



CITY of NOVI CITY COUNCIL

Agenda Item J
November 27, 2017

SUBJECT: Approval of an ownership transfer of a 2017 B-Hotel (with 238 rooms) and specially designated merchant licenses with eleven (11) bars, Sunday sales permits (a.m. & p.m.), dance-entertainment permit, specific purpose permit (food), and outdoor service (2 areas) from VI-LCP Novi Owner, LLC to Haggerty Novi Owner, LLC, located at 21111 Haggerty Rd, Novi, MI 48375.

SUBMITTING DEPARTMENT: City Clerk 

CITY MANAGER APPROVAL: 

BACKGROUND INFORMATION:

Haggerty Novi Owner, LLC, which is ultimately owned by Driftwood Acquisition & Development, LP, is an entity based in North Palm Beach, Florida, that has recently purchased the Novi Sheraton Hotel. It has hired Driftwood Hospitality Management to operate the hotel and conference business. Driftwood Hospitality Management currently operates 45 hotel properties in the United States and one in Costa Rica, beginning in 1989. There are no other proposed changes, other than ownership, to the Novi Sheraton. It is an ongoing business that was previously licensed by the State of Michigan. It seeks transfer of the existing hotel and specially designated merchant liquor licenses to it from the current operators.

The Police Department, Fire Department, and Building Division have no objections to the request. This request did not require a Special Land Use application because the previous use(s) of the space included the service of alcohol.

The general licensing policy as stated in Chapter 3 of the City Code states, at Section 3-13, that an applicant must demonstrate in particular that the proposed facility:

- (a) Will provide a service, product, or function that is not presently available within the city or that would be unique to the city or to an identifiable area within the city.
- (b) Is of a character that will foster or generate economic development or growth within the city, or an identifiable area of the city, in a manner consistent with the city's policies.
- (c) Represents an added financial investment on the part of a long-term business or resident with recognized ties to the city and the local community.

More specific review criteria are set forth at subsection 3-15(g), and in addition to the general information regarding the applicant and the facility or building at issue, they require a review of the benefits to the community of the proposed use:

- (3) **Benefits to community:**
 - a. The effects that the issuance of a license would have upon the economic development of the city or the surrounding area.

- b. The effects that the issuance of a license would have on the health, welfare, and safety of the general public.
- c. Whether the applicant has demonstrated a public need or convenience for the issuance of the liquor license for the business facility at the location proposed, taking into consideration the following, together with other factors deemed relevant by the council:
 - 1. The total number of licenses for similar establishments and/or operations in the city, considered both in terms of whether such number of similar establishments is needed and whether there may be a need for other types of establishments that could go unmet if the requested license were granted.
 - 2. The proximity of the establishment to other licensed liquor establishments, the type of such establishments, whether such other establishments are similar to that proposed, and the anticipated impact of all such determinations.
 - 3. Whether the proposed location is in an area characterized as developed, redeveloping, or undeveloped, and the anticipated impact of approving the newly proposed establishment in light of such character, taking into consideration the need for any type of additional licensed establishment in the area, and the need the particular type of establishment proposed.
- d. The uniqueness of the proposed facility when contrasted against other existing or proposed facilities, and the compatibility of the proposed facility to surrounding architecture and land use.
- e. The permanence of the establishment in the community, as evidenced by the prior or proposed contributions to the city or community by the applicant or business, and the extent to which the issuance of the license will assist in the further investment of the applicant or business in the city or the community.
- f. The character and extent of investment in improvements to the building, premises, and general area.

RECOMMENDED ACTION: Approval of an ownership transfer of a 2017 B-Hotel (with 238 rooms) and specially designated merchant licenses with eleven (11) bars, Sunday sales permits (a.m. & p.m.), dance-entertainment permit, specific purpose permit (food), and outdoor service (2 areas) from VI-LCP Novi Owner, LLC to Haggerty Novi Owner, LLC, located at 21111 Haggerty Rd, Novi, MI 48375., because the business currently exists as a licensed premises and has done so without issue for a substantial period of time and provides a necessary service within the area.