

**C-10**

May 18, 2021

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

**RECOMMENDATION:**

Refer to Hearing Officer the business license application denial appeal by Wanda Zaza, dba Karma Hookah Lounge, at 1605 East Wardlow Road. (District 7)

**DISCUSSION**

Prior to the COVID-19 pandemic, hearings were held in a timely manner. However, due to statewide health orders, safety protocols, and other resource limitations, hearings were suspended and have only recently resumed in a virtual capacity.

On April 16, 2020, the Department of Financial Management denied the business license application for Wanda Zaza, dba Karma Hookah Lounge (KHL), to operate a restaurant with alcohol establishment at 1605 East Wardlow Road (Attachment A) due to the failure of the business to comply with applicable laws and regulations, pursuant to Long Beach Municipal Code (LBMC) Sections 3.80.210, 3.80.421.1(a), 5.72.110(a), 5.04.030, and 9.31.020 (Attachment B), as well as violations of California Business and Professions Code (BPC) Sections 23300 and 25604 (Attachment C). On April 27, 2020, Wanda Zaza filed an appeal of the business license application denial (Attachment D).

A business license has not been issued to Wanda Zaza, dba Karma Hookah Lounge; however, the business continues to operate without a license. The business license was pending on the City receiving a valid Alcohol and Beverage Control (ABC) License copy. While the business license application was pending, the Long Beach Police Department (PD) received numerous complaints of sales and consumption of alcohol at the business and unpermitted entertainment activities. Starting in January 2020, there have been multiple incidents at the establishment requiring a response from PD. In March 2020, Vice Detectives conducted an investigation that resulted in a misdemeanor citation for alcohol sales without a license. PD has determined the business a public nuisance and requests that Wanda Zaza's business license be denied.

Pursuant to LBMC Section 3.80.210, it is unlawful for any person to carry on any business without procuring a business license.

Pursuant to LBMC Section 3.80.421.6, an applicant for a business license whose application for such license has been denied by the Director of Financial Management may appeal to the City Council. Whenever it is provided that the City Council hear a

hearing, the City Council may, at its discretion, conduct the hearing itself or refer it to a hearing officer, in accordance with LBMC Section 2.93.050(A). If the matter is referred, the City Council will set the hearing to be held not less than 20 days thereafter.

This matter was reviewed by Deputy City Attorney Arturo D. Sanchez on March 22, 2021.

TIMING CONSIDERATIONS

If referred, upon selecting a hearing officer, the matter will be heard not less than 20 days thereafter.

FISCAL IMPACT

There is no fiscal or local job impact associated with this recommendation. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities.

**SUGGESTED ACTION:**

Approve recommendation.

Respectfully submitted,



**JOHN GROSS**  
**INTERIM DIRECTOR OF FINANCIAL MANAGEMENT**

ATTACHMENTS: A – DENIAL LETTER  
B – LONG BEACH MUNICIPAL CODES  
C – CALIFORNIA BUSINESS AND PROFESSIONS CODES  
D – DENIAL APPEAL LETTER

APPROVED:



**THOMAS B. MODICA**  
**CITY MANAGER**

**Wanda Zaza**  
**DBA: Karma Hookah Lounge**  
**1605 E Wardlow Rd Long Beach, CA 90807**

Attachments Summary:

|              |                                |
|--------------|--------------------------------|
| Attachment A | Denial Letter to Wanda Zaza    |
| Attachment B | Long Beach Municipal Codes     |
| Attachment C | Business and Professions Codes |
| Attachment D | Wanda Zaza Appeal Letter       |



April 16, 2020

**VIA REGULAR AND CERTIFIED MAIL**

Wanda Zaza  
DBA: Karma Hookah Lounge  
1605 E Wardlow Rd  
Long Beach, CA 90807

RE: Denial of Business License Application BU21911970  
Business Address: 1605 E Wardlow Rd, Long Beach, CA 90807, APN 7147-020-020

Dear Applicant:

Thank you for your interest in establishing a business in the City of Long Beach. Unfortunately, your application to operate a business equipment repair establishment is denied at this time. The Business License Division has denied your application due to failure to comply with applicable laws and regulations, including:

- Long Beach Municipal Code (LBMC) Chapter 3.80.421.1(a) which states, "The Director shall refer such application to the appropriate departments of the City in order that it may be ascertained whether the business proposed to be conducted or the premises in which it is proposed to locate such business will comply with applicable fire, building safety, zoning, health and other laws and regulations."
- Long Beach Municipal Code (LBMC) Chapter 5.72.110(a) which states "No person shall carry on, maintain or conduct any entertainment activity in the City without first obtaining a permit therefor from the City."
- Long Beach Municipal Code (LBMC) Chapter 5.040.030 which states "In the event that a particular department of the City rejects an application for the reason that such business or the location at which it is proposed to be conducted will not comply with applicable laws and ordinances, no permit shall be issued, and the application shall be denied."
- Long Beach Municipal Code (LBMC) Chapter 9.31.020 which states "When law enforcement personnel at the scene determine that the provisions of this Chapter have been violated, such law enforcement personnel are authorized to take all necessary enforcement actions, including the following:
  - A. Arrest and/or issue a citation to the responsible person. For purposes hereof, the "responsible person" shall be a person or persons owning or occupying the offending property or otherwise authorizing or permitting the loud music or other noises to emanate from the property;
  - B. Direct the responsible person to immediately terminate the activity that is causing the loud noise; and
  - C. Issue a written notice to the responsible person that if within a thirty (30) day period after the initial response law enforcement personnel are again required to respond to the property to address a violation of this Chapter, then the responsible person shall be liable for



payment of all costs and expenses incurred by law enforcement personnel during second or subsequent responses in accordance with [Section 9.31.030.](#)"

- California Code, Business and Professions Code (PC) 23300 which states "No person shall exercise the privilege or perform any act which a licensee may exercise or perform under the authority of a license unless the person is authorized to do so by a license issued pursuant to this division.
- California Code, Business and Professions Code (PC) 25604 which states "It is a public nuisance for any person to maintain any club room in which any alcoholic beverage is received or kept, or to which any alcoholic beverage is brought, for consumption on the premises by members of the public or of any club, corporation, or association, unless the person and premises are licensed under this division. It is a public nuisance for any person to keep, maintain, operate or lease any premises for the purpose of providing therein for a consideration a place for the drinking of alcoholic beverages by members of the public or other persons, unless the person and premises are licensed under this division. As used herein "consideration" includes cover charge, the sale of food, ice, mixers or other liquids used with alcoholic beverage drinks, or the furnishing of glassware or other containers for use in the consumption of alcoholic beverage drinks.

The Vice Investigations Detail of the Long Beach Police Department received numerous complaints regarding possible illegal sales and consumption of alcohol, entertainment without a valid permit taking place at the Establishment, and sale of tobacco to minors. Vice Detectives conducted an investigation on January 12, 2020, which determined the business was operating entertainment without valid permits and a citation was issued to the business owner for the violating LBMC 9.31.020. On February 9, 2020 the business owner was issued another citation for violating LBMC 9.31.020. On March 5, 2020 Vice Detectives conducted an investigation which determined illegal sale of alcohol without a license and an unlicensed club room. The business owner was issued a citation Professions Code (PC) 23300 and PC 25604

Should you wish to appeal the denial of your business license application to the Long Beach City Council, you may do so by filing an appeal letter with the Director of Financial Management within ten (10) calendar days from the date of mailing of this letter pursuant to LBMC Chapter 3.80.421.6 (attached). The notice of appeal shall state the reason for the appeal and the grounds of such appeal.

Please send the notice of appeal to the address below along with a nonrefundable filing fee of \$1,398.00.

City of Long Beach Business License Division  
Attn: Ashley Wiegelman  
411 W. Ocean Blvd., 6th Floor  
Long Beach, CA 90802

Should you have any questions please contact Ashley Wiegelman, Assistant Administrative Analyst, at (562) 570-5594 or by email at [ashley.wiegelman@longbeach.gov](mailto:ashley.wiegelman@longbeach.gov).

