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Liberty Kitchen owners: City's slow permit process shackles profits

Premium content from Houston Business Journal by Allison Wollam, Reporter

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The owners of Liberty Kitchen & Oyster Bar say they postponed the eatery's opening for months and lost millions of dollars waiting for Houston officials to approve one permit.

The Heights restaurant at the intersection of 11th Street and Studemont is less than 160 feet from a school so owners [Lance Fegan](#) and [Lee Ellis](#) had to apply for a variance from the city to get the project approved.

"We were paying rent and continually paying other bills without opening our doors," said Fegan.

"It's going to be hard to make up what we lost while waiting on the city. There's no reason it should take that long."

Ellis said they faced similar frustrations with the city's permitting process when the restaurant group opened BRC Gastro Pub on Shepherd Drive last year.

"They won't communicate with you and tell you what's wrong," said Ellis. "Three different guys will come in and tell you three different things. You just have to sit around and wait and hope the city approves it."

Waiting on the city was especially frustrating with Liberty Kitchen, Ellis said, because if the city didn't approve the liquor license, the partners were going to go back to the drawing board and open a burger joint.

"We're a pretty frugal restaurant group," he said.

"We don't charge much for our food, which means our profit margin is lower. Something like this really hurts your business."

Liberty Kitchen finally opened a month ago, and I've heard it's been packed on most nights.

Other restaurant owners have told me similar stories, though they often don't go on the record. But restaurant industry observers say Liberty Kitchen is not alone in its lengthy dealings with the city.

"The city seems to be increasingly slow in issuing permits — worse than it has been," said [Mark Hanna](#), owner of Houston-based restaurant and hospitality consulting firm Customer First.

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Allison Wollam covers health care, retail and sports.

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