City of Birmingham
A Walkable Community

MEMORANDUM

Police Department

DATE: **June 11, 2015**

TO: **Joseph A. Valentine, City Manager**

FROM: **Donald A. Studt, Chief of Police**

SUBJECT: **Request to Transfer Ownership of Class C Liquor License with Specific Purpose Permit (Food & Movies), Dance Permit, Entertainment Permit, (1) New Add Bar Permit and New Sunday Sales Permit (AM and PM) from The Palladium of Birmingham, LLC to CH Birmingham, LLC, Located at 250 N. Old Woodward, Birmingham, Oakland County, Michigan.**

The Police Department has received a request from the law firm of Howard & Howard to examine the liquor license request referenced above. CH Birmingham, LLC has paid the initial fee of $1,500.00 for a business that serves alcoholic beverages for consumption on premises per section 7.33 of the Birmingham City Code.

Chapter 126, Zoning, Article 6, Section 6.02 of the Birmingham City Code requires that existing and new establishments with alcoholic beverage sales (on premise consumption) shall obtain a Special Land Use Permit upon change in ownership or name of establishment, or upon application for a Site Plan Review. On March 25, 2015 The Birmingham Planning Board approved the final site plan review for the SLUP. On May 18, 2015, the City Commission approved the Special Land Use Permit and final site plan review for 250 N. Old Woodward (minutes pending).

CH Birmingham, LLC is made up of two members, 65% will belong to CH Royal Oak, LLC (Emagine Royal Oak) and the remaining 35% belong to Cloud Nine Theater Partners, LLC (Maple Theater in Bloomfield Township). CH Royal Oak, LLC is made up of the following members:

1. Glantz Family Trust – 98% (Paul Glantz)
2. Henry J. Crawford Trust – 1%
3. James S. Haan - 1%

Cloud Nine Theater Partners, LLC is made up of the following members:

1. Highline Investments, LLC – 100% (Jon and Lauren Goldstein)

CH Royal Oak, LLC operates the Emagine Theatre in Royal Oak and has not received any Michigan Liquor Control Commission (MLCC) violations. Lt. Mike Fraser of the Royal Oak Police Department indicated that the police have responded to a number of issues at the location, but most have been related to the bar, bowling alley and banquet room. Royal Oak Police Chief Corrigan O'Donohue stated that while there have been some serious issues at the theatre, he referred to Mr. Glantz as a "very responsive" owner and one who works with the police to solve

problems. Captain Scott McCanham of the Bloomfield Township Police Department reported very few problems at The Maple Theater. Capt. McCanham further reported that the owners, Mr. and Mrs. Goldstein, were good to work with and have been willing to address any issues for the Township officials. The Ironwood Grill in Plymouth, MI. has had two minor MLLC violations; one in 2010 and one in 2011.

CH Birmingham, LLC will be leasing the property from The Palladium of Birmingham, LLC. The cost for the renovations, furniture, equipment and inventory will be $1,880,001.00 and will be financed as follows:

1. Loan from General Funding Corporation	$1,500,000.00
2. Capital Contribution from Members	$ 130,001.00
3. Landlord Tenant Improvement Allowance	$ 250,000.00
TOTAL	$1,880,001.00

Background checks were conducted on both Paul A. Glantz and Jon A. Goldsten utilizing the various resources contained in the Law Enforcement Information Network (LEIN), the Court's Law Enforcement Management Information System (CLEMIS) and the Middle Atlantic-Great lakes Organized Crime Law Enforcement Network (MAGLOCLEN). As a result of these queries, no negative information was obtained.

As a result of this investigation, no information was developed or uncovered that would give cause to deny the applicant's request. A representative from the law firm of Howard & Howard will be present to answer any questions.

Under revised MLCC rules, an applicant no longer has to request the completion of a Police Investigation Report or a Local Approval Notice. However, pursuant to the City Code, Chapter 10, Alcoholic Liquors, Article II Licenses, Division II Consumption on Premises, Section 10-42, any and all transfers of a license for consumption of intoxicating liquor on premises require the approval of the City Commission.

SUGGESTED RESOLUTION:
To approve the Request to Request to Transfer Ownership of Class C Liquor License with Specific Purpose Permit (Food & Movies), Dance Permit, Entertainment Permit, (1) New Add Bar Permit and New Sunday Sales Permit (AM and PM) from The Palladium of Birmingham, LLC to CH Birmingham, LLC, Located at 250 N. Old Woodward, Birmingham, Oakland County, Michigan.

Furthermore, pursuant to Birmingham City Ordinance, to authorize the City Clerk to complete the Local Approval Notice at the request of CH Birmingham, LLC, approving the Transfer Ownership of Class C Liquor License with Specific Purpose Permit (Food & Movies), Dance Permit, Entertainment Permit, (1) New Add Bar Permit and New Sunday Sales Permit (AM and PM) from The Palladium of Birmingham, LLC to CH Birmingham, LLC, Located at 250 N. Old Woodward, Birmingham, Oakland County, Michigan.