**STATE OF RHODE ISLAND**
**DEPARTMENT OF BUSINESS REGULATION**
**PASTORE COMPLEX**
**1511 PONTIAC AVENUE, BUILDING 68**
**CRANSTON, RHODE ISLAND 02920**

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**VILLAGE BY ZAZ, LLC, d/b/a THE VILLAGE BY ZAZ, Appellant**

**DBR 26LQ005**

**v.**

**CITY OF PROVIDENCE BOARD OF LICENSES, Appellee**

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# ORDER RE: MOTION FOR STAY

## I. INTRODUCTION

This matter before the Department of Business Regulation ("Department") arose from Village by Zaz, LLC d/b/a The Village by Zaz's ("Appellant" or "Zaz") Notice of Appeal and Emergency Motion to Stay filed on October 8, 2026, pursuant to R.I. Gen. Laws § 3-7-21 with respect to the City of Providence ("City") Board of Licenses' ("Board") October 1, 2026, decision to revoke Appellant's class BV liquor license ("License") with respect to the premises located at 332 Atwells Avenue, Providence, Rhode Island. On October 15, 2026, a hearing on the Motion to Stay was held before the undersigned who was appointed as hearing officer by the Director of the Department. Appellant's legal counsel appeared on behalf of the Appellant. The Board's legal counsel and City Solicitor appeared on behalf of the Board and the City. Board counsel provided the undersigned hearing officer and Appellant's counsel with a copy of the record below including the Board's agenda, minutes, and audio recording of the October 1, 2026 meeting, the September 29, 2026 notice to appear issued to the Appellant, and copies of the

License records and violation history. The undersigned also reviewed and takes administrative notice of public records of other Board meetings available on the City's Open Meetings Portal as noted in this decision.[1]

## II. JURISDICTION

The Department has jurisdiction over this matter pursuant to R.I. Gen. Laws § 3-2-1 *et seq.*, R.I. Gen. Laws § 3-5-1 *et seq.*, R.I. Gen. Laws § 3-7-1 *et seq.*, R.I. Gen. Laws § 42-14-1 *et seq.*, and R.I. Gen. Laws § 42-35-1 *et seq.*

A liquor appeal to the Department pursuant to R.I. Gen. Laws § 3-7-21 is considered a *de novo* hearing. The Department's jurisdiction is *de novo* and the Department independently exercises the licensing function. *A.JC. Enterprises v. Pastore,* 473 A.2d 269 (R.I. 1984); *Cesaroni v. Smith,* 202 A.2d 292 (R.I. 1964); and *Hallene v. Smith,* 201 A.2d 921 (R.I. 1964). Because the Department has such broad and comprehensive control over traffic in intoxicating liquor, its power has been referred to as a "super-licensing board." *Baginski v. Alcoholic Beverage Comm.,* 4 A.2d 265, 267 (R.I. 1939). See also *Board of Police Com'rs v. Reynolds,* 133 A.2d 737 (R.I. 1957). The purpose of this authority is to ensure the uniform and consistent regulation of liquor statewide. *Hallene v. Smith,* 201 A.2d 921 (R.I. 1964).

## III. STANDARD FOR ISSUANCE OF A STAY

Under *Narragansett Electric Company v. William W. Harsch et al.,* 367 A.2d 195, 197 (R.I. 1976), a stay will not be issued unless the party seeking the stay makes a "'strong showing'" that "(1) it will prevail on the merits of its appeal; (2) it will suffer irreparable harm if the stay is not granted; (3) no substantial harm will come to other interested parties; and (4) a

[1] See https://providenceri.iqm2.com/Citizens/Board/1007-Board-of-Licenses; see also the Department's Rules of Procedure for Administrative Hearings 230-RICR-10-00-2 § 2.14(C).

stay will not harm the public interest." Notwithstanding the ruling in *Harsch,* the Supreme Court in *Department of Corrections v. Rhode Island State Labor Relations Board,* 658 A.2d 509 (R.I. 1995) found that *Harsch* was not necessarily applicable in all agency actions and that the Court could maintain the *status quo* in its discretion when reviewing an administrative decision pursuant to R.I. Gen. Laws § 42-35-15(c).

