

City of Northville
CITY COUNCIL SPECIAL MEETING MINUTES
March 21, 2011

Mayor Johnson called the meeting to order at 6:30 p.m. in the City of Northville Municipal Building, City Council Chambers, 215 W. Main Street, Northville, Michigan, 48167.

ROLL CALL

Present: Mayor Christopher Johnson, Councilmembers Nancy Darga and Michele Fecht

Absent: Mayor Pro Tem James Allen (excused)
Councilmember Douglas Bingham (excused)

Also Present: City Manager Patrick Sullivan, Police Chief Gary Goss, City Clerk Dianne Massa, and reporter from Patch.com. There were no citizens present.

CITIZENS COMMENTS

A. Citizen Comments None

PUBLIC HEARING

A. Public Hearing – Objection to the Renewal of NOMI Liquor License (Bambar L.L.C.)

Section 5-66 of the City of Northville’s Liquor Management Ordinance ordains that each “establishment within the city for which a liquor license or permit is granted shall be operated and maintained in accordance with all applicable laws and regulations of the City of Northville and the State of Michigan. Upon any violation of this article, the council may, after notice and hearing, request the Michigan Liquor Control Commission to revoke such license and/or permit. Upon any violation(s) of this ordinance, the city will notify the licensee of the specific violation(s) and afford the licensee an opportunity to come into compliance with this article. Licensee must reach compliance in that time established by the city manager, but in no event more than ten days after notification to licensee by city of such violation.”

Pursuant to Section 5-67, “the city council may recommend non-renewal or revocation of a license or permit to the liquor control commission upon a determination based upon a preponderance of the evidence presented at the hearing that any of the following exists: Subsection (5) failure to pay taxes or make other payments due to the city in a timely manner.”

Bambar, L.L.C. d/b/a NOMI, bus. ID# 168254 was originally authorized to operate on December 18, 2006. In 2009, as part of the Liquor License Annual Review process, the City sent notice to owner Rachel Stern (Bambar, L.L.C.) pertaining to the payment of the 2008 delinquent personal

property taxes. At that time, Bambar, L.L.C. agreed to a payment plan and three payments were made. Following the MLCC annual license review, no further payments were made. In February 2010, Ms. Stern was notified that the business owed \$14,479.92 in delinquent personal property taxes (for 2008 and 2009). Despite repeated notices and a public hearing, the taxes were not paid. With the addition of interest and penalties, the delinquent taxes have now accumulated to \$15,555.81.

The following documents were sent to Ms. Stern via certified mail:

- February 28, 2011 Liquor License Renewal – Abatement Notice (no response received)
- March 8, 2011 Notice of Public Hearing – Objection to Liquor License Renewal

It was noted that correspondence dated March 18, 2011 from Ms. Stern's attorney acknowledged notice of the March 21, 2011 public hearing. The attorney also explained that there is a pending offer to purchase the liquor license from Bambar, L.L.C. A copy of the Liquor License Purchase Agreement dated March 17, 2011 was provided to the City. The attorney noted that all proceeds from this sale would go directly to the City of Northville for the delinquent personal property taxes owed by NOMI d/b/a Bambar, L.L.C. Any surplus would be given to Ms. Stern. The attorney requested that the City withdraw its request for non-renewal based on this information.

The Police Chief explained that the MLCC has set March 31st as the deadline for receiving a certified resolution from City Council objecting to the license renewal. It was noted that should the City Council adopt a resolution objecting to the liquor license renewal, Ms. Stern still planned to continue with the purchase agreement. Prior to the MLCC hearing, if the transfer of the liquor license is approved, the City could contact the MLCC to withdraw its resolution of objection and adopt a resolution supporting the license renewal. It has been conveyed to the City that funds from the liquor license transfer are planned to be used to pay the past due property tax obligations.

Public hearing opened at 6:34 p.m. No comments. Public hearing closed at 6:34 p.m.

Council Comments and Discussion: In response to a question, Staff explained that it was not aware of a procedure that would allow the placement of a lien on the liquor license to ensure that the City will recoup its lost revenue. The two options available to the City are to either object to the license renewal or request that the MLCC revoke the license. It was also explained that the license could be purchased by someone outside the City, but within Wayne County. If that occurred, the City would not be able to object to the sale of the license.

Should City Council adopt a resolution objecting to the license renewal and the purchase agreement is successful, City Council could contact the MLCC to withdraw its resolution of objection and adopt a resolution recommending the license renewal. The objection to the license renewal presents a financial incentive to Bambar, L.L.C. to have the taxes paid before the MLCC meets on April 1st to consider the license renewal. If the license is not renewed, Bambar, L.L.C. would lose \$20,000, which is the value of the license.

Motion Fecht, seconded by Darga to adopt a resolution recommending that the Michigan Liquor Control Commission not renew the escrowed license for Bambar, L.L.C. d/b/a NOMI, bus. ID# 168254. **Motion carried unanimously.**

There being no further business to come before Council, the meeting was adjourned.

Adjournment: 6:37 p.m.

Respectfully submitted,

Dianne Massa, CMC
City Clerk

Approved as submitted: 04/04/2011

Christopher J. Johnson
Mayor