



cityofnovi.org

CITY of NOVI CITY COUNCIL

Agenda Item 1
October 8, 2012

SUBJECT: Approval of request from Grace Sharing Club, LLC (d/b/a Fifth Avenue Club & Restaurant) for a new Class C quota license to be located at 25750 Novi Road, Suite 104, Novi, Michigan 48375 and Agreement on the Prohibition on Profiteering by Class C Liquor License Holders.

SUBMITTING DEPARTMENT: City Clerk *mc*

CITY MANAGER APPROVAL: *[Signature]*

BACKGROUND INFORMATION:

The City currently has two new Class C quota liquor licenses available. Grace Sharing Club, LLC has applied for a new Class C quota liquor license for Fifth Avenue Club & Restaurant to be located at 25750 Novi Road, Suite 104.

Chapter 3 of the City Code contains the review criteria for considering a new license. Section 3-13 establishes the City's **general licensing policy**, which considers whether the facility:

- (a) Will provide a service, product, or function that is not presently available within the city or that would be unique to the city or to an identifiable area within the city;
- (b) Is of a character that will foster or generate economic development or growth within the city, or an identifiable area of the city, in a manner consistent with the city's policies; or,
- (c) Represents an added financial investment on the part of a long-term business or resident with recognized ties to the city and the local community.

In addition, Section 3-15 (g) establishes **specific criteria**, evaluating the application with regard to:

The applicant (subsection [g][1]), such as:

- the applicant's management experience in the alcohol/liquor business

The facility (subsection [g][2]), such as:

- compliance with building, zoning, and other code requirements. (The building has been used as an entertainment venue and restaurant and would continue to do so).
- effects on traffic. (Parking and traffic infrastructure in the area has improved since the facility last operated as a restaurant).

- effects on surrounding businesses and neighborhood. (Positive spinoffs can be anticipated, no other like facility).
- proximity of the proposed business facility to other similarly situated licensed liquor facilities. (For this case, proximity provides a mutual advantage).

Benefits to the community (subsection [g][3])

- effects upon the economic development of the city. (Bringing the property into re-use, with sufficient capital investment to upgrade and sound operations going forward, is an economic development positive).
- effects on the health, welfare and safety of the general public. (Equal to other like restaurants and bars).
- whether the applicant has demonstrated a public need or convenience for the issuance of the liquor license for the business facility at the location proposed, taking into consideration, among other things:
 1. total number of licenses for similar establishments and/or operations in the city; and
 2. proximity of the establishment to other licensed liquor establishments (Market conditions have apparently convinced the owner of vitality and to make this investment).
- The uniqueness of the facility contrasted with other existing or proposed facilities (Similar to other facilities; perhaps larger and different location than most).
- The permanence of the proposed facility in the community. (The structure remains).

Section 3-17 of the City Code allows for an agreement on the prohibition on profiteering by Class C liquor license holders. Under the terms of the agreement, the City Council shall not approve the transfer of a Class C liquor license within three (3) years of the date of the original issuance of the license. A draft agreement is included in this packet.

The sole owner of Grace Sharing Club, LLC is Kuang Hsung J. Chang, who resides in Staten Island, New York. Chuang currently owns the building where Fifth Avenue Ballroom previously occupied. He intends to reopen the building as a restaurant and night club.

The Police Department found no reason to deny the applicants' request. The Fire Department has no objection to the request, pending compliance with City regulations. The Building Division has no objection to the request contingent upon final inspections. Per the Planning Division, the use is permitted, subject to site plan review.

RECOMMENDED ACTION: Approval of request from Grace Sharing Club, LLC (d/b/a Fifth Avenue Club & Restaurant) for a new Class C quota license to be located at 25750 Novi Road, Suite 104, Novi, Michigan 48375 and Agreement on the Prohibition on Profiteering by Class C Liquor License Holders.

	1	2	Y	N
Mayor Gatt				
Mayor Pro Tem Staudt				
Council Member Casey				
Council Member Fischer				

	1	2	Y	N
Council Member Margolis				
Council Member Mutch				
Council Member Wrobel				