



## CITY COUNCIL AGENDA ITEM

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June 1, 2011

To: John Szerlag, City Manager

From: John M. Lamerato, Assistant City Manager/Finance and Administration  
Mark F. Miller, Director of Economic and Community Development  
Stuart J. Alderman, Recreation Director

Subject: Community Center Catering – Liquor License Update

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### Background

On January 24, 2011, City Council passed a resolution #2011-01-012a to approve a Class C quota liquor license at the Troy Community Center. At that time, no contractor had been selected for the catering service.

City Council then approved resolution #2011-05-093 on May 9, 2011 to award a contract to provide catering services at the Troy Community Center for three (3) years with an option to renew for three additional years to Alpha-Doni, Inc. d/b/a Encore Catering.

Since the resolution to proceed with a Class C quota license, city staff has been in contact with the Michigan Liquor Control Commission to determine the options for the city to attain a liquor license approved by the State of Michigan. If the City of Troy gets the Class C license, we must wait three (3) years to transfer that license to Alpha-Doni, Inc. d/b/a Encore Catering. Troy can hold the Class C license and have Encore get a Participation Permit under Troy's license. However, the City still is responsible for all liquor violations and the City would have to appear before the MLCC. The City would also have to make sure we have liquor liability insurance.

### Recommendation

Under the factors as stated above, it is recommended that the City withdraw our application for a Class C quota license; but recommend approving a Class C quota liquor license for Alpha-Doni, Inc., d/b/a Encore Catering. The contractor will have to apply for the Class C quota license with any other permits they need, i.e. a catering permit, dance permit, entertainment permit. The current draft of our agreement with Alpha-Doni requires that they pay for the liquor license and that they transfer the license to the City at termination of the Agreement.

Approved As To Form and Legality:

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Lori Grigg Bluhm, City Attorney

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Date