

## Item 23-0461: Alcohol License Suspension Hearing for PJW, LLC DBA: Chadwick's Bar, Jen Thomas, Agent

Safety and Licensing Committee

Wed, Apr 26, 2023 5:30PM • 40:30

**Alderson Chris Croatt (District 14) 00:04**

No scheduled public hearings or appearances. We will move right into our action items. 23-0461 is the alcohol license suspension hearing for P.J.W. LLC, doing business as Chadwick's Bar, Jen Thomas agent. Hopefully everyone had a chance to review the revised packet which includes an additional attachment. So, the original had the complaint, the summons and the additional attachment is a stipulation. I'm going to turn it over to Attorney Glad to explain where we're at in the process here.

**Darrin Glad (Assistant City Attorney) 00:38**

Yeah, so, some things to keep in mind with this. So, this is before the committee to approve or deny any modifications. Attempts to modify our modifications agreement [**Note: I would assume he meant to say "stipulation agreement" not "modifications agreement" and simply misspoke.**] would invalidate the agreement. Basically, we'd be back to square one, which could get us to a hearing, which I'll talk about in a second.

**Darrin Glad (Assistant City Attorney) 00:59**

So, in addition, the licensee and being supportive of this APD staff, so—I'm sorry, city staff, APD, and legal services have are wanting this to be approved. We've signed the stipulation already, both parties have.

**Darrin Glad (Assistant City Attorney) 01:16**

So, the 10-day suspension and holding some demerit points in abeyance has been done in the past and has been an effective method to accomplish subsequent compliance. So, I think that's one of the huge considerations for this. The licensee is waiving the hearing on this which statutorily we had to put it in the agenda that way, but through the stipulation, they're waiving the hearing. And just a reminder—or if anyone doesn't have experience with the licensing hearing—it's a rather involved process that entails both sides presenting evidence. So that's exhibits, witness testimony, requires the committee to make a report to Council. That report requires findings of fact, conclusions of law, and a recommendation. Then it goes to Council for approval or denial of that report. And it does give the licensee another opportunity to be heard. So, by waiving this hearing, cutting out a lot of the opportunities to contest the recommendation.

**Darrin Glad (Assistant City Attorney) 02:21**

So, some of the things that are required for the hearing, Legal Services has provided one attorney for the complainant, basically as a quasi-prosecutor and a quasi-judicial hearing, and other staff to advise the committee. That can be appealed to the circuit courts, which is why you need a court reporter or the ability to create transcripts from the proceeding. So, by waiving all that, that's a huge benefit to the city staff and resources that way.

**Darrin Glad (Assistant City Attorney) 02:53**

Now, given the licensee's genuine response to those convictions and the demerit points. I don't know how many members were present. But under the our new ordinance, they were required to appear a couple of weeks ago or maybe two months ago to answer for the demerit points, and I think they were genuine, and consensus—my feeling from that was that they they're being genuine and making bonafide efforts to remedy the problem. So, I

think given that, the nature of these violations, our past practice, staff recommendation would probably be somewhere near the minimum 10-day recommendation if we went to a full-blown hearing anyway. So, for those reasons, I think it's important to approve the stipulation as it's been written.

**Alderson Chris Croatt (District 14) 03:40**

Okay. Thank you. So, what's before—what's before us essentially Attorney Glad is to take action on the stipulation.

**Darrin Glad (Assistant City Attorney) 03:47**

Yeah.

**Alderson Chris Croatt (District 14) 03:48**

Okay. Okay. Alderson Siebers?

**Alderson William Siebers (District 1) 03:51**

Mr. Chair, could you just refresh my memory in regards to what is that the demerit system? How many points for this? How many points for that are...?

**Alderson Chris Croatt (District 14) 04:02**

Sure, let's—for everyone's benefit, let's get that factual information out. Who wants to take that? Chief Olson or Attorney Glad? The structure and the levels of when things happen.

**Darrin Glad (Assistant City Attorney) 04:15**

Yeah. So last, at this point two Council cycles ago, there was an ordinance change, where demerit points now are assessed on the date and from the date of conviction as opposed to the data violation. The look back periods were essentially doubled. They used to be 12 months for demerit points, 0 to 149. And I'm going off memory here. So, from 0 to 149 used to be 12 months, now it's 24 months. It's higher, isn't it? The threshold for up to revocation used to be 12 months, I think it's higher than 149 points. Now, that's 24 months for the look back period on that. And for revocation used to be 18 months, and now it's 36 months.

**Alderson Chris Croatt (District 14) 05:11**

Okay.

