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CITY OF MILWAUKEE

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LICENSES COMMITTEE

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In the Matter of the Class "B" Tavern and Tavern Dance  
application for:

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LUKAS PSZENNIAK

CY2, LLC

8

140 South 1st Street

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\* \* \* \* \*

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COMMITTEE MEMBERS

11

ALD. JAMES WITKOWIAK - Chair

ALD. JAMES BOHL, JR., - Vice-Chairman

12

ALD. TERRY WITKOWSKI

ALD. ROBERT PUENTE

13

ALD. WILLIE WADE

14

LICENSING DIVISION by REBECCA BARRON

NEIGHBORHOOD SERVICES by TOM WESSEL

15

HEALTH DEPARTMENT by PAUL ZEMKE

POLICE DEPARTMENT by SEARGENT CHET ULICKEY

16

OFFICE OF THE CITY ATTORNEY by ATTORNEY BRUCE SCHRIMPF

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Proceedings had and testimony given in

19

the above-entitled matter, before the LICENSES

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COMMITTEE OF THE CITY OF MILWAUKEE, on

21

the 26th day of July, 2007.

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P R O C E E D I N G S

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CHAIRMAN WITKOWIAK: Lukas Pszenniak,

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Agent for "C2" at 140 South 1st Street.

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No, I - - Shall I spell the name for

5

you? Yeah. First name is Lukas, L-U-K-A-S.

6

Last name Pszenniak, P-S-Z-E-N-N-I-A-K. Agent

7

for "CY2, LLC". Would you raise your right

8

hands? We'll swear you in. Raise your right

9

hands. We're going to swear you in.

10

(Whereupon the witnesses were sworn.)

11

CHAIRMAN WITKOWIAK: Name and address

12

for the record, please.

13

MR. EBERT: 590 Florence Drive.

14

CHAIRMAN WITKOWIAK: Speak - - Speak

15

into the mic. Pull that microphone towards

16

yourself. It's not nailed down. And you can put

17

your hands down. Put your hands down. Okay.

18

Name and address for the record, please.

19

THE APPLICANT: Lukas Pszenniak, 590

20

Florence, Elm Grove, Wisconsin.

21

CHAIRMAN WITKOWIAK: And?

22

MR. EBERT: First name would be Tim.

23

Last name's Ebert, E-B-E-R-T. 590 Florence

24

Drive, Elm Grove, Wisconsin.

25

CHAIRMAN WITKOWIAK: Okay. And state

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1 your appearance.

2 MR. COURTNEY: For the record, Attorney  
3 Robert Courtney appears on behalf of these  
4 gentlemen.

5 ALDERMAN WITKOWSKI: When you speak,  
6 you're going to have to speak into the  
7 microphone, though.

8 MR. COURTNEY: Okay.

9 CHAIRMAN WITKOWIAK: Do you admit to  
10 receiving notice there's a possibility your  
11 application could be denied because of items  
12 contained on the police report and neighborhood  
13 objections to loitering, littering, loud music,  
14 noise, parking, traffic problems, drug and  
15 criminal activity and conduct which is  
16 detrimental to the health, safety and welfare of  
17 the neighborhood?

18 THE APPLICANT: Yes.

19 MR. COURTNEY: Yes.

20 CHAIRMAN WITKOWIAK: Sergeant, could  
21 you read the police report, please?

22 SERGEANT ULICKEY: On 12/1 of '05 Mr.  
23 Ebert received a citation for patrons after hours  
24 at 1013 North Old World Third Street. He was  
25 found guilty and fined 343 dollars.

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1 I should advise the committee that this  
2 following record does pertain to Mr. Ebert only.  
3 There is nothing on Mr. Pszenniak.

4 On 6/12 of '06, Mr. Ebert received two  
5 citations for alterations without a permit at  
6 2011 South 1st Street. He was found guilty and  
7 fined 404 dollars each.

8 On 4/10 of 2000, Mr. Ebert was  
9 convicted of OWI in Washington County. His  
10 license was suspended for six months.