Sincerely,



Brett Yakus  
Business Services Officer

Attachments

ecc: Art Sanchez, Deputy City Attorney  
Jennifer Arzola, Vice Investigations Detective



May 7, 2020

**VIA REGULAR AND CERTIFIED MAIL**

Wanda Zaza  
DBA: Karma Hookah Lounge  
1605 E Wardlow Rd  
Long Beach, CA 90807

RE: Correction Letter for the Denial of Business License Application BU21911970  
Business Address: 1605 E Wardlow Rd, Long Beach, CA 90807, APN 7147-020-020

Dear Applicant:

On April 16, 2020 the Business License Department mailed a letter notifying the applicant for Business License account number BU21911970, Wanda Zaza, that the application would be denied. The letter stated the type of business indicated on the letter was incorrectly referenced as a "business equipment repair establishment. To correct this error, we are sending you an updated Denial Letter indicating the correct type of business being reflected in bold, "Restaurant with Alcohol", you have 10 days from this new letter to submit an appeal. If you wish to move forward with your previously submitted Appeal Letter and waive the extended 10 day appeal period, please send an e-mail to Ashley Wiegelman, Assistant Administrative Analyst, at [ashley.wiegelman@longbeach.gov](mailto:ashley.wiegelman@longbeach.gov).

Sincerely,



Brett Yakus  
Business Services Officer

Attachments



## Long Beach Municipal Codes

### 3.80.210 - License and tax payment required.

There are hereby imposed upon the businesses, trades, professions, callings and occupations specified in this Chapter license taxes in the amounts hereinafter prescribed. It shall be unlawful for any person to transact and carry on any business, trade, profession, calling or occupation in the City without first having procured a license from said City to do so and paying the tax hereinafter prescribed and without complying with any and all applicable provisions of this Code, and every person conducting any such business in the City shall be required to obtain a business license hereunder.

This Section shall not be construed to require any person to obtain a license prior to doing business within the City if such requirement conflicts with applicable statutes of the United States or of the State of California.

Any person who engages in any business for which a business license is required, shall be liable for the amount of all taxes and penalties applicable from the date of commencement of the business, whether or not such person would have qualified for such business license; however, such payment shall not create any right for the person to remain in business.

All payments of business license tax received by the City, irrespective of any designation to the contrary by the taxpayer, shall be credited and applied first to any penalties and tax due for prior years in which the tax was due but unpaid.

(Ord. C-7783 § 2, 2002: Ord. C-6259 § 1 (part), 1986)

### 3.80.421.1 - Application—Investigation.

- A. The Director shall refer such application to the appropriate departments of the City in order that it may be ascertained whether the business proposed to be conducted or the premises in which it is proposed to locate such business will comply with applicable fire, building safety, zoning, health and other laws and regulations.
- B. The Director may issue a conditional license under this Chapter for the applicant to conduct business during the investigation period if: all necessary applications have been completed by the applicant, the business tax and application fees have been paid, no department has declared the building or structure "unsafe" as defined in Section 102 of the current edition of the California Uniform Building Code, and the business has not had an application denied pursuant to the provisions of this Chapter within the past year. A conditional license shall not be valid for a period longer than one hundred eighty (180) days from the date of application. During such period, based upon review by the appropriate departments of the City, the applicant may be rejected for failure to comply with applicable laws and regulations at any time. Within one hundred eighty (180) days, if no departments have rejected the applicant or requested an extension of the time to review same, the Director shall issue the license.
- C. The Director, at his sole discretion, may issue a notice of nonoperation during the investigation period when a department determines the building or structure unsafe and corrections are required prior to the safe operation and continuation of the business. Following completion and City approval of any City mandated corrections, a conditional license or a business license may be issued.

(Ord. C-7849 § 1, 2003: Ord. C-6259 § 1 (part), 1986)

**5.72.110 - Permit required and prohibited uses.**

- A. No person shall carry on, maintain or conduct any entertainment activity in the City without first obtaining a permit therefor from the City.
- B. Entertainment provided at a private residence for the monetary gain of any person is prohibited. However, this prohibition is in no way intended to infringe on the rights of private persons to engage in the activities regulated by this Chapter at their residence for private, as opposed to commercial, purposes.

