

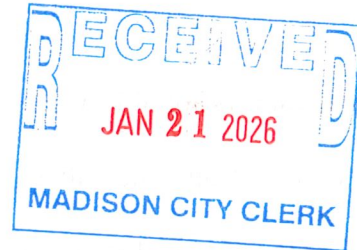
STATE OF WISCONSIN BEFORE THE CITY OF MADISON DANE COUNTY
ALCOHOL LICENSING REVIEW COMMITTEE

CITY OF MADISON

210 Martin Luther King Jr. Blvd. #401
Madison WI 53703

Complainant,

v.



FUSION SMOKE & SPIRITS, LLC

d/b/a Fusion
Jacob McRoberts, agent
36 S. Bassett Street
Madison WI 53703

Respondent.

REVOCATION of "Class A" Combination
Alcohol Beverage License

AMENDED COMPLAINT

NOW COMES the City of Madison by Assistant City Attorney Jennifer Zilavy, and alleges as follows, that:

1. The Complainant, Assistant City Attorney Jennifer Zilavy, is an adult resident of the City of Madison, with a business address of 210 Martin Luther King Jr. Blvd, Room 401, Madison, Wisconsin, and at all times material to this action, she was and is a member of the Office of the City Attorney, in her official capacity.

2. The Respondent herein, Fusion Smoke & Spirits LLC, Jacob McRoberts, Agent, is the alcohol beverage licensee doing business as Fusion, 36 South Bassett Street, Madison, Wisconsin, according to documents filed with the City Clerk of the City of Madison.

3. The Common Council of the City of Madison initially granted a “Class A” Combination Alcohol Beverage License to Respondent on May 7, 2024.

4. The Common Council of the City of Madison granted a renewal “Class A” Combination Alcohol Beverage license to Respondent for the period July 1, 2025, through June 30, 2026. At all times alleged in this complaint, Respondent was the holder of a “Class A” Combination Alcohol Beverage License issued by the City of Madison for the business operating as Fusion at 36 South Bassett Street, Madison, Wisconsin.

5. On information and belief, the licensee, under the City of Madison Class A Combination Alcohol Beverage License for the sale of alcohol beverages at the premises known as Fusion, 36 South Bassett Street, Madison, WI, has violated Madison General Ordinance (“M.G.O.”) Chapter 38 as set forth in Madison Police Department officer’s reports, to wit:

A. VIOLATION OF CHAPTER 38 OF THE MADISON GENERAL ORDINANCES WITHIN THE MEANING OF M.G.O. § 38.10(1)(a)(12), THE LICENSED PREMISES HAS BEEN OPERATED IN SUCH A MANNER THAT CONSTITUTES A PUBLIC OR PRIVATE NUISANCE, SPECIFICALLY, A VIOLATION OF § 823.113(1), WIS. STATS., TO WIT:

1. On October 8, 2025, at approximately 1:13 p.m., City of Madison Police Central District Patrol (“MPD”) was dispatched to Fusion at 36 South Bassett Street to assist Wisconsin Department of Alcohol Beverage (“DAB”) agents who were conducting an alcohol beverage license inspection at Fusion due to DAB receiving complaints alleging the business was selling cocaine from the back counter and selling liquor to underage patrons.

During the inspection, DAB Special Agent Nicki Zautner observed a large quantity of what appeared to be psilocybin and marijuana at the business and contacted the MPD to assist with the inspection. MPD responded and MPD Detective Adam Kneubuhler, who is a member of the Dane County Gang and Narcotics Task Force, assisted with inspecting the premises. Detective

