

Russell Hall, legal counsel on behalf of the applicant, submitted a timely request for an appeal in this matter and Ben and Jesse Malnar represented the applicant at the September 22, 2015 hearing, held at the Commission's Lansing office.

After hearing arguments, reviewing the MLCC file, and discussion of the issue on the record, the Commission finds that the applicant sufficiently demonstrated mitigating circumstances relative to the prior arrest and conviction records of both applicant members, and adequately addressed the concerns with this application.

Article IV, Section 40, of the Michigan Constitution (1963), permits the legislature to establish a Liquor Control Commission, which shall exercise complete control of the alcoholic beverage traffic within this state, including the retail sales thereof, subject to statutory limitations. MCL 436.1201(2) provides the Commission with 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.

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

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 July 22, 2015 issued in this matter is reversed and the applicant's request to transfer ownership of the escrowed Class C and Specially Designated Merchant licenses from Northern Economic Initiatives Corporation is APPROVED, subject to the following:

1. The licensee shall submit to the Commission documentary proof that Mac's Bar & Grill LLC, and real estate purchaser, Malnar Properties, LLC received a loan in the amount of \$54,000.00 from Northern

Michigan Bank & Trust.

2. The licensee shall submit to the Commission a signed land contract, real estate mortgage, warranty deed, or quit claim deed. A Real Estate Transfer Tax Valuation Affidavit must be provided, if the deed does not list the actual purchase price.
3. The licensee shall submit to the Commission form LCC-3010 "Report of Stockholders/Members/Partners".
4. The licensee shall submit to the Commission Form LC-3012 "Closing Form for License Sale".
5. 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.
6. 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 of the issuance of the licenses 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.

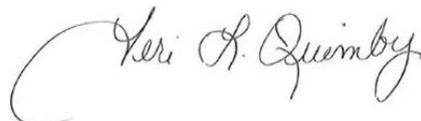
B. The applicant's request to transfer the existing Sunday Sales Permit (P.M.) is APPROVED, subject to the following:

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, Administrative Rules, and Commission order, which may result in fines, suspension, and/or revocation of the licenses and permits.

MICHIGAN LIQUOR CONTROL COMMISSION



Teri L. Quimby, Commissioner

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A handwritten signature in cursive script, appearing to read "Dennis Olshove".

Dennis Olshove, Commissioner

Date Mailed:

tlc