11 On 10/28 of '05, Mr. Ebert was charged  
12 with operating under the influence, second  
13 offense, and operating with a PAC of .08 or more,  
14 second offense, in Wood County. The operating  
15 while under the influence was dismissed. The  
16 operating with a PAC was found guilty, spent ten  
17 days in jail. Mr. Ebert currently has two open  
18 warrants, and a letter was mailed regarding  
19 those.

20 CHAIRMAN WITKOWIAK: Thank you. Do you  
21 have any questions about the police report?

22 MR. COURTNEY: I just wanted to clarify  
23 that there were two unpaid fines for the City of  
24 Milwaukee. He has paid those, and that should  
25 clear up that warrant issue.

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1                   CHAIRMAN WITKOWIAK: Could you show  
2 those to the Sergeant, please, the proof of - -  
3 Just let the Sergeant ver - - give him a minute  
4 to verify this.

5                   SERGEANT ULICKEY: Mr. Chairman, these  
6 were paid 6/22 of '07.

7                   CHAIRMAN WITKOWIAK: Thank you. Would  
8 the applicants like - - like to tell this  
9 committee what they intend to do if they're  
10 granted this license at this location?

11                  MR. COURTNEY: Sure. Go ahead.

12                  MR. EBERT: The space is approximately  
13 2400 square feet. It is next to a restaurant  
14 called The Social, which is next to Alterra. To  
15 the north of that will be a - - will be proposed  
16 a Mexican restaurant called Rey Sol. We were  
17 looking to put in - - Yeah, I'm sorry. Just to  
18 the north there will be a proposed restaurant  
19 called Rey Sol. We're a little bit south - -  
20 south on 1st Street from Santani and the After  
21 Hours. We're - - We're looking to draw to the  
22 same crowd, as well as the condo owners and have  
23 an upscale fun tavern where it will be very - -  
24 very modern, with all like black/red, stainless,  
25 tables, and a smaller bar. The bar, I think, is

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1 27 feet proposed. And approximately 140  
2 occupancy.

3 And once again, just going for the  
4 demographic of the young professional and condo  
5 owner in the area.

6 CHAIRMAN WITKOWIAK: Thank you. Can I  
7 see a show of hands? There's some people here  
8 from the audience to testify relative to 140  
9 South 1st Street. Can I see a show of hands?  
10 Could you just keep your hands up. We're going  
11 to swear you in right away, since you - - Your  
12 right hand, yeah.

13 (Whereupon the witnesses were sworn.)

14 CHAIRMAN WITKOWIAK: Okay. Could you  
15 both come forth. We got a couple extra seats,  
16 and then we'll take your testimony.

17 Lead off. Name and address for the  
18 record, please.

19 THE WITNESS: John Stewart. 130 South  
20 Water Street, Milwaukee, 53204.

21 CHAIRMAN WITKOWIAK: And - - And, Mr.  
22 Stewart, your testimony.

23 THE WITNESS: I'm a resident of the  
24 area. In fact, it's directly across the street  
25 from where they're proposing to have their dance

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1 club. I'm also a member of the Fifth Ward  
2 Development Association.

3 CHAIRMAN WITKOWIAK: Okay.

4 THE WITNESS: And as a resident and a  
5 member of the Development Association, we would  
6 object vehemently against having another bar  
7 there. There are three new residences in the  
8 neighborhood, the Renaissance, which is one block  
9 north, Castings Point, two doors east, and First  
10 Place, across the street, that are getting ready  
11 to open. That will probably bring another four  
12 or 500 residents to the neighborhood.

13 And in communication with the  
14 applicants they've talked about adequate parking.  
15 Parking in this area is non-existent. When we  
16 have guests staying, we have to have them park in  
17 the Third Ward garage, which is a couple blocks  
18 away. I'm on a first name basis with Wanda in  
19 parking service. I regularly have cars towed, so  
20 I can get in my driveway at night. There is no  
21 parking on the street available at any time.

