A regular meeting of the Liquor Advisory Committee was held on Monday, November 13, 2006 in the Lower Level Conference Room of Troy City Hall, 500 West Big Beaver Road. Chairman Max K. Ehlert called the meeting to order at 7:00 p.m.

ROLL CALL:

PRESENT: Max K. Ehlert, Chairman
W. Stan Godlewski
Patrick C. Hall
David S. Ogg
Timothy P. Payne
Bohdan L. Ukrainec
Kelsey Brunette, Student Representative
Allan Motzny, Assistant City Attorney
Lieutenant Michael Lyczkowski
Pat Gladysz

ABSENT: Henry W. Allemon

Resolution to Excuse Committee Member Allemon

Resolution #LC2006-11-020
Moved by Hall
Seconded by Payne

RESOLVED, that the absence of Committee member Allemon at the Liquor Advisory Committee meeting of November 13, 2006 BE EXCUSED.

Yes: 6
No: 0
Absent: Allemon

Resolution to Approve Minutes of October 9, 2006 Meeting

Resolution #LC2006-11-021
Moved by Ukrainec
Seconded by Hall

RESOLVED, that the Minutes of the October 9, 2006 meeting of the Liquor Advisory Committee be approved.

Yes:	6
No:	0
Absent:	Allemon

Agenda Items

1. **KONA MACADAMIA, INC.,** requests to transfer ownership of 2006 Class C licensed business located in escrow at 819 E. Auburn, Rochester Hills, MI 48307, from Whirly-Ball-Rochester L.L.C.; transfer location to 30 E. Big Beaver, Troy, MI 48084, Oakland County; request new SDM license to be held in conjunction; and request a new official permit (food) and new outdoor service area. *(Kona Grill)*

Present to answer questions from the Committee were John Carlin, attorney, and Greg Snodgrass, Vice President of Training for Kona Grill.

This is an Arizona-based, publicly held company that was started in 1998. Their 14th location will open in Florida this week. Their establishment is basically an American grill with a Sushi bar that has an "upscale casual" atmosphere. The restaurant will hold approximately 280 seats, including the patio. The hours of operation are 11:00 a.m. to either 11:00 p.m. or 12:00 a.m., seven days a week. They hope to open for business in February 2007.

Management will be transferred from other locations and also new managers will be hired. New management and wait staff will be thoroughly trained.

Typically, sales are 30-35% liquor to 70-65% food. Their happy hour promotes food sales rather than liquor sales.

Lieutenant Lyczkowski stated that the list of corporate officers, financial statement, and annual report were not in the Police Department's investigative file. He received those items from Mr. Carlin just before the start of this meeting. Lieutenant Lyczkowski needs to review these items with Sergeant Stout and conduct criminal background checks on the corporate officials.

The Police Department has no other issues with this license transfer.

Since the results of the Police Department's criminal background check will not require that this item be placed on a future meeting's agenda, it was determined that the Resolution be worded to indicate that the Committee has voted to recommend approval of the license transfer subject to the positive outcome of the Police Department's investigation.

Resolution #LC2006-11-022
Moved by Godlewski
Seconded by Ukrainec

RESOLVED, that KONA MACADAMIA, INC., be allowed to transfer ownership and location of a 2006 Class C licensed business located in escrow at 819 E. Auburn, Rochester Hills, MI 48307, from Whirly-Ball-Rochester L.L.C. to 30 E. Big Beaver, Troy, MI 48084, Oakland County; and obtain a new SDM license to be held in conjunction and a new official permit (food) with new outdoor service area, subject to a background check of the corporate officers showing no negative criminal contacts in Michigan and favorable recommendation of the Troy Police Department.

Yes:	6
No:	0
Absent:	Allemon

Assistant City Attorney Allan Motzny provided the following information:

- With regard to the question from a previous meeting as to whether Hooters could operate under another license through a management agreement or participating agreement, the MLCC Administrative Rules allow a participating agreement to be approved by the State where a non-licensee could operate under someone else's license. There is no requirement for approval by the local legislative body.

- With regard to the question of Hooters transferring the location of their present license, under State law there is no requirement for approval by the local legislative body. The Police Department and Building Department still conduct their investigations, but City Council does not have to approve.

- Hooters has filed a new law suit under the Federal Civil Rights Statute (known as a Section 1983 Action) against the City in Federal Court asking for money damages alleging violation of constitutional rights, specifically the denial of their First Amendment right to freedom of expression, their right to equal protection of law, and their right to due process. Mr. Motzny stated that the issues that are being raised in the new federal suit are very similar to some of the issues raised in the earlier suit. There are doctrines that would require a Federal Court to decline jurisdiction when similar issues involving the same parties are being litigated in a pending State case, and since the State litigation is in the Court of Appeals, it is deemed a pending case.

Lieutenant Lyczkowski gave the following update on the Informational Items:

- ESTATE WINE COMPANY, LLC, requests to transfer ownership of 2006 Outstate Seller of Wine and Wholesale license from Boss Imports and Wholesale, LLC, located at 1501 Temple City, Troy, MI 48084. [MLCC REQ#359485] *Does not require any action from Committee or Council*

  - Waiting for Building inspections

- JILL-NICK CORP, requests to transfer location of 2005 SDD & SDM licenses from 3296 Rochester, Troy Michigan, 48083, Oakland County to 1031 Hartland, Troy, MI, 48083,Oakland County. [MLCC REQ ID # 309295] *Does not require any action from Committee or Council (Buscemi's)*

  - Construction not complete

- MON JIN LAU, INC., requests to add additional bar permit to Class C licensed business located at 1515 E. Maple, Troy, MI 48084, Oakland County. [MLCC REQ#366894] *Does not require any action from Committee or Council*

  - Application not returned to Police Department

The meeting adjourned at 7:34 p.m.

Max K. Ehlert, Chairman

Patricia A. Gladysz, Secretary II