

Police Department Liquor License Disapproval Recommendation

Application Information

Business Name	PINK RHINO CABARET	District	8
Business Location	3613 EAST VAN BUREN STREET		
Applicant Name	MARK CUMMING & PATRICK ZANZUCCHI	Series Type	6

Mark Cumming and Patrick Zanzucchi through PHZ-MS, LLC have applied for a person and location transfer of a second Series #6 liquor license to the Pink Rhino Cabaret located at 3613 East Van Buren Street.

The Police Department recommends disapproval of this liquor license application for the following reasons:

A.R.S. 4-203.A states "A spirituous liquor license shall be issued only after satisfactory showing of the capability, qualification and reliability of the applicant..."

In May of 2016 the Phoenix City Council recommended denial on an application for the Pink Rhino from applicant John Boyd based on information this application had hidden ownership. Mr. Boyd was asked if he was working with the owners of Bandaid's Show Lounge, he stated he had no idea who the owners of Bandaid's Show Lounge were and was not working with them. During the review of the application from Mr. Boyd, on the last page of the operating agreement submitted for Barton Holloway LLC (Mr. Boyds LLC) is the handwritten email address mscumming@gmail.com which belongs to Mark S. Cumming 50% owner of Bandaid's. Mr. Boyd vehemently denied in a letter to City Council and in testimony in front of council he had no idea how it got there and did not know Mr. Cumming.

In Section #8 of the City of Phoenix liquor license questionnaire for Mr. Boyd's application, the applicant was asked to "list all persons having any ownership interest in the business or in the profits of the business. This includes persons with less than a 10% interest". This section was left blank. This was found later to be untrue because Mark Cumming did have an interest. City council recommended denial on this application and Mr. Boyd withdrew the application before it could be heard before the Arizona State Liquor Board.

This current application for license #06070397 contains sale agreements from Mr. Boyd to Mr. Cumming once again showing they do in fact have a business relationship. Cumming and Zanzucchi are buying the license from AZIZ Holdings LLC, Mr. Boyd is the sole owner of this entity.

In June of 2016 the Phoenix City Council recommended denial on an application for license #06070614 for the Pink Rhino from applicants Marc Cumming and Patrick Zanzucchi based on the hidden ownership in the prior application by John Boyd, liquor license violations at Bandaid's Show Lounge (owned by Marc Cumming) and Patrick Zanzucchi's history as a felon.

In November of 2016 Marc Cumming and Patrick Zanzucchi appealed the city council recommendation of denial to the Arizona State Liquor Board and were successful in obtaining approval of a person to person and location transfer of liquor license #06070614.

LIQUOR LICENSE DISAPPROVAL FORM

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In January 2017 Patrick Zanzucchi provided false and misleading information to the Department of Liquor reference the current status of the Pink Rhino liquor license in the annual renewal documents. Mr. Zanzucchi stated the business was open and the license was active. The Arizona Department of Liquor opened a compliance investigation into the Pink Rhino.

The violations listed were:

- 4-210.A.3 False or misleading information on application or other documents
- 4-210.A.2 The license fails to maintain capability, qualification and reliability
- R19-1-405 Notice Change in Status

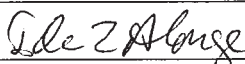
Investigator Williams with DLLC conducted the investigation. The alleged time of inactivity is from November 2016 through March 2017. In May 2017 Inv. Williams met with Mr. Zanzucchi and Mr. Cumming at the Pink Rhino. Mr. Cumming and Mr. Zanzucchi provided pictures of dancers holding up newspapers and sales receipts to claim the business was open. There were several inconsistencies with the sales receipts, the bar was covered in a thick layer of dust and according to City of Phoenix water records there were zero units of water used between November 2016 and March 2017. All licenses to operate were expired. During the interview Mr. Cumming made the statement "we are not even open yet what do you want from us?"

Mr. Cumming and Mr. Zanzucchi have repeatedly stated the Pink Rhino is open for business despite significant information and facts to show the business remains closed. This investigation is currently with the Arizona Attorney General's Office and is awaiting an Administrative Law Judge hearing in September for disposition.

Currently, Mr. Cumming and Mr. Zanzucchi also hold ownership in one or more adult entertainment establishments in the State. Many of these locations have either past or pending violations of liquor laws which include repeated violations of prohibited sex acts.

Based on the aforementioned reasons the applicants have failed to show that they are reliable, capable or qualified and transfer of the liquor license for this establishment would not be in the best interest of the community.

This recommendation for disapproval is submitted by: Det. G. Westfall #7011

SIGNATURES	
Administrative Licensing Investigator	I. Alonge A4289 
Liquor Enforcement Detail Supervisor	Sgt. M. Doty 5785 