(Ord. C-7423 § 26, 1996)

**5.04.030 - Application—Rejection.**

In the event that a particular department of the City rejects an application for the reason that such business or the location at which it is proposed to be conducted will not comply with applicable laws and ordinances, no permit shall be issued, and the application shall be denied.

(Ord. C-7461 § 10, 1997)

**9.31.020 - Enforcement.**

When law enforcement personnel at the scene determine that the provisions of this Chapter have been violated, such law enforcement personnel are authorized to take all necessary enforcement actions, including the following:

- A. Arrest and/or issue a citation to the responsible person. For purposes hereof, the "responsible person" shall be a person or persons owning or occupying the offending property or otherwise authorizing or permitting the loud music or other noises to emanate from the property;
- B. Direct the responsible person to immediately terminate the activity that is causing the loud noise; and
- C. Issue a written notice to the responsible person that if within a thirty (30) day period after the initial response law enforcement personnel are again required to respond to the property to address a violation of this Chapter, then the responsible person shall be liable for payment of all costs and expenses incurred by law enforcement personnel during second or subsequent responses in accordance with Section 9.31.030.

(ORD-05-0036 § 1, 2005)



**Business and Professions Codes**

**Business and Professions Code - BPC  
DIVISION 9 - ALCOHOLIC BEVERAGES  
CHAPTER 3 - Licenses and Fees  
ARTICLE 1 - In General  
Section 23300.**

23300. No person shall exercise the privilege or perform any act which a licensee may exercise or perform under the authority of a license unless the person is authorized to do so by a license issued pursuant to this division.

(Added by Stats. 1953, Ch. 152.)

**BUSINESS AND PROFESSIONS CODE – BPC  
DIVISION 9. ALCOHOLIC BEVERAGES [23000 - 25762]  
CHAPTER 16. Regulatory Provisions [25600 - 25686]  
ARTICLE 1. In General [25600 - 25623.5]  
( Article 1 added by Stats. 1953, Ch. 152. )**

25604. It is a public nuisance for any person to maintain any club room in which any alcoholic beverage is received or kept, or to which any alcoholic beverage is brought, for consumption on the premises by members of the public or of any club, corporation, or association, unless the person and premises are licensed under this division. It is a public nuisance for any person to keep, maintain, operate or lease any premises for the purpose of providing therein for a consideration a place for the drinking of alcoholic beverages by members of the public or other persons, unless the person and premises are licensed under this division. As used herein "consideration" includes cover charge, the sale of food, ice, mixers or other liquids used with alcoholic beverage drinks, or the furnishing of glassware or other containers for use in the consumption of alcoholic beverage drinks.

The Attorney General or any district attorney may bring an action in the name of the people to abate the nuisance, and the Attorney General shall, upon request of the department, bring the action.

(Amended by Stats. 1955, Ch. 447.)

04/27/2020

City of Long Beach License Division

Attn: Ashley Wiegelman

411 W. Ocean Blvd., 6<sup>th</sup> floor

Long Beach, Ca 90802

Re: Denial of Business License Application BU21911970

To whom it may concern:

I am appealing the decision to deny my Business license application BU21911970. In reference to the January 12, 2020 operating without a valid entertainment permit. I was playing music on my laptop with a small speaker connected to my laptop. At the time which I was ticketed the music could not have been loud enough for anyone outside our establishment to hear.

As for the second citation on February 9, 2020. The business Karma Hookah Lounge was closed. My doors were locked and we were cleaning up. There was 2 to 3 people outside of my business in the parking lot. Our parking ;lot is shared by every establishment in our building, including a 24 hour laundry mat. I was ticketed because the officer told me that the I was responsible for the people in the parking lot.

As for the incident on March 5, 2020. When detectives came in the asked me for a cup. Which I gave. I did not sell nor did I furnish alcohol. However, I now understand that my license is not complete until all activities the city must complete have been completed.

I would also like to take this opportunity to site

LBMC 5.88.050 Smoking lounge permit application process Section B "On receipt of a completed smoking lounge permit application... Such departments shall file a report providing recommendations regarding the approval or denial of the permit with the director of financial management within 60 calander days after the completed application is filed..."

Also, I would like to say that I am a resident of Long Beach and intend to follow all laws that govern a business in Long Beach.

Wanda Zaza

