

Memorandum of Appeal to City Council of Rochester Hills

To: Members of City Council

From: Rosemarie Baldwin, Jeffrey Baldwin and the Baldwin Restaurant Group

P. Eugene D'Agostini, Emily D'Agostini and D'Agostini Companies

RE: Grant of Class C Quota Liquor License to Baldwin's Brasserie

Date: July 18, 2022

Background:

This application is about family.

It is about the Baldwin family...Rose and Jeff Baldwin joined in the restaurant business by their children Jeffrey, Michael and Gabriella. It is about the dedication of the Baldwin family to their mission of serving excellence consistently for decades in their two restaurants J. Baldwin's Restaurant (Clinton Township est. 2004) and Testa Barra (Macomb Township est. 2017). It is with their blood, sweat, tears and pride of ownership that the Baldwin Family has achieved the highest accolades and honors in serving their customers for years.

It is about the D'Agostini family...P. Eugene D'Agostini joined in the real estate business by his five daughters, Emily, Gina, Julie, Maria and Sara. The D'Agostini family has owned the 10-acre site on Rochester Road and South Boulevard since 1987. The D'Agostini team built the Gateway medical office building in 1996 and developed the remaining parcel recently starting in 2018. The Fairfield Inn, at the rear portion of the property opened this spring. Finally, Gateway II, slated to be anchored by Baldwin's Brasserie, is being completed in the front portion of the property alongside Rochester Road. **In total, the completed investment on the Gateway of Rochester Hills site is \$40,000,000 in additional tax base.**

Since 2018, when D'Agostini was granted site plan approval for this development, the D'Agostini's and Baldwins have been communicating about joining their respective family talents to create something very special at The Gateway of Rochester Hills. It has taken four years. Finally, with an abundance of caution and stronger financial condition, the Baldwins have committed to moving this project forward. A lease between the D'Agostini family and Baldwins has been executed, but it is contingent upon Baldwin's Brasserie receiving a Class C Quota liquor license from the City of Rochester Hills. Baldwin's Brasserie is the only committed tenant at this time. We come before you together to share our vision for this project, and to bring Baldwin's Brasserie to life.

We are looking for City Council support of the Baldwin vision by award of a Class C Quota liquor license.

Summary of Facts:

A. Procedural Facts

1. Rochester Hills Planning Commission granted Conditional Use to allow sales for on premises alcoholic beverage consumption on June 14, 2022.
2. Rochester Hills City Liquor License Technical Review Committee denied recommendation of award of a Class C liquor license to City Council in its July 14, 2022 meeting.

B. Facts about Financial Commitments for Baldwin's Brasserie

1. The buildout and outfitting cost is estimated at \$3,400,000.00.
2. Landlord, D'Agostini group, is financing one hundred percent of the cost of construction of the restaurant. **The lease is specifically contingent upon receiving a Class C quota license from Rochester Hills.**
3. The Baldwin family has received small business loan commitments from two banking institutions for financing, and will have to mortgage their other restaurants and personal assets to do complete the loan transactions.
4. The Baldwin family has committed to financing the remaining cost from its savings.
5. **In sum, this project is anticipated to be an extremely costly in an inflationary environment. While the Baldwin family is on sound financial footing, it is not without the commitment from the landlord, D'Agostini, its banking relationships and hopefully, Rochester Hills, that this project can be completed.**

C. Facts about Baldwin Restaurant Group

1. Baldwin Restaurant Group.

- a. **Responsible licensees.** The Baldwins have never been issued a single violation on any of their liquor licenses since inception in 2004.
- b. **Best New American Restaurant – Metro Detroit.** Hour Magazine voted J. Baldwin's Restaurant Best New American Restaurant in Metro Detroit 2007, 2009, 2011, 2014.
- c. **Best Restaurant Macomb County.** Both Testa Barra and J. Baldwin's competed against each other as finalists in Hour Magazine's contest for best restaurant in Macomb County. J. Baldwin's was the winner. (2022)
- d. **Third Highest Zip Code is Rochester Hills.** The third highest zip code among guests at Testa Barra (Macomb Township) is Rochester Hills.
- e. **Several appearances on the Food Network.** Best of the Great Lakes Food Network. Beat Bobby Flay. Valerie Bertinelli's Family Food Showdown. Guy's Grocery Games. One undisclosed to be aired.
- f. **Launched the Skate or Pie brand.** (2015)

