



## Legislation Text

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Resolution to Withdraw Objection to Renewal of the Class C Liquor License and Permits Held by The Arena, Inc. (Business ID No. 140967)(MLCC Request No. 679675) and Approve the Application for Renewal for 2013-2014 License Year

The attached resolution requests withdrawal of the City's objections to the renewal of the Class C liquor license and permits held by The Arena, Inc.

Liquor licenses issued by the State expire April 30<sup>th</sup> of each year as established by Michigan law (MCL 436.1501(2)). On-premise liquor licenses require approval by the local legislative body before renewal of an existing license if an objection to renewal has been filed with the Michigan Liquor Control Commission by the local legislative body at least 30 days before April 30<sup>th</sup>.

On March 18, 2013 City Council accepted and adopted the Findings and Recommendations of the Liquor License Hearing Officer for the City, Council member Lumm, in connection with the Objection to Renewal of The Arena, Inc.'s liquor license for failure to timely pay 2011 personal property taxes and an outstanding default judgment in favor of the City for failure to pay police services costs (Resolution R-13-082).

City Council objection was filed with the Michigan Liquor Control Commission, which held a Show Cause Hearing on the matter April 19, 2013 and issued an Order that The Arena, Inc.'s Class C license and permits be placed in escrow for the 2013-2014 licensing year effective April 30, 2013 at 11:59 p.m. EST until approval was received from the City of Ann Arbor and filed with the Commission.

On April 30, 2013, The Arena, Inc. presented to the City Treasurer with certified funds that satisfied all outstanding debt and obligations. There was no other basis for objection to renewal of The Arena, Inc.'s. Notice of payment was provided to MLCC. MLCC indicated their willingness to temporarily extend the license subject to timely action by City Council withdrawing its objection to renewal and receipt of a certified resolution of City Council in the matter on or before May 31, 2013.

Withdraw of the objection to renew the Class C liquor license and permits of The Arena, Inc. for the 2013-2014 license year is recommended.

Prepared by: Mary Joan Fales, Senior Assistant City Attorney

Sponsored by: Council Liquor License Review Committee

Whereas, After a due process hearing before the designated Liquor Hearing Officer for the City of Ann Arbor, Findings and Recommendations were presented to, accepted and adopted by City Council requesting non-renewal of the Class C liquor license and permits held by The Arena, Inc. for failure to timely pay 2001 personal property taxes and other obligations due and payable to the City in accordance with Section 9:79(b) of the Ann Arbor City Code;

Whereas, On receipt of the City's Objection to Renewal of The Arena, Inc.'s license for 2013-2014 on the grounds stated the Michigan Liquor Control Commission ("Commission") noticed a Show Cause Hearing under its administrative rule R 436.1925(1) as to whether the license should be renewed

based on the objection received by the City under MCL 436.1501(2);

Whereas, The Commission based on the evidence submitted, testimony offered by the City, and the City's due process proceedings that The Arena, Inc.'s Class C license and permits were to be placed in escrow effective April 30, 2013 at 11:59 p.m. EST and shall remain in escrow for the 2013-2014 licensing year until approval is received from the City of Ann Arbor and filed with the Commission;

Whereas, On April 30, 2013, The Arena, Inc. presented to the City Treasurer certified funds which satisfied all outstanding debt and obligations;

Whereas, The Liquor Hearing Officer's Findings and Recommendations presented and adopted by City Council included no other grounds for objection to renewal and the evidence and testimony presented to the Commission confirmed this; and

Whereas, Notice of payment was given to the Commission and the City advised that the Commission (which under Article IV, Section 40, of the Constitution of Michigan (1963) is statutorily delegated control over retail sales of alcoholic beverages) was willing to issue a Class C license and permits for the 2013-2014 license year to The Arena, automatically expiring May 31, 2013, if a certified copy of City Council's resolution proving withdrawals of its objections was not filed with the Commission on or before that date;

RESOLVED, That City Council hereby withdraws all objections to renewal of the Class C Liquor license and permits held by The Arena, Inc. (Business ID. No. 140967) for the reasons stated herein and approved the application for renewal by The Arena, Inc. for the 2013-2014 licensing year; and

RESOLVED, That City Council directs the City Clerk to file with the Michigan Liquor Control Commission and provide The Arena, Inc. with a certified copy of this Resolution at the earliest date after passage.