## IV. ARGUMENTS

In its Motion and at the stay hearing, the Appellant asserts that it has a likelihood of success on the merits of its appeal, because the Board revoked the License on October 1, 2026 without affording proper notice and without conducting a hearing in accordance with the Board's required show cause procedures thereby violating the Appellant's rights to procedural due process as required by law. Appellant further asserts that the Appellant will suffer irreparable harm if a stay is not granted because "closure during the pendency of the appeal will result in a loss of revenue, a loss of current employees who will have to find other employment, and a loss of goodwill with its customers and vendors." Appellant's Motion at 5.

In its Objection and at the stay hearing, the Board claims that the Board "issued a probationary license with a scheduled review to determine fitness of the license holder." Appellee's Objection at 1. Further, the Board asserts that the Appellant is unable to show a likelihood of success on the merits, because at the October 1, 2026 review hearing "the Board determined that said probationary license was neither fit or suited to become a full BV liquor license based upon the conduct of the licensee and a review of the Board's own record during the probationary period." Appellee's Objection at 1. The Board contends the Appellant will not suffer irreparable injury if a stay is not granted.

## V. APPLICABLE LAW

A retail Class B liquor license is issued by the licensing authority of the city or town where the licensed premises are located; the license is subject to renewal on December 1 of each calendar year. R.I. Gen. Laws §§ 3-7-6 and 3-7-7(b). In the City of Providence, the Board is the licensing authority. R.I. Gen. Laws § 3-5-15. Renewal of a Class B license may be denied for cause, subject to the right of appeal as provided in § 3-7-21. Id. A license does not expire until a final decision is made after a timely renewal. R.I. Gen. Laws 42-35-14(b). This statute has been deemed to apply to renewal of a city/town issued liquor license. See *Chernov Enterprises, Inc. v. Sarkas*, 284 A.2d 61 (R.I. 1971); *Giraud v. Pastore*, 1984 WL 559294 (R.I. Super.)

Pursuant to R.I. Gen. Laws § 3-5-21, a retail Class B liquor license is subject to fines, suspension or revocation by the local licensing authority for:

> "(1) Breach by the holder of the license of the conditions on which it was issued; or
> (2) Violation by the holder of the license of any rule or regulation applicable; or
> (3) Any fraudulent act or "material misrepresentation" made by an applicant for a license or a licensee, including, but not limited to, any misrepresentation of information upon which the licensing board reasonably relies in rendering any decision concerning a license, licensee, or establishment; or
> (4) Breach of any provisions of [Rhode Island General Laws Chapter 3-5]; or
> (5) Operating in any manner inconsistent with the license, or in any manner consistent with another class license, without first coming before the board for a new license application."

Additionally, under R.I. Gen. Laws § 3-5-23, a retail Class B liquor license is subject to suspension or revocation if the licensee permits the licensed premises "to become disorderly as to annoy and disturb the persons inhabiting or residing in the neighborhood", provided the licensee is summoned before the local licensing authority where "he or she and the witnesses for and against him or her may be heard."

A license holder has a constitutionally protected interest in a government issued license, which requires that the licensee be afforded due process before the license can be taken away. *In re: Cross*, 617 A.2d 97, 100 (1992). "'[P]rocedural due[ ]process requires certain minimal standards of notice, hearing, and opportunity to respond adequately before a governmental agency may effectively deprive an individual of life, liberty, or property.' *State v. Manocchio*, 448 A.2d 761, 764 n. 3 (R.I. 1982); *see also Fuentes v. Shevin,* 407 U.S. 67, 80-81 92 S.Ct. 1983, 32 L.Ed.2d 556 (1972)." *East Bay Community Development Corp. v. Zoning Bd. of Review of Town of Barrington*, 901 A.2d 1136, 1153 (2006). "It is equally fundamental that the right to notice and an opportunity to be heard 'must be granted at a meaningful time and in a meaningful manner.' *Armstrong v. Manzo*, 380 U.S. 545, 552, 85 S.Ct. 1187, 1191, 14 L.Ed.2d 62 [(1965)]." *Fuentes v. Shevin,* 407 U.S. at 80.

Consistent with due process, the Board's "LICENSING RULES, OPERATIONS AND PROCEDURE, Effective date, January 1, 2025" (hereinafter collectively the "Board Rules" or individually a "Board Rule")[2] outline its required operations and procedures for revocation or other disciplinary action on a Class B liquor license. The Board's required procedures include: serving the licensee with a notice of violation that includes the date(s) of, nature of, and code sections pertinent to, the alleged violations; a mandatory pre-hearing procedure; and if no mutual agreement is reached between the licensee and the City during the pre-hearing procedure, a show cause hearing at which the licensee "shall have the right to present evidence, cross-examine witnesses, object, and make motions and present arguments." Board Rules 2, 3, and 4. If the licensee appears at its pre-hearing conference and/or requests discovery in advance of the show cause hearing, the City is obligated to provide the licensee with "a copy of all of the evidence the

[2] See https://www.providenceri.gov/wp-content/uploads/2025/03/2025-Board-Rules-and-Regulations-Final-Version-Approved-10-2024.pdf

Solicitor may use to support a finding that the alleged violations did occur." Board Rule 4(d). The show cause hearing must be conducted by the Board at a public meeting. Board Rule 2(c). At the show cause hearing, both the City and the licensee shall be entitled to make motions and to present documentary and testimonial evidence provided that "[a]ll testimony shall be under oath or by affirmation." Board Rule 4(h).[3] Following the presentation of evidence and any oral arguments, the record is closed and the Board determines any penalties to impose in accordance with Board Rule 4(j). All decisions rendered and orders issued by the Board at the conclusion of a show cause hearing shall be provided to the parties, including the licensee, in writing, within three (3) business days thereafter and shall include notice of the right to appeal in accordance with Rhode Island law. Board Rule 8.

## VI. DISCUSSION

On July 24, 2025, the Board approved the Appellant's License application.[4] The audio recording of the Board's vote reflects that the approval was conditioned upon the owners of a former licensee at the licensed premises having no involvement with the Appellant's business or operations.[5] While there was no mention of "probation" in the audio recording, the Board's minutes state: "A 6-month probationary license has been approved until liquor renewal season. For review on December 4, 2025." At the stay hearing, the Board's counsel stipulated that following the approval of Appellant's license application, the License was issued on October 10, 2025.

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[3] The Board's Rule regarding public comment at meetings states that "[n]o member of the public may comment regarding a pending show cause hearing." Board Rule 25(a).

[4] See https://providenceri.iqm2.com/Citizens/FileOpen.aspx?Type=12&ID=12011&Inline=True and https://providenceri.iqm2.com/Citizens/SplitView.aspx?Mode=Video&MeetingID=15183&Format=Minutes .

[5] At the stay hearing before the undersigned, both Appellant's counsel and the Board's counsel confirmed that the former licensee, Saje Kitchen Group, LLC, and its principals have no interest in or involvement with the Appellant or its business operations. See: https://dbr.ri.gov/media/31361/download.

At its meeting on December 4, 2025, the Board determined that the probation review was "premature since the establishments [sic] liquor license was recently issued" and the Board continued the matter to January 22, 2026.[6] The Board's License record referencing: "25-453 Renewal" "Expiration Date Dec 01, 2026" (hereinafter the "License Record"), which is part of the record of proceedings provided by Board's counsel, reflects that the "Licensing Renewal Fees" were "Paid Dec 04, 2025". The License Record also confirms that "Final Review" was "Completed Dec 29, 2025", that the 2026 License was "Issued Dec 29, 2025" and that it is a full 12-month license with an expiration date of December 1, 2026.

At its January 22, 2026 meeting, the Board voted to continue the matter to March 26, 2026 noting that "the establishment commenced operations 3-4 weeks ago and has not been operating long enough to review the probationary BV (Restaurant with food) 1am closing license that was issued on 10/10/25."[7] The audio recording and minutes from the Board's March 26, 2026 meeting reflect that the review was further continued to April 9, 2026 at the request of representing counsel and the applicant.[8] The audio recording and minutes from the Board's April 9, 2026 meeting reflect that the probationary period was extended until the License's December 1, 2026 renewal, the "liquor renewal season for 2027", and that "[t]he licensee will be required to appear for review of their license on October 1, 2026."[9]