Kneubuhler observed a packaging station which contained numerous vacuum seal bags, scales, and a vacuum sealer. Detective Kneubuhler also observed large pound-size bags of suspected marijuana and psilocybin mushrooms. The suspected marijuana later tested positive for THC and the psilocybin mushrooms tested positive. Based on these observations Detective Kneubuhler obtained a search warrant for the premises from Dane County Circuit Court Judge Ryan Nilsestuen. MPD Detective Nicholas Clearly assisted in executing the search warrant. Detective Clearly observed various THC products for sale including a bag that was labeled "MJ Product" and noted on the label "THC concentration of 23.34%." Detective Clearly also discovered a green tote that contained 761 Hall of Fame THC vapes. Seized in this search, among other items, were: 2000 grams (4.4 pounds) of psilocybin; 1318 grams (2.9 pounds) of THC concentrate, aka "wax"; and 4964 grams (10.9 pounds) of THC. Detective Kneubuhler noted that this quantity of psilocybin and THC was not indicative of personal use and that the quantity, combined with the packaging equipment, was evidence of sale and distribution.

Based upon evidence that was discovered at 36 S. Bassett Street, Detectives obtained additional search warrants for McRoberts' apartment and his vehicles. On October 10, 2025, McRoberts was charged in Dane County Circuit Court with the following: Possession with Intent to Deliver THC; Possession with Intent to Deliver Psilocybin; and Maintaining a Drug Trafficking Place related to Fusion at 36 S. Bassett Street, Madison, Wisconsin. Madison Police Case No. 2025-00445669.

2. On October 24, 2025, pursuant to Wisconsin State Statute §823.113(1), MPD Central District Captain Kipp Hartman issued a "Notice of Public Nuisance" to David Keller, the landlord for 36 S. Bassett Street. The Notice of Public Nuisance informed Keller of the search warrant execution at Fusion on October 8, 2025, and discovery of evidence that supported

charges for McRoberts related to trafficking illegal drugs at and in association with the business Fusion, located at 36 S. Bassett Street, Madison, Wisconsin. (Attached as Exhibit "A").

B. VIOLATION OF CHAPTER 38 OF THE MADISON GENERAL ORDINANCES WITHIN THE MEANING OF M.G.O. § 38.10(1)(a)(1) FAILED TO HAVE A LICENSED OPERATOR/BARTENDER ON SITE DURING BUSINESS HOURS IN VIOLATION OF M.G.O. § 38.06(2), TO WIT:

1. On October 8, 2025, at approximately 1:00 p.m., Wisconsin Department of Revenue Division of Alcohol Beverages Agents Ncole Zautner and Holly McManus went to Fusion Smoke & Spirits at 36 S. Bassett Street, Madison, WI, to conduct an inspection of the licensed premises to ensure compliance operation requirements of Wisconsin Statute § 125. Upon arrival the agents introduced themselves to the sole employee on-site who identified himself as Jerome Luhv-Starr, (DOB 10/2000). Luhv-Starr stated that the owner had just left but that he would call him to return. Agent Zautner asked Luhv-Starr if he was a licensed operator and Luhv-Starr stated he was not. Agent Zautner proceeded to lock the front door since the establishment was not allowed to be open and operating without a licensed operator on site. A few minutes later, a male subject approached the locked door. That male identified himself as Jacob D. McRoberts (DOB 3/01). McRoberts confirmed he was the establishment's owner. McRoberts stated he is the only one who has a valid operator's license. McRoberts told Agents that he had just spoken to his employees about him needing them to get licensed as he was going to be going to New York soon. Wisconsin Department of Revenue Alcohol and Tobacco Enforcement Unit Case No. 25-10-553.

2. On January 15, 2026, at approximately 2:15 p.m., Madison Police Officers Joel Stelter and Tray Turner went to Fusion Smoke & Spirits at 36 S. Bassett Street, to serve the owner,

