

STATE OF WISCONSIN :: CITY OF SHEBOYGAN :: SHEBOYGAN COUNTY
COMMON COUNCIL PROCEEDINGS

IN THE MATTER OF THE
COMPLAINT AGAINST

J.N. CORTEZ LLC,
D.B.A. Mi Ranchito II

SUMMONS

Re: License 3475
Class “B” Fermented Malt Beverage License
“Class B” Intoxicating Liquor License
Amusements License

**THE SHEBOYGAN COMMON COUNCIL to J.N. CORTEZ LLC, by licensing agent Goya
Elena Cortez:**

You are hereby notified that a sworn complaint, a copy of which is attached, has been duly made and filed, requesting a hearing on suspension or revocation of the following 2025-2026 licenses: Class “B” fermented malt beverage license, “Class B” intoxicating liquor license, and Amusement license, issued collectively under license number 3475, for the premises located at 1235 Indiana Avenue, in the City of Sheboygan, State of Wisconsin, for the license period running July 1, 2025, and expiring June 30, 2026. This sworn complaint requesting a hearing for the suspension or revocation of the above referenced licenses is brought pursuant to the provisions of Wis. Stat. §§ 125.12(1), 125.12(2) and Sheboygan Municipal Code §§ 4-34, 6-86, and 6-221.

NOW THEREFORE, you, J.N. CORTEZ LLC, by licensing agent Goya Elena Cortez, are hereby summoned to appear before the Licensing, Hearings, and Public Safety Committee of the City of Sheboygan Common Council on Wednesday, May 27, 2026, at 4:30 p.m., in the

Common Council Chambers, 3rd Floor, 828 Center Avenue, Sheboygan, Wisconsin, to provide a formal answer to the complaint and/or to show cause why the license identified in the summons and complaint as number 3475 should not be revoked or suspended.

If you fail to appear as required by this summons, the allegations in the complaint against you shall be taken as true and, if the Licensing, Hearing, and Public Safety Committee of the City of Sheboygan Common Council finds the allegations sufficient, a recommendation that your license(s) be suspended or revoked will be made to the full Common Council. The Common Council may then vote to suspend, revoke, or non-renew your license(s).

The hearing portion of the proceeding will be recorded. Further please be aware that:

1. The hearing is scheduled for May 27, 2026, at 4:30 p.m., in the Common Council Chambers, 3rd Floor, 828 Center Avenue, Sheboygan, Wisconsin. (The evidentiary hearing will be open to the public. Deliberations may be held in closed session pursuant to 19.85(1)(a), Wis. Stats.)
2. You have the opportunity to present and argue your own case or have an attorney of your choice present and argue your case. Legal counsel, if desired, must be provided at your own expense.
3. You may bring witnesses to testify on your own behalf.
4. You have the opportunity to question or refute any testimony or evidence, including the right to cross-examine adverse witnesses.

5. You may request a written transcript of the hearing at your expense.

Dated at Sheboygan, this 21st day of May, 2026.



Melissa Clevenger
Deputy City Clerk
City of Sheboygan

6. Licensee has not operated at their licensed premise since July, 2025 because the licensed premise was placarded as unsafe.
7. Licensee suffered a four-month suspension of license effective August 25, 2025 arising from conduct occurring at and around the licensed premise.
8. Upon post-suspension reactivation of license, Licensee was granted an extension of the Cessation of Premises regulations set forth in Sheboygan Municipal Code Section 4-41 allowing for the continued cessation of premises until June 2, 2026.
9. Agent and Juan Negrete acquired an ownership interest in the property commonly identified as 1515 New Jersey Avenue, Sheboygan, Wisconsin by land contract on January 1, 2026. This property provides a bar area, dining area, and kitchen.
10. Licensee has applied to transfer license #3475 from 1235 Indiana Avenue, Sheboygan, Wisconsin to 1515 New Jersey Avenue, Sheboygan, Wisconsin. Such application is pending before the Sheboygan Licensing, Hearings, and Public Safety Committee.
11. Upon information and Belief, Licensee and/or Agent has violated the following Wisconsin Statutes and municipal ordinances adopted under Wis. Stat. S. 125.10.

Count 1: Unlicensed Possession of Alcohol Beverages
Factual Basis

12. On March 14, 2026, at approximately 9:00 p.m., Sheboygan Police Officer Lopez observed a large grouping of parked cars near 1515 New Jersey Avenue and saw that a sign on the front door was illuminated to read, "Open." Officer Lopez parked his fully marked squad car and walked to the entry door, which he found was locked. Officer Lopez observed a woman standing outside who appeared nervous. Officer Lopez shined his flashlight into the window and observed Juan Negrete inside. Mr. Negrete opened the door to Officer Lopez and responded affirmatively when asked if the business was open. Officer Lopez observed several brightly colored bottles that appeared to be "mixers" in the bar area. Mr. Negrete informed Officer Lopez that the woman locked outside was his daughter, which Officer Lopez found odd. Officer Lopez also observed Mr. Negrete to behave nervously, unlike his behavior in other contacts. Officer Lopez observed patrons throughout the premises.
13. Upon later reviewing his body-worn camera, Officer Lopez observed that about a dozen of the bottles on display in the bar area were alcoholic beverages. The premise did not hold a valid license to display alcohol beverages for sale.
14. On March 15, 2026, at approximately 1:30 a.m., City of Sheboygan Police Officer Toth entered the business located at 1515 Jersey Avenue, Sheboygan, Wisconsin, to inspect

operations. Upon entering, he observed Agent and one additional staff person inside the premises as well as several alcohol containers behind the counter within the bar area. No patrons were inside the premise at this time.

