

TABC DOCKET NO. 597776

TEXAS ALCOHOLIC BEVERAGE COMMISSION, Petitioner	§	BEFORE THE TEXAS
	§	
VS.	§	
	§	
AIRPORT CABARET, LLC D/B/A AIRPORT CABARET, Applicant/Respondent	§	ALCOHOLIC
	§	
APPLICATION FOR MB, LB	§	
	§	
TARRANT COUNTY, TEXAS (SOAH DOCKET NO. 458-11-2134)	§	BEVERAGE COMMISSION

ORDER

CAME ON FOR CONSIDERATION this 15th day of December, 2011, the above-styled and numbered cause.

After proper notice was given, this case was heard by the State Office of Administrative Hearings (SOAH), with Administrative Law Judge Monica Garza presiding. The hearing convened on June 14, 2011 and the SOAH record closed on July 8, 2011. The Administrative Law Judge made and filed a Proposal for Decision containing Findings of Fact and Conclusions of Law on September 2, 2011. The Proposal for Decision was properly served on all parties, who were given an opportunity to file exceptions and replies as part of the record herein. As of this date no exceptions have been filed.

After review and due consideration of the Proposal for Decision, I adopt the Findings of Fact and Conclusions of Law of the Administrative Law Judge that are contained in the Proposal for Decision, and incorporate those Findings of Fact and Conclusions of Law into this Order, as if such were fully set out and separately stated herein. All motions, requests for entry of Proposed Findings of Facts and Conclusions of Law, and any other requests for general or specific relief submitted by any party are denied, unless specifically adopted herein.

IT IS THEREFORE ORDERED that the Original Application of Airport Cabaret, LLC d/b/a Airport Cabaret for the issuance of a Mixed Beverage Permit and a Mixed Beverage Late Hours Permit is **GRANTED**.

This Order will become final and enforceable on the 8th day of January, 2012, unless a Motion for Rehearing is filed **BEFORE** that date.

SIGNED this the 15th day of January, 2011, at Austin, Texas.



Sherry K-Cook, Assistant Administrator
Texas Alcoholic Beverage Commission

CERTIFICATE OF SERVICE

I certify that the persons listed below were served with a copy of this Order in the manner indicated below on this the 15th day of January, 2011.



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The commission or administrator may refuse to issue an original or renewal permit with or without a hearing if it has reasonable grounds to believe and finds that any of the following circumstances exist:

(8) the place or manner in which the applicant may conduct his business warrants the refusal of a permit based on the general welfare, peace, morals, and safety of the people and on the public sense of decency.

Petitioner remained neutral on the protest of the application, having determined that Applicant met all the technical requirements to obtain the permits. In order to deny an alcoholic beverage permit to a fully qualified applicant who proposes to operate a lawful business in an area designated as “wet” for the purpose of alcoholic beverage sales and to operate in compliance with the zoning ordinances of the city, some unusual condition or situation must be shown so as to justify a finding that the place or manner in which the applicant may conduct its business warrants a refusal of a permit.¹

III. EVIDENCE

A. Permit Application History for 15000 Airport Freeway

Curtis B. Wise is an investor, developer, and builder of commercial properties. Mr. Wise’s company, Clubwise Finance, LP, purchased the property located at 15000 Airport Freeway, Fort Worth, Tarrant County, Texas, several years ago. He posted a sexually-oriented business notice at the location, constructed the current facility, and prepared it for occupancy, *i.e.* it was a “turn key” operation. In August 2010, Mr. Wise filed an application with TABC for a Mixed Beverage Permit and Mixed Beverage Late Hours Permit.

¹ *TABC v. Twenty Wings, LTD. et al*, 112 S.W.3d 647, 650 (Tex. App. - Ft. Worth 2003); *TABC v. Mikulenska*, 510 S.W.2d 616, 619 (Tex. Civ. App. – San Antonio 1974, no writ); and *Bavarian Properties, Inc. v. TABC*, 870 S.W.2d 686, 689 (Tex. App. – Ft. Worth 1994, reh’g overruled).