Jacob McRoberts, with a Summons and Complaint. Upon arrival at the establishment, Officer Stelter encountered an individual who identified himself as Jerome Luhv-Starr. Luhv-Starr told Officer Stelter that he was the only employee on site and admitted that he was not a licensed operator. Luhv-Starr identified himself verbally, so Officer Turner left the store and went out to his squad to confirm Luhv-Starr's identity through the TIME system. While Officer Turner was confirming Luhv-Starr's identity, Officer Stelter told Luhv-Starr he needed to shut down the establishment until a licensed operator was on site. Luhv-Starr began shutting off lights and began closing the store down. Luhv-Starr also made a phone call and Officer Stelter heard Luhv-Starr say, "where are you?" Luhv-Starr told the person on the other end of the phone that he was closing the store down and that the person on the other end would have to open it when they got there. Officer Turner returned a short time later and confirmed Luhv-Starr's identity. Officer Stelter waited while Luhv-Starr completed the shut-down process. During this time, a person, later positively identified as Jacob McRoberts, walked into the store from the back of the store. McRoberts claimed he had been "in the mailroom." When Officers Stelter and Turner left Fusion, Officer Turner told Officer Stelter that while he was running Luhv-Starr's information in his squad computer he observed McRoberts walking south on S. Bassett Street coming from the area near West Washington Avenue. McRoberts lives at 510 W. Washington Avenue."Madison Police Case No. 25-445669.

NOW, THEREFORE, for all the above stated reasons and pursuant to M.G.O. § 38.10, the complainant requests that the Common Council of the City of Madison revoke the "Class A"

Combination Alcohol Beverage License issued to Fusion Smoke & Spirits LLC, for the premises known as Fusion, 36 S. Bassett Street, Madison, Wisconsin.

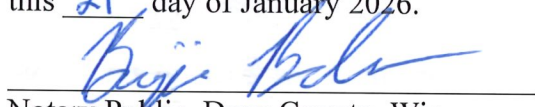
JURAT

STATE OF WISCONSIN)
) ss.
COUNTY OF DANE)

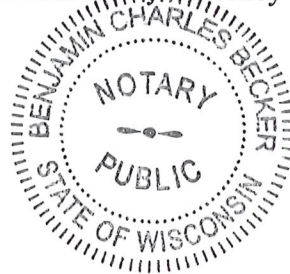
Assistant City Attorney Jennifer Zilavy, being duly sworn on oath, states that she has read the foregoing Complaint against Fusion Smoke & Spirits LLC, d/b/a Fusion, and that the statements are true of her own knowledge, except those which are stated upon information and belief, and as to such matters, she believes them to be true as they are based upon reports by City of Madison Police Officers and Detectives, and Wisconsin Department of Revenue Alcohol and Tobacco Enforcement Agents filed pursuant to their official duties, and upon official records from the City of Madison's Clerk's office.


Jennifer Zilavy
Assistant City Attorney

Subscribed and sworn to before me
this 21 day of January 2026.


Notary Public, Dane County, Wis.

My Commission expires: permanent





Madison Police Department

John Patterson, Chief of Police
City-County Building
211 S. Carroll St.
Madison, WI 53703
Phone: (608) 266-4022 | Fax: (608) 266-4855
madisonpolice.com

October 24, 2025

Drug Abatement: 2025-465521

NOTICE OF PUBLIC NUISANCE

Dave Keller
502-504 W Main LLC
Madison WI 53703

RE: Drug House located at: 36 S Bassett St. (Fusion Smoke & Spirits)
Madison Police Department Case Number: 2025-445669

According to records of the City of Madison, you are the owner and/or operator of the property identified above. This letter is to notify you that the building or structure located on your property is being used to facilitate the delivery, distribution or manufacture of a controlled substance, or is a building or structure where those acts take place, and therefore is a public nuisance pursuant to Wisconsin Statute §823.113.

Please contact Captain Kipp Hartman at (608) 261-9274 upon receipt of this letter. Do not disregard this notice. As the owner and or operator of this property, you must take **IMMEDIATE** action to abate the nuisance activity at this property. If you fail to respond to this notice and/or fail to take action to abate subsequent nuisance activity, Wisconsin law permits the City of Madison to seek a court order declaring the property a public nuisance and ordering the property closed and sold with proceeds retained by the alcohol and drug abuse assistance programs and community development organizations.

