IN THE IOWA DISTRICT COURT FOR BLACK HAWK COUNTY

CITY OF WATERLOO, IOWA, **PLAINTIFF,** **VS.** **CHARMED LLC, d/b/a FLIRTS GENTLEMEN'S CLUB,** **DEFENDANT.**	**CASE: EQCV157161** **ORDER**

This matter came before the court on August 12, 2026, for nonjury trial on Petition filed April 15, 2026. The Petition alleged that Flirts constitutes a public safety nuisance under Iowa Code § 123.56 and requested appropriate remedial relief. Plaintiff City of Waterloo appeared by counsel, Martin Petersen and Austin McMahon. Defendant Charmed LLC d/b/a Flirts Gentlemen's Club appeared through representative Steve Garlich and attorney Megan Merritt. A formal record was made and evidence was presented. The court received sworn testimony from Nevzad Osmancevic, Eryn Hageman, Jason Feaker, David Boesen, Devann Durnin, Steve Garlich, Dean Martells and Mirzet Dizdarevic. The court also received Plaintiff's Exhibits 1-18, inclusive, and Defendant's Exhibits A through I, inclusive. Prior to proceeding to trial, the parties read to the court a joint stipulation, later offered and admitted as Plaintiff's Exhibit 19. After consideration of the testimony, exhibits, judicially noticed records, and arguments of the parties, the Court makes the following Findings of Fact and Conclusions of Law.

HISTORY AND FINDINGS OF FACT

Defendant Charmed LLC is an Iowa Limited Liability Company that owns and operates Flirts Gentlemen's Club (hereinafter "Flirts") located at 319 Jefferson Street in Waterloo, Iowa. Flirts is a "licensed premises" pursuant to Iowa Code section 123.3(29) and holds a class C liquor license issued by the State of Iowa's Alcoholic Beverages Division of the Department of Revenue. The establishment, operating in Waterloo for

nearly thirty years, had been under the ownership of Steve Garlich, Mirzet Dizdarevic, and Stan Hansen since 2018.

The current owners of Flirts quickly became concerned with the changing environment and clientele and noted an increase in the number of problems. Garlich and Dizdarevic acknowledged that there were concerns regarding fights/assaults, disorderly conduct, and public intoxication occurring in and around the building. They admitted that the Waterloo Police Department was too frequently called to respond to these issues while simultaneously acknowledging that the increased police presence was necessary. To address these growing concerns, Flirts contacted the Waterloo Police Department in August of 2021 to informally discuss possible changes to improve the safety of the business. Suggestions included but were not limited to: 1) installation of a metal detector at front door; 2) requiring employees to scan all patron IDs; 3) raising the cover charge and/or costs of alcohol; 4) employing extra staff to work the front entrance and check IDs; and 5) greater attention to patrolling the parking lot.

Unfortunately, not all suggested changes were implemented and matters at Flirts did not improve. In fact, between January 2022 and January 2023, the Waterloo Police Department responded to more than 70 calls for service regarding activity associated with the property, including fights, assaults, intoxication, weapons violations, and shootings. These calls for service involved several significant incidents, including but not limited to: on October 1, 2022, an individual was assaulted inside the bar by four other patrons who approached and repeatedly struck victim, resulting in bodily injury; on December 31, 2022, a patron left Flirts and became involved in a fight with another immediately outside the licensed establishment before he pulled a gun and shot at multiple individuals, striking two people; also on December 31, 2022, a patron was charged with Assault Causing Bodily Injury for throwing a glass at another patron inside the establishment, causing a laceration on her left cheek; and on August 21, 2023, a patron exited Flirts and got into altercation with another individual, pulled a gun and shot the victim, striking him in the hand.

The City believed the continuing issues at Flirts represented an undue and disproportionate burden on law enforcement officers and the city's taxpayers. Noting

the significant nature of the above-referenced specific incidents, the City filed its first Petition seeking to have Flirts declared a public safety nuisance pursuant to Iowa Code section 123.56 on October 10, 2023, in Black Hawk County Case EQCV149148. The Petition noted the prior nuisance abatement plans and alleged that those remedial measures either were not implemented or not sufficient to correct the on-going issues. Before the matter could proceed to trial, the parties entered into a stipulation and Consent Decree. The Consent Decree required Flirts to:

> 1) install, maintain and use a walk-through metal detector at each public entrance;
> 2) have a designated employee at each public entrance, trained to use the metal detectors and respond appropriately if prohibited items were found;
> 3) post signs inside and outside the business indicating the premises is a weapons-free zone;
> 4) maintain video surveillance equipment both inside and outside the building to record during all business hours, maintain the recorded footage and provide the same to law enforcement upon request;
> 5) deny entry to individuals or groups that have engaged in, provoked, encouraged or otherwise fostered violent, dangerous, threatening, or illegal behavior on or about the premises;
> 6) require staff to take de-escalation training related to violent patrons;
> 7) refuse entrance to individuals are or appear to be under the influence of alcohol or drugs; and
> 8) promptly report issues of violence to the Waterloo Police Department.

By its terms, the Consent Decree was to be effective for two years, expiring on December 29, 2025. However, both Garlich and Dizdarevic testified that Flirts continued to operate under the terms of the Consent Decree even after the expiration date.

The credible evidence established that Flirts substantially complied with the terms of the Consent Decree. Additional interior and exterior cameras were installed. Exterior lighting around the building and adjacent areas was increased. The ID scanner was upgraded and incorporated the banned-patron list. A walk-through metal detector was installed, and security employees also had handheld wands available. Additionally, Flirts began requiring all staff to participate in training regarding intoxicated patrons and

security procedures. The testimony of Garlich, Dizdarevic, Officer Osmancevic and Mayor David Boesen established that Flirts generally cooperated with law enforcement and routinely provided surveillance footage and information upon request. Officers frequently obtained video evidence without warrants because Flirts – as required by the Consent Decree – voluntarily cooperated in investigations of incidents in or around the property.

The credible evidence also established that the remedial efforts were, in large part, successful. Calls for service and incident reports from or involving Flirts declined significantly after the implementation of the abatement measures. Officer Jason Feaker testified to a substantial reduction in all reports after 2023, and the evidence further demonstrated a marked decline in shootings and serious incidents compared to the 2021-2022 period.

However, despite the obvious improvement, Flirts continued to have problems with safety. On both January 28, 2026, and March 10, 2026, a multi-person fight/assault occurred on the premises, requiring a law enforcement response. More concerning, however, was a 2025 incident that formed the primary basis for the current Petition. On October 12, 2025, two individuals inside Flirts had a dispute, leading one of the patrons to strike the other in the face. Although Flirts was operating under the terms of the Consent Decree that included extra security personnel and the use of a walk-through metal detector, the struck individual had been able to carry a knife through the main entrance undetected. After being punched, he pulled that knife from his pocket and stabbed the other person once in the neck, narrowly missing the victim's carotid artery and resulting in a life-threatening injury that required emergency medical intervention and air transport for specialized treatment. The offender was later arrested and charged with the felony offense of Willful Injury Causing Serious Injury in violation of Iowa Code section 708.4.[1] The charge was enhanced due to the offender's use of a "dangerous weapon" as defined in Iowa Code section 702.7. The case, Black Hawk County Case FECR264916, was tried to a jury in August 2026. The jury found the

[1] Willful Injury is defined by statute as "an act which is not justified and which is intended to cause serious injury to another" and by definition is an assault.

offender guilty as charged to the offense of Willful Injury Causing Serious Injury. In a separate interrogatory, the jury unanimously concluded that the offender did use or display a "dangerous weapon" during the assault.

CONCLUSIONS OF LAW

Iowa Code Chapter 123, the Iowa Alcoholic Beverage Control Act, was enacted "for the protection of the welfare, health, peace, morals, and safety of the people of the state, and all its provisions shall be liberally construed for the accomplishment of that purpose." Iowa Code § 123.1. To further that stated purpose, the Chapter authorizes city and county attorneys to petition the court for relief when a public safety nuisance exists at a licensed premises – an establishment where "alcoholic beverages, wine, or beer is sold or consumed under authority of a retail alcohol license, wine permit, or beer permit." Iowa Code § 123.3(29). Iowa Code § 123.56(1) states:

> 1. A public safety nuisance exists at a licensed premises for purposes of this section when it is established by clear and convincing evidence that an owner, manager, employee, contemporaneous patron, or guest of the licensed premises commits any of the following acts on the licensed premises or in any parking lots or areas, including but not limited to public rights of way, adjacent to the licensed premises:
>
> a. Unlawfully discharges a firearm or uses an offensive weapon … regardless of whether it inflicts injury or death.
>
> b. Assaults another person with a dangerous weapon as defined in section 702.7 resulting in injury or death.
>
> c. Engages in a riot … on at least three separate days within any twelve-month period in which a peace officer responded for purposes of dispersing the participants in the riot.

Here, the City's petition alleges that the October 12, 2025, stabbing constitutes a qualifying event under § 123.56(1)(b). As indicated above, the offender was charged with and convicted of a felonious assault and the jury unanimously found that he used a dangerous weapon during the assault. Further discussion of FECR264916 and the evidence presented at the hearing is unnecessary. Immediately prior to the hearing, the parties entered a joint stipulation, signed by counsel and admitted as Plaintiff's Exhibit 19, which reads as follows:

> The parties have agreed to the following Stipulation:

1. On October 12, 2025, Katario Jones entered Flirts Gentleman's (sic) Club and subsequently punched Quentin Davis in the face.
2. Following that punch, Quentin Davis, a contemporaneous patron or guest, committed assault with a dangerous weapon resulting in injury (Iowa Code § 702.7) to Katario Jones at the licensed premises on October 12, 2025.

