City of Troy

CITY COUNCIL ACTION REPORT

November 13, 2007

TO: Phillip L. Nelson, City Manager

FROM: Charles T. Craft, Chief of Police CTC
Captain Colleen Mott, Support Services Division CM
Sergeant Robert Cantlon RC

SUBJECT: Application for transfer of SDD and SDM license for Konja 1

Background:

- Konja 1 requests to transfer ownership of 2007 SDD and SDM licensed business from Troy Paradise, Inc. located at 5945 John R, Troy. It will operate as Carl's Liquor there.
- On November 12, 2007, applicant Danial Konja of Konja 1 answered questions for the Liquor Advisory Committee.
- Mr. Konja explained to the Committee that he has worked in the retail store business for the past 30 years, with the 13 years as the owner of his own business, Republic Liquor, Inc. in Highland Park.
- Carl's Liquor will continue to operate as a small market with deli and grocery items along with beer, wine and spirits.
- The Committee unanimously approved this request.

Financial Considerations:

- There are no financial considerations for the City.

Legal Considerations:

- The request complies with all applicable Troy City ordinances and Michigan Liquor Control Commission rules.
- The Police Department did not find any disqualifying factors for this request.
- The MLCC does not require local government approval for the transfer of SDD and SDM licenses; however, it has been the policy of the City of Troy to review such requests.

Policy Considerations:

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

Options:

- 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

POLICE INVESTIGATION REPORT

[Authorized by MCL 436.1217 and R 436.1105; MAC]

FOR MLCC USE ONLY

Request ID # 429800

Business ID # 201036

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:

KONJA 1, INC. 5945 JOHN R, TROY, MI 48085, OAKLAND COUNTY
REQUEST: TRANSFER OWNERSHIP OF 2007 SDD AND SDM LICENSED BUSINESS FROM TROY PARADISE, INC.

Section 1. APPLICANT INFORMATION

APPLICANT #1: DANIAL KONJA 5146 PARKSIDE, WEST BLOOMFIELD, MI 48323 (248) 738-9258-H (248) 514-2304-W	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:

1. Is this applicant qualified to conduct this business if licensed? ☐ Yes ☐ No
2. Is the proposed location satisfactory for this business? ☐ Yes ☐ No
3. Should the Commission grant this request? ☐ Yes ☐ No
4. 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

The Department of Labor & Economic Growth will not discriminate against any individual or group because of race, sex, religion, age, national origin, color, marital status, disability, or political beliefs. If you need help with reading, writing, hearing, etc., under the Americans with Disabilities Act, you may make your needs known to this agency.

A regular meeting of the Liquor Advisory Committee was held on Monday, November 12, 2007 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 6:55 p.m.

ROLL CALL:

PRESENT: Max K. Ehlert, Chairman
Henry W. Allemon
W. Stan Godlewski
Patrick C. Hall
David S. Ogg
Timothy P. Payne
Bohdan L. Ukrainec
Allan Motzny, Assistant City Attorney
Sergeant Robert Cantlon
Pat Gladysz

ABSENT: Clark Yuan, Student Representative

Resolution to Approve Minutes of September 17, 2007 Meeting

Resolution #LC2007-11-022
Moved by Allemon
Seconded by Payne

RESOLVED, that the Minutes of the September 17, 2007 meeting of the Liquor Advisory Committee be approved.

Yes: 7
No: 0
Absent: None

Agenda Items

1. **Konja 1, Inc, 5945 John R, Troy, MI 48085, Oakland County** requests transfer ownership of 2007 SDD and SDM licensed business from Troy Paradise, Inc. {MLCC Request #429800}

Present to answer questions from the Committee were Danial Konja and Louay Joulakh. Mr. Konja is purchasing this business from Mr. Joulakh. Mr. Konja has owned a similar business in Highland Park for over 13 years. Mr. Konja will attend TIPS/TAMS training, as will any future employees.

Sgt. Cantlon stated that his background investigation revealed no disqualifying factors.

Resolution #LC2007-11-023
Moved by Allemon
Seconded by Ukrainec

RESOLVED, that Konja 1, Inc, 5945 John R, Troy, MI 48085, Oakland County be allowed to transfer ownership of 2007 SDD and SDM licensed business from Troy Paradise, Inc.

Yes: 7
No: 0
Absent: None

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2. **Capital Grille Holdings, Inc.** requests to transfer ownership through merger of 2007 Class C licensed business with official permit (food) located at Somerset Collection North, 2800 W. Big Beaver, space #Q 123, Troy, MI 48084, Oakland County, from the Capital Grille of Troy, Inc.; requests a new SDM license to be held in conjunction; and requests to add space. {MLCC Request #62150}

Present to answer questions from the Committee was Kelly Allen, attorney for Capital Grille Holdings, Inc. Ms. Allen stated this is a merger issue that has been held up at the MLCC for approximately three years. She also advised the Committee of the space that has been added to the restaurant. Capital Grille Holdings is also requesting an SDM license to enable them to sell wine for off-premise consumption.

Sgt. Cantlon advised the Committee that Capital Grille has had only one violation (2001) since they opened for business. He confirmed the paperwork processing problems with an investigator at the MLCC. The delay was not the fault of the licensee

Resolution #LC2007-11-024
Moved by Allemon
Seconded by Ogg

RESOLVED, that Capital Grille Holdings, Inc. be allowed to transfer ownership through merger of 2007 Class C licensed business with official permit (food) located at Somerset Collection North, 2800 W. Big Beaver, space #Q 123, Troy, MI 48084, Oakland County, from the Capital Grille of Troy, Inc.; requests a new SDM license to be held in conjunction; and requests to add space.