22 CHAIRMAN WITKOWIAK: Okay.

23 THE WITNESS: We also have a restaurant  
24 and bar - - Well, it was represented to be a  
25 restaurant, to the east of us, almost. There's

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1 not a Friday or Saturday night during the summer  
2 that we're not awakened when the bars close. Car  
3 doors slamming, beer bottles breaking, loud  
4 noises, and all of that. It's turned - - It was  
5 originally a restaurant, but the restaurant's  
6 gone. It's a very raucous bar now. And it's not  
7 appropriate for the neighborhood, let alone  
8 another one.

9 Other businesses adjacent to the space  
10 are a new bank, a real estate office, a lighting  
11 gallery. It's just totally inappropriate for the  
12 area. The Department of City Development has  
13 spoken to us regularly about emphasizing the  
14 entertainment district of the Latin quarter,  
15 south of us, and the Water - - North Water Street  
16 just north of us. As they want to focus on those  
17 being entertainment districts. We don't need  
18 another entertainment district in the middle of  
19 this residential area.

20 CHAIRMAN WITKOWIAK: Thank you for your  
21 testimony. Any questions of this witness by  
22 members of the committee?

23 ALDERMAN WITKOWSKI: Mr. Chairman.

24 CHAIRMAN WITKOWIAK: Alderman  
25 Witkowski.



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1 ALDERMAN WITKOWSKI: Where are you in  
2 relation to this?

3 THE WITNESS: Right across the street.  
4 We live in the Waterfront, which is the first  
5 condominium building in that neighborhood. There  
6 are 60 condominiums in this building. There's  
7 another Water Street Lofts next to us. And we  
8 spoke to their association, too, and they're  
9 vehemently opposed. They - - They have - -  
10 They're at their wits end with most already, with  
11 the noise, and broken bottles, and, you know, the  
12 noise at night.

13 ALDERMAN WITKOWSKI: And the street  
14 that you live on is?

15 THE WITNESS: Water Street.

16 ALDERMAN WITKOWSKI: Water Street.

17 THE WITNESS: We're at 1st and Water,  
18 and they're just south of Water Street. It's a  
19 couple of doors. It's right next to the new  
20 bank, the new Maritime Bank, that space they're  
21 talking about.

22 ALDERMAN WITKOWSKI: And - - And for  
23 the Applicant, this application reads that the  
24 premises will be on 2nd Street?

25 MR. COURTNEY: I believe 1st.

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1                   CHAIRMAN WITKOWIAK: No, 1st Street.

2                   ALDERMAN WITKOWSKI: 1st Street. My

3 application reads 2nd Street. The notice says

4 "2nd Street."

5                   CHAIRMAN WITKOWIAK: 140 South 1st

6 Street. There it is.

7                   ALDERMAN WITKOWSKI: Was this - - Then

8 my question to the Chairman, was this published?

9                   CHAIRMAN WITKOWIAK: No, we - - When -

10 - I want - - I want to accept the testimony here.

11 But what I'm going to do, and we'll see how the

12 committee reacts to it, is when we get done

13 hearing the testimony, I think we're going to

14 have to move to hold this matter at the Call of

15 the Chair. Apparently, this was - - There was -

16 - This was supposed to be scheduled at the

17 meeting earlier this month, but because of

18 neighborhood objections we held off to schedule

19 it for this meeting. Not everyone that wanted to

20 be notified - - Some people did, but not everyone

21 that wanted to be notified did get notified on

22 this meeting. So I want to have respect for the

23 people that showed up to testify and to take

24 their testimony. After which time, I'm going to

25 ask the committee not to render a decision today,

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1 because there appears that there are some other  
2 people that had wanted to testify, that for one  
3 reason or another - - I don't know why some  
4 people got notified and other people didn't. But  
5 at this point, we can't fix that. So we will - -  
6 I'm going to ask, after we hear the testimony,  
7 that we hold this matter at the Call of the Chair  
8 for a subsequent meeting and make sure that  
9 there's ample notice that goes - - go out to the  
10 other people.

