

**LICENSE APPEAL COMMISSION  
CITY OF CHICAGO**

LAT’S Inc. 1	)	
d/b/a LAT’S Liquor	)	
Applicant (Change of Officers; Tavern)	)	
for the premises located at	)	
1200 East 71 <sup>st</sup> Street Annex, 1 <sup>st</sup> Floor	)	
	)	
v.	)	Case No. 20 LA 03
	)	
Department of Business Affairs and Consumer Protection	)	
Local Liquor Control Commission	)	
Shannon Trotter, Commissioner	)	
	)	
	)	

**ORDER**

**DECISION OF CHAIRMAN FLEMING JOINED BY COMMISSIONER GIBBONS AND  
COMMISSIONER BERG**

**NATURE OF THE CASE**

On January 30, 2020, Local Liquor Control Commissioner Shannon Trotter denied LAT’S Inc. 1’s application for a Change of Officers Tavern License for the premises located at 1200 E. 71<sup>st</sup> Street. This denial was based on the fact that Alonzo Jones, the owner of LAT’S Inc. 1, was a convicted felon. Per Section 4-60-030(e) of the City of Chicago Municipal Code, “no license for the sale of alcoholic liquor shall be issued to a person who has been convicted of a felony under any federal or state law, if the local liquor control commissioner determines, after investigation, that such person has not been sufficiently rehabilitated to warrant the public trust.” Section 4-60-030(k) of the City of Chicago Municipal Code states “no license for the sale of alcoholic liquor shall be issued to...a corporation if any officer, manager or director thereof or any stockholder

owning in the aggregate more than five percent of the stock of such corporation would not be eligible to receive a license hereunder for any reason other than residence within the city...”

After a hearing before Hearing Commissioner Yusof, said Hearing Commissioner found that Alonzo Jones did have a felony conviction for Financial Instrument Fraud in June 2015 and that Mr. Jones did not establish the standard of proof needed to establish conduct indicating that Mr. Jones warrants the public trust and his engaging in the proposed licensed activity would not be compatible with the public safety or welfare.

Liquor Commissioner Trotter adopted these findings as the bases for the denial of this application.

The Applicant filed a timely Notice of Appeal with the License Appeal Commission.

## **SUMMARY OF PROCEEDINGS**

Michael Tibbs has been an Assistant Commissioner at the Department of Business Affairs and Consumer Protection for thirteen years. In that capacity, he focuses on reviewing the criminal histories of applicants for liquor licenses. This is done based on fingerprint review of the applicants.

In his review of this Change of Officers application, he reviewed the fingerprints of Alonzo Jones. The witness identified City Group Exhibit 5 as the fingerprint information received from the city, state, and federal law enforcement authorities, and City Exhibit 6 as a Certified

Statement of Conviction/Disposition showing Alonzo Jones pled guilty to a felony charge of Financial Instrument Fraud in violation of 720-5/16H-25(1) on June 15, 2015. He was sentenced to two years of nonreporting probation.

Mr. Tibbs testified that the application for Change of Officers was denied based on this felony conviction.

On cross-examination, Mr. Tibbs agreed that Mr. Jones provided the City with the Certified Statement of Conviction/Disposition in evidence as City Exhibit 6.

The Rules and Regulations for Rehabilitation of Ex-Offenders applied to this case and were allowed in evidence as City Exhibit 7.

The City rested its case.

The Applicant called as its first witness Roderick Sawyer. He has been the Alderman of the 6<sup>th</sup> Ward for the last nine years. Prior to his election as 6<sup>th</sup> Ward Alderman, he was an attorney in private practice specializing in liquor license law and real estate. This location is not in his ward. It is about four blocks out of his ward but is familiar with the location. He is not testifying as an Alderman but as a character witness for Alonzo Jones.

Alderman Sawyer has known Alonzo Jones for twenty-five years. They met doing real estate cases where he represented buyers and Mr. Jones was a mortgage broker. Over the years they have become social friends and remain social friends.

Alderman Sawyer is aware that Alonzo Jones was deemed ineligible for the liquor license based on a criminal conviction for mortgage fraud. He discussed the case with Mr. Jones and knows Mr. Jones received probation with no jail time. Over the years, Mr. Jones has never hesitated to offer assistance in community activities.

Alderman Sawyer stated Mr. Jones is not a danger to the health and welfare of the city.

On cross, Alderman Sawyer stated he is well versed in Section 4 of the Municipal Code. He does not feel Mr. Jones is a danger to the health and welfare of the city.

