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

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In the matter of the request of)	
MAIN STREET LATIN RESTAURANT, INC. 211-213 N. Main Ann Arbor, Michigan 48104)))	Request ID No. 760145
Washtenaw County)	

At the February 26, 2015 hearing of the Michigan Liquor Control Commission (Commission) in Southfield, Michigan.

PRESENT: Andrew J. Deloney, Chairman

Teri L. Quimby, Commissioner Dennis Olshove, Commissioner

LICENSING APPEAL ORDER

On August 28, 2014, 17240 Hall, LLC (applicant) filed a request to transfer ownership of escrowed 2014 Class C license with Dance Permit from Allen & Allen Corporation; and to transfer location and governmental unit under MCL 436.1531(1) from 12407 E. Eight Mile, Warren, Macomb County, to the above noted address. The applicant also requested a new Specially Designated Merchant license, new Sunday Sales Permits (A.M.) and (P.M.), a new Entertainment Permit, and new authorization for the outdoor sale, service, and consumption of alcoholic beverages in an area measuring up to 17' x 54', located directly adjacent to the licensed premises, and which is well-defined and clearly marked.

At a meeting held on January 21, 2015, the Commission denied this request under administrative rule R 436.1105(2)(a) after considering the prior operating record of applicant member, Paul Derrico, at two (2) locations that have been cited and found

responsible for violations of the Michigan Liquor Control Code and Administrative Rules.

The Commission also denied this request under administrative rule R 436.1105(2)(j) after considering the effects that issuance of a license would have on the health, welfare, and safety of the general public when determining whether an applicant should be issued a license or permit.

Kelly Allen, legal counsel on behalf of the applicant, submitted a timely request for an appeal in this matter and represented the applicant at the March 3, 2015 hearing, held at the Commission's Lansing office.

After hearing arguments, reviewing the MLCC file and documents presented, and discussion of the issue on the record, the Commission finds that the applicant demonstrated a course of action has been taken to assist in preventing further violations of the Michigan Liquor Control Code and Administrative Rules.

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) 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 January 21, 2015 issued in this matter is reversed and the applicant's request to transfer ownership of the escrowed 2014 Class C license is APPROVED, subject to the following:

- The licensee shall submit to a Final Inspection to be conducted by the Commission's Enforcement Division to determine that construction and renovations have been completed as proposed; to determine the seating capacity has been determined and is posted; and to determine the licensed premises meets all requirements of the Michigan Liquor Control Code and Administrative Rules.
- The licensee shall submit to a Final Inspection to be conducted by the Commission's Enforcement Division to determine that the Outdoor Service Area has been completed as proposed and meets all requirements of the Michigan Liquor Control Code and Administrative Rules.
- The licensee shall submit to the Commission documentary proof that 17240 Hall, LLC has received a loan of at minimum \$1,721,786.00 from Fidus Investment Corporation.
- 4. The licensee shall submit to the Commission an acceptable and executed Lease Agreement between the appropriate entities.
- 5. The licensee shall submit to the Commission form LCC-3010 "Report of Stockholders/Members/Partners" for 17240 Hall, LLC.
- 6. The licensee shall submit to the Commission form LCC-3010 "Report of Stockholders/Members/Partners" for 17240 HC, LLC.
- 7. The licensee shall submit to the Commission Form LC-3012 "Closing Form for License Sale".
- 8. 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.
- 9. 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 Dance Permit is APPROVED, subject to the following:
 - The licensee must have a well-defined and clearly marked dance floor that is 100 square feet or larger under administrative rule R 436.1415.
 - 2. The licensee is prohibited from having tables, chairs, or other obstacles on the dance floor while customers are dancing.
- C. The applicant's request to transfer location and governmental unit MCL 436.1531(1) of the license and permit from 12407 E. Eight Mile, Warren, Macomb County, to 17240 Hall, Store R-102, Clinton Township, Macomb County, is APPROVED.
- D. The applicant's request for new Specially Designated Merchant license is APPROVED.
- E. The applicant's request for a new permit to sell alcoholic liquor between 7 A.M. and Noon on Sundays is APPROVED, pursuant to Public Act 213 of 2010, MCL 436.2111-2115. This permit is subject to revocation by operation of law or otherwise if the

Commission receives notice from a county, city, village, township, or the local governmental unit, that it prohibits or otherwise objects to the sale of spirits, mixed spirit drink or beer and wine between the hours of 7 A.M. and Noon on Sundays. If notice and supporting documentation is received by the Commission, a show cause hearing will be scheduled before the Commission under administrative rule R 436.1925(1) to determine if the permit must be revoked.

- F. The applicant's request for a new Sunday Sales Permit (P.M.) is APPROVED, subject to the following:
 - 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.
 - G. The applicant's request for a new Entertainment Permit is APPROVED.
- H. The applicant's request for a new Outdoor Service (1 Area) is APPROVED, subject to the following:
 - The outdoor service area shall remain well-defined and clearly marked.
 - 2. The licensee shall permit the sale, service and consumption of alcoholic liquor outdoors in the defined area only.
- I. 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 license 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.

J. 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

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Teri L. Quimby, Commissioner

Dennis Olshove, Commissioner

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