MINUTES HAZLETON CITY COUNCIL LIQUOR LICENSE TRANSFER HEARING JUNE 9, 2021

Council met in Council Chamber and via ZOOM Teleconferencing regarding the transfer of a liquor license on Wednesday, June 9, 2021. Mr. Perry called the meeting to order at 5:58 p.m.

Council President James Perry, Council Vice President Anthony Colombo, and Council Members Allison Barletta, Lauren Sacco, and Jack Mundie were present. Also present were Mayor Jeff Cusat, Atty. Sean Logsdon, Joe Zeller, Police Chief Brian Schoonmaker and Ralph Sharp. Attorney Hoegen representing the law firm of Hoegen & Associates, P.C. was also present.

Mr. Perry stated, at this time, there will be a Liquor License Transfer Hearing. He said the public can comment on this.

He said, "Good Evening, my name is Jim Perry, President of the Hazleton City Council. All council members are in attendance, and I open this public hearing at 5:58 p.m. concerning the proposed transfer of Liquor License Number R-17428 from Hazle Township to Hazleton City. These proceedings are being transcribed by a court reporter, so only one person should be speaking, at a time, keep all communication verbal, and try to keep your voice clear and legible. Let's review some preliminary matters. Can the applicant and his counsel please identify yourselves and give us your addresses". Frank Hoegen stated he is an attorney in Luzerne County, and to my right is Laura Hurune, manager of a restaurant, and who is the applicant tonight.

Mr. Perry said Section 461 of the PA Liquor Code authorizes the Liquor Control Board to approve the transfer of liquor licenses across municipal boundaries within the same county for the purpose of economic development. Subsection b.3 of Section 461 requires that an intermunicipal transfer must first be approved by the governing body of the receiving municipality. He stated, "this is why we are here tonight". Subsection b.3 also requires that Hazleton City, as the receiving municipality, issue a resolution approving or disapproving the intermunicipal transfer. Subsection b.3 mandates that, prior to adoption of such a resolution, at least one hearing be held for the purpose of receiving comments and recommendations from interested individuals residing within Hazleton City concerning the intent to transfer the license into Hazleton. On May 19, 2021, 601 Poplar Street, LLC's request for the proposed intermunicipal transfer was received by City Council. Mr. Perry said he will, first, open the matter up to the applicant to present its request to council. He will, then, allow any council member or City official the opportunity to ask any questions they have. After that, I will open the matter up for comments and recommendations from interested individuals residing within Hazleton City. In addition to any information, the applicant wishes to provide council, I would specifically like the applicant to also address the following: 1. Applicant's proposed business activity, whether it be a bar, restaurant, lounge or the like. 2. And what zoning district is the property located and whether the proposed use is a permitted use at this location. He said council will consider the request and may vote on the same during its regular meeting following this hearing. The standard council will apply in deciding this request for transfer is whether the proposed intermunicipal transfer will adversely affect the welfare, health, peace and morals of the City or the residents. With that, he said he will turn it over to the applicant.

Atty. Frank Hoegen stated he is an attorney from Wilkes-Barre. He said they are here, tonight, to ask city council to consider approving the intermunicipal transfer, with his client to his right. Atty. Hoegen stated his client will give a brief history of the property. He stated it had a brief liquor license in prior ownership. He said his client, currently, owns the property and is converting the property to a restaurant and catering hall. Atty. Hoegen stated a liquor license is essential for the family-style restaurant they intend to run. He said the record should reflect that the zoning is in the commercial district, and the proposed use is a permitted use, by right, so there is no variance or special exception needed. He said the building was

previously used as a warehouse, supermarket and restaurant, at some point in time. He stated he represented the owner of this building for about 10 years. Atty. Hoegen said he has, to his right, Laura Hurune, manager of the property, who could summarize the anticipated hours of operation, the amount and area of the building that she is going to operate in, the area that will be licensed, by the LCB, based upon an investigation. He asked Laura Hurune to introduce herself and summarize some of the topics he covered.