Notice of the application was posted on the property for a 60-day time period, and notice by publication was made in the *Commercial Recorder*. The application and all notices referenced Curtis Wise as the proposed owner/manager of the premises, Airport Cabaret, LLC as the entity requesting the permits, and Airport Cabaret as the trade name of the business.

In December 2010, Clubwise Finance, LP transferred ownership of 15000 Airport Freeway to RCI Holdings, Inc. RCI Dining (DFW), LLC became the corporate entity proposing to operate the sexually-oriented business and avail itself of the use of the requested TABC permits. The new trade name of the business was Rick's Cabaret. Eric Langan became the owner/manager of the premises. TABC was notified of these changes; however, the public was not notified of the ownership change either through posted sign or publication. At the time these changes were made, several protest letters had already been filed with TABC.

In regard to technical requirements of the application, both the Fort Worth City Secretary and the Tarrant County Clerk attested to the fact that the business was located in a wet area and that the city and county allowed the sale of mixed beverages between midnight and 2:00 a.m. for purposes of the "late hours" permit.

B. Applicant's Corporate Structure

The property at 15000 Airport Freeway is currently owned by RCI Holdings, Inc. RCI Dining (DFW), LLC leases the property from RCI Holdings, Inc. RCI Dining (DFW), LLC is a subsidiary of Rick's Cabaret International, Inc. Rick's Cabaret International, Inc. assists Rick's management through its standard management services, and it would receive some of the money generated by the permits. RCI Management Services, Inc., another subsidiary, hires all accounting staff and oversees management of the club.

Eric Langan is Applicant's president, manager, sole officer, and director. RCI Holdings, Inc. and RCI Management Services, Inc. are subsidiaries of Rick's Cabaret International, Inc. Mr. Langan is also the CEO of Rick's Cabaret International, Inc.

C. Applicant's Location and Neighbors

1. Overview

Applicant's premises, 15000 Airport Freeway, are near the south entrance to Dallas-Fort Worth International Airport, close to two major freeways, State Highway (SH) 183 (Airport Freeway) and SH 360. The premises are more specifically located on the service road to Airport Freeway. They are not within 300 feet of a church, public hospital, day care center, child care facility, or residential address. Further, the premises are not within 1,000 feet of a private or public school.

2. Dallas-Fort Worth International Airport

Dallas-Fort Worth International Airport (DFW Airport) accommodates approximately 153,000 passengers daily. DFW Airport also employs approximately 60,000 people on site. The airport operates 24-hours a day; seven days per week. Protestants expressed concern for the safety and welfare of passengers and employees of DFW Airport, citing the higher risk of traffic accidents if Applicant received its permit to sell alcoholic beverages.

3. American Airlines

American Airlines' corporate headquarters are located in close proximity to Applicant's premises. Several key American Airlines' facilities are also located in the vicinity, including a flight training school, a flight attendant training school, a system operations center, a reservations center,

and the C.R. Smith Museum. Additionally, a hotel which provides lodging for incoming trainees is located near Applicant's premises. The system operations center manages all American Airlines' flights throughout the world. In total, American Airlines employs approximately 4,500 employees at these facilities. The systems operations center, reservations center, and headquarters operate 24 hours a day, seven days per week.

Claudia Aguirre, American Airlines' corporate representative at the hearing, expressed concerns regarding the safety of airline passengers and employees if Applicant receives its requested permits. Ms. Aguirre did acknowledge that American Airlines serves alcoholic beverages on its flights, and that alcoholic beverages are available at various locations throughout DFW Airport.

4. CentrePort

CentrePort Business Park (CentrePort) is a mixed use development located approximately two miles south of DFW Airport. Applicant's premises are located on a parcel of land directly adjacent to CentrePort.

Several major businesses are located within CentrePort, collectively employing more than 30,000 employees. CentrePort contains five-million square feet of office space and ten-million square feet of industrial space. CentrePort businesses include OfficeMax, Bank of America, Whirlpool, CUNA Mutual, Keebler, Kubota Tractor, Venture Encoding Service, Motheral Printing, and the United States Small Business Administration's (SBA) Office of Disaster Assistance. Several of these businesses protested the issuance of Applicant's permits.

