

December 27, 2005

TO: Mr. John Szerlag, City Manager

FROM: Charles Craft, Chief of Police *CC*
Gary Mayer, Police Captain *GM*
Chris Stout, Police Sergeant *CS*

SUBJECT: Agenda Item – Add/Drop Co-Licensees in B-Hotel Licensed Business for Embassy Suites Hotel

DJONT/JPM Troy Leasing, L. L. C. (A Delaware Limited Liability Company) and FELCOR/JPM Troy Hotel, L. L. C. (A Delaware Limited Liability Company) requests to drop DT Management, Inc. (An Arizona Corporation) as Co-Licensee and add Promus Hotels, Inc. (A Delaware Corporation) as Co-Licensee in 2005 B-Hotel Licensed Business with a dance permit, official permit (food), outdoor service (1 area), 1 direct connection, 3 bars, and 251 rooms, located at 850 Tower, Troy, MI 48098, Oakland County. (Step 2)

At its December 12th meeting, the Liquor Advisory Committee entertained this request. Present to answer questions from the Board was attorney Terrance Conlin. This request is a result of refinancing the hotel chain. Rather than have a large number of hotels fall under the scope of a single investment partnership, the portfolio was broken up into a group of smaller partnerships. The management and employees did not change, and there will be no change in the operation of the hotel.

The Committee unanimously approved this request.

The Police Department has no objection to this request.

CS/cs

STATE OF MICHIGAN
DEPARTMENT OF LABOR & ECONOMIC GROWTH
LIQUOR CONTROL COMMISSION

7150 Harris Drive
P.O. Box 30005
Lansing, MI 48909-7505

LOCAL APPROVAL NOTICE

(Authorized by MCL 436.1501(2) and MAC 1105(2)(d))

Req ID: 318853

Date: September 9, 2005

To: TROY CITY COUNCIL
500 WEST BIG BEAVER ROAD
TROY, MI 48084-5285

* Amended to Marked
10-27-05
by Lori Dames, FNU
734-769-6384

Applicant:

DJONT/JPM TROY LEASING, L.L.C. (A DELAWARE LIMITED LIABILITY COMPANY) (CO-LICENSEE)
FELCOR/JPM TROY HOTEL, L.L.C. (A DELAWARE LIMITED LIABILITY COMPANY) (CO-LICENSEE)
~~PROMUS HOTEL CORPORATION (A DELAWARE CORPORATION) (CO-LICENSEE)~~

Promus Hotels, Inc.

Home Address And Phone No:

~~STOCKHOLDER IN PROMUS HOTEL CORPORATION (A DELAWARE CORPORATION) (CO-LICENSEE);~~
~~HILTON HOTELS CORPORATION (A DELAWARE CORPORATION), 9336 CITY CENTER DRIVE, BEVERLY HILLS, CA 90210 (310)205-8627~~

Promus Hotel Corporation

Local Legislative approval is required for new and transferring On-Premises licenses by MCL 436.1501 of the Michigan Liquor Control Code of 1998. Local approval is also required for DANCE, ENTERTAINMENT, DANCE-ENTERTAINMENT OR TOPLESS ACTIVITY permits by authority of MCL 436.1916.

For your convenience a resolution form is enclosed that includes a description of the licensing transaction requiring approval. The clerk should complete the resolution certifying that your decision of approval or disapproval of the application was made at an official meeting. **Please return the completed resolution to the Liquor Control Commission as soon as possible.**

If you have any questions, please contact the On-Premise Section of the Licensing Division as (517) -322-1400.

**PLEASE COMPLETE ENCLOSED RESOLUTION AND RETURN
TO THE LIQUOR CONTROL COMMISSION AT ABOVE ADDRESS**

sfs

attorney is Terry Conlin at 734-994-1295

STATE OF MICHIGAN
DEPARTMENT OF LABOR & ECONOMIC GROWTH
LIQUOR CONTROL COMMISSION

RESOLUTION

At a _____ meeting of the _____
(Regular or Special) (Township Board, City or Village Council)

called to order by _____ on _____ at _____ P.M.