Alonzo Jones is fifty-two years old and a lifelong resident of Chicago. He works as an entertainer and manager of a bar. He also owns and manages two properties and a property in Calumet City. He attended Bethune-Cookman University for three years but did not graduate.

After leaving college he went to work for the CTA and then went into the mortgage broker business. He became certified as a Mortgage Broker in 1997. He worked for Eagle Mortgage and Fieldstone Mortgage and then opened his own business in 2001-2002. He had no arrests or convictions before 2001.

Mr. Jones identified City Exhibit 6 as the Certified Statement of Conviction/Disposition showing him guilty of Financial Instrument Fraud. He was charged in 2015 for a transaction that occurred in 2007. A lady was buying a home. While she had good credit and money for a down payment,

she needed to show a larger amount of money in her account by gift, 401(k) documents, or elsewhere. He submitted a gift letter from the lady that was fraudulent. He knew the gift letter was improper and he was stupid to submit it. The amount was Seven Hundred Dollars.

Mr. Jones received a call from HUD in late 2014 or early 2015 where he was summoned to a routine audit. After being shown the HUD file he remembered the transaction. He admitted the gift letter was not true and was submitted to help the client.

The federal authorities did not prosecute but referred the matter to the State of Illinois authorities. He was indicted in 2016 and pled guilty to one felony count. He was sentenced to two years probation that was terminated satisfactorily after eighteen months.

Applicant's Group Exhibit 1A-E consisting of letters of recommendation was allowed in evidence.

Mr. Jones testified this was an isolated event and he is ashamed of his conduct. He has four children that he supports financially. He is involved with his children's school life and is active in local church activities and community activities. He provides chips and juice to kids involved in community clean up projects.

Mr. Jones admitted his action was totally wrong but it was an isolated incident. He did his sentence and lost his mortgage broker's license.

On cross-examination, Mr. Jones stated the amount of the gift letter was \$700. The use of such gift letters was common.

Mr. Jones was referred to Page 30 of the transcript of the hearing at the Local Liquor Control Commission. He testified at that hearing that he was not aware the gift letter was fraudulent. He also agreed that the documents in City Exhibit 5 show arrests for burglary, contempt of court, and domestic battery. He explained these matters never went to court.

## **ANALYSIS**

Since this case deals with an order from the Local Liquor Control Commission denying a liquor license, the License Appeal Commission is to try de novo the propriety of the decision to deny the license. These cases are somewhat different than the usual denial of license cases in that there was a hearing before a Deputy Hearing Commissioner in which evidence was presented and Findings of Fact entered. Nevertheless, this is not a suspension or revocation appeal in which the License Appeal Commission reviews the findings of the Local Liquor Control Commission.

It is unclear whether the burden of proof that the Applicant needs to meet on the issue of whether he has been sufficiently rehabilitated so as to warrant the public trust is by a preponderance of the evidence or by clear and convincing evidence. The burden of proof at the hearing at the Local Liquor Control Commission was the clear and convincing evidence standard. That fact is not relevant to this case because of the evidence presented at this de novo hearing proved by clear and convincing evidence that Alonzo Jones was sufficiently rehabilitated to warrant the public trust.

The evidence presented by the City established that Alonzo Jones pled guilty to a single felony count of Financial Instrument Fraud. This fact was never in dispute.

The Applicant presented evidence concerning the facts of the underlying felony; the fact that his sentence of probation was terminated satisfactorily six months early; the amount of time passed since the disqualifying act occurred; that the disqualifying act was an isolated offense; the fact that there has been no other criminal or offense history since the disqualifying act occurred; a record of public service; in court character testimony as well as written letters of recommendation from members of his community, including letters from two pastors. All of this established by clear and convincing evidence that Alonzo Jones has been sufficiently rehabilitated to warrant the public trust.

## **DECISION**

The denial of LAT'S Inc. 1's application for a Change of Officers Tavern License is Reversed.

Pursuant to Section 154 of the Illinois Liquor Control Act, a petition for rehearing may be filed with this Commission within TWENTY (20) days after service of this order. The date of the mailing of this order is deemed to be the date of service. If any party wishes to pursue an administrative review action in the Circuit Court, the petition for rehearing must be filed with this Commission within TWENTY (20) days after service of this order as such petition is a jurisdictional prerequisite to the administrative review.

Dated: September 23, 2020

Dennis M. Fleming  
Chairman

Thomas W. Gibbons  
Member

Cynthia A. Berg  
Member