

CITY COUNCIL ACTION REPORT

April 11, 2007

TO: Phillip L. Nelson, City Manager

FROM: Charles T. Craft, Chief of Police
Captain Gary Mayer, Support Services Division
Sergeant Robert Cantlon

SUBJECT: Application for new Class C and SDM license at Sanctuary Lake Golf Club

Background:

- Kosch Special Events, LLC requests a new Class C license issued under MCL 436.1515(1) & SDM license in conjunction with official permits (food and golf), outdoor service area and 3 bars to be located at 1450 E. South, Troy, Mi, 48085, Oakland County.
- Kosch Special Events, LLC is affiliated with Kosch Enterprises, Inc., which has operated numerous businesses, including liquor establishments, within the State of Michigan since 1981.
- During an aggregate of 94 licensed years, Kosch Enterprises, et al, have received a total of 11 violations from MLCC: Between 1983 to 2001 there were five violations for Sale to Minor. One violation for Sale Before Noon on Sunday in 2002. Between 1987 and 1998 there were four violations for Transfer License Without Approval. In 2002 there was one violation for Fail to Place License into Escrow.
- Oakland County Circuit Court records show that Kosch Enterprises, et al, has been named as a defendant in several lawsuits. Between 1999 and 2001 three of those suits were filed claiming Sexual Harassment. Two of those were settled with a mediated settlement, the third was dismissed.
- Gordon Kosch, President of Kosch Special Events, LLC reported that he was not personally involved in the allegations set forth in the sexual harassment complaints, but was only named as a defendant because he was the president of the company. Mr. Kosch said the cases had no merit, but two were settled, on the advice of counsel, for nuisance value. When the third case was filed, new attorneys were hired and they successfully fought the case resulting in an order of dismissal by the court. The company then changed their practices within their Human Resources Department and upgraded their training. There have been no other such complaints filed against the company.
- Oakland County Circuit Court records show that the other lawsuits appear to be disputes over disagreements with business associates or incidents that occurred during the course of business operations.

Financial Considerations:

- Refer to City Council Resolutions #2007-03-097, #2007-03-098, and #2007-03-099 for financial considerations.

Legal Considerations:

- An application for a new license, transfer of an existing license, or the transfer of location of an existing license will be denied by the Michigan Liquor Control Commission (MLCC) if it is notified in writing by the appropriate law enforcement official that the application does not meet all applicable state and local codes and ordinances. Additionally, the MLCC will consider valid concerns raised by local police, who are familiar with the community, its ordinances, and zoning requirements.
- The request complies with all applicable Troy City ordinances and MLCC rules.
- The Police Department did not find any disqualifying factors for this request.

Policy Considerations:

- City Goal III: "Retain and attract investment while encouraging redevelopment".

Options:

- On March 19, 2007, Resolutions #2007-03-097, #2007-03-098, and #2007-03-099, City Council recommended approval of this applicant contingent upon meeting all specified requirements.
- City Council can approve or deny the request.



Michigan Department of Labor & Economic Growth
MICHIGAN LIQUOR CONTROL COMMISSION (MLCC)
 7150 Harris Drive, P.O. Box 30005
 Lansing, Michigan 48909-7505

| |
|-----------------------------|
| FOR MLCC USE ONLY |
| Request ID # <u>414222</u> |
| Business ID # <u>192752</u> |

POLICE INVESTIGATION REPORT
 [Authorized by MCL 436.1217 and R 436.1105; MAC]

Please conduct your investigation as soon as possible, complete all four sections of this report and return the completed report and fingerprint cards to the MLCC

LICENSEE/APPLICANT NAME, BUSINESS ADDRESS AND LICENSING REQUEST:

KOSCH SPECIAL EVENTS, LLC REQUESTS A NEW CLASS C LICENSE ISSUED UNDER MCL 436.1515(1) & SDM LICENSE IN CONJUNCTION WITH OFFICIAL PERMITS (FOOD,GOLF), OUTDOOR SERVICE AREA, AND 3 BARS TO BE LOCATED AT 1450 E. SOUTH, TROY, MI 48085, OAKLAND COUNTY.