11 ALDERMAN WITKOWSKI: Thank you.

12 CHAIRMAN WITKOWIAK: Okay. Sir?

13 THE WITNESS: My name is Randy Ness. I  
14 own property at 191 South 2nd Street. I'm also  
15 President of the Fifth Ward Development  
16 Association, the neighborhood association that's  
17 representing the area. That's approximately 150  
18 members, which is a combination of business  
19 owners, property owners, residents.

20 We have - - We've had some - - a number  
21 of concerns in that immediate intersection,  
22 primarily based on - - on parking and with the  
23 number of new operations that have opened there  
24 recent - - recently or opening within the process  
25 of the - - within the course of the balance of

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1 the year, a number which were mentioned already.  
2 There's a new four-story office building that's  
3 also opening across the street. Kramer Law  
4 offices is another residential property. First  
5 Place on the River. Castings Point, which is at  
6 the immediate site with the Alterra Coffee, The  
7 Social, Modern Furniture, Maritime Savings, the  
8 WHEDA offices. We're somewhat concerned or  
9 apprehensive in terms of the - - the parking  
10 ratios there, to address the parking situation.  
11 We have had some moderate communications with - -  
12 with Mr. Ebert, as far as parking reservations  
13 and such, understanding that there is some - -  
14 some time differential from when their hours of  
15 operation would be versus the daytime parking.  
16 But then with the influx of the residents as they  
17 return, we're - - we're not convinced. We  
18 haven't seen a parking layout that would show  
19 which stalls would be dedicated for which tenants  
20 on that congested site, plus the opening of Rey  
21 Sol and the - - the additional new operations.  
22 We currently also have, we feel, a high number of  
23 problem establishments in the area already. I'm  
24 less concerned with what happens within their - -  
25 their premises. But when that starts to spill

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1 out onto the street, and - - and the issues that  
2 happen on the street. There's been some  
3 shootings. There's been some - - some violence  
4 and fights and things that have spilled out from  
5 a number of other establishments. We don't want  
6 to become a - - a magnet in our neighborhood as  
7 far as developing a - - a dedicated entertainment  
8 district.  
9 We're not opposed to liquor licensing  
10 in general, but we look at it in the context of  
11 what is their percentage of food service, what is  
12 their target demographic? Are they going to  
13 achieve that? They've preferred to target the  
14 young professionals, the condo owners in the  
15 area. Just a quick reading on the age  
16 demographic of the - -the people that live in the  
17 - - the Water Front Lofts, the Water Street  
18 Lofts. We're looking at young professionals that  
19 are in the ballpark, 40 to 45 years of age range.  
20 We're not convinced how the - - the dance  
21 application would necessarily target that  
22 demographic. If the dance license were granted,  
23 we're not convinced that that wouldn't bring a  
24 lot younger demographic to the area, and  
25 certainly people that may not have the respect

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1 for - - for the other businesses and residents  
2 that are there currently.

3 We - - I think I'm somewhat less  
4 objectionable to the liquor license component,  
5 but we feel granting both licenses would - -  
6 would not necessarily strive to be a good  
7 neighbor in the neighborhood or - - or target the  
8 demographics that they're looking to target  
9 currently.

10 CHAIRMAN WITKOWIAK: Okay. Thank you.  
11 Any questions of this witness?

12 ALDERMAN WITKOWSKI: Mr. Chairman.

13 CHAIRMAN WITKOWIAK: Alderman  
14 Witkowski?

15 ALDERMAN WITKOWSKI: How have the other  
16 businesses in the neighborhood affected the  
17 neighborhood? You've got - - Well, The Social  
18 was mentioned. You've got a coffee shop there.  
19 You've got a gallery. Is it Pittsburgh? And  
20 there was a restaurant or club next to that? How  
21 has that been, out of those businesses, working  
22 with the neighborhood now?

23 THE WITNESS: Our parking has just been  
24 - - been sucked up. Some of it's been a function  
25 of construction staging, construction workers.