The License Record reflects that on September 29, 2026, a Notice to Appear on October 1, 2026 was issued to Appellant, which stated: "For review of Probationary period extended on 4/9/2026 until the 2027 liquor license renewal season. For review on October 1, 2026. NOTE:

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[6] See https://providenceri.iqm2.com/Citizens/FileOpen.aspx?Type=12&ID=12126&Inline=True and https://providenceri.iqm2.com/Citizens/SplitView.aspx?Mode=Video&MeetingID=15202&Format=Minutes .
[7] See minutes at https://providenceri.iqm2.com/Citizens/FileOpen.aspx?Type=12&ID=12156&Inline=True ; there is no audio recording posted for the meeting.
[8] See https://providenceri.iqm2.com/Citizens/FileOpen.aspx?Type=12&ID=12206&Inline=True and https://providenceri.iqm2.com/Citizens/SplitView.aspx?Mode=Video&MeetingID=15749&Format=Minutes .
[9] See https://providenceri.iqm2.com/Citizens/FileOpen.aspx?Type=12&ID=12220&Inline=True and https://providenceri.iqm2.com/Citizens/SplitView.aspx?Mode=Video&MeetingID=15823&Format=Minutes .

Please also remember to submit a renewal via your account on this portal for 2027 if you intend on doing so." The Board's Agenda for the October 1, 2026, meeting[10] included four (4) Items pertaining to the Appellant as follows:

**"FOR DISPOSITION & REVIEW:**

19. *The Village by Zaz LLC dba The Village by Zaz 332 Atwells Avenue.* Regarding incident(s) of September 12, 2026, Case Report #26-75350.
20. *The Village by Zaz LLC dba The Village by Zaz 332 Atwells Avenue.* Regarding incident(s) of August 27, 2026, Case Report #26-70190."

and

**"TO APPEAR:**

22. *The Village by Zaz LLC dba Saje by Zaz 332 Atwells Avenue.* Alcoholic Beverages Class BV (Full Liquor – Food). The probationary period has been extended on 4/9/2026 until liquor renewal season for 2027. The licensee will be required to appear for review of their license on October 1, 2026.
23. *Village by Zaz LLC dba The Village by Zaz 332 Atwells Avenue.* Incidental Entertainment Expanded."

The Minutes for the Board's October 1, 2026 meeting reflect the Board's determinations and actions on the four items were as follows:

19. As to the disposition and review regarding incident(s) of September 12, 2026, Case Report #26-75350, the Board voted unanimously to accept the City's recommended $2,000 fine for the violations of City Ordinance Sec. 14-193 – Entertainment without a license & Sec. 16-93 – Loud music.

[10] See https://providenceri.iqm2.com/Citizens/Board/1007-Board-of-Licenses .

20. As to the disposition and review regarding incident(s) of August 27, 2026, Case Report #26-70190, the Board voted unanimously to accept the City's recommended $1,500 fine for the violations of RIGL § 3-5-21 - City Ordinance Sec. 14-193 – Entertainment without a license & Sec. 16-93 – Loud music.

and

22. As to the appearance for review of the License:

> "Due to this license being issued as a probationary BV (Restaurant with food) license up for review on October 1, 2026, extended from April 9, 2026, this license has been revoked. Discussion and deliberation were had in reference to agenda item #19, 20, and 23 before the decision was made. The Board also learned that the Providence Police License Enforcement Unit was also *investigating two more alleged licensing violations* that required hours of video footage review. Before the decision to revoke was made there was a discussion of the potential to continue the matter to a later date to allow the *alleged pending violations forthcoming* to be brought before the Board." [Emphasis added.][11]

23. As to the appearance for "Incidental Entertainment Expanded", "[t]his license request was withdrawn at the request of the applicant and legal counsel."

The audio recording of the October 1, 2026 meeting provided by the Board's counsel as part of the record confirms that the August 27, 2026 and September 12, 2026 incidents (agenda Items 19 and 20) were resolved by the Board's acceptance of monetary fines for the cited violations. Further, Item 23, the Appellant's request for an incidental entertainment license was withdrawn.

