



## Legislation Text

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**File #:** 10-1235, **Version:** 1

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Recommendation to receive supporting documentation into the record, conclude the hearing and adopt the recommendation to revoke Entertainment Permit No. BU20656240 for CNR Holdings, LLC, dba Evo Lounge, located at 5300 East 2nd Street. (District 3)

The Long Beach Municipal Code (LBMC) requires a hearing be held before the City Council whenever revocation of an entertainment permit is appealed.

The LBMC also requires that the City Council review and consider a hearing officer's written report, when the Council appoints a hearing officer to conduct the appeal proceedings. The City Council may adopt, reject or modify the recommended decision.

Attached for your review is Hearing Officer Linda G. Krieger's October 29, 2010, written report. Based on witness testimony, documents admitted into evidence and arguments of the parties, Ms. Krieger recommended that entertainment permit number BU20656240 issued to CNR Holdings, LLC, dba Evo Lounge, located at 5300 East 2<sup>nd</sup> Street, be revoked.

The City made the following findings of fact:

- CNR Holdings, LLC, misrepresented facts on their entertainment application, which was signed under penalty of perjury.
- The company stated there were 16 dining tables and 122 seats in the restaurant when in fact the number was significantly less.
- The company also stated that there would be no admission fee, but Mr. Roth admitted to charging a "cover charge" for the past three years.
- CNR Holdings, LLC, converted the interior of the business and removed dining area floor space to enlarge the dance floor, without properly obtaining permits.
- The Secretary of State has suspended CNR Holdings; therefore, they are no longer a legally valid LLC.
- CNR Holdings, LLC, allowed their guests to become "Bartender for a Night," which violates Alcoholic Beverage Control (ABC) laws.
- A CNR Holdings, LLC, security guard was arrested and convicted of felony assault while in the course of his employment.
- The Police Department has responded to several calls for service for this restaurant including

calls for drunken patrons, public urination, loud noise, fights, loitering, and after hour entertainment. Due to increasing number of calls, the Police Department has had to elevate patrol.

The Department of Financial Management, Business Relations Bureau, has reviewed all evidence and correspondence and, after thorough consideration, recommends that the entertainment permit be revoked.

This matter was reviewed by Deputy City Attorney Cristyl Meyers on November 4, 2010.

The hearing date of November 16, 2010, has been posted on the business location, and the property owner has been notified by mail.

The following fees will no longer be collected if the application is revoked: Business License \$320.70 and Regulatory \$958 (Financial Management Department).

Approve recommendation.

LORI ANN FARRELL  
DIRECTOR OF FINANCIAL MANAGEMENT/CFO

APPROVED:

PATRICK H. WEST  
CITY MANAGER