**Darrin Glad (Assistant City Attorney) 05:11**

And that went into effect in July. So, depending on the nature of conviction, there's certain demerit points assessed for certain types of conduct. I believe all of the alleged conduct in this were all 80 80 demerit points each and there was three violations. So, what's being asked in that stipulation is that 160 points get assessed and 80 get held over their head for a two-year period.

**Alderson Chris Croatt (District 14) 05:35**

Okay. Thank you. Before we go any further, do we need a motion to get this on the table to have further discussion about it? Okay.

**Darrin Glad (Assistant City Attorney) 05:42**

That's a good idea.

**Alderson Chris Croatt (District 14) 05:42**

You would appreciate that? Okay.

**Aldersperson Katie Van Zeeland (District 5) 05:44**

Motion to approve.

**Aldersperson Nate Wolff (District 12) 05:45**

Second.

**Aldersperson Chris Croatt (District 14) 05:46**

Okay, motion and a second to approve the stipulation that's attached to our agenda. Aldersperson Siebers, go ahead.

**Aldersperson William Siebers (District 1) 05:52**

Okay, is it—am I correct to think or to say that there's enough points here to revoke?

**Darrin Glad (Assistant City Attorney) 06:04**

That that's correct. That is an option. The way our code is written, the way the demerit points system is intended to work, that could be an option given the way these convictions landed.

**Aldersperson William Siebers (District 1) 06:14**

Okay.

**Aldersperson Chris Croatt (District 14) 06:15**

Could—does anyone need the demerit assessments explained at all? Okay. Anyone else from committee on the stipulation? Aldersperson Schultz?

**Aldersperson Alex Schultz (District 9) 06:31**

Um yeah, I guess I wouldn't mind some discussion over the difference between the three violations. One is consuming alcohol, the date of, one is sale of alcohol, and the other one is just an underage person on licensed premises. They all carry that same demerit point violations, but they seem slightly different in their violation itself. Maybe there's no question there, but I guess I'm curious to know why they they all sort of equate to the same amount of demerit points.

**Darrin Glad (Assistant City Attorney) 07:14**

I think....

**Aldersperson Alex Schultz (District 9) 07:14**

I mean, it's a state statute. There's no question to be had here.

**Darrin Glad (Assistant City Attorney) 07:17**

It's a county—city ordinance set those levels. So, I can't answer why they did that, without looking into some history that likely doesn't exist for me to research, but it's set in our code, based off of the nature of the type of conviction.

**Aldersperson Alex Schultz (District 9) 07:38**

Just a quick follow up. I'm gonna make an assumption here, but I assume Item B, the sale of—their second violation, which is the sale of an alcohol alcoholic beverage was an undercover operation where the sale was made to a member of APD?

**Darrin Glad (Assistant City Attorney) 08:06**  
Sergeant Nagels, says it was undercover.

**Alderson Alex Schultz (District 9) 08:09**  
And the other two were monitoring and responding to probably suggestions that this was happening? Is that correct?

**Darrin Glad (Assistant City Attorney) 08:18**  
Yeah, I think officers were in there on the, for the first one for something else, noticed somebody in the bar, asked for their ID, eventually found out it was somebody underage in there. The third one, I believe, is a fight that occurred down the block. And he's—no, it was a theft. Sorry, it was a theft, reported the next day. And then from that he admitted he was inside consuming alcohol. So, that was actually strategically why I chose that one to be held in the bands because it was the least culpable of there from them, but still points could apply, which could lead to revocation.

**Alderson Alex Schultz (District 9) 08:59**  
Thank you. I appreciate the clarification on those.

**Alderson Chris Croatt (District 14) 09:02**  
Okay. Thank you. Alderson Siebers?

**Alderson William Siebers (District 1) 09:04**  
Thank you. Chair. You said that they were—the owners were licensed, people were here for a hearing?

**Darrin Glad (Assistant City Attorney) 09:18**  
Yes.

**Alderson William Siebers (District 1) 09:18**  
When was that date?

**Alderson Chris Croatt (District 14) 09:20**  
It was a mandatory appearance.

**Darrin Glad (Assistant City Attorney) 09:22**  
Yes. So, with that ordinance change that just took place in July of 2022, anytime you get demerit points over approximately 50—

**Alderson William Siebers (District 1) 09:30**  
Okay, so

**Darrin Glad (Assistant City Attorney) 09:31**  
Or 30 I think.

**Alderson William Siebers (District 1) 09:32**  
When did they appear?

**Darrin Glad (Assistant City Attorney) 09:34**  
About eight weeks ago?

**Aldersperson Chris Croatt (District 14) 09:35**

I was gonna say I think it's about two months ago, or we could look...

