City of Birmingham
A Walkable Community

MEMORANDUM

Police Department

DATE: **September 4, 2015**

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

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

SUBJECT: **Transfer Ownership of Class C and SDM Liquor Licenses, BID # 110557, with Sunday Sales Permit (AM and PM), New Official Permit (Food), and (1) Additional Bar Permit for a total of (2) Bars from Palladium Restaurant III, LLC and RHG Fish Market, Inc. to Willits Co-Licensee, LLC and RHG Fish Market, Inc. located at 115-117 Willits, Birmingham, Michigan.**

The Police Department has received a request from the law firm of Adkison, Need & Allen, PLLC to examine the liquor license transfer referenced above. Willits Co-License, 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 August 13, 2015 Willits Co-License filed two SLUP applications, one for 115 Willits and one for 117 Willits with the Planning Department.

There is only one stockholder for Willits Co-License, LLC. The lone stock holder is Mr. Seth Meltzer. Mr. Meltzer is a real estate manager for the Seligman Group, based in Southfield Michigan. The Willits building was purchased by an entity owned, in part, by Mr. Meltzer. Mr. Meltzer then created Willits Co-License, LLC to take the place of the former sub-landlord, Palladium Restaurant III, LLC. As such, Willits Co-License, LLC will now be the co-licensee with RHG Fish Market, Inc. The addition of Willits Co-License, LLC will have no impact or change on the operation of either establishment currently operating under the license (Cameron's Steakhouse and Mitchell's Fish Market).

The property (Willits Building) was sold by Willits Owners, LLC to two companies controlled by Mr. Seth Meltzer, Willits Retail, LLC and Willits Retail II, LLC. The acquisition of the property was financed by an $8,150,000.00 mortgage with Flagstar Bank and funds received from a related company, Capistrano.

A background check was conducted on Mr. Seth Meltzer utilizing the 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 those queries, no negative information was obtained.

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.

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 Adkison, Need & Allen PLLC will be present at the City Commission meeting to answer any questions.

SUGGESTED RESOLUTION:
To approve the liquor license transfer of ownership of Class C License and SDM Liquor Licenses, BID # 110557, with Sunday Sales permit (AM and PM), New Official permit (Food), and (1) Additional Bar Permit for a Total of (2) Bars from Palladium Restaurant III, LLC and RHG Fish Market, Inc. to Willits Co-License, LLC and RHG Fish Market, Inc. located at 115-117 Willits, Birmingham, MI

Furthermore, pursuant to Birmingham City Ordinance, to authorize the City Clerk to complete the Local Approval Notice at the request of Willits Co-License, LLC transferring ownership of Class C License and SDM Liquor Licenses, BID # 110557, with Sunday Sales permit (AM and PM), New Official permit (Food), and (1) Additional Bar Permit for a Total of (2) Bars from Palladium Restaurant III, LLC and RHG Fish Market, Inc. to Willits Co-License, LLC and RHG Fish Market, Inc. located at 115-117 Willits, Birmingham, MI.