

Kalamazoo Downtown Development Authority

Redevelopment Liquor License Guidelines

Under PA 369

The Program

The DDA may, pursuant to PA 369, recommend issuance of new liquor licenses for businesses located within the Development District which meet the requirements of the law. After holding a public hearing, the DDA is permitted to make findings that issuing the license would prevent deterioration and promote economic growth. The policy of the DDA is to use the following criteria in making its findings:

1. The business or individual requesting a license (“Applicant”), whether for a proposed or existing business, must document that the Applicant has a real property interest within the Development District as evidenced by deed, lease, purchase agreement or the like.
2. The Applicant must meet all of the requirements of PA 369 which include that it is engaged in dining, entertainment or recreation, is open to the general public and has a seating capacity of not less than 25 persons.
3. For an existing business, the Applicant must demonstrate how the issuance of a license would prevent further deterioration in the Development District and promote economic growth. The DDA will consider such factors as:
 - a. The business, an existing asset in the downtown, will be supported by the license and maintain its occupancy of existing space.
 - b. The business, with the new license, will contribute to the mix of dining/drinking, entertainment and recreational establishments already existing.
 - c. The business demonstrates that neither an on-premise escrowed license or quota license is readily available under a standard of economic feasibility, as applied to the specific circumstances of the applicant, that can include, but not be limited to the following:
 - i. The fair market value of the license, if determinable
 - ii. The size and scope of the proposed operation
 - iii. The existence of mandatory contractual restrictions or inclusions attached to the sale of the license
4. For a proposed business, the Applicant must demonstrate how issuance of a license would prevent further deterioration in the Development District and promote economic growth. The DDA will consider factors such as:
 - a. The proposed business as described in a business plan.
 - b. The proposed business represents a desired land use as determined by the DDA
 - c. The proposed business would promote economic growth by:
 - i. Creating new employment opportunities
 - ii. Adding tax value through the purchase of new equipment
 - iii. Generating significant tax value in new building improvements.
5. The Applicant must:
 - a. Demonstrate that the business will locate in, and remain in, the Development District.
 - b. Acknowledge that the license is not transferable.
6. The Applicant must meet all MLCC and Kalamazoo Department of Public Safety requirements and regulations regarding the issuance of liquor licenses under Section 17k(1) of the Liquor Control Act.
7. Applicant shall be required to meet all City of Kalamazoo zoning and building codes for any related improvements to the property.
8. Applicant shall pay a \$20,000 license fee to the Michigan Liquor Control Commission.

9. The DDA may decline to recommend the issuance of a license if it determines, based upon factors such as the density of similar establishments, that the establishment may have a negative impact upon the public health, safety and welfare.

Application Process

1. Submit City application to City Clerk and pay appropriate fee.
2. Submit DDA Development District Liquor License Application to DDA and pay application fee of \$350.
3. DDA staff meets with applicant and reviews request based on requirements of Act 369 and the goals of the DDA; staff verifies that location of proposed restaurant is within the DDA boundaries.
4. Business Recruitment & Retention Committee reviews application and makes a recommendation to the DDA Board.
5. DDA sets a public hearing to occur in approximately 30 days.
6. At the public hearing the Applicant is provided with an opportunity to demonstrate compliance with the criteria for issuance of the license. The general public is provided with an opportunity for input.
7. DDA takes action to approve or deny request at the conclusion of the public hearing.
8. DDA submits recommendation to City Clerk within 60 days after receipt of application.
9. Applicant provides information and fingerprints to the Kalamazoo Department of Public Safety for a back-ground investigation.
10. City Clerk requests Economic Development staff review the DDA recommendation and City application.
11. Applicant prepares application for submittal to the LCC as provided by PA 369. Application form numbers include LC-3011, LC-1305, LC-1800 (see attached).
12. Economic Development staff confirms application details, e.g., zoning, building code, property tax payments, etc. & drafts anticipated impact analysis.
13. Economic Development staff confirms and/or updates investment data that supports the Assessor's Affidavit of Investment, as certified by the City Clerk, that the total amount of private and public investment in real and personal property in the Development District has been at least \$200,000 for the preceding 5 years.
14. Economic Development staff prepares and presents a resolution to the City Commission for approval of an on-premise liquor license application pursuant to PA 369. The Assessor's Affidavit is attached to the staff recommendation memo, location map, and DDA recommendation.
15. City Commission decision officially rendered.
16. City Clerk provides certified copy of adopted Commission decision + supportive evidence to Applicant.
17. Applicant submits MLCC application to the MLCC, including the City Commission resolution, all required other attachments plus a commitment letter verifying it has expended at least \$75,000 for re-habilitation or restoration of the building during the preceding five years or commits to a capital investment of at least \$75,000 for the building before the license is issued.
18. MLCC reviews proposed license application and related materials and notifies City and proposed licensee of decision.

KALAMAZOO DOWNTOWN DEVELOPMENT AUTHORITY
LIQUOR LICENSE UNDER PA 501
Application & Checklist

Applicant (business owner): _____

Applicant Address: _____

Applicant Phone: _____

Business Name: _____

Proposed Location: _____

Property Owner: _____

Proposed Improvements: _____

Required Attachments:

- Signed Lease, Copy of Deed or Purchase Agreement \$350 Application Fee Proof of Taxes Paid Legal Description

Jobs Created: Temporary/Permanent _____ / _____

Private Investment: _____

Estimated Project Completion Date: _____

Useable SF: _____

Lease Term: _____

- The business location must be within the DDA Development District.
- The business must be engaged in dining, entertainment or recreation.
- The business must be open to the general public.
- The business must have a seating capacity of at least 25 people.
- The business has expended at least \$75,000 for the rehabilitation or restoration of the building over a period of the preceding 5 years, or commits to expend at least such amount as a capital investment in the building before the license is issued.
- The Applicant must demonstrate that it attempted to secure an on-premise or quota license but neither was readily available.
- Pay a \$20,000.00 fee for the license to the Michigan Liquor Control Commission.

Signed this _____ day of _____, 20____

By: _____

Exhibit A Tax Increment Finance District

Legend

-  TIF District
-  Parcels

Properties within the TIF District
are eligible for the Business Revitalization
and Business Recruitment Incentive Programs



Source: 9-K1
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