Arizona State Liquor Board Hearing Minutes
September 9, 2021

Members Present: Troy L. Campbell – Chair, Lynn Shulman – Vice Chair and Jill Pernice

Members Absent: None

Counsel Present: Michael Raine, Assistant Attorney General

Staff Present: Denise Bale, Board Administrator
Arlene Moreno, Interim Board Administrator

A. Call to Order
The hearing of the Arizona State Liquor Board was called to order on September 9, 2021, at 9:00 a.m. with Mr. Campbell presiding via Google Meet. Other Board members, staff, and all parties participated either by Google Meet or telephonically.

Roll Call
All members were present. Ms. Pernice introduced herself as the newest member of the Board.

B. 9:00 a.m. Agenda: Review, consideration and action

1. Restaurant Liquor License No. 1207B125, Application No. 131725 - Acquisition of Control Application

Jeffrey Craig Miller, Agent
Ardor Concepts LLC
Golden Margarita
330 E. Roosevelt Street
Phoenix, AZ 85004

This matter is set for hearing because of Department protest. This matter is also set because the City of Phoenix recommended disapproval. The Applicant, Ardor Concepts LLC, and its Agent, Jeffrey Craig Miller, were represented by Peter H. Schelstraete. Assistant Attorney General Michael Raine appeared on behalf of the Department of Liquor Licenses and Control (Department). Alexandra Lange appeared on behalf of the City of Phoenix. Assistant Attorney General Monique Coady was available to provide independent legal advice to the Board. The Applicant filed a motion to continue the hearing one month. The Department and the City of Phoenix did not object to the request.
Motion to continue the hearing to the next meeting of the Board, on October 7, 2021 - Shulman
Seconded - Pernice
Yay - Shulman, Pernice, Campbell
Nay - None
Abstained - None
Disposition - Hearing continued to October 7, 2021

2. Bar Liquor License No. 06100174, Application No. 119787 – Owner Transfer Application

H.J. Lewkowitz, Agent
Lucky’s LLC
Love Cabaret
5822 E. Speedway
Tucson, AZ 85712

This matter was continued from the August 5, 2021 hearings. This matter is set for hearing because the City of Tucson recommended disapproval. Andrea Lewkowitz and J. Michael Murray appeared on behalf of the Applicant. Assistant City Attorney Shilpa Hunter-Patel appeared on behalf of the City of Tucson. The Applicant called two witnesses, David Rogers and Carl Barnes. The City of Tucson called Detective Steve Wilson, Council Member Steve Kozachik, Sylvia Berman and Jennifer Beard as witnesses.

Mr. Murray delivered an opening statement reiterating that this is an owner transfer application and location factors are not at issue. Steven Cooper has held liquor licenses in the state of Arizona for more than 30 years. Mr. Murray argued that the City of Tucson did not follow the procedure outlined in A.R.S. § 4-201, that the specific reasons for the denial shall be attached to its order.

Ms. Hunter-Patel delivered an opening statement stating that the City of Tucson’s objection relates to the total lack of control of the premises that have resulted. One of the locations in Tucson having criminal incidents including a shooting and homicide. Ms. Hunter-Patel argued that the Applicant has lied and omitted important information from its application, and it did not amend its application until the City detective brought this information forward.

Mr. Murray called his first witness, David Rogers. Mr. Rogers is employed by Steven Cooper, who owns six adult entertainment nightclubs. Mr. Rogers has worked with Mr. Cooper 22 years and has been Vice President since 2012-2013. His duties include checking on the clubs on a daily basis and resolving any issues that come up. Mr. Rogers described the policies and procedures manual for operating the club. In addition, all employees are required to have basic Title 4 training and managers must have Title 4 management certification. Mr. Rogers discussed the meeting with neighbors regarding this application. Ms. Hunter-Patel questioned Mr. Rogers about security of the premises, community outreach and signage that is out of compliance with the City.

Mr. Murray called his second witness, Carl Barnes Jr. Mr. Barnes is the manager of Love Cabaret since its opening in November 2020. Mr. Barnes has completed Title 4 management training. The categories of employees at Love Cabaret include bartenders, waitresses, DJs and security. Mr. Barnes monitors the parking lot every hour by counting cars and taking decibel readings of the music and noise. He assigns security personnel to be present in the parking lot every 15 minutes. Ms. Hunter-Patel questioned Mr. Barnes about security, community outreach and business operations. There were Board questions for Mr. Barnes.

Ms. Hunter-Patel called her first witness, Detective Steven Wilson. Detective Wilson is the primary reviewer of liquor licenses for the City of Tucson Police Department. For several years, his primary responsibility has been the investigation of liquor license applications and regulated businesses. After reviewing the application, and taking into account the sustained violations on the original location and the
continued failure to disclose those violations and suspensions, along with the neighborhood concerns. Det. Wilson concluded that the Applicant did not meet the capability, qualifications and reliability to be issued two additional liquor licenses. He authored a recommendation report that is included in the City’s disclosure packet. The report was reviewed by the chain of command up to the Assistant Chief of Investigations. All of the chain of command concurred with Det. Wilson’s recommendation and it was submitted to the City Clerk’s Office. Mr. Murray questioned Det. Wilson. There were Board questions for Det. Wilson.

Ms. Hunter-Patel called her second witness, Tucson City Council Member Steve Kozachik. Mr. Kozachik explained his votes, one for and one against, on Mr. Cooper’s two liquor license applications. Mr. Kozachik described the nature of neighborhood meetings and how he facilitated meetings with the Applicant and the neighbors to reach an agreement on the liquor license applications. Mr. Murray questioned Mr. Kozachik about meetings with the neighbors and the reason for his voting. There were Board questions for Mr. Kozachik regarding an agreement between the neighborhood and the Applicant.

Mr. Campbell announced that he had a time constraint and could not participate in the hearing past 11:50 a.m. Without Mr. Campbell, the Board would lose quorum. Ms. Hunter-Patel had two more witnesses. She called Sylvia Berman. Ms. Berman lives close to Love Cabaret. She was involved with neighborhood meetings prior to the opening of Love Cabaret, and she was sued by the Applicant. Mr. Murray questioned Ms. Berman. There were Board questions for Ms. Berman. The neighborhood was against the nightclub reopening because of the noise from the parking lot, cars driving through the neighborhood blasting loud music at all hours of the night, and the discarded paraphernalia and alcohol containers. Ms. Berman testified that nothing changed after meeting with the Applicant’s representatives. Ms. Hunter-Patel did not call Ms. Beard to testify.

Mr. Murray made a closing statement. Ms. Hunter-Patel made a closing statement.

Motion to continue this matter and all subsequent matters on the agenda to the next Board meeting -
Seconded -
Yay -
Nay -
Abstained -
Disposition -

Campbell
Shulman
Campbell, Shulman, Pernice
None
None
Love Cabaret and subsequent agenda items continued to the October Board meeting

Motion to adjourn meeting -
Seconded -
Yay -
Nay -
Abstained -
Disposition -

Campbell
Shulman
Campbell, Shulman, Pernice
None
None
Meeting adjourned at 11:56 a.m.

[Signatures and dates]