**Aldersperson Chris Croatt (District 14) 09:38**

...look back and probably get that information.

**Aldersperson William Siebers (District 1) 09:38**

Okay

**Aldersperson William Siebers (District 1) 09:40**

And your comments was based on that meeting that you had, you felt that the owners, the license holders, were sincere in regards to

**Darrin Glad (Assistant City Attorney) 09:55**

Since that meeting and the meetings we had with them prior to that meeting, I do feel like they were they're being genuine.

**Aldersperson William Siebers (District 1) 10:01**

And yet in March—okay, so it was in January then, but the conviction was in March, okay. Okay. What made you feel comfortable that they were sincere in their wanting to change things, because I'll—this place has been known from what I've heard from some people as a place if you're underage to get alcohol. So, what has what has made you feel comfortable that they're sincere?

**Darrin Glad (Assistant City Attorney) 10:42**

So, I think one of the one of the things that were brought up at the last—when they when they appeared before the committee, was talking about ID scanners and trying to detect fake IDs. And they did go through an explanation of the problem with some of these higher end, but easily accessible—or higher cost, but easily accessible fake IDs—is I think the kids would rather get underage drinking show real proof than lose that ID because they're so effective. So, with the scanners that they've put in is one of the things they're trying to do. I think they agreed to scrutinize their front door man from leaving that area. So that someone couldn't get in because I believe their system is to the doorman is responsible for checking the IDs in addition to the bartender. So, more training for the bartender to if their suspicious to then re ID someone that presumably should have been ID that the door but having that second layer.

**Aldersperson William Siebers (District 1) 11:47**

Okay, so

**Darrin Glad (Assistant City Attorney) 11:48**

Anything incorrect about that?

**Lieutenant Adam Nagel (Police) 11:49**

No, they spent thousands of

**Aldersperson Chris Croatt (District 14) 11:51**

Oh, hang on, let's use the microphone if you could. Thank you.

**Lieutenant Adam Nagel (Police) 11:55**

Sorry. And just to add, I've had several many meetings with Jen and Phil. They've spent 1000s of dollars on the ID scanner system, have caught, I would say, more than two or three dozen IDs, worked with us directly, have actually helped myself out identifying some of the fakes that are out there now. I've been walking the Avenue also at night and have observed more people working the door, more calls for service to them to check for fake ideas. I've seen a significant difference in their willingness to not only protect their business, but not allow underagers in there.

**Alderman William Siebers (District 1) 12:34**

That's all I need to hear. Thank you.

**Alderman Chris Croatt (District 14) 12:36**

Thank you. Thank you for sharing that. Alderman Wolff.

**Alderman Nate Wolff (District 12) 12:42**

Since that was come to you. I'll just give back.

**Alderman Chris Croatt (District 14) 12:46**

Okay, so they—Council President Van Zeeland looked it up. They did appear on March 1, so about two months ago. Okay. I'd like to give you an opportunity to say something if you would like. Are you Jen? And you're—are you Phil? Okay. If you'd like to speak, say something, follow up to any comments that were made, this is your opportunity on this stipulation. You don't have to. Just want to give you an opportunity. Okay.

**[They spent some time fiddling with the microphone.]**

**Jen T. (Chadwick's Bar Representative) 13:30**

Just to follow up on what Lieutenant Nagel said, yeah, we have implemented the scanner system. We've had it for about, I don't know, maybe going on two months, a month and a half. It works really good. Not only is it catching fake IDs, it's also deterring the kids from even trying. So once word gets around, then we don't even have to deal with it as much anymore. Phil has a big stack of IDs that we've already caught. Some of them are tricky, though. Not all of them are going to pass a scanner, so there are other avenues you can use—a flashlight, other things that we have been kind of looking up and doing. So, it's really effective. And I think it's working awesome. And, yeah, we're willing to do whatever we need to do. I mean, we don't want this problem at all. So, we are doing everything possible to get rid of these kids.

**Alderman Chris Croatt (District 14) 14:17**

Okay, thank you, Jen.

**Philip C. (Chadwick's Bar Representative) 14:19**

That's pretty much pretty much it. Anybody wants a little schooling on, I have these IDs, if any wants to see how amazing they are. I mean, I have like...

**Alderman Chris Croatt (District 14) 14:33**

Oh geez.

**Philip C. (Chadwick's Bar Representative) 14:35**

...35 in my pocket, and it's crazy how good they are. I mean, it is just you cannot tell by just looking at these. It's almost impossible. So, yeah, I mean, I could—can I approach the bench at all? You guys want to see?