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1 But as these properties are being completed,  
2 there - - there is no additional off-street  
3 parking that's being created. Our - - Our  
4 concern is parking needs to be provided on-site  
5 at this point going forward for any new premises  
6 or licenses to be granted. Otherwise, we'll hear  
7 more of the problems that - - that Mr. Stewart  
8 had just alluded to with parking in - - in no  
9 parking zones, and the private driveways, and  
10 such. It's - - It's becoming more congested,  
11 sir, and not less congested.

12 MR. STEWART: And I think the existing  
13 restaurants, I know the owners of the Barclay  
14 Cafe and The Social. They all - - They're all  
15 concerned. There's no parking - - There's no  
16 street parking, you know, it's - - it's just all  
17 gone. And so, to introduce, you know, a dance  
18 club, you know, in an area where, you know,  
19 there's no, you know, no available parking, just  
20 doesn't make a lot of sense. We have plenty of  
21 restaurants that serve alcohol in the - - in the  
22 neighborhood, already. This, you know, by their,  
23 you know, by their very application, you know,  
24 they're applying to have a loud raucous bar.  
25 It's just not appropriate for the neighborhood.

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1 ALDERMAN WITKOWSKI: Thank you.

2 CHAIRMAN WITKOWIAK: And just to - -  
3 just to verify that. Our office spends a  
4 considerable amount of time working on parking  
5 problems in that neighborhood. It's exacerbated  
6 by all the construction that's going on, because  
7 the - - And there's a constant battle between the  
8 - - the construction workers, who want to be able  
9 to park in one spot all day, and retail people,  
10 who want the two hour parking. It's a constant  
11 battle. At some point in the not too distant  
12 future, we hope that there will be a parking  
13 structure within a block or so of this - - of  
14 everything that's going on there, because the - -  
15 There's a lot of future development to be - - to  
16 be done over there. This is just actually south  
17 of the river is just scratching the surface at  
18 this point. So any new - - Any new venues or - -  
19 or operations will cause that parking problem to  
20 - - to become even worse until said time that  
21 that specific problem gets addressed.

22 Any other questions by members of the  
23 committee?

24 Okay. Oh, Health Department?

25 HEALTH: I'd like to put a hold on it



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1 for inspection.

2 CHAIRMAN WITKOWIAK: Okay.

3 Neighborhood Services?

4 DNS: We put a hold on for occupancy.

5 CHAIRMAN WITKOWIAK: Okay. Do you have  
6 any - - any rebuttal or anything to say?

7 MR. EBERT: Yeah.

8 CHAIRMAN WITKOWIAK: Oh, go ahead, Mr.  
9 Ebert.

10 MR. EBERT: On the parking issue.

11 There is 12 to 14 new spots in back of the  
12 building. Mr. Jenson redeveloped the building,  
13 actually added, almost doubled the space in back  
14 of The Social and so forth. But beyond those  
15 spots - - Beyond those spots and beyond the spots  
16 that are on the street, and I don't know - - I  
17 guess every time I'm there after six p.m. the  
18 street in front of the building that I'm leasing,  
19 as well as in front of The Social is pretty open.  
20 But beyond those spots, I have 20 exclusive spots  
21 underneath the building that have been given to  
22 me after six p.m. Only to me. Not to Rey Sol.  
23 Not to The Social. Not Alterrra. I have 20 all  
24 exclusive spots given to me. It was part of the  
25 lease.

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1 MR. COURTNEY: He's also planning on  
2 having a valet, and I think that will help.

3 CHAIRMAN WITKOWIAK: And one of the  
4 things when this - - when this comes up for  
5 consideration is the - - And I'm hearing loud and  
6 clear from the people that have testified so far  
7 and some other people that I've talked to is - -  
8 is this Tavern Dance thing that scares a lot of  
9 people.