Section 1. APPLICANT INFORMATION

APPLICANT #1:
 KOSCH FOOD SERVICE INC. – MEMBER
 324 EAST STREET
 ROCHESTER, MI 48307
 (248)867-3922

APPLICANT #2:

DATE FINGERPRINTED: **NO FINGERPRINTS REQUIRED**

DATE FINGERPRINTED:

DATE OF BIRTH:
 Is the applicant a U.S. Citizen: Yes No*

 *Does the applicant have permanent Resident Alien status?
 Yes No*
 *Does the applicant have a Visa? Enter status:

DATE OF BIRTH:
 Is the applicant a U.S. Citizen: Yes No*

 *Does the applicant have permanent Resident Alien status?
 Yes No*
 *Does the applicant have a Visa? Enter status:

Attach the fingerprint card and \$30.00 for each card and mail to the Michigan Liquor Control Commission

ARREST RECORD: Felony Misdemeanor
 Enter record of all arrests & convictions (attach a signed and dated report if more space is needed)

ARREST RECORD: Felony Misdemeanor
 Enter record of all arrests & convictions (attach a signed and dated report if more space is needed)

Section 2. INVESTIGATION OF BUSINESS AND ADDRESS TO BE LICENSED

Does applicant intend to have dancing, entertainment, topless activity, or extended hours permit?
 No Yes, complete LC-1636
 Are gas pumps on the premises or directly adjacent? No Yes, explain relationship:

Section 3. LOCAL AND STATE CODES AND ORDINANCES, AND GENERAL RECOMMENDATIONS

Will the applicant's proposed location meet all appropriate state and local building, plumbing, zoning, fire, sanitation and health laws and ordinances, if this license is granted? Yes No
 If you are recommending approval subject to certain conditions, list the conditions: (attach a signed and dated report if more space is needed)

Section 4. RECOMMENDATION

From your investigation:

- Is this applicant qualified to conduct this business if licensed? Yes No
- Is the proposed location satisfactory for this business? Yes No
- Should the Commission grant this request? Yes No
- If any of the above 3 questions were answered no, state your reasons: (Attach a signed and dated report if more space is needed)

 Signature (Sheriff or Chief of Police) Date

TROY POLICE DEPARTMENT



Michigan Department of Labor & Economic Growth
MICHIGAN LIQUOR CONTROL COMMISSION (MLCC)
 7150 Harris Drive, P.O. Box 30005
 Lansing, Michigan 48909-7505

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LAW ENFORCEMENT RECOMMENDATION
 [Authorized by MCL 436.1916, R 436.1105(2)(d) and R 436.1403]

March 30, 2007

TO:

Re: KOSCH SPECIAL EVENTS, LLC

We have received a request from the above licensee for the type of permit indicated below. Please make an investigation and submit your report and/or recommendation to the offices of the MLCC at the above address. Questions about this request should be directed to the MLCC Licensing Division at (517) 322-1400.

| |
|---|
| <input checked="" type="checkbox"/> OFFICIAL PERMIT FOR EXTENDED HOURS OF OPERATION FOR: <u>FOOD</u> Weekdays <u>6:00</u> A.M. to <u>7:00</u> A.M. Sundays <u>6:00</u> A.M. to <u>12:00</u> P.M. <input type="checkbox"/> Recommended <input type="checkbox"/> Recommended, subject to final inspection <input type="checkbox"/> Not Recommended |
| <p>NOTE: If the applicant is requesting two separate extended hours permits and the permits are for different hours you must complete the box below. If additional space is needed please use reverse side of this form.</p> |
| <input checked="" type="checkbox"/> OFFICIAL PERMIT FOR EXTENDED HOURS OF OPERATION FOR: <u>GOLF</u> Weekdays <u>6:00</u> A.M. to <u>7:00</u> A.M. Sundays <u>6:00</u> A.M. to <u>12:00</u> P.M. <input type="checkbox"/> Recommended <input type="checkbox"/> Recommended, subject to final inspection <input type="checkbox"/> Not Recommended |
| <input type="checkbox"/> DANCE PERMIT <input type="checkbox"/> Recommended <input type="checkbox"/> Recommended, subject to final inspection <input type="checkbox"/> Not Recommended |
| <input type="checkbox"/> ENTERTAINMENT PERMIT <input type="checkbox"/> Recommended <input type="checkbox"/> Recommended, subject to final inspection <input type="checkbox"/> Not Recommended |
| <input type="checkbox"/> TOPLESS ACTIVITY PERMIT <input type="checkbox"/> Recommended <input type="checkbox"/> Recommended, subject to final inspection <input type="checkbox"/> Not Recommended |