2. Founder Jeff Baldwin

- a. **Youngest Graduate of the Culinary Institute of America.** At age 21 (1982), Jeff Baldwin was the youngest graduate of the Culinary Institute of America.
- b. **Executive opening Chef at the Whitney Restaurant in Detroit.**
- c. **Executive chef for Ray Nicholson.** (1996-1998)
- d. **Chosen as Michigan's Chef to cook for President Ronald Reagan's inauguration celebration.** (1985)
- e. **Executive chef for Norm LaPage Restaurant Group.** This includes Big Rock in Birmingham, Michigan.
- f. **Executive opening chef for Mac & Ray's.** Mr. Nicholson recruited Norm LaPage and Jeff Baldwin to open Mac & Ray, voted Detroit's best waterfront restaurant. (1996)
- g. **Coach - Culinary Olympics in Berlin, Germany.** Jeff was selected as coach for Michigan's Team in the Culinary Olympics in Berlin, Germany. (1996)

Issues Presented:

The Liquor License Technical Review Committee, through the City Clerk, discussed a scoring matrix by which it evaluates quota license applicants. The scoring matrix is summarized below.

1. Is the applicant a resident of Rochester Hills, or have a business in Rochester Hills?
2. Is the restaurant a franchise, or part of a conglomerate of a large, corporate-owned restaurant group?
3. Would the applicant restaurant attract patrons from other areas?
4. What makes the applicant restaurant unique from other restaurants in a manner that can promote economic development?

Issues Addressed:

Issue 1: Applicants Rose and Jeff Baldwin are not residents of Rochester Hills, and do not have businesses currently in Rochester Hills. P. Eugene D’Agostini and D’Agostini Companies have conducted business in Rochester Hills since 1987.

Of note however, is that the **third highest zip code** of patrons in the Baldwin’s Macomb Township location is Rochester Hills. Rochester Hills is also a top zip code for the Baldwin’s Clinton Township location. As such, it is in the interest of residents of Rochester Hills to promote the Baldwin restaurant as a dining option, as its residents are traveling across town to dine at the Baldwin restaurants.

Issue 2: No, the Baldwin Restaurant Group is not a franchise or part of a large conglomerate. Rose and Jeff Baldwin and their family are Michigan born and raised. Their business is a family business. An important reason why D’Agostini pursued the Baldwin family to operate the Gateway is because of the uniqueness and quality of the Baldwin’s dining experience. D’Agostini has turned down other dining operators and has stayed the course in attempting to attract specifically the Baldwin family to this location. It is important to realize that the lease is specifically contingent upon the Baldwins receiving a Class C quota license from Rochester Hills.

Issue 3: Yes, Baldwin will absolutely attract guests from other areas. Proof of that is in the statistic that a large portion of their current guest roster in Macomb and Clinton Townships is already coming from Oakland County. Both current Baldwin restaurants are located in low visibility shopping centers in second and third generation space. Nonetheless, year after year, their restaurants are attracting attention and guests from the tri-county area and winning awards.

The Rochester Hills location would be their first showpiece restaurant built brand new in a new building on high-trafficked Rochester Road.

Of importance here is that the Gateway is a few hundred feet from the Rochester Road exit off of M-59. It is also the first stop on the southerly border of Rochester Hills (hence the name “The Gateway”). This ease of access is paramount to the ability to attract guests from Oakland and Macomb counties, and beyond.

Issue 4: The Baldwin restaurants are unique for many reasons.

A. Quality of Jobs

First, the quality of jobs that it would offer its employees and Rochester Hills residents surpasses most restaurant groups. The Baldwin Restaurant group implements regular training programs for its staff, such as culinary education, management development, Dale Carnegie class, food shows, cocktail shows. It offers paid holidays and 401K. It recently started closing on Mondays and certain holidays. The Baldwin

Restaurant Group also has twelve on staff sommeliers (5 level two sommeliers) and mixologists. Baldwin Brasserie anticipates hiring 70 team members.

B. Quality of Dining Experience.

Uncontroverted evidence of the uniqueness of dining experience is in the numerous accolades and awards received by the Baldwin family of restaurants. Not only does the Baldwin family have the technical training, but they also exhibit the work ethic and passion for the art to match. This passion translates to their team members resulting in an extraordinary dining experience typically only found in densely populated metropolitan areas.

C. National Recognition.

Finally, the second generation of Baldwins has elevated the marketing and brand of the Baldwin Restaurant group to a level that is atypical for restaurants in Metro Detroit. Because of the accolades received here at home, the Baldwin Restaurant Group has been pursued by the Food Network. Consequently, the Baldwin brand has reached national exposure. The Baldwin children repeatedly tout their restaurants in Michigan during their Food Network television appearances.

Summary: In summation, it is true that the Liquor License Technical Review Committee denied recommendation of award of a Class C quota liquor license to the Baldwin Restaurant Group. It is our belief that the committee may have been underinformed about the benefits of granting this recommendation and attracting this business to the City of Rochester Hills.

This restaurant promises to be the crown jewel of Rochester Hills. It would be located at the City's southerly entrance and just off of M-59, easily accessible and visible for Metro Detroit residents.