

JEFFREY LEFRANCOIS Chair

JESSE R. BODINE District Manager

October 27, 2022

Vincent G. Bradley Chairman New York State Liquor Authority 80 S. Swan Street, Suite 900 Albany, New York 12210

## CITY OF NEW YORK

## MANHATTAN COMMUNITY BOARD FOUR

424 West West 33 Street, Suite #580 New York, NY 10001 tel: 212-736-4536 www.nyc.gov/mcb4

## Re: 122 W 26<sup>th</sup> Street – Entity to be formed by Matthew Shendell d/b/a The Ainsworth

Manhattan Community Board 4 (MCB4) recommends denial of a new On-Premise Liquor License for 122 W 26<sup>th</sup> Street – Entity to be formed by Matthew Shendell d/b/a The Ainsworth. From the time it opened, The Ainsworth has constantly been one of the five most problematic operators in our district. We are also asking that the SLA not issue any more One-Day Beer and Wine Permits, Catering Permits, or Temporary Operating Permits to this applicant at the present location that the applicant could use to circumvent the licensing process.

We are vehemently opposed to the re-opening of an establishment with the same owner/operator who -- for the last 14 years -- has brought massive disruption to our community, violated SLA and community stipulations, and cannot be trusted. (We understand that the prior license to these premises has been surrendered due to a corporate dispute among the owners/principals.)

This application is not in the interest of the community and would be detrimental to the quality of life of nearby residents. Noise, traffic, and crime are of high concern based on the nature of the day-to-day operations of The Ainsworth and the clientele it attracts.

In 2009, Mr. Shendell opened what was supposed to be a family restaurant, with a capacity of 250 with no promoters, DJ's, or live music, on a mixed-use street with a significant residential component.

Contrary to his stipulations, he used promoters and DJ's (with a DJ booth) and accepted up to 450 customers inside. The sound level was extraordinary and assailed visitors and residents on the whole block. The Ainsworth caters to college football fans, with giant televisions that could be watched from outside, encouraging huge crowds to occupy the sidewalk, spill out in the roadway, block the traffic, and occasionally block the avenue when brawls would convert into general melee. These events would happen at regular and frequent intervals (see our attached 2014 letter to the SLA).<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> 2014 MCB4 letter to SLA re 122 W 26<sup>th</sup> Street – Fondue 26 LLC d/b/a The Orchard a/k/a The Ainsworth and Windsor Custom LLC

For a period in 2014-2015, MCB4 dedicated its Quality-of-Life Committee to addressing noise and other issues with licensed premises in the district. The Ainsworth consumed most of this committee's time and received by far the most complaints – to no avail. During MCB4's numerous meetings and attempts to negotiate with The Ainsworth, the applicant, for example, made a commitment to hang longer curtains, and, during busy times, to close the drapes/windows – to prevent crowds from gathering on the sidewalk and street to watch televised sporting events through The Ainsworth's windows. The Ainsworth then installed see-through curtains, thus intentionally circumventing the spirit of the agreement by "complying" with the community's request, but making no attempt to cure the problem. This type of behavior shows why commitments and stipulations are irrelevant to this operator.

Because it is a sports bar with numerous televisions and floor-to-ceiling windows, the noise from The Ainsworth lasts throughout the day and into the evening all day long, all year long. They also host private events, New Year's Eve parties, Halloween parties, corporate sponsored events, and the like. There are often long lines to get into The Ainsworth that stretch down the block. The bar attracts a young, sports fan crowd that is often very inebriated and causes fights outside. We have reviewed videos of fights and of inebriated young patrons of The Ainsworth falling on the ground outside.

Just several weeks ago, Mr. Shendell used a permit to operate the premises for one day. The same scenes happened again: very noisy lines, blasting music that seeps through the windows and open doors, people watching television from outside while contributing to significant noise. This applicant indicates that he plans to have the same method of operation as previously and *that* is the problem.

The local block association and many residents testified and requested that this application be denied. Although the applicant has provided a petition with names of supporters, very few live on the block.

After 14 years of making life miserable for his neighbors, day and night, this applicant has proven that he cannot be trusted and that he is not fit to operate an establishment with a liquor license. Please deny this license as well as any more One-Day Beer and Wine Permits, Catering Permits, or Temporary Operating Permits for this applicant to operate in these premises.

Sincerely,

My C. Erman

Jeffrey LeFrancois Chair

Burt Lazarin

Co-Chair Business Licenses & Permits Committee

Frank Holozubiec Co-Chair Business Licenses & Permits Committee

MCB4's recommendation is based on a vote taken at its October 6, 2022 full board meeting, with \_\_37\_\_ members voting in favor of the recommendation, \_0\_ members opposed, \_\_0\_ members abstaining and \_\_0\_ present but not eligible.