OUTDOOR SERVICE

Recommended Recommended, subject to final inspection Not Recommended

PARTICIPATION PERMIT

Recommended Recommended, subject to final inspection Not Recommended

2 ADDITIONAL BAR PERMITS (FOR A TOTAL OF 3 BARS)

Recommended Recommended, subject to final inspection Not Recommended

OTHER

Recommended Recommended, subject to final inspection Not Recommended

Signed:

Signature and Title

Print Name and Title

TROY POLICE DEPARTMENT

Date: _____

sfs

AGREEMENT REGARDING LIQUOR LICENSE REQUEST

This Agreement, made this ____ day of _____, 2007, 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 KOSCH SPECIAL EVENTS, LLC, a Michigan limited liability company with offices located at 324 East St., Rochester, Michigan 48307, hereinafter known as "APPLICANT".

R E C I T A L S :

1. The City Council of THE CITY, for and inconsideration of the following covenants and conditions, agrees to recommend to the Michigan Liquor Control Commission, approval of a Class C license under MCLA 436-1515 and an SDM license for the APPLICANT, to be located at 1450 East South St., Troy, Michigan 48084, Oakland County (hereinafter "APPLICATION").

2. In consideration of THE CITY'S recommendation for approval of the APPLICATION, APPLICANT hereby agrees that:

- (a) It has read and is aware of the provisions of the City of Troy Ordinances, Chapter Nos. 67, 68, 92 and Chapter No. 98 (effective 02/01/01), 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. 92-1028 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 license 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

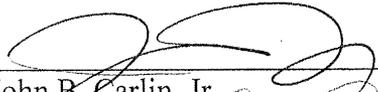
either be recognized by the Troy Police Department (i.e., TIPS, TAM, SERV SAFE Alcohol), or the program must be reviewed by the Troy Police Department to insure that the program is comparable to the recognized programs.

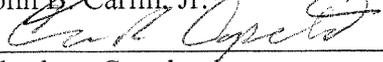
3. APPLICANT agrees that the recommendation of Approval agreed upon by the City Council is not a property right and is approved upon the express and continuing condition that no violation as set forth in paragraph 2 of this Agreement shall occur.

4. APPLICANT agrees that the recommendation of 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 exists, and other physical attributes); and also the nature and type of the business intended to be conducted remain virtually the same.

5. APPLICANT agrees that upon a 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.

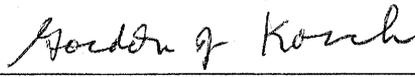
Witnesses:



John B. Carlin, Jr.


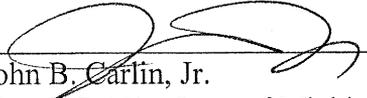
Charlene Copeland

Applicant:

KOSCH SPECIAL EVENTS, LLC
By: 

Gordon J. Kosch
Its: Manager

Subscribed and sworn to before me
this 27 day of February, 2007



John B. Carlin, Jr.
Notary Public, State of Michigan
Oakland County
My commission expires: 07/28/13

CITY OF TROY

By: _____
Louise E. Schilling, Mayor

By: _____
Tonni L. Bartholomew, Clerk

Subscribed and sworn to before me
this _____ day of February, 2007

Notary Public, State of Michigan
Oakland County
My commission expires:

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 KOSCH SPECIAL EVENTS, LLC FOR A NEW CLASS C LICENSE ISSUED UNDER MCL 436.1515(1) TO BE LOCATED AT 1450 E. SOUTH, TROY, MI 48085, OAKLAND COUNTY.

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)

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

SEAL

(Mailing address of Township, City or Village)