**Alderson Chris Croatt (District 14) 14:51**

Sure, let's get a quick look at 'em.

**Philip C. (Chadwick's Bar Representative) 14:53**

A couple little examples of. Here's one we got this weekend. This is—

**Alderson Nate Wolff (District 12) 14:59**

I mean, do you have enough to everyone?

**Alderson Chris Croatt (District 14) 15:03**

I just set a couple down and you can—oh, wow.

**Alderson Alex Schultz (District 9) 15:06**

That's bonafide.

**Alderson Chris Croatt (District 14) 15:07**

Oh my gosh. That looks like mine.

**Alderson William Siebers (District 1) 15:12**

Are you Are these all out of state then?

**Alderson Chris Croatt (District 14) 15:15**

No.

**Philip C. (Chadwick's Bar Representative) 15:15**

A lot of the fake ones are out of state, but the Wisconsin ones that we catch that are fakes we go—we see enough of them that we can kind of tell by—we have UV flashlights that we use. You can tell by the certain flashlights on the IDs of how and what they look like. This is just one of the issues. The other issue is just finding someone that looks like the people. So, these are all real IDs, but this has been going on for years. But the new technology that they're using is something that is really...

**Alderson Chris Croatt (District 14) 15:51**

Okay.

**Alderson Alex Schultz (District 9) 15:52**

Grab the mic.

**Alderson Chris Croatt (District 14) 15:53**

Can you? Yeah, can you grab those and then make the rest of your comments with the mic up there. And then you can have all these back. Take all these back with you.

**Philip C. (Chadwick's Bar Representative) 16:01**

I just want to show you some examples of crazy good these.

**Alderson Chris Croatt (District 14) 16:04**

Yeah, it's amazing.

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**Alderson Nate Wolff (District 12) 16:07**

Like literally.

**Alderson Chris Croatt (District 14) 16:11**

Hang on one second. Let's let him get back over there.

**Philip C. (Chadwick's Bar Representative) 16:14**

Hopefully, someone might have got found your ID and use it at a bar.

**Alderson Katie Van Zeeland (District 5) 16:20**

Oh, I'd hope not.

**Alderson Nate Wolff (District 12) 16:23**

She took it out.

**Alderson Katie Van Zeeland (District 5) 16:24**

Oh, no, I took it out of my wallet.

**Philip C. (Chadwick's Bar Representative) 16:25**

Okay. You scared me there for a minute.

**Alderson Chris Croatt (District 14) 16:31**

Okay, is there anything else? Anything else you want to add?

**Philip C. (Chadwick's Bar Representative) 16:35**

Oh, no.

**Alderson Chris Croatt (District 14) 16:35**

Okay. Alder Aldersons Siebers is up next. But I just want I want to take an opportunity to thank you for coming to the hearing, or and for the stipulation and also the actions that you're taking to correct the problem.

**Philip C. (Chadwick's Bar Representative) 16:52**

If you guys in the future would like to, any—I've been researching this, the scanners, and all this new technology that they're coming out with. If you want any help in the future of like other businesses. I tried to get other businesses to follow in our footsteps, but they're, they're like, "Well, we really enjoy the extra business we're gaining now because nobody—the underage kids aren't going to your bar." So, it's a little bit hard to get them to adopt this technology.

**[It sounded like Lieutenant Nagel may have gotten a look on his face in response to Philip's statement. The committee members laughed.]**

**Philip C. (Chadwick's Bar Representative) 17:24**

But anyway, it does work really well, and it's helping us solve an issue.

**Alderson Chris Croatt (District 14) 17:28**

Okay. Thanks again. Alderson Siebers, go ahead.

**Alderson William Siebers (District 1) 17:31**

I just want to ask a question of wanting you two, and I want to be fair. I made a statement, and I just want to get some feedback from you. I made the statement that your establishment is on the street known for a place where if you're underage...

**Philip C. (Chadwick's Bar Representative) 17:51**

We weren't aware of that. It's no longer that way.

**Alderson William Siebers (District 1) 17:57**

How long? How long have you held the license? You're new owners aren't you?

**Philip C. (Chadwick's Bar Representative) 18:02**

We bought the business four and a half years ago.

**Alderson William Siebers (District 1) 18:05**

Yeah. And you went from, my understanding, went from an older crowd to a younger crowd.

**Philip C. (Chadwick's Bar Representative) 18:12**

Yeah. As soon as COVID came through, it kind of just transitioned over. The whole kind of Avenue is kind of a lot younger in that area.

