



City of Newport  
**REQUEST FOR ACTION BY CITY COUNCIL, SITTING AS  
BOARD OF LICENSE COMMISSIONERS**

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To: Chairman Bova and Members of the Board of License Commissioners  
From: Joseph J. Nicholson, Jr. Esq., City Manager  
Date: May 14, 2019  
Subject: Show Cause Hearing: Unity 3, LLC, d/b/a Area  
Violations of the Conditions of the Class BL Alcoholic Beverage License – Abandonment of License  
Staff Presentation: City Solicitor's Office

**RECOMMENDATION:**

It is recommended that the licensee show cause as to why his Class BL liquor license should not be revoked for the apparent violations of the Rules and Regulations of the Liquor Control Section of the RI Department of Business Regulation and/or the Rules and Regulations of the Board of License Commissioners of the City of Newport.

**BACKGROUND AND FINDINGS:**

In 2007, litigation was commenced between the parties involved in the partnership which owned the Unity 3, LLC business and license and the City, as a Board of License Commissioners, was a named Defendant. The City filed its answer in the matter in 2007. The litigation has been in an inactive status since early 2008 but according to the Clerk's office, remains an open case.

The BL license issued to the license holder expired on December 1, 2017 and has not been renewed pursuant to the General Law of Rhode Island §3-7-6 and all other applicable ordinances, rules and regulations.

The license holder's Certificate of Organization was revoked by the Rhode Island Secretary of State on June 8, 2016.

Accordingly, the City's position is that the license holder has abandoned said BL license.

**PREVIOUS LEGISLATIVE ACTION**

**FISCAL IMPACT**

Currently Budgeted (Account \_\_\_\_\_)  Requires additional appropriation  No Fiscal Impact

**SUPPORTING DOCUMENTS**

Complaints mailed May 10, 2019  
Rhode Island General Laws, Section 3-7-6

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Finance Dept. Review: \_\_\_\_\_ Date By: \_\_\_\_\_ (if applicable)

*Continued to 6/26/2019  
Continued to 8/28/2019  
Continued to 10/13/2019*

CITY OF NEWPORT  
BOARD OF LICENSE COMMISSIONERS

Joseph J. Nicholson, Jr., in his  
capacity as City Manager and  
Director of Public Safety

vs.

Rui Reis, Vice President  
Unity 3, LLC  
d/b/a Area  
c/o 5 Wellington Ave.  
Newport, Rhode Island

C O M P L A I N T

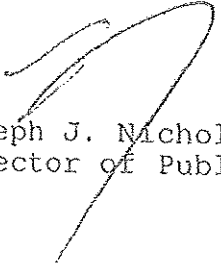
Joseph J. Nicholson, in his capacity as City Manager and Director of Public Safety of the City of Newport, hereby complains that the above-named liquor licensee has violated the statutory and/or regulatory provisions of the General Laws of Rhode Island, the ordinances of the City of Newport, the Regulations of the Department of Business Regulation, and/or the Rules and Regulations of the Board of License Commissioners of the City of Newport in the following specifications:

The BL license issued to the license holder expired on December 1, 2017 and has not been renewed pursuant to the General Law of Rhode Island §3-7-6 and all other applicable ordinances, rules and regulations.

The license holder's Certificate of Organization was revoked by the Rhode Island Secretary of State on June 8, 2016.

The license holder has abandoned the license.

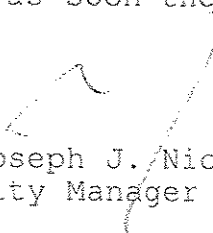
WHEREFORE, the Director of Public Safety requests the Board of License Commissioners to take such action against the liquor license of the defendant licensee, namely revocation of said license, or such other action, as the Board of License Commissioners deems fair and just.

  
Joseph J. Nicholson, Jr.  
Director of Public Safety

CITY OF NEWPORT  
BOARD OF LICENSE COMMISSIONERS

TO: Rui Reis, Vice President  
Unity 3, LLC  
d/b/a Area  
c/o 5 Wellington Ave.  
Newport, Rhode Island

Please take notice that the within Complaint will be called for hearing before the Board of License Commissioners of the City of Newport in the Council Chamber of City Hall on the 22 day of May, 2019, at 6:30 p.m., or as soon thereafter as the matter may be heard.

  
Joseph J. Nicholson, Jr.  
City Manager

C E R T I F I C A T E

I, LAURA SWISTAK, hereby certify that on the 10 day of MAY, I mailed a true copy of MA CERTIFIED MAIL the foregoing Complaint to RUI REIS in his/her capacity as VICE PRESIDENT at the above-named establishment.

Laura C. Swistak  
City Clerk

CITY OF NEWPORT  
BOARD OF LICENSE COMMISSIONERS

Joseph J. Nicholson, Jr., in his  
capacity as City Manager and  
Director of Public Safety

vs.