CHRISTINE BERTHET Chair

JESSE BODINE District Manager

December 8, 2014

Mr. Dennis Rosen, Chair New York State Liquor Authority 80 South Swan Street Albany, NY 12210

# **Re:** Fondue 26 LLC d/b/a The Orchard a.k.a. The Ainsworth, and Windsor Custom LLC, 122 West 26<sup>th</sup> Street, NYC, 10001

Dear Mr. Rosen:,

We write with respect to Fondue 26 LLC d/b/a The Orchard a.k.a. The Ainsworth, 122 West 26<sup>th</sup> Street, NYC, 10001 (herein referred to in this letter as "The Ainsworth," the name under which this establishment presently operates) and Windsor Custom LLC, a related but separate corporation. The Ainsworth is managed and owned by its holding company—the Paige Hospitality Group (PHG)—whose president, Matt Shendell (operator), was the co-applicant on the original liquor license.

As per the attached letter dated October 22, 2009, Manhattan Community Board 4 (MCB4) voted to recommend denial of a new liquor license unless the applicant agreed to the stipulations. It is our understanding that the applicant consented to all terms upon which its liquor license was conditioned. However, after hearing considerable complaints from the community, which sparked substantial research by MCB4, it became clear that The Ainsworth is in violation of the stipulations and operates in a manner materially different from what was initially represented.

Despite meeting with representatives from The Ainsworth four times in the past month alone, and exchanging dozens of emails over the past three months, MCB4 has been unable to entreat the operator to fully comply with the stipulations or to take effective 'good neighbor' measures to alleviate problems associated with inadequate security necessitated by operating in a manner inconsistent with the terms of its liquor license.

Contrary to the liquor serving family-friendly restaurant for which its license was granted, The Ainsworth also has a diverse array of operations including:

- 1) a clandestine clothing store with a second bar that was never approved by the SLA;
- 2) a sports bar that USA Today named among the "10 Best" in the country featuring 40

CITY OF NEW YORK

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330 West 42<sup>nd</sup> Street, 26<sup>th</sup> floor New York, NY 10036 tel: 212-736-4536 fax: 212-947-9512 www.nyc.gov/mcb4 large screen televisions, two projectors and a state of the art sound system; <sup>1</sup>

- 3) a 6,000 square foot event space for corporate and private events;
- 4) and a club-like party venue.  $^2$

Indeed, an Ainsworth representative was quoted as saying, "We've done everything from building a stage for athletes to interact with their clients, to driving a car into the center of the venue." <sup>3</sup> The operator himself pointed out "You name it, we do it at The Ainsworth on 26th." <sup>4</sup>

MCB4, therefore, respectfully requests that the SLA enforce The Ainsworth's terms of operation, require adherence to the stipulations, and necessitate the closure of the illicit liquor-serving clothing store that exists beneath The Ainsworth.

## **OPERATING WITHOUT A LICENSE**

According to the operator, the PHG came up with the idea for a "bespoke, speakeasy style, appointment-only custom men's clothing shop...as an amenity...that has become a busy business." <sup>5</sup>

The New York Department of State recognizes that the clothing store is owned by Windsor Custom, LLC, an entirely different business entity from The Ainsworth that was described as "A Secret Custom Suit Shop Under NYC's Hottest Sports Bar" where "the bar is stocked." <sup>6</sup>

#### ONGOING VIOLATIONS OF THE STIPULATIONS

1) **Capacity** In contradiction to the stipulation's cap of 250 people, The Ainsworth's website advertises that it can accommodate up to 450 people.<sup>7</sup>

**2) Applicant Will Not Apply For A Cabaret License** While The Ainsworth does not have a cabaret license, dancing does take place. The website partyearth.com states that people arrive on the scene, "to check out the action on the dance floor." <sup>8</sup> On yelp.com a patron commented that The Ainsworth is actually "confused about whether it is a sports bar or a club." <sup>9</sup>

In fact, during the November 10, 2014 meeting of the MCB4's Quality of Life Committee, The Ainsworth's Chief Operating Officer, Joe Arongino, referred to The Ainsworth not once but four times as a "*club*." One committee member noted that she had been turned away by bouncers who attempted to prohibit her family from entering the establishment for dinner because her ten-year-old child was underage. Another said that he (along with a long line of rather lively patrons) was carded by bouncers on the sidewalk when he attempted to enter The Ainsworth for a late-night snack.

<sup>&</sup>lt;sup>1</sup> http://www.usatoday.com/story/travel/destinations/10greatplaces/2014/01/23/sports-bars/4801737/

<sup>&</sup>lt;sup>2</sup> http://www.ainsworthnyc.com/about.htm and http://paigegroupny.com/windsor-custom/

<sup>&</sup>lt;sup>3</sup> http://insidechelseanyc.com/the-ainsworth-chelsea/

<sup>&</sup>lt;sup>4</sup> http://www.bbook.com/industry-insiders-matt-shendell-president-of-paige-hospitality-group/

<sup>&</sup>lt;sup>5</sup> http://www.bbook.com/industry-insiders-matt-shendell-president-of-paige-hospitality-group/

<sup>&</sup>lt;sup>6</sup> http://www.businessinsider.com/windsor-custom-2012-4?op=1#ixzz3JjMoI0ug <sup>7</sup> <u>http://www.ainsworthnyc.com/events.htm</u> ("AV/CAPACTIY" pop-up caption)

<sup>&</sup>lt;sup>8</sup> http://www.partvearth.com/new-vork/bars/the-ainsworth-2/#review

<sup>&</sup>lt;sup>9</sup> http://www.yelp.com/biz/the-ainsworth-new-york

**3)** No DJ or Live Music As reflected on several floor plans posted on its own website, The Ainsworth installed a permanent DJ booth that facilitates live spinning during parties, corporate events, and sports broadcasts, which frequently attract large, often boisterous crowds.

• Game Days: On yelp.com patrons commented that DJ's were, "*blowing out the speakers*," and that television sportscasters could not be heard over "*the thumping music*." <sup>10</sup>

• Promoters' Parties: Joonbug, a promoter that does business with The Ainsworth, advertised that, a top DJ "*will be turning up the heat on the dance floor*." <sup>11</sup> And on the same yelp web page referenced above, a customer observed "*haggling/bartering with bouncers at the door*," prompting another to query "*why a restaurant needs bouncers in the first place*?"

• Corporate and Private Events: In two separate emails to MCB, the operator mistakenly asserted that The Ainsworth is "allowed to have a DJ for private events and corporate events. We have them maybe 50 days a year," and, "There is NO reason why we cannot have one if it means losing...a corporate event." <sup>12</sup>

4) **No Outside Promoters** In contradiction to its stipulations, The Ainsworth rents out space to at least one promoter to host parties with a club-like atmosphere. <sup>13</sup> For example, on its website, promoter Joonbug advertised an adult-only 2014 Halloween party as a "*nightclub*" and urged people buy *tickets, "for some serious hell-raising party mayhem.*" <sup>14</sup>

At the November 10<sup>th</sup>, 2014 MCB4 Quality of Life (QOL) Committee meeting, two Ainsworth executives promised that they would immediately stop working with Joonbug or any other promoter but that parties would none-the-less continue with tickets sold directly by PHG. <sup>15</sup> In a subsequent email to MCB4, the operator stated that he cancelled Joonbug's New Year's Eve party and noted that he "*did not view them as an 'outside'* promoter" and that working with them was "*unintentional*." <sup>16</sup>

After MCB4 requested documentation of the cancellation, we received a one-line email from Joonbug's CEO stating "*We have canceled the event for NYE for Ainsworth.*" <sup>17</sup> However, as of December 3rd, 2014, the event is still being promoted, and tickets are being sold on Joonbug's sister site—Cravetickets.com—both of which are owned by SkyNet Media Group. <sup>18</sup> Tickets are also being sold on Clubzone.com.

While MCB4 is hopeful that the operator will fulfill his promise to cancel the New Year's

<sup>&</sup>lt;sup>10</sup> http://www.yelp.com/biz/the-ainsworth-new-york

<sup>&</sup>lt;sup>11</sup> http://joonbug.com/newyork/events/The-Ainsworth/11-01-2014/Haunted-Halloween-at-The-Ainsworth/oye5kXOfL7i

<sup>&</sup>lt;sup>12</sup> October 30<sup>th</sup>, 2014, 6:12pm and November 12<sup>th</sup>, 2019, 3:33pm

<sup>&</sup>lt;sup>13</sup> Email dated October 30<sup>th</sup>, 2014, 6:12pm

 $<sup>^{14}\</sup> http://joonbug.com/newyork/newyearseve/The-Ainsworth-NYC-New-York/nE0mTy8aoLL$ 

<sup>&</sup>lt;sup>15</sup> Tom Simpson, Paige Hospitality Group, V.P. of Operations, and, Joe Arongino, Paige Hospitality Group, COO

<sup>&</sup>lt;sup>16</sup> November 21<sup>st</sup>, 2014 email to MCB4

<sup>&</sup>lt;sup>17</sup> http://nightout.cravetickets.com/events/the-ainsworth-new-years-eve-2014

<sup>&</sup>lt;sup>18</sup> November 21<sup>st</sup>, 2014 email from Jonathan Gabel, CEO, SkyNet Media Group.

Eve party, we remain doubtful that The Ainsworth will permanently sever its relationship with promoters in the future.

5) **Hours Of Operation** The Ainsworth regularly opens its doors at 11 a.m. instead of the stipulated 12 p.m.

It should also be noted that, as advertised by the promoter CraveTickets.com, The Ainsworth's New Years Eve party is slated to end at 4 a.m. instead of the stipulated 1 a.m. There is no indication that an after-hours permit has been applied for, or approved.

# 6) Certified Sound Engineer To Mitigate Noise Disturbances To The Neighboring Residents

The operator asserts that he hired an acoustician but could not recount exactly when. He conceded it may have been when The Ainsworth opened in 2009 or perhaps in 2008, during his involvement with the event business "Lotus Space NYC, Inc.", which was dissolved by proclamation in 2011 for non-payment of state taxes.<sup>19</sup> Since the operator cannot find any documentation related to an acoustician, he has expressed a willingness to pay for a sound evaluation but there is no indication that he has, as of yet, taken action.

# ADDITIONAL PROBLEMATIC CONDUCT OF CONCERN TO THE COMMUNITY

The Ainsworth's manner of operation contributes to the deleterious impact that the establishment continues to have on West 26<sup>th</sup> Street, which is comprised of an increasing number of residences with children and aging persons. These problems include extreme crowding of sidewalks, traffic back-ups, fist-fights, yelling by inebriated patrons, and cheering by people loitering or smoking on the sidewalk while watching sports broadcasts on multiple large screen televisions that are viewable through the glass frontage from as far away as across the street.

In an October 23<sup>rd</sup>, 2014 meeting attended by community members and representatives from The Ainsworth, Michael Hesekiel, the president of All Star Security (the company that handles security for The Ainsworth) admitted that the large crowds that congregate on the sidewalk and street are at times "*hard to police*". In an attempt to reassure residents, Mr. Hesekiel stated that one of the security measures being taken to "*discourage riff-raff from coming around*" is the enforcement of a "*very strict dress code*." Two All Star Security guards nodded in agreement when MCB4's Quality of Life Committee Co-Chair Tina DiFeliciantonio asked if part of the problem might stem from the fact that bouncers need to be mindful not to offend well-heeled patrons and corporate clients at an establishment characterized by US Magazine as a "*VIP Scene*", where, according to the New York Times, tables can "*command a \$1,000 minimum*" on big game days.

During MCB4's attempts to negotiate with The Ainsworth, it made a commitment to bag garbage properly, pack broken glass safely, clean the sidewalk more effectively, hang

<sup>&</sup>lt;sup>19</sup><u>http://appext20.dos.ny.gov/corp\_public/CORPSEARCH.ENTITY\_INFORMATION?p\_nameid=3312175&p\_corpid=3294423&p\_entity\_name=Lotus%2</u> <u>Ospace&p\_name\_type=%25&p\_search\_type=CONTAINS&p\_srch\_results\_page=0</u> and http://www.bbook.com/industry-insiders-matt-shendell-president-of-paige-hospitality-group/

<sup>&</sup>lt;sup>20</sup> http://www.nytimes.com/2011/12/15/fashion/windsor-custom-at-the-ainsworth.html?pagewanted=all&\_r=0

longer curtains, and— during busy times—add a security guard and close the drapes/windows. While these measures are intended to help ameliorate The Ainsworth's negative impact on the neighborhood, they do not change the fact that until PHG adheres to the stipulations, West 26<sup>th</sup> Street's quality of life problems may remain intractable.

This is of particular concern since PHG is planning to expand its operations across New York State based on The Ainsworth's current business model. As explained by Mr. Shendell, it is therefore vital for The Ainsworth brand to demonstrate profitability for investors. As such, MCB4 lacks confidence that this enterprise will adhere to the stipulations, and end its association with the illegal operation of Windsor Custom LLC.

MCB4 respectfully requests swift intervention by the SLA.

Sincerely,

(Her The

Christine Berthet Chair

[Signed 12/8/14][Signed 12/8/14]Tina DiFeliciantonioDavidCo-ChairCo-ChQuality of Life CommitteeQuality

David Pincus Co-Chair Quality of Life Committee