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CITY OF NEW YORK

MANHATTAN COMMUNITY BOARD FOUR

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DELORES RUBINChair

Jesse Bodine District Manager

December 29, 2016

Vincent G. Bradley Chairman New York State Liquor Authority 80 S. Swan Street, 9th Floor Albany, New York 12210

Re: 512 W42 Retail LLC

d/b/a Playboy Supper Club

512 West 42nd Street (10/11 Avenues)

Dear Chairman Bradley:

Manhattan Community Board 4 (MCB4) recommends **denial** of the application for a new On-Premise Liquor License by 512 W42 Retail LLC d/b/a Playboy Supper Club, 512 West 42nd Street (10/11 Avenues). Given the extremely troubled history of community complaints and criminal activity regarding this location; the additional noise, traffic, and congestion this establishment would bring to the area; and the vague and contradictory descriptions of the planned establishment presented to MCB4 by the applicant -- **granting a new On-Premise license to the present applicant would not serve, and would be contrary to, the public interest.**

This establishment falls within the 500 foot rule as there are at least 9 (nine) OP liquor licenses within 500 feet of this address (per the SLA's website). The present application seeks a license for a club space with a Certificate of Occupancy (per the application) of 650 people, which the applicant seeks to operate as a "Playboy Supper Club." In addition, the same owner and managers are also applying for a separate license for a hotel and restaurant, the Cachet Boutique and Eden Restaurant, which are also part of these premises. Because the hotel/restaurant application presents several independent issues, that application is the subject of a separate letter to the SLA from MCB4, although the cumulative impact on the community of both proposed licenses should be considered together.

This location previously housed the XL Dance Bar LLC (License No. 1248373), with the hotel/restaurant space operating as the Out NYC Hotel (License No. 1257280). From the time of their opening, those establishments caused major issues for the

community, including (as reported by the community) noise and congestion from 600 club-goers entering and leaving the club (and loitering in the vicinity) until 4:00 a.m. nightly in this increasingly residential neighborhood; inebriated patrons of the club space found passed out on the neighboring sidewalks and even in the lobbies of nearby residential buildings; increased traffic; and pedestrian congestion with lines of people waiting to enter the club and smokers and noisy patrons clogging the sidewalks.

Of equal concern, the police have informed us of dramatic increases in criminal activity and liquor violations at this location, with 32 police incidents in 2016 alone. (A copy of the police summary of these incidents is attached.) An important factor in assessing whether the granting of a new license would be in the public interest under the 500 Foot Rule is the "history of liquor violations and reported criminal activity at the proposed premises." Alcoholic Beverage Control (ABC) Law Sec. 64(6-a)(3). For example, in 2016 alone, incidents in the club space or the surrounding public areas included assault, larceny, and harassment, as well as summons for violations such as prohibited sales to a minor, failure to control crowd, and disorderly premise. Although the present applicant has represented that there is no connection between the applicant and the prior owners or managers, the troubled history at this location remains highly relevant, with no guarantee that the problems will cease.

Other factors also support the conclusion that a new license here would not be in the public interest. A 650-person capacity club necessarily brings with it a great increase in vehicular traffic and the demand for parking. As discussed above, these premises have demonstrably caused a dramatic increase in noise levels and disorderly conduct in the neighborhood. Of particular concern here is the capacity of the proposed club. A 650-person capacity club seeking to be open until 4:00 a.m. nightly has no place in this residential neighborhood, which includes two sizeable apartment buildings with over 500 residences that immediately abut this location.

Particularly troubling with respect to this application is the cavalier attitude that this applicant has shown toward the community and its concerns and the lack of clarity regarding the applicant's plans for this space. First, the name/affiliation of the "Playboy Supper Club" was first disclosed to MCB4 in a revised Stipulations Application submitted to MCB4 on November 15, 2106 -- the same day that this applicant was scheduled to appear before the Business Licenses and Permits (BLP) Committee of MCB4. In a prior meeting a week earlier with representatives of MCB4, the applicant made no mention of this name/affiliation and did not disclose that information in the materials initially filed with MCB4, which MCB4 distributed to the community for their notice and information in advance of the November 15 meeting. In light of the applicant's eleventh-hour revised submission, MCB4 asked the applicant to defer its application until the December 13, 2016 BLP Committee meeting, to allow adequate notice of the applicant's plans to be given to the community.

Second, even at the December 13 BLP Committee meeting, the applicant's plans for the space remained somewhat opaque and troubling. Throughout their discussions with MCB4, the applicant represented that they would be opening a smaller venue than the 650-person capacity XL Dance Bar, which they were replacing. As part of the Stipulations Application filed with MCB4 (a copy of which is attached), the applicant included a floor plan entitled "Playboy -- Overall Plan," which reflected "total possible seating" of 219 persons. Because MCB4 believes strongly that a 650-person capacity club here would continue to seriously impair reasonable residential quality of life, MCB4 requested that the applicant stipulate to a reduced capacity in this venue of 450 people (including both patrons and staff). That capacity seemed well in excess of the desired capacity for the Playboy Supper Club as reflected in the applicant's submission.

At the December 13 meeting, the applicant initially indicated that it might be amenable to a capacity of 450 people, and the BLP Committee and the applicant's representatives then spent an hour negotiating a series of additional stipulations (as set out on pages 7 and 8 of the attached Stipulations Application). Just prior to signing the Stipulations Application, however, the applicant, after a brief recess, stated that they could not agree to the 450-person capacity and refused to sign the stipulations. When asked why, the applicant responded that they planned to host "corporate events" in the space at which the chairs and tables would be removed from the venue and the full current capacity of the space utilized.

Given the exceedingly troubled history of this club space, MCB4 is seriously concerned about the applicant's apparently varying plans for their establishment, which is presented as a supper club seating 219 persons but which apparently may also operate as a venue with a capacity of up to 650 persons.

For the reasons stated above, MCB4 does not believe a 650-person club here can successfully co-exist with reasonable residential quality of life. Because the requested license would not be in the public interest, MCB4 requests that the present application be **denied**.¹

If the SLA were to consider granting a license to the Playboy Supper Club, MCB4 believes that it is essential for the community's protection that the capacity at this venue be limited to 450 people (including patrons and staff). In addition, MCB4 requests that the stipulations in the attached Stipulations Application, which were negotiated with the applicant and to which the applicant appeared on the verge of agreeing, be included as terms of any license. Summarized here for convenience, those stipulations include:

• Hotel interior will be used for any queuing. There will be no queuing on the sidewalk. There will be no ropes or obstructions on the sidewalk.

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¹ This letter is subject to ratification at its Full Board meeting on Wednesday, January 4, 2017

- Cachet Hotel Group LLC Security Plan from All Season Protection will be implemented.
- At events with capacity of over 300 people, security will be stationed in doorways of 500 West 42nd Street and 561 Tenth Avenue buildings during final two hours of the event.
- The establishment will operate as a restaurant/supper club, with adjoining game room and cocktail lounge. There will be no outside promoters used. Private events will be mainly corporate events/parties.
- There will be no leafletting or distribution of fliers for promotion.
- Contact numbers of on-site security will be provided to interested community members.

Thank you for your attention and cooperation with this application.

Sincerely,

Delores Rubin

Chair

[Signed on 12/29/16] [Signed on 12/29/16]

Burt Lazarin

Co-Chair

Business Licenses & Permits Business Licenses & Permits

Committee

Frank Holozubiec

Co-Chair

Committee

ENCLOSURE

Hon. Brad Hoylman, State Senate cc:

Hon. Richard Gottfried, State Assembly

Joseph Levey, Esq.