Laura Hurune thanked everyone for having her here tonight. She said, one year ago, they came down and were redeveloping Terrace Plaza. She said, since then, they have done a lot of renovations inside. She said the roof is almost finished, about four weeks. She stated they "gutted" the grocery store and are trying to make it a family-oriented community "up there". She said the stigma, in the past, was not well. Hurune stated Harp reopened and expanded into the back for more activities for the kids. Hurune said they opened up a Fun Factory for family-oriented fun. She said she generated some stores and has, personally, opened up Bella's Restaurant which, in the back, there are pool tables to play, for families, and the catering hall is complete. Atty. Hoegen asked Hurune what the hours of operation are for Bella's Restaurant. Hurune stated from 7:30 a.m. until 9:00 p.m. Atty. Hoegen asked if these hours would change should the council grant the intermunicipal transfer and the LCB approve the liquor license transfer. Hurune stated they probably will change but wants to "cut things" out by midnight unless there is a party in the back because if it is family-oriented, like her father told her, "anything after twelve is no good". She said this is the way she wants to keep it, and these are her intentions today. Hurune stated she had a couple engagements, in the back, in the catering hall, and the latest a party was finished was 2:00 a.m. She said the baby shower finished up at 1:00 a.m. but by the time they cleaned up was 2:00 a.m. She said it was a lovely event. Hurune said she has received a lot of inquiries for weddings, parties, and church functions. She said this is right up "the alley" of where they want to be. Hurune said also "sweet 16's and bridal showers". She said everyone is welcome to come down when the holidays "come up" to have an event. Atty. Hoegen asked how many square feet she will be operating in for the restaurant. Hurune stated, for the restaurant, it will be 5,800 square feet. She said there is a back and front section for the restaurant. For the catering hall, there is a big kitchen, and will be 2,800 square feet. The catering hall, itself, is (inaudible). Perry asked when you walk in, everything is on the left side. Hurune said correct, all on the left side. Hurune said the restaurant keeps "going back", go through the kitchen door, swing a "left and a right", and go down the hall to the catering hall. She said this was all done over and is open. Perry asked if the grocery store is, currently, empty. Hurune said yes. She said, eventually, they want to get a discount market, in there, and are working with zoning, redoing all the electrical on this side, and will not be part of the license. Barletta asked if the license will be only the restaurant and catering hall. Hurune said correct. Perry stated, "not a night club". Barletta asked the latest, they could go, would be 2:00 a.m. Hurune stated, "she thinks". She said they would be private parties. She said, currently, she has a (inaudible). She said she never had an issue since she has been there. Atty. Hoegen stated the "9 o'clock" hour will be the general closing time. Atty. Hoegen asked if this will be run as a tavern or "corner bar". He asked if it will be run as a family restaurant. Hurune said a family restaurant. Perry asked if there will be take-out for beverages, also. Hurune stated she is doing this 'just in case". Atty. Hoegen said the application, for transfer, allowed for Sunday sales and take out, of six packs. He said this will be run as a restaurant with plenty of retailers, in the community, to go in and get a six-pack. Hurune stated, "this is not her intentions". Barletta asked what days she will be open. Hurune said she will be open 7 days. Mundie asked if she is applying, from the LCB, for a liquor license as a caterer and a restaurant, not as a bar. Hurune said as a restaurant, diner and catering hall. Mundie said the "midnight" is, mainly, for parties or catering, not to stay open to serve people. Hurune said correct. Mundie said the LCB is talking about 4 o'clock closings, for bars, and special permits, in certain areas. Atty. Hoegen said there is a permit that places could serve food from 2 a.m. to 7 a.m. but they did not apply for this. He said, currently, the law has not changed, with "last call" at 2 a.m. He stated there are two classes of licenses, retail and distributor licenses. He said they have a retail license which means they could sell as a restaurant and take-out. He said this is not intended to be a "corner bar". Mundie asked if Hurune, currently, has a bar inside her establishment. Hurune stated, currently, there is no bar inside. Hurune stated she has three sinks for it. She said they would have to put one in. Mundie asked if she is the owner of the restaurant. Hurune said she is the management of the Terrace Plaza and runs

