CITY COUNCIL ACTION REPORT

September 10, 2008

TO: Phillip L. Nelson, City Manager

FROM: Charles T. Craft, Chief of Police CC
Deputy Chief Gary Mayer GM
Sergeant Robert Cantlon RC

SUBJECT: Application for transfer of Class C license to Pizzapapalis of Troy, LLC.

Background:

- Pizzapapalis of Troy, LLC requests to transfer ownership of 2008 Class C SDM licensed business, located in escrow at 1551 Wide Track, Pontiac, MI 48342, Oakland County, from Oscar Johnson; transfer location (Governmental Unit) (MCL 436.1531(1) to 300 John R Suite A, Troy, MI 48083, Oakland County; cancel existing Outdoor Service (1 area) and requests a new Outdoor Service (1 area). {MLCC Req #476285}
- On May 12 2008, applicants, George Krecek, Thomas Stegemen and Joseph Sheena of Pizzapapalis of Troy, LLC. answered questions for the Liquor Advisory Committee.
- Mr. Stegeman explained to the Committee that they have owned and operated restaurants with and without liquor licenses continuously for 12 years and will operate this establishment as Pizzapapalis.
- 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 requires local government approval for the transfer of Class C licenses.

Policy Considerations:

- This action supports Council's Outcomes Statement III: "Troy is rebuilding for a healthy economy reflecting the values of a unique community in a changing and interconnected world."

Options:

- City Council can approve or deny the request.

A regular meeting of the Liquor Advisory Committee was held on Monday, September 8, 2008 in the Council Board 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
Henry W. Allemon
W. Stan Godlewski
Patrick C. Hall
David S. Ogg
Timothy P. Payne
Bohdan L. Ukrainec
Susan Lancaster, Assistant City Attorney
Sergeant Robert Cantlon
Pat Gladysz

Resolution to Approve Minutes of August 11, 2008 Meeting

Resolution #LC2008-09-023
Moved by Payne
Seconded by Allemon

RESOLVED, that the Minutes of the August 11, 2008 meeting of the Liquor Advisory Committee be approved.

Yes: 7
No: 0
Absent: None

Note

At approximately 7:06 p.m., Committee Member Godlewski was called away from the meeting on a fire emergency. He was not present during the voting on the Agenda Items.

Agenda Items

1. **Pizzapapalis of Troy, LLC** requests to transfer ownership of 2008 Class C SDM licensed business, located in escrow at 1551 Wide Track, Pontiac, MI 48342, Oakland County, from Oscar Johnson; transfer location (Governmental Unit) (MCL 436.1531(1) to 300 John R Suite A, Troy, MI 48083, Oakland County; cancel existing Outdoor Service (1 area) and requests a new Outdoor Service (1 area). {MLCC Req #476285}

Present to answer questions from the Committee were George Krcek, Thomas Stegeman, and Joseph Shenna.

The representatives stated they own and operate seven Pizzapapalis restaurants and 25 Rio Wrap restaurants. Two of the restaurants serve from both menus, as is the intent with the 300 John R location. This restaurant will have approximately 112 seats and they anticipate an early October opening. The general manager has been working in their Dearborn location for several years and is familiar with the sale of liquor. TIPS/TAMS training will be required for all employees.

Sergeant Cantlon reported that several inspections by the Building Department are not completed. He also reported that their Dearborn restaurant has no history of liquor license violations. The Greektown restaurant is currently working to resolve administrative licensing issues and they have no history of liquor sales violations.

Resolution #LC2008-09-024
Moved by Payne
Seconded by Ukrainec

RESOLVED, that Pizzapapalis of Troy, LLC be allowed to transfer ownership of 2008 Class C SDM licensed business, located in escrow at 1551 Wide Track, Pontiac, MI 48342, Oakland County, from Oscar Johnson; transfer location (Governmental Unit) (MCL 436.1531(1) to 300 John R Suite A, Troy, MI 48083, Oakland County; cancel existing Outdoor Service (1 area) and be granted a new Outdoor Service (1 area).