According to the above police case number:

On Wednesday October 8th, 2025, agents from the Wisconsin Division of Alcohol Beverages Bureau of Enforcement were conducting an inspection at Fusion Smoke & Spirits, located at 36 S Bassett St, in the City of Madison. The inspection was due to the Wisconsin Division of Alcohol Beverages receiving complaints of cocaine sales from employees to customers and the selling of liquor to underage patrons. While on scene and conducting an inspection of the premises, a Special Agent and her team located a large number of bags/package containing suspect psilocybin and suspect marijuana. Upon learning of the discovery of narcotics, the DCNTF reached out to the Special Agent and immediately deployed resources to assist in the investigation.

A search warrant for the premises was drafted and as a result of the search, approximately 2,000 grams (4.4 pounds) of suspect psilocybin, approximately 1,318 grams (2.9 pounds) of THC concentrate aka "wax", and approximately 4,964 grams (10.9 pounds) of THC was located in the business.

The 24-year-old owner and proprietor of the business, **JACOB D MCROBERTS**, was present on scene and had full control and knowledge of what was happening at the business. McRoberts was arrested for the illegal narcotics distribution.

Exhibit A, p. 1 of 3

The investigation is ongoing and continues with assistance for the DCNTF, IRS, and other federal partners.

Please review the following nuisance abatement measures that you may employ to prevent the continuance or reoccurrence of drug dealing and other nuisance activity at your property. These suggestions are not exclusive and you may use other nuisance abatement measures that are appropriate to the particular circumstances of your property.

- *Participate in a local block watch or neighborhood association.*
- *Exchange names and telephone numbers with the owners of buildings on each side of your property.*
- *Attend any crime prevention meetings conducted in your neighborhood.*
- *Monitor the property for evidence of drug activity. This may include observation of clear corner cut baggies strewn about, excessive quantities of plastic sandwich baggies found in odd places, presence of weight scales or communication devices, short term traffic to the property and drug paraphernalia such as unusual pipes, blunt wrap packaging, burned hollow tubes, etc.*
- *Install "No Trespassing" signs at all entry points to your property.*

If the above-referenced property is a residential rental property and the nuisance activity has occurred in a tenant's rental unit, is associated with a rental unit associated with your property, or was caused by that tenant on your property, you may use this notice to provide a five day notice to your tenant to vacate the property pursuant to Wisconsin Statute § 704.17(1)(c), (2)(c) and (3)(b). In addition to the potential eviction of tenants, other nuisance abatement methods for landlords to consider include:

- *Participating in a landlord training program and making a good faith effort to apply the knowledge from such training and attend refresher classes.*
- *Participating in the local block watch, neighborhood association, landlord compact and property management association.*
- *Instituting the use of written screening criteria that are provided to each applicant at the time each proposed adult resident receives the written application.*
- *Conducting background checks on all prospective adult tenants and residents.*
- *Instituting the use of a written lease for each adult tenant that include provisions relating to disorderly behavior, noise, garbage disposal, use of common areas, illegal activity, tenant responsibility for guest conduct, and the prohibition of subleasing and long-term guests. Timely enforce any lease violations.*
- *Reviewing the tenancy of any other current residents of the property. This may include the termination of tenancies and reapplication by existing tenants for new tenancy.*
- *Regularly inspecting the interior of the residential rental property to confirm that the residents are your tenants, confirm that the premises are actually used as a residence and determine if the doors or windows have been fortified or the premises outfitted with surveillance or delivery mechanisms.*
- *Installing a sign with your name and contact information in a common area so that law enforcement responding to a call for service at the property can easily contact you if necessary.*
- *Regularly filing open records requests for Madison Police Department calls for service reports regarding your property.*
- *Instituting a standing complaint with the local Madison Police District that would allow the Police Department to remove any individuals trespassing on the property.*

October 24, 2025

Page 3

The City of Madison supports nondiscrimination in the provision of housing in Madison. Any actions you take in response to this letter must comply with applicable federal, state, and local Fair Housing laws. If you have questions about such compliance, you should consult your own attorney.

Sincerely,

John Patterson, Chief of Police

Kipp Hartman Captain of Police

cc: Alder Mike Verveer
Assistant Chief of Police Matt Tye
Assistant City Attorney Jennifer Zilavy