TOWNSHIP OF HARTLAND LIQUOR LICENSE ORDINANCE ORDINANCE #60

On August 15, 2006, Hartland Township enacted an ordinance entitled Hartland Township Liquor License Ordinance (the "Ordinance"). The following is a summary of the Ordinance. A true copy of the Ordinance is available for inspection at the offices of Hartland Township, 3191 Hartland Road, Hartland, Michigan 48353.

Sec. 1. Title Of Ordinance.

This Ordinance shall be entitled Hartland Township Liquor License Ordinance.

Sec. 2. Statement Of Purpose And Applicability.

- (a) The purpose of this ordinance is to allow the Township Board to establish and administer a policy for the issuance and transfer of class C, tavern, and other on-premises licenses, and to manage the number of liquor licenses in the Township.
- (b) This ordinance applies to applications for licenses to sell beer, wine or spirits for on-premises consumption including tavern licenses, class C licenses, resort licenses, brewpub and microbrewer licenses, club licenses, hotel licenses. This ordinance shall not apply to applications for SDM and SDD licenses, "24-hour permits", or other special licenses granted by the liquor control commission.

Sec. 3. <u>Licensing Policy</u>.

- (a) New liquor licenses, transfer of ownership of existing licenses, and transfers into the Township of new licenses will be approved at the sole discretion of the Township Board subject to Michigan state liquor control commission ("LCC") regulations.
- (b) It shall be the policy of the Township to publish a public notice whenever the Township elects to make a new license available.

Sec. 4. Application And Review Procedures.

Each applicant for a new license, the transfer into the Township of a license, or the transfer of an existing license shall make a request to the Township Board in accordance with the following procedures:

(1) Application.

- a. This application process does not relieve the applicant of complying with LCC application requirements. The fee as required by section 9 shall be paid in advance by the applicant to cover the cost to review and process the application.
- b. Applications shall be made in writing and by affidavit to the Hartland Township Manager or his/her designee (hereinafter referred to as the "Township Administrator") on an application provided by the Township and shall be signed and notarized by the applicant, or by a duly authorized agent if a partnership or corporation on behalf of the partnership or corporation, and shall contain the following statements and information.
 - 1. The name, age and address of the applicant in the case of an individual; or, in the case of a partnership, the persons entitled to share in the profits thereof; in the case of a corporation, the names and addresses of the officers and directors, and an affidavit stating whether or not the corporation is a privately held corporation. If the corporation is a privately held corporation, it shall also submit an affidavit stating the number of shares of stock which it has issued, to whom the stock was issued, the amount of stock issued to each stockholder, the date of issuance of the stock and the individual certificate numbers of the stock issued.
 - 2. The citizenship of the applicant, place of birth, and, if a naturalized citizen, the time and place of naturalization.
 - The character of business and business reputation of the applicant, and in the case of a partnership or corporation, the objectives for which it was organized. This requirement shall be fulfilled by a current certified copy of the operating agreement or articles of incorporation.
 - 4. The length of time the applicant has been engaged in the business of that character, or, in the case of a partnership or corporation, the date when its operating agreement or articles of incorporation were issued.
 - 5. The applicant's financial status and the ability to build and/or operate the proposed facility.
 - 6. Proof of ownership of the property or lease of the property to be used and operated under the liquor license and the legal description of the property.
 - A statement whether the applicant has made any other application for a similar on premise license or any other liquor license other

- than described in the application, and the disposition of the other application(s).
- 8. A statement that the applicant has never been convicted of a felony or a crime involving moral turpitude, violence or alcoholic liquors, and is not disqualified to receive a license by reason of any matter or thing contained in this ordinance or the laws of the state.
- A statement that the applicant will not violate any of the laws of the state or of the United States or any ordinance of the Township in the conduct of its business.
- 10. A statement as to what type of license is requested.
- 11. A completed and signed Proof of Financial Responsibility Form (LC-95).
- 12. A copy of all records which may be in the possession of the LCC pertaining to the applicant, its investigation of the applicant, and previous and existing liquor licenses issued to the applicant.
- c. <u>Site location, design, operational and implementation information</u>. In addition to the filing of information as required in subsection (a) of this section, the following information shall be submitted by the applicant:
 - 1. A location map of the property where the license is to be located. The map shall show the relationship of the proposed licensed facility to surrounding property and uses and any church or school building within 500 feet from the proposed facility.
 - A site plan showing the location of the building on the lot where the proposed licensed facility is to be operated, the architectural design and building elevations, and other pertinent physical features of the proposed building.
 - 3. The floor plan, seating arrangements, the interior design, and the type of furniture and fixtures to be used in the proposed facilities.
 - 4. If the building is already constructed, then in addition to the above the applicant shall furnish proposed renovation plans for the interior of the premises or any proposed exterior building alterations.
 - 5. A statement as to when the applicant intends to commence construction or renovation of the proposed building or facility and when the applicant expects to complete such construction.