Yes:	6
No:	0
Absent:	Godlewski

2. **M&M Troy, Inc.**; requests new SDM license to be located at 1634 John R, Troy, MI 48083, Oakland County. {MLCC Req #438202}

Present to answer questions from the Committee was Majid Kesto.

Mr. Kesto owns the Clark gas station at East Maple and John R Roads. He was advised by Sergeant Cantlon and Assistant City Attorney Lancaster of the requirements of the Michigan Liquor Control Act and the City of Troy Liquor License Ordinance for a gas station to maintain a $250,000 inventory, excluding alcohol and gasoline, in order for a SDM license to be awarded. At the present time, Mr. Kesto has not submitted receipts to show such inventory. Also, the business must pass all inspections by the Building and Fire Departments after this merchandise is in place.

Mr. Kesto made several proposals in an effort to obtain the SDM license prior to making the large inventory purchase. Ms. Lancaster repeated the requirements to him.

Resolution #LC2008-09-025
Moved by Ukrainec
Seconded by Ogg

RESOLVED, that the request of M&M Troy, Inc. for a new SDM license be tabled until the applicant conforms with the requirements of the Michigan Liquor Control Act and the City of Troy Liquor License Ordinance.

Yes:	6
No:	0
Absent:	Godlewski

General Discussion

Sergeant Cantlon stated that he had nothing new to report to the Committee.

Mr. Hall requested that City Attorney Bluhm send a memo to the Committee advising how the new city ordinance was presented to City Council. He questioned whether the recommendations of the Committee were presented or ignored. Mr. Payne and Mr. Ukrainec agreed with his request.

Mr. Ukrainec requested that Sergeant Cantlon include additional information on the applicants in the Items for Action on the monthly Agenda.

The meeting adjourned at 8:03 p.m.

_____
Max K. Ehlert, Chairman

_____
Patricia A. Gladysz, Secretary II

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 # 476285

Business ID # 211997

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:

PIZZAPAPALIS OF TROY, LLC REQUESTS TO TRANSFER OWNERSHIP OF 2008 CLASS C-SDM LICENSED BUSINESS, LOCATED IN ESCROW AT 1551 W. WIDE TRACK, PONTIAC, MI 48342, OAKLAND COUNTY, FROM OSCAR JOHNSON; TRANSFER LOCATION (GOVERNMENTAL UNIT) (MCL 436.1531(1) TO 300 JOHN R, SUITE A, TROY, MI 48083, OAKLAND COUNTY; CANCEL EXISTING OUTDOOR SERVICE (1 AREA); AND REQUESTS A NEW OUTDOOR SERVICE (1 AREA).

Section 1. APPLICANT INFORMATION

APPLICANT #1:
GEORGE G. KRCEK – MEMBER
1625 LAKEWOOD DRIVE
TROY, MI 48038

DATE FINGERPRINTED: ***NO FINGERPRINTS REQUIRED***

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:

APPLICANT #2:
JOSEPH J. SHEENA – MEMBER
750 OAKLEIGH DRIVE
BLOOMFIELD TOWNSHIP, 48302
H(248)723-0164/B(248)322-1300

DATE FINGERPRINTED: ***NO FINGERPRINTS REQUIRED***

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.

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 # 476285
Business ID # 211997

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:
PIZZAPAPALIS OF TROY, LLC REQUESTS TO TRANSFER OWNERSHIP OF 2008 CLASS C-SDM LICENSED BUSINESS, LOCATED IN ESCROW AT 1551 W. WIDE TRACK, PONTIAC, MI 48342, OAKLAND COUNTY, FROM OSCAR JOHNSON; TRANSFER LOCATION (GOVERNMENTAL UNIT) (MCL 436.1531(1) TO 300 JOHN R, SUITE A, TROY, MI 48083, OAKLAND COUNTY; CANCEL EXISTING OUTDOOR SERVICE (1 AREA); AND REQUESTS A NEW OUTDOOR SERVICE (1 AREA).