Yes:	7
No:	0
Absent:	None

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3. **TKE Restaurants, Inc.** requests to transfer ownership of 2007 Class C licensed business located in escrow at 1811 E. Ten Mile, Madison Heights, MI 48071, Oakland County, from Daily Double Lounge, Inc.: transfer location (governmental unit) (MLC 436.1531(1) to 1686 John R, Troy, MI 48084, Oakland County and requests a new Official Permit (Food). {MLCC Request #430628}

Present to answer questions from the Committee were Kelly Allen, attorney, and Ted Evans, owner. Ms. Allen advised the Committee that Mr. Evans has leased the former Hooters location, has purchased a liquor license from a bar in Madison Heights, and will open a franchised restaurant called Rib City Grill. Rib City Grill has a strong training program and Mr. Evans will also attend the TIPS training. Approximately 50 employees will be hired. The restaurant will have 150 seats and has ample parking.

Sgt. Cantlon stated that his background investigation revealed no disqualifying factors.

Resolution #LC2007-11-025
Moved by Ogg
Seconded by Godlewski

RESOLVED, that **TKE Restaurants, Inc.** be allowed to transfer ownership of 2007 Class C licensed business located in escrow at 1811 E. Ten Mile, Madison Heights, MI 48071, Oakland County, from Daily Double Lounge, Inc.: transfer location (governmental unit) (MLC 436.1531(1) to 1686 John R, Troy, MI 48084, Oakland County and requests a new Official Permit (Food).

Yes: 7
No: 0
Absent: None

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4. **Hospitality Ventures Management, Inc. (A Georgia Corporation) and RBHV Troy, LLC (A Delaware Limited Liability Company) (Co-Licensees)** request to transfer ownership of 2007 B-Hotel licensed business with Dance Permit, Official Permit (Food), Outdoor Service (1 Area), Direct Connection-1, 3 bars, and 251 rooms, located at 850 Tower, Troy, MI 48098, Oakland County, from DJONT/JPM Troy Leasing, LLC. (A Delaware Limited Liability Company); Felcor/JPM Troy Hotel, LLC (A Delaware Limited Liability Company) and Promus Hotels, Inc. A Delaware Corporation (Co-Licensees). {MLCC Request #426097}

Present to answer questions from the Committee were John Carlin, attorney, and James Miskulin. This is a transfer of ownership and management of the Embassy Suites Hotel. Mr. Miskulin advised the Committee that Hospitality Ventures Management operates specifically under Hilton and Marriott franchised hotels. This location will undergo major cosmetic renovations beginning in December.

Sgt. Cantlon stated that his background investigation revealed no disqualifying factors.

Resolution #LC2007-11-026
Moved by Allemon
Seconded by Ukrainec

RESOLVED, that Hospitality Ventures Management, Inc. (A Georgia Corporation) and RBHV Troy, LLC (A Delaware Limited Liability Company) (Co-Licensees) be allowed to transfer ownership of 2007 B-Hotel licensed business with Dance Permit, Official Permit (Food), Outdoor Service (1 Area), Direct Connection-1, 3 bars, and 251 rooms, located at 850 Tower, Troy, MI 48098, Oakland County, from DJONT/JPM Troy Leasing, LLC. (A Delaware Limited Liability Company); Felcor/JPM Troy Hotel, LLC (A Delaware Limited Liability Company) and Promus Hotels, Inc. A Delaware Corporation (Co-Licensees).

Yes: 7
No: 0
Absent: None

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5. **Hospitality Wal-Mart Stores East,** Limited partnership requests new SDM license with 2 new Direct Connections to be located at 2001 W Maple, Troy, MI 48084, Oakland County. (Public Chain) {MLCC Request #431440}

Present to answer questions from the Committee were Sandra Cotter, attorney, Nicole Chase, store manager, and Diane Behnke, market manager. Ms. Cotter explained that Wal-Mart is requesting an SDM license in order to sell self-serve beer and wine from their grocery department. Wal-Mart has an extensive computer-based learning module that will train all cashiers and managers. Also, the cash registers are programmed to allow only those transactions with a legal birth date of the purchaser, legal day of week/time of day, and will prohibit sales by underage employees.

Sgt. Cantlon stated that his background investigation revealed no disqualifying factors. Also, he has reviewed the computer-based learning module that will be used for training and agrees that it meets the City's requirements.

Resolution #LC2007-11-027
Moved by Allemon
Seconded by Ogg

RESOLVED, **Wal-Mart Stores East,** Limited partnership be granted new SDM license with 2 new Direct Connections to be located at 2001 W Maple, Troy, MI 48084, Oakland County. (Public Chain)

Yes: 7
No: 0
Absent: None

The Committee discussed the informational items on the agenda, as well as the recent sale-to-minor violations.

The meeting adjourned at 7:40 p.m.

_____
Max K. Ehlert, Chairman

_____
Patricia A. Gladysz, Secretary II

AGREEMENT REGARDING LIQUOR LICENSE REQUEST

This Agreement, made this ____ day of _____, 200___, 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 KONJA 1. whose address is 5945 JOHN R, 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 SDD / SDM licensed business located at 5945 John R.
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.

Danial Konja

Witnesses:

Elaine E. Cummings

Subscribed and sworn to before me
this 13th day of November, 2007

Stacy M. Lubeski

Notary Public, Macomb
County, Acting in Oakland County
My commission expires: June 15, 2011

Stacy M. Lubeski
Notary Public, Macomb County, MI
Commission Expires June 15, 2011
Acting in Oakland County

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: