

RICK SNYDER GOVERNOR

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS MICHIGAN LIQUOR CONTROL COMMISSION

ATORY AFFAIRS STEVEN H. HILFINGER DIRECTOR

ANDREW J. DELONEY
CHAIRMAN

NOTICE: DENIAL OF AN APPLICATION

July 25, 2011

East U Provisions LLC C/O Roger Hewitt 316 S State Street Ann Arbor, MI 48104

Request ID: 568795

Dear Applicant:

This is with reference to your request for a new Class C license issued under MCL 436.1521a(1)(b) and change the nature of the existing SDM license issued at 619 E University, Suite B, to be held in conjunction with the proposed new Class C license with Official Permit (Food) to be located at 619 E University, Suite A & B, Ann Arbor, MI 48104, Washtenaw County.

The Commission at a meeting held on July 20, 2011, issued the enclosed order of denial.

Any request for a hearing must be made in writing, by the applicant, to the Lansing Office of the Commission within 20 business days from the date of this letter.

If you have any questions, please feel free to contact the Licensing Division at 517-322-1400.

Very truly yours,

MICHIGAN LIQUOR CONTROL COMMISSION

Sharon Martin, Director

Sharon Martin

Licensing Division

jla

Enclosure

cc:

MLCC- Southfield District Office w/encl Ann Arbor Police Department w/encl Ann Arbor City Council w/encl

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS Michigan Liquor Control Commission

INTER-OFFICE CORRESPONDENCE

ORDER

TO:

FROM:

Licensing Section LB2

Licensing & Enforcement Division

Administrative Commissioners

JULY 20, 2011

DATE

Page 1 of 2

SUBJECT: East U Provisions LLC

619 E. University

Suite A & B

Ann Arbor, Michigan 48104

#568795

Washtenaw County

Application for new Class C license issued under the provisions of Section 521a(1)(b) of the Michigan Liquor Control Code of 1998, being MCL 436.1521a(1)(b) and change the nature of the existing Specially Designated Merchant license issued at 619 E. University, Suite B, to be held in conjunction with the proposed new Class C license with Official Permit for the premises to be occupied from 9:00 A.M. until 12:00 Noon on Sundays for the service of Food and consideration of licensing pursuant to rule R 436.1121(2)(f).

Section 521a(9) of the Michigan Liquor Code of 1998, being MCL 436.1521a(9) provides the following: "The individual signing the application for the license shall state and demonstrate that the applicant attempted to secure an appropriate on-premise escrowed license or quota license issued under section 531 and that, to the best of his or her knowledge, an on-premise license or quota license issued under section 531 is not readily available within the local unit of government in which the applicant proposes to operate."

Section 521a(10) of the Michigan Liquor Code of 1998, being MCL 436.1521a(10) provides the following: "As used in this section: . . . (c) "Readily available" means available under a standard of economic feasibility, as applied to the specific circumstances of the applicant that includes, but is not limited to, the following: (i) The fair market value of the license, if determinable. (ii) The size and scope of the proposed operation. (iii) The existence of mandatory contractual restrictions or inclusions attached to the sale of the license."

The Commission finds that there are currently three (3) on-premises licenses in escrow, with no pending requests on file, in the City of Ann Arbor; and

Whereas, the Commission finds that applicant, East U Provisions LLC, submitted notarized affidavit(s) stating that the asking price for the Resort Class C license issued to Fast Casual, L.L.C. was \$70,000.00; and, that the asking price for the Class C license issued to Oz Ann Arbor LLC was \$78,000; further that they had determined that asking price was in excess of the fair market value for their area after speaking to a local liquor license broker, however, no proof was submitted to the Commission that the cost was prohibitive in view of the size and scope of their proposed operation. Also, the applicant submitted an affidavit which stated that they did not receive any response to the certified letter sent to licensee The Blue Wolverine, Inc.

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS Michigan Liquor Control Commission

INTER-OFFICE CORRESPONDENCE

ORDER

TO:

Licensing Section LB2

Licensing & Enforcement Division

JULY 20, 2011

DATE

FROM:

Administrative Commissioners

Page 2 of 2

SUBJECT: East U Provisions LLC

619 E. University

Suite A & B

Ann Arbor, Michigan 48104

#568795

Washtenaw County

Based upon the foregoing, the Commission finds no evidence has been presented by the applicant that adequately demonstrates that there is no on-premises license available within the local unit of government, as required pursuant to Section 521a(9) of the Michigan Liquor Control Code of 1998, being MCL 436.1521a(9) and Section 521a(10)(c) of the Michigan Liquor Control Code of 1998, being MCL 436.1521a(10)(c).

Now, therefore, it is the ORDER of the Commission that application as made by East U Provisions LLC for new Class C license issued under the provisions of Section 521a(1)(b) of the Michigan Liquor Control Code of 1998, being MCL 436.1521a(1)(b) and change the nature of the existing Specially Designated Merchant license issued at 619 E. University, Suite B, to be held in conjunction with the proposed new Class C license with Official Permit for the premises to be occupied from 9:00 A.M. until 12:00 Noon on Sundays for the service of Food, to be located at 619 E. University, Suite A & B, Ann Arbor, Washtenaw County, BE DENIED pursuant to Section 521a(9) of the Michigan Liquor Control Code of 1998, being MCL 436.1521a(9) and Section 521a(10)(c) of the Michigan Liquor Control Code of 1998, being MCL 436.1521a(10)(c).