

MICHAEL SIGNORELLI'S  
APPLICATION FOR A LIQUOR LICENSE

1. Signorelli presented the City Attorney with an agreement to purchase Crazy Horse Too from Rick Rizzolo for \$45 million, and six successive different operating leases for \$400,000 per month. Each of the first five operating **leases had objectionable language** giving Rizzolo control over Crazy Horse Too, including unlimited access, maintenance of an office in the business, retention of employees who had pled guilty to federal felonies, and the right to veto termination of any employee.
2. **Signorelli** appeared before the City Council and **promised** that if he were given a liquor license **Rick Rizzolo would play no part** in the business, after a short grace period to accommodate a transition. The City Council gave him a three-month temporary license **October 18, 2006.**

THREE MONTHS LATER

3. Signorelli admitted to Jim DiFiore that he had only made \$312,000 in **lease payments** over the last three months. The lease is for \$400,000 per month, for a total of \$1.2 million.
4. Signorelli admitted to Jim DiFiore that he had no experience operating a strip club, the only strip club owner he knew was Rick Rizzolo, and that he has **sought advice from Rizzolo** in the operation of Crazy Horse Too.
5. Signorelli admitted that he had been **paying \$60 per customer to taxicab drivers** who brought customers to Crazy Horse Too. He stated that he was paying more than \$100,000 a month to the drivers. He admitted that he knew this was contrary to law, but then immediately stated that he had been advised by other strip club owners that it was not unlawful.
6. **Steven Crespi's wife** went to work at Crazy Horse Too the day after Michael Signorelli reopened it. She is employed as a cocktail waitress in the V.I.P. Room. Crespi is one of the convicted former employees. Signorelli stated that he knew of this employment, and relationship, for the last two weeks, but had done nothing about it.
7. Signorelli stated that for the first several weeks of his operation of Crazy Horse Too **credit card receipts for the purchase of liquor went into the account of The Power Company, Inc.** That is, our privileged license holder knowingly allowed receipts for the sale of alcohol to be made to the predecessor corporation whose liquor license had been revoked by the City Council. The merchant account was not changed until November 24, 2006.

8. **Signorelli** appeared before the Council and once again **promised that Rick Rizzolo would have no influence** over his operation of the business. The City Council gave him a three-month extension to his temporary liquor license **January 17, 2007**.

MICHAEL SIGNORELLI'S APPLICATION FOR A PERMANENT  
LIQUOR LICENSE AT THE CITY COUNCIL MEETING OF APRIL 18, 2007

9. LVMC § 6.06.052 provides:
  - (A) A temporary license may be issued initially by the City Council for a period not to exceed six months.
  - (B) **The City Council may grant one extension** of a temporary license for a period not to exceed six months.
  - (C) When granting a temporary license or extension thereof, the City Council may impose any special conditions and restrictions it deems appropriate. [Emphasis added.]
10. At the last City Council meeting Signorelli told the Council that he **hadn't learned of the employment of Mary Crespi**, the wife of Rick Rizzolo's employee who pled guilty to a federal felony, until two weeks before the meeting. LVMPD's examination of her work card application, dated October 19, 2006, one day after the City Council granted the first temporary liquor license, revealed that Signorelli's signature was on the bottom as employer. He told LVMPD that his signature was forged.
11. Signorelli has endorsed the **key employee application of Gregory Lioce**. Lioce told LVMPD that **Rizzolo** hired him in 1999, and subsequently he became **close friends** with him. Lioce has a federal felony conviction in 1993 for Income Tax Fraud. The FBI approached Lioce during the recent investigation of Rick Rizzolo and sought his assistance. Lioce refused, and according to him demanded immunity from prosecution before he would cooperate. He stated that he got this immunity and helped the FBI build a case against Rizzolo.
12. Signorelli endorsed the **key employee application of Paul Swords**. Swords told LVMPD that he **continues to be a longtime close friend of Rick Rizzolo's brother** Ralph Rizzolo. Ralph Rizzolo is a prohibited person pursuant to the special conditions placed on the temporary liquor license. Rizzolo employed Swords as a maintenance man and then a bartender. Bartholomew Rizzolo and Annette Rizzolo Patterson, both prohibited persons, trained him to be a bookkeeper for the business one week prior to the Rizzolos being listed as prohibited persons by the City Council. **Signorelli decided to retain Swords as a bookkeeper.**

13. Signorelli has endorsed the **key employee application of Charles Platz**. Platz stated that he is handling all of the accounting and business agreements for Signorelli. Platz told LVMPD he was **Signorelli's partner**. This was unknown to City staff.
14. Signorelli, on multiple occasions, has informed City staff and the City Council that he has legitimate **commercial financing** for the \$45 million purchase of Crazy Horse Too. LVMPD has repeatedly asked for evidence of this. **No evidence has been forthcoming. Platz**, despite Signorelli's provision of a purchase and sale agreement for \$45 million to the City Council, told LVMPD that there had **never been a set price** given to Signorelli for the purchase of the business by Rizzolo, and that Rizzolo wouldn't set a price until at least April 17, 2007. He stated that an appraisal from Land America was pending. Signorelli, in conversations with City staff, has often stated that an appraisal from a recognized commercial appraiser of strip clubs was pending. Platz stated that **Signorelli is no longer attempting to secure a loan from a financial institution**. Rather Signorelli has developed a group of prominent local investors who are able to come up with \$150 million to help him purchase Crazy Horse Too from Rizzolo. **LVMPD has been unable to verify any source of funding for the purchase of the business**.
15. The **lease** agreement submitted by Signorelli to the City Council provides for rent in the amount of \$400,000 per month. Signorelli told LVMPD that he continues to pay only **\$30,000 per week**.
16. LVMPD, when visiting Crazy Horse Too during the last three months, has found **Platz** occupying **Rick Rizzolo's office**. They have observed Platz, as opposed to Signorelli, on the premises. Platz told LVMPD that when he chastises employees for not doing their job they ignore him, and state **"I will have to call Rick."**