- 6. A statement as to proposed hours of operation, menu, staff and culinary facilities and capabilities.
- 7. Submittal by the applicant of a proposed improvement plan and ongoing development goals to maintain quality service should a license be approved.
- d. Other information. The applicant shall furnish such other information as is requested by the Township, including but not limited to release of information forms, disclosure forms and hold harmless agreements, as may be deemed appropriate by the Township.
- (2) <u>Township Review</u>. Upon receipt of an application and plans, the Township Administrator will refer same to the Livingston County Sheriff and/or the Director of Public Safety, the Livingston County and/or Township Building Department, the Township Comptroller and/or a financial consultant, the Township attorney, and/or other Township officers or employees, who will prepare a thorough review and investigation, including a complete history of past business experience of the persons and/or premises including liquor law violations, if any. The applicant shall provide any and all requested information and fully cooperate with the investigation. The findings resulting from such review and investigation shall be reported to the Township Administrator, who then will report the findings to the Township Board.

(3) Public hearing/review.

- a. <u>Hearing</u>. The Township Board shall hold a public hearing upon a request for a new license, transfer of an existing license to new owners, or for the transfer of a new license into the Township.
- b. <u>Notice</u>. Notice of all hearings shall be provided to the applicant and all property owners within 300 feet of the proposed establishment and all LCC class C and tavern license holders located in the Township. Notice shall also be published in a local newspaper at least ten (10) days prior to any hearing.
- c. <u>Appearance</u>. The applicant shall appear at the public hearing and make a written and brief oral presentation concerning the request. For purposes of this subsection, the term "applicant" shall refer to all individuals holding or proposed to hold a five percent or more interest in the business or license, unless the applicant is a publicly traded company.
- (4) Review factors. The following review factors are intended only to be guidelines to assist the Township Board in making its determination and nothing in this ordinance shall be construed to limit the Township Board's discretion in making its determination. In reviewing a request for a new license, transfers of

ownership of existing licenses, or transfers into the Township of new on-premises licensees, the Township Board may consider the following factors:

- a. The appropriate relationship between buildings and land uses.
- b. Total number of similar licenses in the Township Board.
- c. Input from residents and surrounding business owners.
- d. Impact of the establishment on surrounding businesses and neighborhoods.
- e. Pedestrian and vehicular movement.
- f. Parking availability.
- g. Number of seats/occupancy compared to the surrounding area.
- h. Substantial renovation of existing buildings.
- i. Concentration of drinking establishments and impact on policing requirements.
- j. General policing requirements.
- k. Business history.
- I. Business experience.
- m. LCC violation history.
- n. Diversification of the type of commercial activity in a given area or block.
- o. Ratio of food to alcohol sales.
- p. Type or character of the establishment, e.g. full service restaurant, "bar only" or hotel.
- q. Overall benefit of the plan to the Township.
- r. The applicant's financial status and its ability to build or operate the proposed facility, including whether appropriate lease arrangements exist.
- s. The applicant's (including all individuals holding a five percent or greater interest) past criminal convictions for crimes involving moral turpitude, violence or alcohol.
- t. The uniqueness of the proposed facility when compared with other existing or proposed facilities.
- u. The permanence of the proposed establishment in the community as evidenced by the proposed or actual commitments made by the applicant.
- v. The effect that the proposed establishment would have in contributing to the economic stability or revitalization of areas within Township.
- w. The cost burden to the Township.
- x. Any other factor(s) that may affect the health, safety and welfare or the best interests of the Township and its residents.
- (5) <u>Township Board Action</u>. Within a reasonable time following the hearing to consider the application, the Township Board may act as follows:
 - a. Grant approval (either full or conditional) of the application.
 - b. Reject the application, stating in writing the reason(s) for its denial.
 - c. Postpone action on the application.
 - Recommend or not recommend transfer of a license to the LCC if applicable.

e. Take other appropriate action in the discretion of the Township Board.

Sec. 5. Transfer Of Ownership.

Requests for transfer of ownership of existing licensed establishments shall be reviewed and approved, approved with conditions or disapproved by the Township Board after application and an evaluation of the factors in this ordinance. If the continuation of an existing operation is contemplated, the applicant must present a plan that indicates that it will continue the existing operation as established or explain in writing any proposed changes.

Sec. 6. Revocation And Non-Renewal.

- (a) Each establishment within the Township for which a liquor license is granted shall be operated and maintained in accordance with all applicable laws and regulations of the Township and the State of Michigan. Upon any violation of this ordinance, the Township Board may, after notice and hearing, request that the LCC revoke or not renew such license. Upon any violation(s) of this ordinance or state law or LCC regulations, the Township Board shall notify the licensee of the specific violation(s) and afford the licensee an opportunity to come into compliance with this ordinance. The licensee must reach compliance in the time established by the Township Board, but in no event more than ten days after notification to licensee by the Township Board of such violation. Absent compliance within the time established by the Township Board, the Township Board may hold a hearing and request that the LCC not renew and/or revoke such license.
- (b) Prior to holding a hearing under subsection (a), the Township shall serve the licensee notice by first class mail at least ten (10) days prior to the hearing, which shall contain, the following:
 - (1) Date, time and place of the hearing.
 - (2) Notice of the proposed action.
 - (3) Reasons for the proposed action.
 - (4) Names of witnesses known at the time who will testify.
 - (5) A statement that the licensee may present evidence or any testimony that may refute or respond to the claims of adverse witnesses.
 - (6) A statement requiring the licensee to notify the Township's attorney's office at least three (3) days prior to the hearing date if the licensee intends to contest the proposed action, and to provide the names of witnesses known at the time who will testify on the licensee's behalf.