Charles Masterson II, Secretary  
Unity 3, LLC  
d/b/a Area  
c/o 26 Reardon Terrace  
Middletown, Rhode Island

C O M P L A I N T

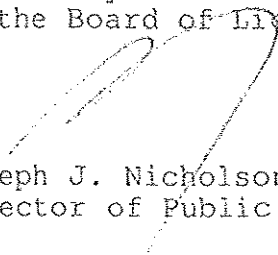
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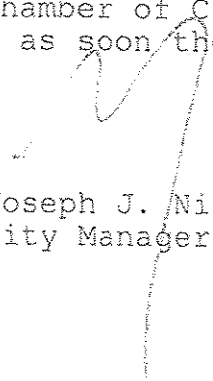
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Joseph J. Nicholson, Jr.  
Director of Public Safety

CITY OF NEWPORT  
BOARD OF LICENSE COMMISSIONERS

TO: Charles Masterson II, Secretary  
Unity 3, LLC  
d/b/a Area  
c/o 26 Reardon Terrace  
Middletown, Rhode Island

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Joseph J. Nicholson, Jr.  
City Manager

C E R T I F I C A T E

I, LAURA SWISTAK, hereby certify that on the 10 day of MAY, I mailed a true copy of VIA CERTIFIED MAIL the foregoing Complaint to CHARLES MASTERSON II in his/her capacity as SECRETARY at the above-named establishment.

Laura C. Swistak  
City Clerk

CITY OF NEWPORT

BOARD OF LICENSE COMMISSIONERS

Joseph J. Nicholson, Jr., in his  
capacity as City Manager and  
Director of Public Safety

vs.

Charles Evans, President  
Unity 3, LLC  
d/b/a Area  
c/o 45 Grafton St.  
Newport, Rhode Island

C O M P L A I N T

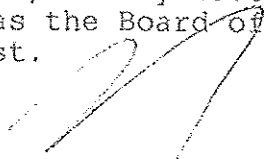
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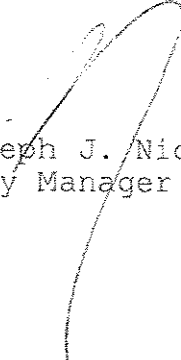


Joseph J. Nicholson, Jr.  
Director of Public Safety

CITY OF NEWPORT  
BOARD OF LICENSE COMMISSIONERS

TO: Charles Evans, President  
Unity 3, LLC  
d/b/a Area  
c/o 45 Grafton St.  
Newport, Rhode Island

Please take notice that the within Complaint will be called for hearing before the Board of License Commissioners of the City of Newport in the Council Chamber of City Hall on the 22 day of May, 2019, at 6:30 p.m., or as soon thereafter as the matter may be heard.



Joseph J. Nicholson, Jr.  
City Manager

C E R T I F I C A T E

I, LAURA SWISTAK, hereby certify that on the 10 day of MAY, I mailed a true copy of VIA CERTIFIED MAIL the foregoing Complaint to CHARLES EVANS in his/her capacity as PRESIDENT at the above-named establishment.

Laura C. Swistak  
City Clerk

# TITLE 3

## Alcoholic Beverages

### CHAPTER 3-7

#### Retail Licenses

#### SECTION 3-7-6

#### § 3-7-6. Renewal of Class A, Class B, Class C, Class D, Class E, and Class J licenses.

The holder of a Class A, Class B, Class C, Class D, Class E, or Class J license who applies before October 1 in any licensing period for a license of the same class for the next succeeding licensing period is prima facie entitled to renewal to the extent that the license is issuable under § 3-5-16. This application may be rejected for cause, subject to appeal as provided in § 3-7-21. A person whose application has been rejected by the local licensing authorities shall, for the purpose of license quotas under § 3-5-16, be deemed to have been granted a license until the period for an appeal has expired or until his or her appeal has been dismissed. The license holder may be required to pay a twenty-five dollar (\$25.00) fee upon application of renewal, at the option of local licensing authorities. This fee shall be used by the local licensing authority for advertising and administrative costs related to processing the renewal application.

#### History of Section.

(G.L., ch. 164, § 10; P.L. 1941, ch. 1038, § 3; P.L. 1961, ch. 164, § 1; P.L. 1976, ch. 240, § 1; P.L. 1985, ch. 178, § 1; P.L. 1987, ch. 274, § 1.)



Received

AUG 28 2019

City Clerk's Office

August 28, 2019

**Rui S. Reis's Statement to The Honorable Newport City Council**

**Let me give a short history of our Unity 3 LLC business and our Class B Beverage License because I want to request an additional extension.**

**Unity 3, LLC, holder of a BL Liquor License issued by the City of Newport consists of myself, Rui Reis, Charles Evans, and Charles Masterson. We have been united from the start.**

**On November 12, 2003, Barracuda, LLC. transferred a Class B Liquor License to Unity 3, LLC; for our location on Broadway.**

**Frank Dwyer and others as Barracuda, LLC appealed the transfer to the State of Rhode Island Liquor Control Board, the State denied their appeal.**

**You can't trust anyone with the name Barracuda.**

**In April 2007, after the Rhode Island Liquor Control Board denied and dismissed Frank Dwyer's appeal. He appealed the case to Superior Court.**

**Frank Dwyer has not prosecuted or moved forward with his appeal in the Superior Court.**

**That Appeal case is now 13 years old and should be dismissed for him doing nothing**

**Since 2003 Unity 3, LLC has held the license and has renewed every year until recently.**

**Frank Dwyer is not a partner, a creditor or a sub-contractor of Unity 3, LLC.**

**We have negotiated with Frank Dwyer despite his not having interest in the business, known as Unity 3, LLC which holds the liquor license.**

**Despite our negotiations, we are still continuing to reach a resolution for Frank Dwyer to dismiss the appeal and allow the transfer of our license then Unity 3, LLC will transfer the license to a current restaurant business or another business in the hospitality industry.**

**Please grant an extension of sixty days to the end of October 2019.**