As to the remaining item on the October 1, 2026 agenda, Item 22, the "probation" review of the license, the audio recording reveals that the License review consisted of the following. The Board counsel advised that the police department had requested continuing the review another month to complete its investigation of the new alleged violations, including the need to

[11] See https://providenceri.iqm2.com/Citizens/FileOpen.aspx?Type=12&ID=12397&Inline=True .

review video footage. The Board opened the matter up for public comment, and several members of the public provided comments, noting concern about noise, loud music, and closure time. These members of the public were not sworn under oath or asked to provide an affirmation. After the public comment, a member of the Board made a motion to end the probationary period and not continue the Class BV License and another Board member seconded the motion. The Board had discussion including what the police would do during the one-month continuation period it had suggested. One Board member stated that "we just got to go through the process, I want to hear what those other violations are, and I want to give the licensing unit an opportunity to present all of that information to the Board." The Board's counsel then reminded that Appellant's counsel had several times requested that if the Board was going to take action, his client be permitted to address the Board. Further Board discussion ensued and the movant explained that his motion was about the Appellant's fitness to hold the License, having had two "entertainment without a license" violations in close proximity and continuing to advertise entertainment in blatant disregard of the rules of the City. A second Board member stated they agreed with the movant and noted the need for licensees to follow the rules, protocols, policies and procedures. The Appellant's counsel and two principals of Appellant were then permitted to address the Board. A Board member asked the principals questions about the violations that had previously been disposed of. Another Board member expressed their concerns to the Appellant's principals and to the Board's Director of Licensing, to which the Director responded. Other Board members expressed their concerns to the Appellant. The Board counsel reminded of the pendency of the motion. Then the Board voted, four Ayes and one Nay, to revoke the License.

## VII. CONCLUSION AND RECOMMENDATION

Based upon the foregoing, the Appellant has made a strong showing that it is likely to prevail on the merits. The record reflects the License was first approved on July 24, 2025, and the Board stipulated that the License was issued on October 10, 2025. The record further reflects that the License was renewed in December 2025 for a full 12-month term with an expiration date of December 1, 2026. As such, while the Board may have determined to continue conducting periodic "probationary" reviews during 2026, that did not alter the full term or status of the License.

The October 1, 2026 agenda included four (4) items regarding the Appellant. The two violations items were resolved by the Board's acceptance of the City's recommended fines. The incidental entertainment license request was withdrawn. As to the fourth item, the Appellant was noticed to appear for a "review of [the] Probationary period", which on April 9, 2026, had been extended to the December 1, 2026 License renewal date. There was no notice provided of any new violations or other grounds for revocation or other license discipline under §§ 3-5-21 or 3-5-23.[12] Also, the October 1, 2026 record reflects that no pre-hearing procedures or discovery were conducted, there was no opportunity for the City or the Appellant to present documentary or testimonial evidence, no swearing in of or opportunity to cross examine witnesses, and the Board made no determinations or consideration of mitigating and aggravating factors as to penalties in accordance with Rule 4(j).[13]

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[12] The record confirms that the police were in the process of investigating two alleged violations, which was the basis for the City's request to continue the review an additional month.

[13] The Board's characterization or view of the License as "probationary" in no way obviated the requirement that the Board afford Appellant sufficient notice, opportunity for a hearing and follow the other procedural due process requirements set forth in the Board's Rules prior to a revocation of the License. The only mention of "probation" in the Board Rules is in Rule 16, which pertains to BX License Applications. Rule 16 provides that if an applicant who has held a Class BV license for less than 12 months applies for a Class BX license, "the Board may only probationally grant a BX License while giving great consideration to any material objection from residential abutters entitled to notice." Moreover, there is also no mention of "probationary" licensing in R.I. Gen. Laws § 3-7-7, which

The Appellant has also made sufficient showing that it will suffer irreparable harm if a stay is not granted. While loss of revenue alone may not constitute irreparable harm to the extent there may be an adequate remedy at law for Appellant to seek recompense, the Rhode Island Supreme Court has held that "'prospective damage to a business's good will and reputation is precisely the type of irreparable injury for which an injunction is appropriate.'" *Finnimore & Fisher Inc. v. Town of New Shoreham*, 291 A.3d 977, 986 (R.I. 2023), citing *Gianfrancesco v. A.R. Bilodeau, Inc.*, 112 A.3d 703, 711 (R.I. 2015), quoting *Iggy's Doughboys, Inc. v. Giroux*, 729 A.2d 701, 705 (R.I. 1999). As to the other stay factors, granting a stay while the appeal is pending before the Department will not harm the Board or the public interest. Like the Appellant, the Board, the City and the public have an interest in ensuring compliance with the procedural due process requirements set forth in the Board's "LICENSING RULES, OPERATIONS AND PROCEDURE" and other applicable laws.