Section 1. APPLICANT INFORMATION

APPLICANT #1:
MARK A. SHEENA – MEMBER
1352 STUYVESSANT RAND
BLOOMFIELD HILLS, MI 48301
H(248)792-6750/B(248)322-1300

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:

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

APPLICANT #2:
THOMAS C. STEGEMAN – MEMBER
6114 GLYNDEBOURNE DRIVE
TROY, MI 48098
H(248)879-7906/B(248)322-1300

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:

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

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

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.

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 # 476285

Business ID # 211997

LAW ENFORCEMENT RECOMMENDATION

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

June 30, 2008

TO:

Re: PIZZAPAPALIS OF TROY, 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.

☐ OFFICIAL PERMIT FOR EXTENDED HOURS OF OPERATION FOR: _____

Weekdays _____ A.M. to _____ A.M.

Sundays _____ A.M. to _____ A.M./P.M.

☐ Recommended ☐ Recommended, subject to final inspection ☐ Not Recommended

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.

☐ OFFICIAL PERMIT FOR EXTENDED HOURS OF OPERATION FOR: _____

Weekdays _____ A.M. to _____ A.M.

Sundays _____ A.M. to _____ A.M./P.M.

☐ Recommended ☐ Recommended, subject to final inspection ☐ Not Recommended

☐ DANCE PERMIT

☐ Recommended ☐ Recommended, subject to final inspection ☐ Not Recommended

☐ ENTERTAINMENT PERMIT

☐ Recommended ☐ Recommended, subject to final inspection ☐ Not Recommended

☐ TOPLESS ACTIVITY PERMIT

☐ Recommended ☐ Recommended, subject to final inspection ☐ Not Recommended

☒ OUTDOOR SERVICE		
☐ Recommended	☐ Recommended, subject to final inspection	☐ Not Recommended
☐ PARTICIPATION PERMIT		
☐ Recommended	☐ Recommended, subject to final inspection	☐ Not Recommended
☐ ADDITIONAL BAR PERMIT		
☐ Recommended	☐ Recommended, subject to final inspection	☐ Not Recommended
☐		
☐ Recommended	☐ Recommended, subject to final inspection	☐ Not Recommended

Signed:

_____
Signature and Title

_____
Print Name and Title

TROY POLICE DEPARTMENT

Date: _____

sfs

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.

AGREEMENT REGARDING LIQUOR LICENSE REQUEST

This Agreement, made this 27th day of July, 2008, 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 PIZZAPAPALIS OF TROY, LLC, whose address is 300 John R Suite A, 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 Class C licensed business located at 1873 E. Big Beaver.
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. 68, Chapter No. 92 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 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.
   (c) 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.

George G. Krcek

Joseph J. Sheena

Mark A. Sheena

Thomas C. Stegman

Witnesses:

Mary R. Cronander
MARY R. CRONANDER

Ann Therese Yochim
Ann Therese Yochim

Subscribed and sworn to before me
this 25th day of July, 2008

Rebecca H. McKelvey

Notary Public, Oakland
County, Michigan
My commission expires: March 8, 2015

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:

Request ID # 476285

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 to TRANSFER OWNERSHIP OF 2008 CLASS C LICENSED BUSINESS, LOCATED IN ESCROW AT 1551 W. WIDE TRACK, PONTIAC, MI 48342, OAKLAND COUNTY, FROM OSCAR JOHNSON TO PIZZAPAPALIS OF TROY, LLC; AND TRANSFER LOCATION (GOVERNMENTAL UNIT) (MCL 436.1531(1) TO 300 JOHN R, SUITE A, TROY, MI 48083, 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)

LC-1305 (Rev. 08/2006) Authority: MCL 436.1501 Completion: Mandatory Penalty: No License	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.