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**STATE OF WASHINGTON  
GAMBLING COMMISSION**

In the Matter of:

NO. CR 2018-00480

JDH VENTURES, LLC d/b/a,  
MIKE'S BAR AND GRILL,

SETTLEMENT AGREEMENT

Applicant.

The Washington State Gambling Commission (Commission) through David Trujillo, Director, and the applicant, JDH Ventures, LLC, (Applicant) d/b/a Mike's Bar and Grill in Spokane Valley, Washington represented by Heidi Hansen, Owner, enter into this Settlement Agreement to resolve pre-licensing violations in Case Number 2018-00480 prior to the applicant being approved to receive its gambling license.

**I. INTRODUCTION**

1. Applicant JDH Ventures, LLC, d/b/a Mike's Bar and Grill, 21 S. Dishman Rd., Spokane Valley, Washington, submitted an application on January 3, 2018, to the Washington State Gambling Commission for a Class "E" Punchboard/Pull-Tab License.

2. The Applicant was subject to state gambling laws and Commission Rules at all times before and during the application process.

3. The Applicant failed to obtain its Class "E" Punchboard/Pull-Tab license after it purchased the business, Mike's Bar and Grill, and before selling pull-tabs or purchasing new pull-tab games.

1                   **II.     RELEVANT FACTS SUPPORTING APPLICATION DENIAL**

2           1.       On November 17, 2017, a special agent of the Gambling Commission conducted  
3 a pull-tab inspection at Mike’s Bar and Grill, and discovered that JDH Ventures, LLC had been  
4 sold on March 24, 2017 to Heidi Hansen, who was then operating the business and pull-tab  
5 activity.

6           2.       On December 20, 2017, Mike’s Bar and Grill ceased the operation of pull-tab  
7 activity.

8           3.       On December 22, 2017, a special agent of the Gambling Commission conducted  
9 an interview with Heidi Hansen, wherein she admitted to purchasing JDH Ventures, LLC on  
10 March 24, 2017.

11          4.       On January 3, 2018, Ms. Hansen, on behalf of JDH Ventures, LLC d/b/a Mike’s  
12 Bar and Grill, submitted an application for a Class “E” Punchboard/Pull-Tab activity to the  
13 Gambling Commission.

14          5.       As part of the application process, Ms. Hansen submitted several items to the  
15 Gambling Commission, including a purchase and sale agreement.

16          6.       Based on the documentation provided to the Gambling Commission by the  
17 Applicant, it was confirmed that the sale of JDH Ventures, LLC closed on March 24, 2017.

18          7.       The Applicant offered unlicensed pull-tab gambling activities from March 25,  
19 2017 to December 20, 2017.

20          8.       During the time identified in Paragraph 7, the Applicant received approximately  
21 \$202,781.00 in pull-tab revenue.

22                   **III.     LEGAL BASIS FOR APPLICATION DENIAL**

23          1.       A gambling license becomes void when a licensee’s business is sold and the new  
24 owner must obtain a new gambling license for the business under WAC 230-06-108(2).  
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1 a. Applicant's new Class "E" Punchboard/Pull-Tab License is suspended for fifteen  
2 (15) days once it is issued by the Commission;

3 b. Ten (10) suspension days are vacated under RCW 9.46.077 upon payment of  
4 \$24,662.00 representing:

5 i. \$11,662.00 for administrative costs;

6 ii. \$13,000.00 monetary penalty.

7 c. In consideration for the Applicant's admissions and willingness to enter into this  
8 agreement, the applicant shall pay \$15,662.00 no later than May 25, 2018, by mailing or  
9 delivering payment to Commission Headquarters at the following address:

10  
11 **Washington State Gambling Commission**  
12 Attn: Licensing, Regulation & Enforcement Division  
13 P.O. Box 42400  
Olympia, WA 98504-2400;

14 or **delivering** (in person or via private courier) payment to Commission  
Headquarters at the following address:

15 Washington State Gambling Commission  
16 Attn: Licensing, Regulation & Enforcement Division  
4656 7<sup>th</sup> Avenue SE  
17 Lacey, WA 98503

18 d. If the Applicant makes its payment by the date agreed to in this settlement, the  
19 application will be forwarded for approval. Applicant's failure to timely make its payment will  
20 result in staff recommending denial of the license application, and Applicant's application will  
21 not be forwarded to the Commission for approval.

22 e. The Applicant will then make 3 equal monthly payments in the amount of \$3,000,  
23 which will be due on the 20<sup>th</sup> of each month, beginning on June 20, 2018, and ending on August  
24 20, 2018.

1 f. If the Applicant fails to remit any payment to the Commission on or by the 20<sup>th</sup>  
2 of any month, Applicant agrees that such shall be grounds for revocation of Applicant's  
3 gambling license, or denial of any future gambling license.

4 6. Applicant acknowledges and agrees that any other or prior gambling license for  
5 Mike's Bar and Grill is invalid upon issuance of the new license.

6 7. The parties agree that the remaining five (5) days of the suspension will be  
7 deferred for two (2) years from the date the applicant's Punchboard/Pull-Tab license is approved  
8 by the Commission.

9 8. The Applicant shall not violate Washington's gambling statutes or rules during  
10 the two (2) year deferment period.

11 9. If the Applicant violates any statutes or rules that warrant the filing of  
12 administrative charges, then the Director may impose any or all of the five (5) days deferred  
13 suspension of the Applicant's gambling license and any subsequently acquired gambling  
14 licenses.

15 10. If no violations occur, then the Applicant will be considered to be in compliance  
16 with this agreement and the five days deferred suspension will expire two (2) years after the  
17 Applicant's license is approved.

18 11. The parties agree that the Director of the Washington State Gambling  
19 Commission, pursuant to this Settlement, has sole discretion to determine whether the licensee  
20 has violated any term of this Settlement. In the event the Director determines a violation has  
21 occurred, he may suspend the licenses issued to JDH Ventures, LLC d/b/a Mike's Bar and Grill  
22 by mailing or delivering a Notice of Order of Administrative Charges to the licensee. In addition  
23 to the consequences of the new violation, the licensee shall serve all, or part of the deferred  
24 sentence. The licensee shall have the opportunity to request an adjudicative proceeding, which  
25 includes a hearing on any new alleged violations.  
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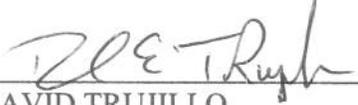
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12. This Agreement constitutes the final written expression of all the terms of this Agreement and is a complete and exclusive statement of these terms.

13. The undersigned parties declare that the terms of this Settlement Agreement are completely read, wholly understood, and voluntarily accepted for the purpose of making a full and final compromise and settlement of any and all violations arising from the above-referenced Complaint.

  
\_\_\_\_\_  
HEIDI HANSEN  
Owner of JDH Ventures, LLC,  
d/b/a Mike's Bar and Grill

5-18-18  
\_\_\_\_\_  
DATE

  
\_\_\_\_\_  
DAVID TRUJILLO  
Director  
Washington State Gambling Commission

5-25-18  
\_\_\_\_\_  
DATE