Based upon the foregoing, the undersigned recommends that:

1. A stay of the revocation of Appellant's Class BV License be granted; and
2. The parties appear for a *de novo* hearing at the Department, to be conducted on an expedited basis, at a mutually convenient date/time to be set by a hearing officer designated by the Department.

The Appellant is reminded of its obligation to strictly comply with all requirements of the Class BV License including, without limitation, the 1:00 a.m. closure time and no entertainment without an entertainment license[14] and that it is Appellant's responsibility to apprise itself of all

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prescribes a one-year term for a Class BV license in § 3-7-7(b), as compared with § 3-7-7(a)(4), which does not include a statutorily prescribed term for a Class BX license. The Class BV license statute which establishes the one-year term is also different from R.I. Gen. Laws § 3-7-16.6(e), which provides that the city/town will establish the duration of a Class N nightclub liquor license.

[14] Board Rule 20 provides an entertainment license is required "if the sound will be heard outside the four walls of the building after 11:00 p.m."

requirements, restrictions and prohibitions associated with the License and to consult with its legal counsel should it have any questions or require instruction, advice and guidance with respect to any of the foregoing. The Board is reminded of the due process procedures and requirements outlined in the Board's Rules and to consult with its legal counsel should it have any questions or require training, advice and guidance with respect to such procedures and requirements.

Dated: October 19, 2026

Pamela J. Toro, Hearing Officer

**INTERIM ORDER**

I have read the Hearing Officer's Recommendation in this matter, and I hereby take the following action with regard to the Recommendation:

__X__ ADOPT
_____ REJECT
_____ MODIFY

Dated: October 19th, 2026

Elizabeth Kelleher Dwyer, Esquire
Director

**NOTICE OF APPELLATE RIGHTS**

**THIS DECISION CONSTITUTES AN INTERLOCUTORY ORDER OF THE DEPARTMENT OF BUSINESS REGULATION PURSUANT TO R.I. GEN. LAWS § 42-35-15. PURSUANT TO R.I. GEN. LAWS § 42-35-15, THIS ORDER MAY BE APPEALED TO THE SUPERIOR COURT SITTING IN AND FOR THE COUNTY OF PROVIDENCE WITHIN THIRTY (30) DAYS OF THE MAILING DATE OF THIS DECISION. SUCH APPEAL, IF TAKEN, MUST BE COMPLETED BY FILING A PETITION FOR REVIEW IN SUPERIOR COURT. THE FILING OF THE COMPLAINT DOES NOT ITSELF STAY ENFORCEMENT OF THIS ORDER. THE AGENCY MAY GRANT, OR THE REVIEWING COURT MAY ORDER, A STAY UPON APPROPRIATE TERMS.**

## CERTIFICATION

I hereby certify on this 20th day of October 2026, that a copy of the within Order Re: Motion for Stay was sent by email and first-class mail, postage prepaid to:

Louis A. DeSimone, Esquire, 1554 Cranston Street, Cranston, RI 02920, ldatty@gmail.com;

Nicholas J. Hemond, Esquire, Joseph P. Baxter, Esquire, Darrow Everett, LLP, One Turks Head Place, Suite 1200, Providence, RI 02903, nhemond@darroweverett.com
And jbaxter@darroweverett.com; and

Steve Nelson, Esquire, City of Providence Law Department, 444 Westminster Street, Suite 220, Providence, RI 02903, snelson@providenceri.gov;

and by email to Joshua Nault, Esquire, Deputy Chief of Legal Services, Department of Business Regulation at: Joshua.nault@dbr.ri.gov.

Megan Mihara