10 MR. EBERT: I understand.

11 CHAIRMAN WITKOWIAK: And I - - And I  
12 understand why it does. And here's the - -  
13 Here's the technical problem with it. I know a  
14 lot of people that apply and have Tavern Dance  
15 licenses, because if - - if your favorite song by  
16 Frank Sinatra comes on and you happen to be with  
17 your girlfriend, and you grab her and you hug her  
18 and you start dancing around, technically, you  
19 need a Tavern Dance license, or if a cop walks  
20 in, he can ticket you for - - for allowing this  
21 activity where you don't have a Tavern Dance  
22 license.

23 But that's exactly the same license  
24 that allows you to have a loud raucous dance  
25 hall. It's the same license.

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1 MR. EBERT: Can I respond to that?

2 CHAIRMAN WITKOWIAK: Yes.

3 MR. EBERT: I would agree to, if the  
4 dance license was granted, I would agree for the  
5 - - for at least the first year to be able to  
6 prove us, not to have a dance floor. We would  
7 not have a dance floor for the first year to be  
8 able to prove worthy to the City of Milwaukee and  
9 to the people in the neighborhood.

10 CHAIRMAN WITKOWIAK: Okay. We'll give  
11 this future consideration. Committee members may  
12 wish to - - may wish to consider - - consider  
13 possibly granting a Class "B", but not the Tavern  
14 Dance - - not the corresponding Tavern Dance  
15 license. All right. Any other questions by  
16 members of the committee?

17 ALDERMAN WITKOWSKI: Move to hold.

18 CHAIRMAN WITKOWIAK: Motion by Alderman  
19 Witkowski is that we hold this matter at the Call  
20 of the Chair, and what we're going to do is we  
21 will - - Why don't we give this a time certain  
22 now, if that's okay with you, Alderman Witkowski?  
23 When is our meeting in September? Because I'm  
24 sure that a lot of the people that objected that  
25 didn't get notice are probably going to watch the

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1 replay of this thing. So we're - - So we're  
2 going to say exactly when we're going to hear  
3 this thing again. I hope the License Division  
4 gets this, for the record. We will hear this  
5 matter again on September 11th. It will be - -  
6 If this motion is approved.

7 So motion by Alderman Witkowski is to  
8 hold this matter until our - - our meeting at  
9 September 11th. Is that okay, Alderman  
10 Witkowski?

11 ALDERMAN WITKOWSKI: Very good.

12 CHAIRMAN WITKOWIAK: Okay. Are there  
13 any objections to that motion? Hearing no  
14 objections, so ordered. And thank you for coming  
15 down today. Thank you for your time.

16 MR. NESS: Thank you for having us.

17 CHAIRMAN WITKOWIAK: What I - - What I  
18 would suggest doing, too, because - - because I -  
19 - I know it will come to this. So we might as  
20 well just, Mr. Ebert, is we should schedule a  
21 neighborhood meeting where we can invite everyone  
22 down. Perhaps you'd like to have it in the space  
23 itself. I don't know if that - - You know. We  
24 should do a - - do a mailing, invite all the  
25 people, let them come down to the space, and, you

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1 know.  
2 You have - - You have the right to  
3 apply for this license, which you've done. We  
4 want to give you all due consideration. We got  
5 to take into consideration what the neighbors  
6 say. And the committee will vote on it,  
7 depending on the testimony that they hear from  
8 the neighbors. So it probably would be good to  
9 have the neighborhood meeting at the location,  
10 invite everyone down, get all the concerns out on  
11 the table. Thank you.  
12 \* \* \* \* \*

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3 STATE OF WISCONSIN )

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5 MILWAUKEE COUNTY )

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7 I, JEAN M. BARINA, of Milwaukee Reporters

8 Associated, Inc., 5124 West Blue Mound Road,

9 Milwaukee, Wisconsin 53208, certify that the foregoing  
10 proceedings was transcribed under my direction for the

11 license of CY2, LLC, that came before the Licenses

12 Committee.

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JEAN M. BARINA

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Court Reporter

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21

22 Dated this day of August, 2007.

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