The SBA's Office of Disaster Assistance is located less than 150 feet from Applicant's premises. This facility provides loan processing and other financial assistance in response to natural disasters. The facility employs approximately 450 regular employees, with increased staffing in response to disasters. During disaster aftermaths, the facility operates in 20-hour shifts. Although

SBA was not a protestant in this case, the SBA did express its concerns regarding Applicant to the U.S. General Services Administration.

Further, SBA has a large parking lot immediately adjacent to a relatively small parking lot on applicant's premises. Protestants expressed concern that the proximity of these parking lots increased the likelihood of overflow traffic from Applicant's premises using the SBA parking lot and the likelihood that SBA employees and patrons would encounter patrons leaving Applicant's premises. At least one incident occurred regarding a patron from Applicant's premises parking in the SBA parking lot; however, a buffering fence now divides the two parking lots. Additionally, the SBA parking lot is five feet below the land level of Applicant's premises.

Motheral Printing Company (Motheral), a protestant in this case, is located four blocks from Applicant's premises. Motheral operates 24 hours a day; seven days per week. Motheral expressed concerns regarding increased traffic in the area and the potential for intoxicated patrons driving through CentrePort.

Venture Encoding Service (Venture), a protestant in this case, also operates 24 hours a day, seven days per week, for half of the year. Venture has a large number of female employees who work late hours. Venture expressed concerns regarding increased traffic and the likelihood of sexually-aroused patrons leaving Applicant's premises and harming its female employees.

Kubota Tractor Company (Kubota), a protestant in this case, distributes and sells heavy industrial equipment. Kubota has 100 employees and is located directly adjacent to Applicant's premises. Normal hours of operation at Kubota are 5:00 a.m. to as late as 8:00 p.m. However, truck drivers awaiting loads often arrive after hours, traveling past Applicant's premises on the SH 183 service road. Kubota expressed concerns regarding driver safety and criminal activity.

In addition to the various office and industrial sites throughout the business park, CentrePort is home to 2,000 apartment units, a day care center, and three hotels. John Dwyer, Vice-President of KDC-CentrePort, expressed concern for the safety and welfare of CentrePort clients. He also expressed concern that Applicant's business was not compatible with existing neighborhood uses.

5. Traffic

Protestants expressed many concerns regarding the increased traffic which will likely result if Applicant's permits are granted. Applicant presented expert witnesses to discuss traffic concerns at the 15000 Airport Freeway premises.

Joe D. Morris is a loss prevention specialist. Mr. Morris holds a Bachelor of Arts Degree in Criminal Justice and a Master of Arts Degree in Urban Affairs, and he is a former Dallas police officer. The following traffic information was provided by Mr. Morris through his report and testimony. Airport Freeway is a six-lane freeway which carries approximately 200,000 vehicles per day. The service road, where Applicant's premises are located, is not normally used by those exiting the freeway. According to the Texas Department of Transportation (TXDOT), the service road picks up less than 2% of the freeway traffic. The traffic in the area is generally unobstructed, and no major accidents were reported in the area² for six months before the report date. According to the North Texas Council of Governments, no major funds have been allocated for improvements in this area during the next two years.

Michael R. Coker provides consulting services to the land planning and land development industries. Mr. Coker is a certified planner by the American Institute of Certified Planners. He also holds a Bachelor of Science Degree in Law Enforcement and a Master's Degree in Public Administration. Mr. Coker previously worked as a governmental executive for three different cities.

² Mr. Morris testified that the accident statistics included the area within a 1,000 foot radius of Applicant's premises.

He testified that Applicant's premises are located on the eastbound service road to SH 183. This roadway contains two "through" traffic lanes. Applicant's premises lie between an on-ramp and an off-ramp. TXDOT traffic counts show the total combined 24-hour traffic on that stretch of SH 183 is 200,000. This count includes both freeway and frontage road traffic. Using further TXDOT information, the traffic count attributable to the roadway adjacent to Applicant's premises is 2,396. Mr. Coker opined that the operation of Applicant's premises did not adversely impact traffic in the area.