(c) Within a reasonable time after the hearing, the Township Board shall submit to the licensee and the LCC a written statement of its findings and determination.

Sec. 7. Criteria For Non-Renewal Or Revocation.

In accordance with applicable state regulations, the Township Board may recommend non-renewal or revocation of a license to the LCC upon a determination based upon a preponderance of the evidence presented at the hearing that any of the following exists:

- (1) Failure to comply with all standards, plans or agreements entered into in consideration for the issuance, transfer or continuance of the license or permit, or failure to comply with all agreements or consent judgments entered into subsequent to the issuance of the license or permit.
- (2) Failure to comply with an approved plan of operation and other plans, specifications, or representations made or submitted to the Township by the licensee.
- (3) Violations of the state liquor laws or regulations of the LCC.
- (4) Violations of state laws or Township ordinances, rules or regulations including, but not limited to those laws, ordinances, rules or regulations concerning the public health, safety or public welfare.
- (5) Maintenance of a nuisance upon or in connection with the licensed premises including, but not limited to, any of the following:
 - a. Failure to correct violations of building, electrical, mechanical, plumbing, zoning, health, fire or other applicable regulatory codes;
 - A pattern of patron conduct in the neighborhood of the licensed premises, which is a violation of the law and/or disturbs the peace, order and tranquility of the neighborhood;
 - c. Failure to maintain the grounds and exterior of the licensed premises, including litter, debris or refuse blowing or being deposited upon adjoining properties; and
 - d. Entertainment on the premises or activity in connection with the licensed premises which by its nature causes, creates or contributes to disorder, disobedience to rules, ordinance or laws, or contributes to the disruption of normal activity of those in the neighborhood of the licensed premises.
- (6) Failure by the licensee to permit the inspection of the licensed premises by the Township's agents or employees in connection with the enforcement of this ordinance.

Sec. 8. Termination Of Escrowed Licenses.

The Township Board may, through resolution, request that the LCC terminate an on-premises license that has been placed in escrow for more than one year after its expiration.

Sec. 9. Fees.

Each applicant for a new license, for transfer of an existing license shall deposit in escrow with the Township an amount in accordance with the Township's fee schedule for the investigation of such applications. Fees incurred by the applicant and charged to the escrow account for investigation, review and/or processing of the application shall not be refundable. Any escrowed amount not used for review and/or processing of the application shall be refunded to the applicant within a reasonable time. The fee schedule shall be adopted by resolution of the Township Board and may be amended from time to time. Such fees shall be in addition to any fee required by the LCC.

Sec. 10. Additional Restrictions On Licenses.

No license under this ordinance shall be issued:

- (1) To an applicant whose liquor license has been revoked or not renewed by the LCC.
- (2) To a partnership or a limited liability company (LLC), unless all the members of the entity qualify for a license.
- (3) To a corporation, if any officer, manager or director thereof, or stockholder owning in the aggregate more than five percent of the stock of such corporation would not be eligible to receive a license under this ordinance for any reason.
- (4) To an applicant that has been convicted of a crime punishable by death or imprisonment in excess of one year; a crime involving theft, dishonesty or false statement (including tax evasion) regardless of punishment; or a crime or administrative violation of a federal or state law concerning the manufacture, possession or sale of alcoholic beverages or controlled substances.
- (5) To a fast food or drive through type establishment or other establishment which has characteristics such as counter only service or no wait staff.
- (6) To an applicant who fails to make timely payments to the Township of outstanding or delinquent taxes, utility charges, license fees, services rendered by the Township or any other charges or monies due to the Township.
- (7) To an applicant who, at the time of application or renewal, would not have been eligible for such a license at the time the license was first applied for.
- (8) To an applicant seeking to hold a license solely for investment or who cannot establish that a license will be used by the licensee within one (1) year of LCC approval.

Sec. 11. Validity And Severability.

Should any portion of this Ordinance be found invalid for any reason, such holding shall not be construed as affecting the validity of the remaining portions of this Ordinance.

Sec. 12. Repealer Clause.

Any ordinances or parts of ordinances in conflict herewith are hereby repealed only to the extent necessary to give this Ordinance full force and effect.

Sec. 13. Effective Date.

This Ordinance shall be effective immediately after publication as provided by law

Ann Ulrich, CMC Hartland Township Clerk (810) 632-7498