15. On March 25, 2026, Sheboygan Police Detective Wynveen and Officer Tenpas returned to 1515 New Jersey Avenue where they made contact with Agent who allowed them to inspect the premises. During his inspection, Officer Tenpas observed several areas with liquor bottles and liquor mixes as well as refrigerated cabinets containing beer and seltzers. Agent further admitted that she was “in charge of everything” at the premises.
16. Detective Wynveen confirmed with the Sheboygan City Clerk that the former owner of 1515 New Jersey Avenue had surrendered his alcohol license to the City with the expectation that a license would be issued to “El Rancho LLC” at that location. The City Clerk also confirmed that Agent and Mr. Negrete were present when the former owner turned in his license. While El Rancho, LLC applied for licensure and identifying Mr. Negrete as Owner-Agent on the application, at all relevant times, no license was issued for such operation.

Legal Basis

17. Wis. Stat. s. 125.14(5) provides in relevant part, “Any building or place where alcohol beverages or alcohol is sold, possessed, stored... without a valid permit or license issued under [Chapter 125] or Chapter 139, ... is a public nuisance and may be closed until the activity in violation of this chapter is abated.” Moreover, “all alcohol beverages owned, possessed, kept, stored... in violation of [Chapter 125] or Chapter 139 and all personal property used in connection therewith is unlawful property and may be seized by any peace officer.” Wis. Stat. s. 125.14(2).
18. A Class “B” license, issued by a municipality, authorizes the sale of fermented malt beverages from the premises within the municipality for consumption on or off premise. Wis. Stat. 125.26(1). A “Class B” license, issued by a municipality, authorizes the retail sale of intoxicating liquor and wine by the glass for consumption on premise or, if the container is sealed, for consumption off-premise. Wis. Stat. 125.51(3).
19. In most cases, state law requires a person buying a business that holds an alcohol license to apply for a license to continue business operations. Such applications are subject to issuing authority consent and satisfaction of the requirements applicable to original applicants. Wis. Stat. 125.04(12)(b)4. The purchase of a business does not automatically result in the transfer of an alcohol license.
20. By possessing alcoholic beverages and displaying them as if they were available for sale to patrons, while operating a restaurant business at 1515 New Jersey Avenue without a valid alcohol license, Agent violated Wis. Stat. S. 125.14.

Count 2: Violation of Wis. Stat 945.03(1m)(a)

Factual Basis

21. During Officer Lopez's March 14th tour of the premises, he observed several electronic gaming machines in the rear of the bar, which appeared to be powered on and available for patron use while he observed patrons inside the premises.
22. Upon assuming responsibility for the investigation, Detective Wynveen spoke with the former owner of 1515 New Jersey Ave, who confirmed that gambling machines supplied by Midstate Amusement, were included in the real estate transaction.
23. Detective Wynveen also spoke with a local representative of Midstate Amusement, who explained that he had been doing business with Agent at the Indiana Avenue location. According to the representative, in February 2026, Agent had asked for new gambling machines to be placed at 1515 New Jersey Avenue. The representative did so without written contract based upon their existing business relationship and upon the assumption that the premises was either licensed or would be licensed.
24. On March 25, 2026, Detective Wynveen met with Midstate Amusement technicians at 1515 New Jersey Avenue who were tasked with removing the gambling machines. In speaking with them, Detective Wynveen learned that the machines had been used since their installation. Specifically, Detective Wynveen learned that \$1244 was paid into the machines and \$971 was paid out from machine-based winnings.

Legal Basis

25. A person holding a Class "B" or a "Class B" license pursuant to Wis. Stat. Ch. 125 may possess not more than five video gambling machines on the premises. Wis. Stat. S. 945.03(2m). Absent an alcohol license, offering gambling machines renders a premise a "gambling place." Whoever intentionally permits the operation of a gambling place is guilty of a Class I felony. Wis. Stat. S. 945.03(1m).
26. By offering video gambling machines for use by patrons at an unlicensed premises and profiting from such gambling activities, Agent violated Wis. Stat. 945.03(1m)(a).

WHEREFORE, the undersigned requests that the named Licensee be summoned to appear before the Licensing, Hearings, and Public Safety Committee of the City of Sheboygan Common Council to answer this complaint and, if the material allegations of the complaint are denied, that a hearing be held at that time to determine whether the above licenses should be revoked or suspended.

Dated this 21st day of May, 2026.

By: Kurt D. Zempel
Complainant
Name: Kurt Zempel
Title: Police Chief,
City of Sheboygan

Subscribed and sworn before me
this 21st day of May, 2026.

[Signature]

Name:

Notary Public, State of Wisconsin

My Commission expires: 09/14/2026

