



**TRACY UFFELMAN,
DIRECTOR**

**PHONE: 602-542-5141
FAX: 602-542-5707**

*BEFORE THE ARIZONA
DEPARTMENT OF LIQUOR LICENSES
AND CONTROL*

In the Matter of Restaurant License No. 1207A206
Issued to: SSLB LLC
dba "Second Story"
Agent: Thomas Plato
4166 N. Scottsdale Rd.
Scottsdale, Arizona 85251

**CONSENT AGREEMENT
AND ORDER
000060-22**

In the interest of a prompt and judicious settlement of this case, SSLB, LLC consents to the entry of this order, and the Arizona Department of Liquor Licenses and Control (the "Department") enters the following Findings of Fact, Conclusions of Law, Recitals, and Order (collectively, the "Agreement").

FINDINGS OF FACT

1. The Department licenses and regulates restaurant liquor licenses in the State of Arizona.
2. Licensee holds license #1207A206, from the Department so that it may sell beer, wine, and spirituous liquor at the establishment.
3. Between January 1, 2021 and December 31st 2021, a Department audit showed the Licensee failed to derive at least 40% of its gross revenue from food sales as required by A.R.S. §§ 4-205.01(E) and 4-205.02(M). Licensee did, however, derive more than 37% of its gross revenue from food sales.

CONCLUSIONS OF LAW

4. The facts set forth above constitute violations of A.R.S. § 4-210.(A)(9) as it relates to A.R.S. §§4-205.01(E) and 4-205.02 (M).

RECITALS

1. **Effective Date.** This Agreement is effective on the date that it issued by the Department ("Effective Date").
2. **Waiver.** Licensee understands that it has a right to an administrative hearing concerning each and every allegation set forth in this Agreement, where it could present evidence, cross-examine witnesses, and make legal arguments. By entering into this Agreement, licensee freely and voluntarily relinquishes all rights to such an administrative hearing, as well as all rights of rehearing,

review, reconsideration, appeal, judicial review, or any other administrative or judicial action concerning the matters set forth herein. Licensee affirmatively agrees that this Agreement shall be irrevocable.

3. All admissions that licensee makes in this Agreement are made solely for the final disposition of this matter, and any related administrative proceedings or civil litigation involving the Department and licensee. This Agreement is not to be used for any other regulatory agency proceedings, or civil or criminal proceedings, whether in the State of Arizona or any other state or federal court, except related to the enforcement of the Agreement itself, which may include binding licensee to the Findings of Fact set forth above.

4. **Future Actions.** This Agreement does not constitute a dismissal or an express or implied waiver of the Department's statutory authority or jurisdiction for any pending or future investigation, action, or proceeding that does not arise from or relate to the matters addressed in this Agreement. The Department may consider this Agreement in any future disciplinary or licensing investigation and agrees that it will not assert as a defense that consideration of this Agreement constitutes bias, prejudice, prejudgment or any other similar defense.

5. **Entire Agreement.** Licensee and the Department have read this Agreement in its entirety, have had an opportunity to consult with counsel of their own choice, are satisfied that they understand and agree to all of its provisions and freely sign the Agreement without coercion. Licensee warrants that the undersigned has the authority to sign this Agreement for them and to bind licensee to each of the terms of this Agreement. This Agreement constitutes the entire agreement between licensee and the Department relating to the matters set forth herein, whether written or oral. The parties do not have any other representations, warranties, or agreements that are not contained or referenced in this Agreement. This completely resolves all matters arising from or related to matters addressed in this Agreement as of the Effective Date.

6. **Public Record.** This Agreement is a public record as defined in A.R.S. § 41-151.18.

7. **Counterparts.** This Agreement may be executed in counterparts, each of which will, when executed, be deemed an original and all of which will be deemed to be one and the same instrument. Licensee and the Department agree that an electronic transmission of the signed Agreement will have the same force and effect as a signed original.

8. **Interpretation.** In the event of a dispute, none of the parties will be deemed to be the drafter of this agreement. This agreement will be interpreted under the laws of the State of Arizona.

9. **Severability.** If any part of this agreement is for any reason found to be invalid, illegal or unenforceable, all other parts nevertheless remain valid, legal and enforceable.

For: The Arizona Department of Liquor Licenses
and Control

Tracy Uffelman,
Director

_____ Date: _____

For: SSLB LLC, Owner
Ryan Anderson, Agent

_____ Date: _____

ORDER

IT IS ORDERED that Licensee will pay a civil penalty of one thousand five hundred dollars (\$1,500.00) to the Department on or before April 30, 2022.

IT IS FURTHER ORDERED that under A.R.S. § 4-213(C)(3), Licensee has one year from the Effective Date of this Order within which to increase its food-sales percentage to derive at least forty percent of its gross revenue from the sale of food. If the Department's second audit demonstrates that the Licensee has failed to increase its food-sale percentage for the year to at least forty percent, the Licensee may continue to operate under the Restaurant License for a period of six months from the date the Department notifies Licensee results of the audit, during which time Licensee may acquire and activate a bar or beer and wine bar license. Licensee shall be subject to additional discipline for failing to maintain a food-sale percentage of at least forty percent during that year. If after the six-month period following a failed second audit, the Licensee has not surrendered the Restaurant License, the Department shall revoke the Restaurant License without further notice and hearing.

DATED this _____ day of April, 2022.

Tracy Uffelman,
Director