



STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LIQUOR CONTROL COMMISSION

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In the matter of the request of)
DSKO, INC.)
242 E. Kalamazoo) Request ID No. 668302
Suite 101)
Kalamazoo, Michigan 49007)
)
Kalamazoo County)
_____)

At the March 26, 2013 hearing of the Michigan Liquor Control Commission
(Commission) in Lansing, Michigan.

PRESENT: Andrew J. Deloney, Chairman
Teri L. Quimby, Commissioner
Dennis Olshove, Commissioner

LICENSING APPEAL ORDER

On August 23, 2012, DSKO, Inc. (applicant) filed a request to transfer ownership of 2012 Resort Class C license issued under the provisions of MCL 436.1531(2) and Specially Designated Merchant license with Sunday Sales Permit (P.M.) and Specific Purpose Permit (Food) from KNL, Inc., Stephen L. Langeland, Trustee, held at the above-noted location.

At a meeting held on January 30, 2013, the Commission denied this request under administrative rule R 436.1103(2) as the applicant failed to provide the representative of the Commission with all information necessary to process the investigation and this application, including failure to provide adequate proof from the Department of Homeland Security of the United States of America that DSKO, Inc. filed as the Petitioner and that Deoksoon Ko is the Beneficiary, which allows for Deoksoon Ko to work for DSKO, Inc. The Commission also denied this request under administrative rule R 436.1105(1)(b) and administrative rule R 436.1121(2)(a) as the applicant failed to provide adequate and verifiable documentation regarding their financial resources necessary for investigation and

processing of the application.

Attorney Owen Ramey submitted a timely request for an appeal in this matter and represented the applicant at the March 26, 2013 hearing, held at the Commission's Lansing office.

After hearing arguments, reviewing the MLCC file and exhibits presented, and discussion of the issue on the record, the Commission finds that the applicant sufficiently demonstrated through updated documents that the previous questions concerning this application have been satisfactorily addressed.

Under Article IV, Section 40, of the Constitution of Michigan (1963), the Commission shall exercise complete control of the alcoholic beverage traffic within this state, including the retail sales thereof, subject to statutory limitations. Further, the Commission shall have the sole right, power, and duty to control the alcoholic beverage traffic and traffic in other alcoholic liquor within this state, including the manufacture, importation, possession, transportation and sale thereof under MCL 436.1201(2).

The applicant is authorized to do business in Michigan, as required under MCL 436.1535 for licensure. Under MCL 436.1537(1)(b), the licensee may sell beer, wine, mixed spirit drink and spirits for consumption on the premises. Under MCL 436.1537(1)(f), the licensee may sell beer and wine for consumption off the premises only.

The Commission finds that this Resort Class C license is issued pursuant to the provisions of MCL 436.1531(2).

In addition, a resort license that allows the consumption of alcoholic liquor on the premises shall meet minimum qualifications of administrative rule R 436.1123(1).

The Commission finds that the licensed establishment meets the criteria of administrative rule R 436.1123(1)(a), in that the establishment will be operated as a full service restaurant, preparing food on the premises, and which is open to the public for food service not less than five (5) hours a day, five (5) days a week, with proposed dining facilities capable of accommodating not less than 100 daily at the licensed premises. Additionally, the licensee shall be in compliance with the requirements of administrative rule R 436.1123(1)(a)(iv) in that not less than 50% of the gross receipts of the licensed

business are derived from the sale of food and beverages for consumption on the premises, not including the sale of alcoholic liquor.

The Commission finds sufficient reasons to reverse its denial issued in this matter and to approve the applicant's request for the reasons stated on the record.

THEREFORE, IT IS ORDERED that:

A. The denial order of January 30, 2013 issued in this matter is reversed and the applicant's is APPROVED, subject to the following:

1. The licensee shall submit to the Commission an acceptable and executed Lease Agreement.
2. The licensee shall submit to the Commission verification that DSKO, Inc. received a loan of at least \$130,000.00 from Bridgeview Bank Mortgage.
3. The licensee shall submit to the Commission form LCC-3010 "Report of Stockholders/Members/Partners".
4. The licensee shall submit proof of financial responsibility providing security for liability as required under MCL 436.1803. Failure to maintain proof of financial responsibility providing security for liability will result in the immediate suspension of the subject licenses and permits until the licensee provides the Commission with proof of financial responsibility as required under MCL 436.1803.
5. The licensee shall provide documentary proof to the Commission to demonstrate that, at a minimum, supervisory personnel on each shift and during all hours in which alcoholic liquor is served have successfully completed a server training program approved by the Commission as required under MCL 436.1501(1), within 180 days from the issuance of the licenses and permits, as provided in administrative rule R 436.1060.

- a. The licensee shall maintain active certification of completion for server training on the licensed premises at all times as provided in administrative rule R 436.1060.
 - b. Failure to provide this documentary proof to the Commission within 180 days from the issuance of the license and permit shall result in the licensee being charged with failure to comply with this order, under administrative rule R 436.1029, which may result in fines, suspension and/or revocation of the licenses and permits.
 6. The licensee shall be in compliance with the requirements of administrative rule R 436.1123(1)(a)(iv) in that not less than 50% of the gross receipts of the business are derived from the sale of food and beverages for consumption on the premises, not including the sale of alcoholic liquor.
 7. The licensee shall maintain dining facilities capable of accommodating not less than 100 persons daily at the licensed premises; must prepare full-course meals on the premises for service to the general public on a regular basis and be open for food service, not less than five (5) hours a day, five (5) days a week, pursuant to the requirements of administrative rule R 436.1123(1)(a).
- B. The applicant's request for a permit to sell alcoholic liquor after 12:00 Noon on Sundays is APPROVED, subject to the following:
1. A reference to the time of day includes daylight savings time, when observed.
 2. This permit is subject to revocation by operation of law or otherwise if the Commission receives notice from a county, city, village or township that it prohibits the sale of spirits, mixed spirit drink, or beer and wine during the time authorized by this permit.
- C. Under administrative rule R 436.1003, the licensee shall comply with all state and local building, plumbing, zoning, sanitation, and health laws, rules, and ordinances as

determined by the state and local law enforcements officials who have jurisdiction over the licensee. Approval of the licenses and permits by the Michigan Liquor Control Commission does not waive any of these requirements. The licensee shall obtain all other required state and local licenses, permits, and approvals before selling or serving alcoholic liquor.

D. Failure to comply with all requirements of licensure in the State of Michigan will result in the licensee being charged with a violation of the Michigan Liquor Control Code, MLCC Administrative Rules, and Commission order, which may result in fines, suspension, and/or revocation of the licenses and permits.

MICHIGAN LIQUOR CONTROL COMMISSION

Andrew J. Deloney, Chairman

Teri L. Quimby, Commissioner

Dennis Olshove, Commissioner

Prepared by:
Terri Chase, Commission Aide

Date Mailed: _____