The following resolution was offered:

Moved by _____ and supported by _____

That the request from DJONT/JPM TROY LEASING, L.L.C. (A DELAWARE LIMITED LIABILITY COMPANY) AND FELCOR/JPM TROY HOTEL, L.L.C. (A DELAWARE LIMITED LIABILITY COMPANY) TO DROP DT MANAGEMENT, INC. (AN ARIZONA CORPORATION) AS CO-LICENSEE AND ADD PROMUS HOTELS, ~~INC.~~ CORPORATION (A DELAWARE CORPORATION) AS CO-LICENSEE IN 2005 B-HOTEL LICENSED BUSINESS WITH DANCE PERMIT, LOCATED AT 850 TOWER, TROY, MI 48098, OAKLAND COUNTY (STEP 2).

be considered for _____
(Approval or Disapproval)

APPROVAL

DISAPPROVAL

Yeas: _____

Yeas: _____

Nays: _____

Nays: _____

Absent: _____

Absent: _____

It is the consensus of this legislative body that the application be:

_____ for issuance
(Recommended or not Recommended)

State of Michigan _____)

County of _____)

I hereby certify that the foregoing is a true and complete copy of a resolution offered and

adopted by the _____ at a _____
(Township Board, City or Village Council) (Regular or Special)

meeting held on _____
(Date)

SEAL

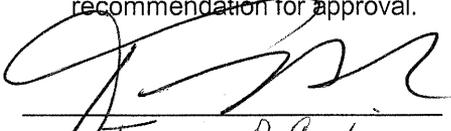
(Signed) _____
(Township, City or Village Clerk)

(Mailing address of Township, City or Village)

AGREEMENT REGARDING LIQUOR LICENSE REQUEST

This Agreement, made this 9th day of Nov, 2005, by and between the CITY OF TROY, MICHIGAN, a municipal corporation, with offices located at 500 W. Big Beaver Road, Troy, Michigan, 48084, hereinafter known as THE CITY, and DJONT/JPM TROY LEASING,LLC, FELCOR/JPM TROY HOTEL,LLC and PROMUS HOTELS, INC. whose address is 850 TOWER, the Applicant, hereinafter known as APPLICANT.

1. The City Council of the City of Troy, for and in consideration of the following covenants and conditions, agrees to recommend to the Michigan Liquor Control Commission Approval of the request for a new 2005 B-Hotel licensed business with dance permit, located at 850 Tower, Troy, by DJONT/JPM TROY LEASING,LLC, FELCOR/JPM TROY HOTEL,LLC and PROMUS HOTELS, INC.
2. In consideration of the City of Troy's recommendation for approval of the request, the applicant hereby agrees that:
 - (a) It has read and is aware of the provisions of City of Troy Ordinances, Chapter No. 67, Chapter No. 68 and Chapter No. 98, and agrees that it shall be deemed to have knowledge of any subsequent amendments to said Chapters which may become effective during the term of this agreement.
 - (b) It has read and is in receipt of copies of the provisions of the City of Troy, City Council Resolution No. 93-1028 regarding Entertainment Permits, and agrees that it shall be deemed to have knowledge of any subsequent amendments to the Resolution which may become effective during the term of this agreement.
 - (c) It agrees to observe and comply with all laws, statutes, ordinances, rules, regulations or resolutions of the United States government, State of Michigan, and the City of Troy, or any department or agency of the governmental entities, as well as the rules and regulations of the Michigan Liquor Control Commission as they pertain to the operation of a liquor licensed business in the City of Troy.
 - (d) It agrees to immediately require all employees who serve/sell alcohol to attend a recognized alcohol awareness program, and forward the names of each certified employee to the Troy Police Department. The alcohol awareness program must either be recognized by the Troy Police Department (i.e. TIPS,TAMS), or the program must be reviewed by the Troy Police Department to insure that the program is comparable to the recognized programs.
3. Applicant agrees that the recommendation for Approval agreed upon by the City Council is not a property right and is approved upon the express and continuing condition that no violation as set forth in paragraph 2 of this agreement shall occur.
4. Applicant agrees that the recommendation for Approval agreed upon by the City Council is approved upon the express and continuing condition that the physical characteristics (including but not limited to the inside layout, building design and engineering, seating capacity, parking space allocations, fire exits, and other physical attributes); and also the nature and type of business intended to be conducted remain virtually the same.
5. Applicant agrees that upon such violation, after full investigation and an opportunity for said applicant to be heard, upon a finding by the City Council that a violation as set forth in paragraph 2 of this agreement has occurred, the City Council shall have just cause for revocation of said recommendation for approval.



Terrance P. Conlin
Authorized Representative

Witnesses:

Teresa DeGuire
Teresa DeGuire

Jason Vaughese
Jason Vaughese

Subscribed and sworn to before me
this 9th day of Nov., 20005

Teresa M. DeGuire

TERESA M. DEGUIRE
NOTARY PUBLIC WAYNE CO., MI
MY COMMISSION EXPIRES Dec 7, 2005

Notary Public, Wayne
County, Michigan acting as Washtenaw Co
My commission expires: 12-7-05

CITY OF TROY

By: _____
Louise Schilling, Mayor

By: _____
Tonni Bartholomew, City Clerk

Witnesses:

Subscribed and sworn to before me
this _____ day of _____, 200__

Notary Public, Oakland
County, Michigan
My commission expires:

A regular meeting of the Liquor Advisory Committee was held on Monday, December 12, 2005 in Conference Room C of Troy City Hall, 500 West Big Beaver Road. Committee member Henry W. Allemon called the meeting to order at 7:02 p.m.