anything. Atty. Hoegen stated Harrod Properties are the owners. Sacco asked if they are a local company or out-of-town. Hurune said she is local, and not Roger, "the other quy", has been coming down and is more "hands on". She said this is why the building is getting fixed. Hurune said the weather here is not "the best" and finding out about a lot of repairs she did not intend to have but doing things correctly. She said she is excited for the next chapter to start, especially after COVID-19, and will be good for the community "as a whole". Hurune stated family oriented is the only thing that is important. She said the values got to come back and start at home. Barletta asked if Hurune will be having music. Hurune stated she has a jukebox. Barletta asked about the catering hall. Hurune said she would allow bands for a wedding or a DJ. She stated she would not stop this. Barletta said about two weeks or one month ago, she received several calls and complaints from residents about very loud music from a party. Hurune said a singer came in from another country. She said they are talking about sound proofing the wall on that side for the neighbors. She stated the siding is going up and will start when the heat breaks. Hurune said when they do the siding and the furring strips, they will be putting up the sheathing which will block the sound. She said they did lower the acoustics. Hurune said the singer stopped singing at 1:45 a.m. Sacco said if Hurune is not the manager, of the property, and someone comes in "her shoes", does this owner intend to keep it going the same way. Hurune stated the owners had a hard time in trusting people down here. She said she has been with him for 35 years and is the controller of the corporate office. Hurune stated this is her "pet project" right now. She said if something happens to her or he does not, he has two sons who are starting to become "hands on". Atty. Hoegen said he is going to make a significant capital investment in this and would, imagine, a responsible businessman, as Mr. Hernandez, would generate a return on his investment. He stated he does not see him making this kind of investment, these improvements, and then turning it over to someone who would run it in a way that would be inconsistent in the way in testifying today. Perry stated it is, currently, a BYOB with the catering hall. Hurune stated correct. Perry asked if it will be "after this". Hurune said after she has a license, no, because she will have control. Barletta asked if there was a liquor license, there, in the past. Hurune said she heard, years ago, there was a liquor license. Mundie stated the City did transfer one years ago. Mayor Cusat stated council voted it down. Hurune said they voted it down when Bill was there. She said before Bill took over, there was a liquor license. She said Bill lost it because he did not pay the bills. Hurune said she found out a few things and are at a better point today.

Mundie asked if council needs to allow for public comment. Perry said yes, but they are not at that point yet. Atty. Hoegen said if no one had direct questions, they will "step aside".

Perry said council will now allow public comment to the interested individuals residing within Hazleton City for comments or recommendations. He said council will give the public three minutes, and Eileen, the city clerk, will control this.

Jean Mope said there should be more than three minutes, allowed, because this is a public hearing. Atty. Logsdon agreed, this is a public hearing, but he said she cannot be a "filibuster", but she knows what to do.

PUBLIC COMMENT: Jean Mope, 531 South Hazle Street, Hazleton, said she is a neighbor "catty corner" from her business. She said they have had other people in there and have failed. Mope stated it is a commercial property but is zoned general industrial. She said zoning was never changed but should be changed, on Poplar Street, and should go along with other businesses into central highway, commercial or central commercial. She said they had some problems, maybe under Billy (*inaudible*), but they also have subdivisions, of businesses, going on in there. Mope stated if Hurune wants a successful catering and restaurant business, she needs to clean up the property. She said she has pictures that the property has become a garbage depot, truck stop, in the back a junk yard, and sales. She said if it is all falling, under the same management and are collecting fees for this, it needs to be addressed. She also spoke of the liquor license. Mope stated she does not know if there are any, in the Hazleton area, that are transferrable. She said this is why it failed, and were able to obtain one from Hazleton, rather than transfer one in from a different area. Mope said the other problem is music. She said police have been up there. Mope said the gentleman has gotten no sleep, for years, because he is directly in the back with

a residential home. Mope stated, also, the neighborhood cannot sleep. She said there are parties going on until 4 o'clock in the morning. She stated promises have been made, but, unfortunately, have not been kept. She said they need to have some assurance these will be the operational hours. Mope said there is not an air conditioning system. She said in the summer, the doors and windows are left open, which the sound permeates throughout the neighborhood. Mope stated the Heights is an "echo chamber". She said she wants to make sure the neighborhood is safe, it is not being used, improperly, as it was before. She said if she would like to see pictures of people changing oil, the truck stop, the junk, and car lots, in the back, and all over the property, she does not know how someone could have a successful business operate there. Mope said she will give credit for the children's area which is, currently, a sports center. She said this is why, she believes, it should have been zoned, commercial, a long time ago.