**Alderson William Siebers (District 1) 18:21**

Okay. Okay. Okay.

**Philip C. (Chadwick's Bar Representative) 18:23**

So that's where it kind of transitioned after COVID. We kind of lost all the old older crowd. And now, the whole area of between, I'd say in, you know, in the 400 block, they're all young people.

**Alderson William Siebers (District 1) 18:37**

Okay, well, I guess I won't be showing up on the 400 block.

**Philip C. (Chadwick's Bar Representative) 18:43**

D2 has a—if you don't have food, the kids the kids usually just go to a just a liquor or beer establishment.

**Alderson William Siebers (District 1) 18:52**

Thank you.

**Alderson Chris Croatt (District 14) 18:53**

Okay. Alderson Hartzheim, on the stipulation? Thank you. Sorry, go ahead.

**Alderson Sheri Hartzheim (District 13) 19:02**

Thank you, Chair. Um, I just did logistical thing. I am wondering about the abeyance of 108—or of 80 points and wondering. So, once they've served the suspension, does the 160 disappear and then the 80 is carried for 24? How does all of that work? Just so that we're clear as a Council, what—what's the future if they don't? They seem like they're gonna continue to do what they're doing. But if they don't, what is the future here?

**Alderson Chris Croatt (District 14) 19:32**

Okay, good question. I'll let Attorney Glad answer that so we're clear on all the details.

**Darrin Glad (Assistant City Attorney) 19:37**

That is a great question, because this is unusual for a lot of reasons. And it's under our new code, but 160 points that will be assessed through the stipulation would stay with presumably for the 36 months from the date of conviction. And then when the one date of conviction 36 months, then that 80 points falls off, 36 months from the second one that one falls off. By the terms of the stipulation, that 80 points held in abeyance will be two years from the date Council approves it goes away and can't be used against—the points can't be used against them.

**Alderson Sheri Hartzheim (District 13) 20:12**

Thank you.

**Alderson Chris Croatt (District 14) 20:12**

Did that answer your question?

**Alderson Sheri Hartzheim (District 13) 20:13**

That's much clearer. Thank you.

**Alderson Chris Croatt (District 14) 20:15**

Any other questions or comments on the stipulation? Alderson Wolff.

**Alderson Nate Wolff (District 12) 20:19**

Thank you Chair. Earlier, I was going to mention how, from your presentation, I really thought you were genuine, and I appreciated what you showed us. And I would just like to thank you for doing that. And I'm impressed with what you've done. And I hope that other businesses do that as well, without the—you know, without the involvement of the police department. So, I'd just like to thank you. And that's it.

**Alderson Chris Croatt (District 14) 20:46**

Okay, thank you. Alderson Schultz.

**Alderson Alex Schultz (District 9) 20:49**

Yeah, I just express some of the same comments as my colleague that I'm, you know, I'm grateful that you're coming forward, that you're trying to take the actions that you are, and trying to, you know, show yourselves as a role model for other organizations and bars in the city that to try and follow your lead, which I think is exceptional.

**Alderson Alex Schultz (District 9) 21:08**

A question for Attorney Glad would be two months from now someone comes in with a fake ID, doesn't get caught by the scanner, the doorman isn't doesn't catch it, and someone's there to catch it. And they end up with another 80-point violation. Where do we stand at that point?

**Darrin Glad (Assistant City Attorney) 21:23**

So, I think at that point, if it's a good enough fake ID, they made their efforts, they put things in place to stop that, I think we'd be looking at a point where there's two discretionary acts that would come in before imposition appoints. One would be the officers; they can use discretion to not cite. They could cite the individual person as opposed to the bar. And we can choose discretion to not apply those points, because somehow, they got caught despite the bar's efforts. And then, similarly, the prosecutors would have an opportunity to not go

for conviction because the points only kick in upon conviction. So, looking for a just outcome is something both the police and the prosecution do.

**Aldersperson Alex Schultz (District 9) 22:09**

I appreciate that that helps us.

**Aldersperson Chris Croatt (District 14) 22:11**

Yeah, I appreciate the question and the response. Thanks.

**Aldersperson Chris Croatt (District 14) 22:15**

Okay. Any other comments or questions on the stipulation? we have a motion and a second to approve—oops—approve the stipulation. Any final comments? Anyone? Hearing none, all in favor of accepting the stipulation signify by saying aye. All opposed? Five, zero. That goes to Council as a recommendation, correct? Okay. On a five zero vote. Thank you for coming. Thanks for everything you're doing to address the issues.