D. Applicant's Business Plan

Mr. Langan provided the following information regarding his business plan for the premises. Applicant intends to operate this sexually-oriented business as Rick's Cabaret (Rick's), catering to a white collar, high-end clientele. To this end, Applicant will offer a full-service restaurant with upscale dining and a fine wine selection.

Rick's will employ seven managers, three or four disc jockeys, and 40 to 70 wait staff. Applicant's employees will be seller/server trained, and the general manager for a similar Rick's Cabaret location (with an exemplary track record with TABC) will oversee operations at the DFW Rick's.

Rick's parking will be maximized through the use of valets. Only a few self-service parking spaces will be provided at the front of the parking lot, and these spaces will be supervised by the valets. If the permits are granted, Mr. Langan intends to use hotel transportation and taxi incentive programs, reducing the risk of traffic and parking congestion.

In regard to security on the premises, Rick's uses armed security guards. Full camera systems are also used, and the video footage is maintained for 30-45 days.

If granted its permits, Rick's intends to operate from 11:00 a.m. to 2:00 a.m. on Monday through Thursday; 11:00 a.m. to 4:00 a.m. on Friday and Saturday (alcoholic beverage service replaced with breakfast service from 2:00 a.m. to 4:00 a.m.); and from noon to 2:00 a.m. on Sunday.

E. Eric Langan's Personal History

Protestants offered evidence demonstrating that Mr. Langan had been arrested on numerous occasions; however, Mr. Langan was only convicted for a traffic offense. There was no evidence of currently pending criminal charges.

F. Eric Langan's Operation History

Mr. Langan's company, Rick's Cabaret International, Inc., operates 14 sexually-oriented businesses in Texas. Nine of these operations hold TABC permits, including three in Fort Worth, one in Dallas, two in Houston, one in Round Rock, one in Austin, and one in San Antonio. These operations use various trade names including Rick's Cabaret, Club Onyx, and Club Cristal.

Protestants offered a summary of TABC violations regarding Mr. Langan's TABC permits. In total, there were 53 violations over a period of several years. The more serious violations included prostitution/soliciting for immoral relations (nine violations), public lewdness, sexual contact, or obscene act (six violations), intoxicated permittee on premises (three violations), permitting alcohol consumption during prohibited hours (three violations), soliciting an alcoholic beverage by permittee (two violations), and selling alcohol to an intoxicated person (one violation). None of these violations resulted in a permit revocation.

Protestants also cross-examined Mr. Langan regarding a dancer at one of his licensed operations who was charged with intoxication manslaughter after leaving the club in 2008. The dancer later pled guilty to the offense, and a civil suit was filed against the club alleging management

expected dancers to solicit drinks from customers. The outcome of the lawsuit was not available at the time of the hearing, and there is no evidence that TABC took action against Mr. Langan's permit in regard to that incident.

G. Rick's (DFW) BYOB Operation History at 15000 Airport Freeway

Rick's (DFW) has been operating on a BYOB ("bring your own bottle") basis since January 2011. Applicant's expert, Mr. Morris, provided evidence that no criminal incidents were reported within a 1,000 foot radius of Applicant's premises during this time period. The closest felony reported was an auto theft at an apartment complex on SH 360.

Comparing BYOB operations to licensed operations, Mr. Langan testified that sales taxes for the BYOB were \$15,600 compared to \$91,000 for a TABC-licensed Rick's operation. John Busby, a former TABC agent, testified that licensed facilities are preferable to BYOBs due to the heightened regulation which comes with the permit.

H. Parties' Positions

Protestant American Airlines argued that Applicant: (1) might conduct its business in a detrimental place or manner; (2) lacks good moral character; and (3) failed to give proper public notice. American Airlines further alleges that Applicant's corporate structure is a business subterfuge.

Protestant CentrePort argued that Applicant might conduct its business in a detrimental place or manner, citing a pattern of TABC violations at other locations and the incompatibility with the surrounding community. CentrePort also cited improper notice of RCI Dining (DFW)'s permit application.