Jean Eberle, Hazleton, said they have personally called 911 many times because of music. She said the vibration, of the music, comes right through the house. She said they could feel it right in the living room. Eberle stated it is terrible and goes until 2, 3 and 4 o'clock in the morning. She stated Hurune wants it to be a family oriented, but why do they need to be there until 2 o'clock, in the morning, with liquor there. She said she does not understand this and is a big issue.

Kevin Eberle, Hazleton, said they have no problem with other stuff going in there. He said he patronized Heritage and restaurants that were in there. Eberle said it was great because it is so close. He said his house is the closest to the building, right across the tracks. He said the children's activities and sports is great. Eberle said as Mope stated, "when he comes down the street, it is a dump". He said there are bottles of urine, on the ground, from the truckers, by the railroad tracks, by Hajoca, with garbage blowing there and all "the way up". Barletta said she is very aware of the garbage. Mrs. Eberle stated there is a fear of rats and roaches. Mr. Eberle said there are trucks "in and out" of there from 2 and 3 o'clock in the morning. He said he works night shift. Eberle said he has made more complaints, to the police, in the last four years and has lived, in the Heights, on Keifer Avenue. He is questioning why they need a liquor license if it will be a family restaurant. Mrs. Eberle asked why they need to be open until 2 a.m. if it will be family oriented. Mr. Eberle said with the opening of Stooges, in the past, it became a nuisance as soon as it opened. He said there was a shooting there and was shut down. He said, "it is what it is".

Chris Sherrock, Heights resident, Hazleton, said she moved a little further away, but passes the marketplace every day. She said the Heights, was always known, as a very nice section, very segregated and quiet area. Sherrock stated it is very "clannish and family oriented", you knew your neighbor who watched "your back". She said Prestolite was there, fell into disrepair, and then the market started. She stated when Roger started it, he had the world's best intentions; it was incredible up there. Sherrock stated it has steadily gone "downhill". She said, looking at it now, the place looks like a dump, and looks like a "third-rate" truck stop. She stated there are trucks all over the place. Sherrock said the Code Department must have shown up because the junk cars were cleaned up. She said there are still holes, sink holes and cones She said, looking in the parking lot, it is unsafe. She said the restaurant is very nice. Sherrock said they have seen this before, a little scared, because when they get a liquor license, up there, and "that is it". She said when things change hands, it could be a loud disaster. Sherrock said she has concerns, as do other people. She said city council is, probably, sick and tired of having their phones ring. Sherrock stated they are trying to clean, this area, and is improving. She said this side, of the Heights, looks terrible, and is not helping everybody. She stated Poplar Street is starting to get cleaned up. She said to clean this up first before anything else. Sherrock said she has concerns with the liquor license, itself, that it will not stay for what it is.

Atty. Hoegen stated the Pennsylvania Liquor Control Board, and the Pennsylvania State Police have a partnership and if there is conduct which is in violation of the PA Liquor Control laws, i.e.- loud music, after hours, and improper operations, they issue fines and take away their license. He said he cannot speak to what has happened, in the past, because that is "not us". He said they are a new operator with a new restaurant. He said it will be a tremendous financial commitment, and almost, by logic, the area will be cleaned up because of the patrons they are trying to solicit. Hoegen said it is about the beautification and neighborhood perspective with the representation of the management that they will

operate it in a decent and responsible way. He stated if they do not, they will need to answer to the PA State Police and the LCB. He said they will lose their investment, which is no small investment. Atty. Hoegen said they, too, are a risk taker and are motivated to operate it appropriately. He said he encourages neighbors, if they have a complaint, and are not operating it, according to the rules, to call the PA State Police and they will respond. He said he has seen this, doing it for 31 years, and have dealt with operators who did not follow the rules, and lost their license. He said it is not a small amount, of money, she is paying for the license. He said there is an enormous financial investment in this. Perry asked if he is saying the liquor license would be more structured and under control, and they are saying this will make it worse. Atty. Hoegen said it always depends on the manager and runs the place. He said he does not know anything about Stooges Bar. He said he has seen enough, nuisance bars, shut down, by the LCB and PA State Police in partnership. He said there are responsible and successful restaurant owners who have liquor licenses, they succeed, and the neighborhoods flourish. Atty. Hoegen stated before turning this down, because of the "sins of the past", give it a shot. He stated if they do not behave, appropriately, there is plenty of authority, at the state level, to take and shut it down.

