



STATE OF WASHINGTON  
GAMBLING COMMISSION

*"Protect the Public by Ensuring that Gambling is Legal and Honest"*

April 21, 2021

GARAGE BAR & GRILLE  
3510 KAUFFMAN AVE UNIT K  
VANCOUVER, WA 98660

**RE: ADMINISTRATIVE ACTION; CR 2020-01263**

Dear Garage Bar & Grille:

Enclosed is an Order of Default entered by the Commission on April 8, 2021, revoking your license to conduct gambling activities. This action occurred because you failed to appear at the scheduled Prehearing Conference on February 18, 2021, resulting in your administrative case being dismissed. Following the dismissal of your case, the WSGC moved for a Default Order to be issued against your license.

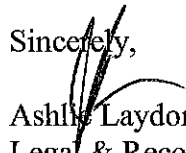
You have the right to move to vacate this Order. If you do so, we must receive your request by the 10<sup>th</sup> day after the Order was mailed. Your motion must include the specific grounds upon which relief is requested and must be submitted to:

Washington State Gambling Commission  
Attention: Legal & Records Division  
P.O. Box 42400  
Olympia, WA 98504-2400

You also have the right to submit a Petition for Judicial Review. If you do this, you must submit it within 30 days of the date the Order was mailed. RCW 34.05.514 explains where you must file this petition and RCW 34.05.546 explains what information your Petition must include.

This is not meant to be a full explanation of all the statutes and regulations you would need to understand to move to vacate or Petition for Judicial Review. Please call me at (800) 345-2529, extension 3473, with any questions.

Sincerely,

  
Ashley Laydon, Rules Coordinator  
Legal & Records Division

Enclosure



1           5.       According to documents obtained from the Washington Secretary of State's  
2 website, at some time between the filing of its 2018 and 2019 Annual Reports, GBG's listed  
3 owner, Ladybug15, LLC added a new Governor, Vanessa Wagner. The only principal that  
4 Ladybug15, LLC, doing business as GBG, has listed as a principal with the WSGC is Kevin  
5 Kloewer.

6           6.       On March 19, 2020, the Special Agent emailed Kloewer to notify him of GBG's  
7 failure to report its change of ownership, and to explain why there is a need for licensees to report  
8 these changes<sup>1</sup>. The Agent told Kloewer that along with filing and paying for the required  
9 Notification of Ownership Change form, the WSGC also required an updated Ownership  
10 Disclosure, an updated LLC Agreement, copies of the Purchase and Sale Agreement, as well as  
11 a number of documents required to determine Wagner's qualification for licensure. The deadline  
12 to provide the information was April 9, 2020.

13          7.       Having received no response from Kloewer, the Agent emailed him on April 8,  
14 2020. Kloewer responded that either he or his attorney would follow up with her shortly.

15          8.       On July 1, 2020, the Agent again emailed Kloewer to notify him that she had not  
16 received any of the documents that had been requested. In the email, the Agent told Kloewer  
17 that, "to avoid any additional violations, you must submit the documents by July 14, 2020."

18          9.       On July 15, 2020, after still not receiving the requested documents, the Agent  
19 called Kloewer, who noted a number of issues that he claimed was preventing him from  
20 providing the information that was originally due on April 9. In an effort to avoid further delay,  
21 the Regulatory Special Agent hand delivered the documents to GBG the following day. Wagner  
22 was there and received the documents.

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24  
25                   <sup>1</sup> All individuals that hold a substantial ownership interest in an organization, and their spouses, must be  
26 able to prove that they are qualified for licensure. To do so, an individual must provide both information to  
determine if they have relevant criminal history and documentation to outline the source of the funds used to  
obtain ownership in the organization.

1           10.     On August 10, 2020, the Agent left a message with GBG, which Wagner returned  
2 later that day. Wagner acknowledged that it was her fault that the documents had not yet been  
3 provided to the WSGC. The Agent told Wagner that any further delay could result in additional  
4 violations.

5           11.     On August 12, 2020, Wagner called the Agent to inform her that she was meeting  
6 with Kloewer to sign the documents the next day. Wagner said that she would put the documents  
7 in the mail the next day.

8           12.     On August 24, 2020, Wagner called to notify the Agent that she was having a  
9 hard time reaching Kloewer, and as a result did not have the signed documents.

10          13.     On September 16, 2020, Wagner called the Agent to say that she was mailing the  
11 documents that day.

12          14.     On October 14, 2020, the Agent emailed Kloewer to notify him that the WSGC  
13 had not received any of the documentation that he had claimed he was sending, and as a result,  
14 she was recommending administrative charges against GBG.