Plaintiff Ex. 19. Thus, Flirts has admitted that "the stabbing met the statutory definition of public safety nuisance." Defendant's Closing Argument, pg. 4. The court, therefore, finds that the City has proven by clear and convincing evidence that Flirts constitutes a public safety nuisance as defined by the Iowa Alcoholic Beverage Control Act, Chapter 123 of the Code of Iowa. The only remaining question is what, if anything, should be done to fix the situation.

Iowa Code § 123.56(5) provides the court with the authority to "enter judgment declaring the existence of the nuisance and order such remedial action as the court determines reasonable to abate the nuisance." The statute provides scant guidance or limitation, stating only:

> The abatement order may take the form of an injunction. The duration of an abatement order may be up to two years. Remedial action may include but is not limited to temporary closure of the licensed premises, revocation of the license for such period of time as is consistent with section 123.40, required change in business practice or operations, or posting of a bond. If a bond is ordered and posted, the bond shall be subject to forfeiture, in whole or in part, for any further actions contrary to the abatement order.

Clearly, the statute does mandate any particular abatement procedures, requiring only that the court determine what relief is reasonably necessary under the circumstances.[2]

The court has considered the positions of the parties, the evidence presented at trial and the stated goal of the Iowa Alcoholic Beverage Control Act to protect the "welfare, health, peace, morals, and safety of the people of the state." Iowa Code § 123.1. The statute mandates liberal construction for the accomplishment of that purpose. To that end, "evidence of prior sanctions, violations of law, nuisance behavior, or general

[2] The court is unaware of any published Iowa decisions directly relating to the abatement of a public safety nuisance under Chapter 123. However, as pointed out by the Defendant, "Iowa Courts have discussed other code sections discussing a municipality's ability to abate nuisances and emphasized that the "operative word" is "reasonable."' Defendant's Closing Argument, pg. 7.

reputation relating to the licensed premises may be admissible in determining the reasonableness of remedial provisions of an abatement order." Iowa Code § 123.56(4). Flirts has a long-documented history of problems and a disproportionate number of calls for service relating to assaults, riots, weapons violations, shootings and stabbings that have occurred on the licensed premises. Such history led to the entry of the 2023 Consent Decree in which Flirts acknowledged changes for the public safety were necessary. Flirts then implemented several remedial changes which resulted in a significant reduction of problems at the establishment. However, despite these extensive efforts, calls for assaultive behavior continued, including the October 12, 2025, stabbing that constitutes a qualifying offense for declaration of a public safety nuisance.[3] The ineffectiveness of the prior remedial measures suggests to the court more is needed to ensure the safety of patrons and the surrounding community.

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ORDER

THE COURT HEREBY FINDS that a public safety nuisance exists within the meaning of Iowa Code section 123.56 at 319 Jefferson Street in Waterloo, Iowa, d/b/a Flirts Gentlemen's Club.

Flirts shall remain subject to and comply with all requirements contained in the December 29, 2023, Consent Decree for a period of two years from the date of this Order, including:

a) maintain and use a walk-through metal detector at each public entrance with the sensitivity settings properly adjusted;
b) have a designated employee at each public entrance, trained to use the metal detectors and respond appropriately if prohibited items are found;
c) post signs inside and outside the business indicating the premises is a weapons-free zone;

[3] The court finds Flirts' efforts to compare calls for service at other establishments unpersuasive. First, citing the number of assaults, disorderly conduct and public intoxication charges alleged is not statutorily relevant – no number of those offenses could ever support a "public safety nuisance" designation as that term is defined by Code. Flirts is, in essence, comparing apples to oranges. Second, the argument that the establishment is being unfairly targeted loses power when Flirts itself admits it is a "public safety nuisance."

d) maintain video surveillance equipment both inside and outside the building to record during all business hours, maintain the recorded footage and provide the same to law enforcement upon request;
e) deny entry to individuals or groups that have engaged in, provoked, encouraged or otherwise fostered violent, dangerous, threatening, or illegal behavior on or about the premises;
f) require staff to take de-escalation training related to violent patrons;
g) refuse entrance to individuals are or appear to be under the influence of alcohol or drugs; and
h) promptly report issues of violence to the Waterloo Police Department.
i) provide quarterly certification to the City of Waterloo and the Waterloo Police Department confirming continued compliance with these requirements.

Further, the class C liquor license issued by the State of Iowa's Alcoholic Beverages Division of the Department of Revenue is revoked for a period of one year. Pursuant to Iowa Code section 123.40, 319 Jefferson Street, Waterloo, Iowa, may not be relicensed for one year from the date of this order. The remaining restrictions contained in section 123.40 shall also apply.

Costs of this matter are assessed to the Defendant.

State of Iowa Courts

Case Number	**Case Title**
EQCV157161	CITY OF WATERLOO VS CHARMED LLC
Type:	ORDER FOR JUDGMENT

So Ordered

Brook Jacobsen, District Judge
First Judicial District of Iowa

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