
 3. FIRE RISK AREA
 4. FIRE RISK AREA
 5. FIRE RISK AREA
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 26. FIRE RISK AREA
 27. FIRE RISK AREA
 28. FIRE RISK AREA



WEST & NORTH WINGS - FIFTH FLOOR -- ROOMS 501-556

<p>BEFORE THE COLORADO SPRINGS LIQUOR AND BEER LICENSING BOARD CITY OF COLORADO SPRINGS, STATE OF COLORADO Address: 107 North Nevada Avenue Council Chambers, City Hall Colorado Springs, CO 80903</p>	<p>CITY CLERK'S OFFICE 2016 MAR 11 A 8:43 ▲ BOARD USE ONLY ▲</p>
<p>IN THE MATTER OF:</p> <p>DHCS Associates, LLC d/b/a Doubletree by Hilton Colorado Springs 1775 E. Cheyenne Mountain Boulevard Colorado Springs, CO 80906 Mailing Address: 1775 E. Cheyenne Mountain Boulevard Colorado Springs, CO 80906</p>	<p>Application No: T-723884</p>
<p align="center">NOTICE OF HEARING AND INITIAL FINDINGS OF FACT</p>	

NOTICE OF HEARING

This matter comes before the Board for hearing on **Friday, April 1, 2016 at 9:00 A.M. in the City Council Chambers of City Hall at 107 N. Nevada Avenue** upon DHCS Associates, LLC d/b/a Doubletree by Hilton Colorado Springs (“Applicant”) application for a transfer of the Hotel and Restaurant Liquor License currently issued to Colorado Springs Beverage Services, Inc. d/b/a Doubletree Hotel World Arena at 1775 E. Cheyenne Mountain Boulevard, Colorado Springs, CO 80906.

At this meeting, the Board will consider the factors outlined in Rule No. 9.08 of the Local Rules of Procedure, and it is the Applicant’s burden to provide the necessary evidence to satisfy the Board.

A public notice poster has been prepared for the Applicant to pick up from the City Clerk’s Office at 30 S. Nevada Avenue, Suite 101. This notice poster must be posted by the Applicant at the proposed premises in a manner that is visible and conspicuous to the public no later than Tuesday, March 22, 2016. Any applicable needs and desires petitions, remonstrances, and other reports or statements in writing must be filed with the City Clerk’s Office by 12:00 P.M. on Tuesday, March 29, 2016.

Pursuant to C.R.S. §12-47-312 and Local Rule No. 7 the Local Licensing Authority, through the Office of the City Clerk, has conducted an investigation into Applicant’s application. NOW THEREFORE these Initial Findings of Fact are presented.

INITIAL FINDINGS OF FACT

I. Applicant's application was filed on January 14, 2016, and within a two (2) year period prior to this date, the Local Licensing Authority has not denied an application at the above referenced location for the reason that the reasonable requirements of the neighborhood were satisfied by existing outlets.

II. Applicant will be entitled to possession of the premises for which the application is made pursuant to a lease, rental agreement, or other arrangement for possession of the premises, or by virtue of ownership thereof as evidenced by the possession documents submitted by Applicant and contained in the administrative file.

III. The location of the premises to be licensed appears to be in compliance with the Zoning Ordinances of the City of Colorado Springs as evidenced by the Land use review report submitted by the Planning and Development Department of the City of Colorado Springs.

IV. The location of the premises to be licensed appears to be in compliance with the distance prohibition in regard to any public or parochial school or the principal campus of any college, university or seminary.

V. The Colorado Springs Police Department has conducted a background investigation into Applicant and there are no objections to Applicant at this time.

VI. A review of Applicant's finances did not disclose any unlawful financial assistance as prohibited in C.R.S. §12-47-308.

VII. Applicant is not a person prohibited as a licensee pursuant to C.R.S. §12-47-307.

ON BEHALF OF THE LOCAL LICENSING AUTHORITY done March 11, 2016.

FOR THE CITY OF COLORADO
SPRINGS LIQUOR AND BEER
LICENSING BOARD



By: Sarah B. Johnson
City Clerk

Direct questions regarding this notice and hearing to Lee McRae at 719-385-5106.

CERTIFICATE OF MAILING

I, Lee McRae, hereby certify that I have mailed a true copy of the foregoing **NOTICE OF HEARING AND INITIAL FINDINGS OF FACT** by United States mail, first class postage paid, on March 11, 2016 to the following address of record:

DHCS Associates, LLC
dba Doubletree by Hilton Colorado Springs
1775 E. Cheyenne Mountain Boulevard
Colorado Springs, CO 80906



Lee McRae
License Enforcement Officer
City Clerk's Office
30 S. Nevada Avenue, Suite 101
Colorado Springs, CO 80903

CC: talyd@talty-law.net; kammererd@gfhotels.com
cgrant@dillanddill.com