



FLAGSTAFF POLICE DEPARTMENT

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Chief of Police
Kevin D. Treadway

MEMORANDUM

Memo# 19-

TO Interim Chief Musselman

FROM Sgt. Collin Seay

DATE June 17th, 2019

REF LIQUOR LICENSE APPLICATION – Series 6 Location/Owner Transfer for “Grand Canyon Brewing Co.”

On June 17th, 2019, I initiated a Series 6 (Bar) Location and Owner Transfer liquor license investigation for Grand Canyon Brewing Company which will be located at 1800 S. Milton Rd Suite 11. This is the previous Buster’s Restaurant and Trail Crest location. John Peasley is listed as the controlling person and agent for this liquor license. John purchased this Series 6 license (#06030039) from John Zanzucchi on the open market, and the license used to be active at the former Granny’s Closet business by Zanzucchi in Flagstaff. John advised me over the phone the new location for this license is under construction, and he is hoping for an August or September of 2019 opening date. John is also stacking a Series 3 (In-State Microbrewery) license with this application so he can brew beer at this location as well.

John disclosed with his application he was arrested and charged with domestic violence disorderly conduct (Misdemeanor) charge in Kingman in 2014. He also disclosed the charges were dismissed after completing probation in 2016, and I was able to confirm this dismissal in a public access inquiry. John possesses a Series 12 (#12033209) restaurant license for Cruisers Café in Williams, AZ, and I did not locate any liquor violations against this license. John possesses two Series 3 (In-State Microbrewery) licenses (#03033004 and #03033013), a series 12 (Restaurant) license (#12033400), and a Series 18 (Craft Distiller) license (#18033002) for two additional locations in Williams, AZ.

I located an administrative violation against one Series 3 license in Williams for one of John’s microbreweries that did not produce at least 5,000 gallons of beer (ARS 205.08(D).1). John

advised me his bookkeeper found the violation during an internal audit, and they did not produce enough beer for the year. He self-reported to Arizona Department of Liquor and paid a fine. I also located another administrative violation against John's Series 18 license for distilling more than 1,189 gallons of craft liquor (4-205.10(C).5). John advised they wholesaled too much craft liquor to businesses which was also discovered in an internal audit and he paid the administrative fine on April 12th, 2019.

John advised he intended on completing the mandatory Arizona Liquor Law training within the next few days and before the council session. John said his intention was to serve liquor from 11 am to around 10 pm each day of the week. John also advised he would attend the July 2nd, 2019 city council meeting.