In response, Applicant maintained that it has met all qualifications for issuance of the requested permits and that Protestants failed to demonstrate an unusual condition to justify denial of the permits.

IV. ANALYSIS

A. Corporate Subterfuge Issue

RCI Dining (DFW), LLC is a subsidiary of Rick's Cabaret International, Inc. Rick's Cabaret International, Inc. assists Rick's management through its standard management services, and it would receive some of the money generated by the permits. RCI Management Services, Inc., another subsidiary, hires all accounting staff and oversees management of the club. Although other entities play a role in assisting the management of Rick's (DFW), the evidence shows that RCI Dining (DFW), LLC controls the direct management of the premises. Further, as chief executive officer of Rick's Cabaret International, Inc., Mr. Langan ultimately controls the management of the premises in any event. The ALJ finds that Applicant's business structure is not a business subterfuge.

B. Notice Issue

Protestants argued that Applicant is not entitled to the permits, due to the fact that the permits were originally requested, and notice published and posted, by another entity. The original application and requisite notices referenced Curtis Wise as the proposed owner/manager, Airport Cabaret, LLC as the entity requesting the permits, and Airport Cabaret as the trade name of the business. After Mr. Langan bought the business from Mr. Wise, he notified TABC of the relevant changes. However, new notice was not provided to the public by posting or publication. At that time, the protest had already been filed. During the discovery process, American Airlines and CentrePort were made aware of the changes. The ALJ does not find evidence that the parties were substantially harmed because a protest had already been filed and the parties had knowledge of the ownership change through discovery.

Further, TABC has already made a finding that Applicant met all technical requirements for issuance of the permits. Notice is included as one of those many technical requirements. The issue for the ALJ to determine is strictly whether “the place or manner in which the applicant may conduct his business warrants the refusal of a permit based on the general welfare, health, peace, morals and safety of the people and on the public sense of decency.”³

C. “Place or Manner” Issue

The ALJ finds insufficient evidence to demonstrate the existence of an unusual condition which would justify the refusal of the requested permits.

Applicant currently operates a sexually-oriented business, Rick’s, in close proximity to DFW Airport, American Airlines’ corporate headquarters, and CentrePort Business Park. Several thousand passengers and employees of DFW Airport, American Airlines, and CentrePort share roadways with Rick’s patrons on a daily basis. In reference to the traffic safety of those citizens, there is no evidence that Rick’s has created any traffic safety problems, even though it has been in operation as a BYOB for several months. If Rick’s obtains its requested permits, it is likely that there will be increased traffic to and from Rick’s. Although the increased number of patrons frequenting Rick’s may pose an increased likelihood of traffic safety incidents, the same would be true for any other establishment requesting a TABC permit. Further, Rick’s business plan shows that employees will be trained in appropriate alcoholic beverage sales and service, and adequate security will be provided to supervise patrons. Mr. Langan plans to promote hotel van and taxi service to and from the premises, which will also decrease the likelihood of traffic safety incidents.

In regard to traffic congestion issues, 200,000 vehicles per day use the nearby freeway and service roads. However, only a small percentage of those vehicles exit onto the service road and pass

³ TEX. ALCO. BEV. CODE ANN. § 11.46(a).

by Applicant's premises. CentrePort businesses were concerned that Rick's patrons might use feeder streets throughout CentrePort after leaving Rick's. However, due to Rick's juxtaposition between an on-ramp and off-ramp to the freeway, it is unlikely that most patrons would choose to extend their travel time by cutting through the CentrePort development.

Protestants also expressed concern regarding insufficient parking. However, Mr. Langan's plans include the almost exclusive use of valet parking (allowing only a few self-serve parking spaces which are supervised by valet staff) and the promotion of taxi and hotel van transportation. Further, the new buffering fence between SBA and Rick's, as well as the five-foot elevation differential between the two parking lots, makes it less likely that any significant parking issues will occur.

Protestants also cited the potential for an increase in criminal activity. Yet, during its operation as a BYOB, Rick's has an unblemished record. No criminal activity within a 1,000 foot-radius of Rick's was officially reported during the first six months of operation. Further, in order to deter criminal activity, Mr. Langan employs armed security guards and maintains video footage of activities occurring on the premises.