Mayor Cusat said he knows more about liquor licenses than most. He said the hearing is about the restaurant and not the entire property. He stated unless it effects the health, welfare and safety, of the public, the transfer cannot be denied. Mayor Cusat said there are 140 plus liquor licenses, currently, in the City, and the LCB enforces the restrictions of the hours of operation. He stated they cannot tell someone to open or close at a certain time. Mayor Cusat said all of these are controlled by the LCB. He said if these are denied, there is nothing saying that they cannot stay, a BYOB, without the consequences of the PLCB or the PLEC. He said what is going on, now, with the complaints, of the loud music, currently, going onto until 2-3 a.m. would not stop. He said the denial of this cannot be based on the entire property, hours of operation, or anything. He stated the only way council could deny, this transfer, would be the health, welfare or safety. He said this comes, directly, from the LCB, when they made liquor licenses, transferrable, within the county, and specifically "spelled out" that they cannot deny the transfer of it. Mayor Cusat said if the City wants to keep an area, without liquor licenses, this needs to be done within the zoning ordinance itself. Sacco asked Hurune with the trucks, on the property, if the people lease from her. Hurune stated there is a "month to month" lease on the vehicles. She said they leveled out, the back, behind the building, to have the parking out. She said Phase II level is to do the parking lot over. Hurune said, currently, she is looking for millings to level the ground. She said she contacted the highway department and was told that anything they "rip up" goes back to the black top. Hurune said they are looking for a price because she needs 80 trucks to fill that in. She said they are working on this. Sacco asked if she would continue to have these trucks and park them in the back. Hurune stated possibly, yes, or this will be parking in the back. Sacco asked these "month to month" people, from Valmont and Humboldt, coming and going from New York and New Jersey, how she finds them. Hurune stated she has the same people when she took over the building. Barletta asked if there is a sign posted, in the parking lot, "to call this number and pay". Hurune stated when she took over the building, they were there. She said she generated new leases because the previous manager was never there. She said she has a "cap off", and not allowing additional vehicles to park there. She said if another vehicle leaves, she is not allowing another one to come. Sacco asked Hurune what her cap is. Hurune stated forty-five. Barletta asked if they will be parked on the side and back. Hurune said no. She stated there is a building and a parking lot, in the back, where the catering hall is. She said her plan is to get them all out. She said if she is planning to do a whole new parking lot and do a "face-lift", on the front of the building, and finish the southside, and already has the materials for the siding, this is the goal for the summer. She said she wants to do stucco, on the front, which will give the building a face lift. Atty. Hoegen asked Hurune how much she spent on the roof. Hurune stated the "front half" \$650,000, where the truck hit the wall costed \$100,000, and put \$1,500,000, in the building, this year. She said she did not use any grants or PPP money. Hurune said she is taking an initial investment. She stated she also invested part of her money. She stated she is not going "to lose", because of her "grand babies" to take care of. She stated family is important. Barletta commended Hurune on the restaurant and stated she is trying. Perry also said he goes to the pet store, in the back, and walks by every time. Hurune said she acknowledges there is a lot of work to get done and following the guidelines with Charlie Pedri and the Zoning Department. She stated everything is up to code and that was her first priority. Hurune said it is

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all the "cosmetics". She said this will take time, but will get done, and up to her standards. Perry asked if Hurune will make herself available to the City residents, because sometimes it gets to the City and not to her. Hurune said this comes with the building. Perry said the neighbors should not have to listen to loud music all the time. Hurune said she is not affiliated with the prior management who gets "under her skin". Perry said council is focusing on the license transfer and trucks are not "their call". He said this does not go away. Hurune asked council to give her a chance. Atty. Hoegen asked Hurune if she will make herself available to the neighbors. Hurune said yes.

Mayor Cusat said if the transfer, did not go through, she could purchase one from the City and this would be "null and void". He said there is always one available. He said his family has a few.

Perry said city council will take this matter into consideration and may vote on the application at our meeting tonight at 6 p.m.

Perry adjourned the Liquor License hearing at 6.33 p.m.