15          15.     On October 15, 2020, Kloewer called the Agent claiming that the paperwork had  
16 been sent by USPS about two weeks prior. The Agent noted that on top of not receiving the  
17 paperwork, GBG had yet to pay the application fee required to file a Notice of Ownership  
18 Change.

19          16.     On October 16, 2020, GBG paid the application fee online.

20          17.     On October 21, 2020, Kloewer emailed the Agent stating that she would receive  
21 the documents by the end of the week.

22          18.     As of the date that this Order has been presented, the WSGC has yet to receive  
23 the required documentation from GBG.

24          19.     Director David Trujillo issued administrative charges on December 10, 2020  
25 alleging that Garage Bar & Grille's actions constituted a violation of WAC 230-06-107(1)(a),  
26 WAC 230-06-107(2)(a), (b), and (c), and WAC 230-03-085(8). Further, that GBG could not

1 show by clear and convincing evidence that it was qualified for licensure as required by RCW  
2 9.46.153(1), and that its actions warranted revocation of its license pursuant to RCW 9.46.075(1)  
3 and WAC 230-03-085(1), (3), (8), and (9)(a).

4 20. GBG was sent the charges by regular and certified mail on December 11, 2020 to  
5 the last address the Gambling Commission had on file.

6 21. GBG filed an Amended Request for Hearing on January 16, 2021 stating that they  
7 want “the opportunity to discuss settlement options and keep the right to a hearing.”

8 22. Upon receiving the Amended Request for Hearing, the Office of Administrative  
9 Hearings (OAH) issued a Notice of Prehearing Conference on February 9, 2021. That Notice,  
10 sent to GBG via First Class Mail, outlined that a Prehearing Conference would be held on the  
11 matter Thursday, February 18, 2021 at 11:00 AM.

12 23. Neither any member of GBG nor a legal representative for the licensee appeared  
13 for the scheduled Prehearing Conference. As a result, the WSGC moved for a Default Order to  
14 be issued by the presiding Administrative Law Judge, Dan Gerard.

15 24. ALJ Gerard granted the WSGC’s motion. On February 19, 2021, OAH sent the  
16 Order Dismissing Appeal to GBG by First Class Mail to the same address.

17 25. Pursuant to WAC 230-17-010, a response was required to be received by the  
18 Commission by March 11, 2021. To date, the Commission has received no Petition for Review  
19 or communication regarding a Petition from GBG.

## 20 II. CONCLUSIONS OF LAW

21 1. Garage Bar & Grille received proper notice of the Order Dismissing Appeal  
22 within three days of February 19, 2021 via First Class Mail, pursuant to RCW 34.05.440, RCW  
23 34.05.434, WAC 230-17-020, WAC 230-17-010, and WAC 10-08-210.

24 2. The Commission can take final action against Garage Bar & Grille’s gambling  
25 license under Case Number CR 2020-01263 pursuant to RCW 9.46.075, RCW 34.05.440(1),  
26 RCW 34.05.461, and WAC 230-03-085.



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**NOTICE**

Reconsideration: RCW 34.05.470 and WAC 230-17-140 provide that a party may file a petition for reconsideration of a final order. A petition for reconsideration must be received no later than thirteen (13) days after the date this final order is mailed. Any motion for reconsideration must state the specific grounds supporting the party's request for reconsideration.

Stay of Final Order: Filing for reconsideration does not stay the effectiveness of this Order. WAC 230-17-145 provides that a party may petition the Commission for a stay of a final order. Any petition for a stay should be received by the Commission within thirteen (13) days after the date this final order is mailed.

Judicial Review: RCW 34.05.542 provides that a party may appeal this final order by filing a petition for judicial review within thirty (30) days after service of this order. A petition for judicial review must be filed with the appropriate superior court and served upon both the Commission and the Office of the Attorney General.

Service: This Order was served on you three days after it was deposited in the United States Postal Service regular mail, excluding the date of mailing. WAC 230-17-035.

Any motions or petitions for judicial review should be served on or mailed to:

Washington State Gambling Commission  
Legal and Records Division  
4565 7<sup>th</sup> Avenue S.E., Lacey, WA  
P.O. Box 42400  
Olympia, WA 98504-2400

Doug Van de Brake  
Attorney General's Office  
1135 Washington St. SE  
P.O. Box 40100  
Olympia, WA 98504-0100

**CERTIFICATE OF SERVICE**

I certify that on the date below I served a copy of the foregoing document on all parties and/or their counsel by United States Postal Service regular mail to the following:

GARAGE BAR & GRILLE  
3510 KAUFFMAN AVE UNIT K  
VANCOUVER WA 98660

EXECUTED this 21 day of April, 2021, at Lacey, Washington.

  
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Ashlie Laydon  
Rules Coordinator