Regarding Mr. Langan's personal history, he was only convicted regarding a traffic offense, and no criminal charges were shown to be currently pending. Further, TABC has found Mr. Langan to be a qualified permit-holder.

Protestants offered evidence regarding violation histories at several other permitted establishments owned by Mr. Langan. In total, there were 53 total violations among nine permitted operations, over a period of several years. On average, there were slightly less than six violations per operation. None of these violations resulted in a permit revocation. In order to help ensure compliance at this Rick's location, Mr. Langan has secured the services of a general manager who

has maintained an exemplary TABC record at one of the other Rick's locations.

Finally, Protestants argued that Applicant's operation does not fit with the surrounding community, due to its status as a sexually-oriented business. While many citizens, business owners, business patrons, and elected officials may feel that a sexually-oriented business is not a good neighbor for an international airport, the corporate headquarters of a major airline, and a business park comprised of millions of square feet of office and industrial space, the City of Fort Worth zoned the area in such a way as to allow this co-existence. Further, Mr. Langan has expressed his intent to cater to a white collar, high-end clientele, and the regulations imposed by TABC will assist in making Rick's the best neighbor possible under the circumstances.

Based on this analysis, the ALJ finds that Protestants failed to demonstrate that the place or manner in which Applicant may conduct its business warrants refusal of the permits. Therefore, the ALJ recommends that TABC issue the requested permits.

V. PROPOSED FINDINGS OF FACT

1. Airport Cabaret, LLC d/b/a Airport Cabaret (Applicant) filed an original application with the Texas Alcoholic Beverage Commission (TABC) staff (Petitioner) for a Mixed Beverage Permit and Mixed Beverage Late Hours Permit for the premises located at 15000 Airport Freeway, Fort Worth, Tarrant County, Texas.
2. Curtis Wise was listed as the owner/manager of an approved sexually-oriented business at this location.
3. Protests to the application were filed by Texas State Representative Charlie Geren, City of Fort Worth Mayor Mike Moncrief, Tarrant County Judge Glen Whitley, AMR Corporation, CentrePort Venture, Inc., CentrePort Properties, Inc., KDC CentrePort LP, Dallas-Fort Worth International Airport Board, Jim Motheral, Kubota Tractor Corporation, Venture Encoding Service, and Tonya Anderson (Protestants).
4. Protestants allege that the place or manner in which Applicant may conduct its business warrants the refusal of the permits based on the general welfare, health, peace, morals, and

~~safety of the people.~~

5. In December 2010, RCI Holdings, Inc. purchased the premises from Curtis B. Wise. RCI Dining (DFW), LLC became the corporate entity proposing to operate the business under the trade name, Rick's Cabaret (Rick's).
6. Eric Langan became the new owner/manager of the premises. This information was relayed to TABC as an amendment to the original application.
7. Mr. Langan is also the chief executive officer of RCI Dining (DFW), LLC's parent company, Rick's Cabaret International, Inc.
8. Applicant's premises are in close proximity to Dallas-Fort Worth International Airport, American Airlines' corporate headquarters, several key American Airlines' facilities (a flight training school, a flight attendant training school, a system operations center which manages all American Airlines' flights throughout the world, a reservations center, and the C.R. Smith Museum), and CentrePort Business Park (a mixed use development consisting of five-million square feet of office space and ten-million square feet of industrial space, serving as home to several tenants, including OfficeMax, Bank of America, Whirlpool, CUNA Mutual, Keebler, Kubota Tractor, Venture Encoding Service, Motheral Printing, the United States Small Business Administration's (SBA) Office of Disaster Assistance, 2,000 apartment units, a day care center, and three hotels).
9. The aforementioned businesses, including the airport, collectively serve and/or employ over 200,000 people, and many of these sites operate on a 24-hour, seven-day per week basis.
10. Applicants premises are located on the service road to State Highway 183 (Airport Freeway).
11. The combined daily traffic count for Airport Freeway and its frontage roads at that location is 200,000.
12. The traffic count attributable to the roadway adjacent to Applicant's premises is 2,396.
13. The SBA parking lot is adjacent to the parking lot on Applicant's premises (Rick's), but the two are separated by a buffering fence, and there is a five-foot elevation differential.
14. Rick's is a sexually-oriented business which caters to a high-end, white collar clientele, offering a full service restaurant with upscale dining.
15. Rick's will employ seven managers and approximately 40 to 70 wait staff who will be seller/server trained.