ROLL CALL:

PRESENT: Henry W. Allemon
Patrick C. Hall
James R. Peard
Bohdan L. Ukrainec
Sergeant Christopher Stout
Chris Forsyth, Assistant City Attorney
Pat Gladysz

ABSENT: Max K. Ehlert, Chairman
Alex Bennett
W. Stan Godlewski

Resolution to Excuse Committee Members Ehlert, Bennett, and Godlewski

Resolution #LC2005-12-029
Moved by Peard
Seconded by Ukrainec

RESOLVED, that the absence of Committee members Ehlert, Bennett, and Godlewski at the Liquor Advisory Committee meeting of December 12, 2005 BE EXCUSED.

Yes: 4
No: 0
Absent: Ehlert, Bennett, Godlewski

Resolution to Approve Minutes of November 14, 2005 Meeting

Resolution #LC2005-12-030
Moved by Ukrainec
Seconded by Hall

RESOLVED, that the Minutes of the November 14, 2005 meeting of the Liquor Advisory Committee be approved.

Yes: 4
No: 0
Absent: Ehlert, Bennett, Godlewski

Old Business

Agenda Item No. 3 (concerning White Star Entertainment acquiring ownership of Corradi's) from the November 14, 2005 meeting was raised for discussion by Mr. Ukrainec.

Sergeant Stout stated that Chris Forsyth, Assistant City Attorney, could answer the question if the Committee could recommend a probationary or conditional license. Mr. Forsyth explained that a probationary or conditional license is not a possibility. He further stated that in the future a request to transfer a license with dance permit could be considered separately. In other words, the Committee could approve the license transfer and deny the dance permit. He explained that White Star would have to apply for an amusement and recreation license and comply with City Ordinance Chapter 68 in order to operate under a dance permit. Mr. Forsyth cautioned the Committee that they need evidence to support any denial, and the Committee's actions cannot be arbitrary or capricious.

Mr. Hall stated that there is an annual renewal process for liquor licenses in Royal Oak and questioned such a process in Troy. Sergeant Stout stated the MLCC has an annual renewal process and any violations would be taken into consideration before renewal is granted.

Mr. Forsyth stated that City Council could include in their resolution that a license be reviewed again in one year. Mr. Ukrainec stated he supports an annual renewal review process.

Terry Conlin, attorney for Djont/JPM Troy Leasing and Felcor/JPM Troy Hotel, offered the information that the City can object to any license renewal and the State will abide by their wishes.

Agenda Items

1. **DJONT/JPM TROY LEASING, L.L.C. (A DELAWARE LIMITED LIABILITY COMPANY) AND FELCOR/JPM TROY HOTEL, L. L. C. (A DELAWARE LIMITED LIABILITY COMPANY)** requests to drop DT Management, Inc. (An Arizona Corporation) as Co-Licensee and add Promus Hotels Inc. (A Delaware Corporation) as Co-Licensee in 2005 B-Hotel Licensed Business with dance permit, official permit (food), outdoor service (1 area), 1 direct

connection, 3 bars, and 251 rooms, located at 850 Tower, Troy, MI 48098, Oakland County (Step 2) {MLCC Ref #318853} *Embassy Suites Hotel*

Present to answer questions from the Committee was Terry Conlin.

Mr. Conlin explained to the Committee that the ownership of the Embassy Suites Hotel remains unchanged. This request is to cover a technical change in building and hotel operations.

Resolution #LC2005-12-031

Moved by Ukrainec

Seconded by Hall

RESOLVED, that DJONT/JPM TROY LEASING, L.L.C. (A DELAWARE LIMITED LIABILITY COMPANY) AND FELCOR/JPM TROY HOTEL, L. L. C. (A DELAWARE LIMITED LIABILITY COMPANY) be allowed to drop DT Management, Inc. (An Arizona Corporation) as Co-Licensee and add Promus Hotels Inc. (A Delaware Corporation) as Co-Licensee in 2005 B-Hotel Licensed Business with dance permit, official permit (food), outdoor service (1 area), 1 direct connection, 3 bars, and 251 rooms, located at 850 Tower, Troy, MI 48098, Oakland County.

Yes: 4

No: 0

Absent: Ehlert, Bennett, Godlewski

The meeting adjourned at 7:19 p.m.

Henry W. Allemon

Patricia A. Gladysz, Office Assistant II