16. Rick's parking will be maximized through the almost exclusive use of valets (a limited number of self-service parking spaces will be provided; these will be supervised by the valets).
17. Rick's intends to provide incentives for hotel transportation and taxis, in order to alleviate traffic and parking concerns.
18. Rick's uses armed security guards and full camera systems to monitor activities on the premises.
19. Rick's has operated as a BYOB since January 2011.
20. While operating as a BYOB, no criminal activity has been reported on the premises, and no major accidents have occurred in the immediate vicinity of the premises.
21. Mr. Langan has been arrested on several occasions; however, he has only been convicted of a traffic offense and no charges are currently pending against him.
22. Mr. Langan operates nine other TABC-licensed premises in Texas.
23. In total, there have been 53 violations attributed to those nine operations over a period of several years.
24. None of those violations resulted in a permit revocation.
25. Applicant has met all TABC requirements for holding the requested permits at this location.
26. No unusual conditions or situations exist that would warrant refusal of the permits.
27. On January 7, 2011, Petitioner issued its Notice of Hearing.
28. The notice contained a statement of the time, place, and nature of the hearing; a statement of the legal authority and jurisdiction under which the hearing was to be held; a reference to the particular sections of the statutes and rules involved; and a short, plain statement of the matters asserted.
29. On June 14, 2011, a hearing convened before State Office of Administrative Hearings (SOAH) Administrative Law Judge (ALJ) Monica Garza at the Tarrant County 1895 Courthouse, 100 West Weatherford, Room 160, Fort Worth, Tarrant County, Texas.
30. Petitioner was represented at the hearing by John W. Sedberry, TABC Staff Attorney; AMR Corporation (American Airlines) was represented by its attorney, Dee Kelly, Jr.; CentrePort

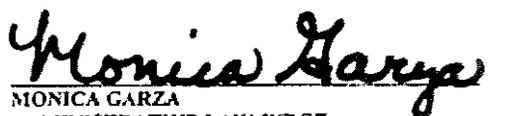
Venture, Inc., CentrePort Properties, Inc., and KDC CentrePort LP (CentrePort) were represented by their attorney, Meghan Griffiths; Motheral Printing Company was represented by Jim Motheral; Kubota Tractor Company was represented by Michael Vardy; Venture Encoding Service was represented by Debbie McClanahan; and Applicant was represented by its attorney, Steven H. Swander.

31. Following presentation of evidence, the record remained open until July 8, 2011, to allow the parties to file written closing arguments.

VI. PROPOSED CONCLUSIONS OF LAW

1. TABC has jurisdiction over this case. TEX. ALCO. BEV. CODE ANN. chs. 5, 11, 28, and 29 and §§ 6.01 and 11.46(a).
2. SOAH has jurisdiction over all matters related to conducting a hearing in this proceeding, including the preparation of a proposal for decision with proposed findings of fact and conclusions of law. TEX. GOV'T CODE ANN. ch. 2003.
3. Applicant and Protestants received proper and timely notice of the hearing. TEX. GOV'T CODE ANN. § 2001.052.
4. Issuance of the requested permits does not adversely affect the general welfare, peace, morals, and safety of the people, or violate the public sense of decency. TEX. ALCO. BEV. CODE ANN. § 11.46(a).
5. Applicant's request for a Mixed Beverage Permit and Mixed Beverage Late Hours Permit for the premises located at 15000 Airport Freeway, Fort Worth, Tarrant County, Texas should be granted.

SIGNED September 2, 2011.


MONICA GARZA
ADMINISTRATIVE LAW JUDGE
STATE OFFICE OF ADMINISTRATIVE HEARINGS