MOTION by Kaltsounis, seconded by Yukon, in the matter of City File No. 04-011 (Grace Parc Subdivision), the Planning Commission hereby recommends that City Council approves an Extension of the Final Preliminary Plat until July 29, 2016.

A motion was made by Kaltsounis, seconded by Yukon, that this matter be Recommended for Approval to the City Council Regular Meeting,. The motion carried by the following vote:

Aye 8 - Boswell, Brnabic, Dettloff, Granthen, Hooper, Kaltsounis, Schroeder and Yukon

Absent 1 - Reece

Chairperson Boswell stated for the record that the motion had passed unanimously.

2015-0307

Public Hearing and Request for Conditional Use Recommendation - City File No. 15-010 - Wild Bill's Tobacco, to provide alcoholic beverage sales for on-site consumption at its location in the Rochester Hills Plaza, located on the north side of Walton, east of Rochdale, Zoned B-3, Shopping Center Business, part of Parcel No. 15-09-476-033, Joe Qonja, on behalf of Smoker's Outlet, Applicant (Reference: Staff Report prepared by Ed Anzek, dated July 17, 2015 and associated application documents had been placed on file and by reference became part of the record thereof.)

Present for the applicant was Joe Qonja, Smoker's Outlet of Rochester Hills, Inc., 1416 Walton Blvd., Unit B, Rochester Hills, MI 48309.

Mr. Qonja introduced himself, and advised that he was the operating partner of the Wild Bill's Tobacco location on Walton, west of Livernois in the Rochester Hills Plaza. His group was seeking a Conditional Use Recommendation for a liquor license to expand into the adjacent unit, add seating and make a better experience for their customer base.

Mr. Anzek stated that as the Commissioners were aware, the City recently passed an Ordinance that required a Conditional Use for alcoholic beverage sales and consumption on-site. The subject item was the first request for the City, and the process had been followed with regards to notifying people within 300 feet and publishing in the paper. Mr. Anzek summarized that it was pretty straight forward - there would be no exterior renovations, and there was adequate parking. He felt it would help create energy in the shopping center.

Mr. Schroeder asked Mr. Qonja if there would be food served. Mr. Qonja said that at the present time, there would not be food served. It would be an extension of their existing business, and it would offer alcoholic

beverages. Mr. Schroeder asked if there would be smoking in the building. Mr. Qonja agreed, and said that currently, they had a cigar bar exemption, which allowed their patrons to smoke indoors. Mr. Schroeder asked the hours of operation, and was advised that they would like to be open from 9:00 a.m. to 11:00 p.m. or 12:00 a.m. on weekdays and 1:00 a.m. on the weekends. Mr. Schroeder said that he would like to discuss the 1:00 a.m. time a little further and get a feeling from the other Commissioners.

Mr. Qonja indicated that he was not sure why there would be a concern about the time, because the majority of his clientele was 40-50 years old. They came after work, and it was not an environment where people got loaded. Mr. Schroeder said that he lived right near there, and there were lights on all the time. The rest of the shopping center could be closed, but Smoker's Outlet's lights were on. That suggested that it operated very long hours. Mr. Qonja asked if he was referring to the storefront sign. Mr. Schroeder agreed. Mr. Qonja said that it could be a function of merely changing the timer, which he could do if the Commissioners wished. Mr. Schroeder clarified that it was not an indication that the store was open.

Mr. Kaltsounis agreed it was the first time going through this process. He said that the Commissioners usually had plans to look at, so he was considering how to draw a conclusion. Mr. Anzek pointed out that there was printed evaluation criteria for the consideration of a Conditional Use permit. A lot of it dealt with the City's ability to provide appropriate infrastructure, health, safety and welfare concerns and how it fit in the neighborhood. They were the guidelines that the Planning Commission needed to follow in evaluating the activity and use. He reminded that the whole purpose of adopting the procedure for alcohol consumption on-site was for the City to learn of liquor licenses coming into the community. The City had been removed from being in that process, and it was just an effort to keep track of liquor permits as they came and went in the City. He noted that other communities had adopted similar procedures.

Mr. Kaltsounis said that he did find a plan in the packet, so he felt better. He questioned the use of a hookah lounge. He asked Mr. Qonja if he had any crime issues, noting that there was a hookah lounge down the street from him where someone was shot in the parking lot.

Mr. Qonja advised that there would absolutely be no hookah smoking. He was not allowed to have that in the exemption he had. A portion of his existing business was retail, but he wanted to expand into the adjacent unit, which would be for cigar smoking only. His cigar bar exemption from

the State was not a tobacco specialty store, and it fell under a different category. Tobacco specialty stores could allow hookah, cigars, and cigarettes. He would offer strictly cigars, because they had the ability to attach a liquor license to the cigar bar exemption.

Mr. Kaltsounis clarified that half of the building would be for the store and half for the cigar bar. He asked again if Mr. Qonja had any issues with crime. Mr. Qonja noted that there had been some petty theft, but no other issues. Mr. Kaltsounis had mentioned hookah lounges because there had been a shooting. Mr. Qonja said that his would be a totally different clientele and operation. He was aware of the hookah lounge, but he stated that was not what he was trying to achieve His clientele was over 40 and they were people who wanted to relax with a cigar or have a business meeting. His ambience and pricing would discourage twenty year olds.

Mr. Dettloff thought that this operation would be similar to The Godfather Lounge at Papa Joe's. They had seating outside, retail and a bar. He had never experienced any type of crime issues there. He asked if the liquor license had been in escrow, which Mr. Qonja confirmed. Mr. Qonja believed that after the Planning Commission meeting, there would be a technical review and City Council meeting. Mr. Dettloff asked if the license came from another business in Rochester Hills. Mr. Qonja advised that it reverted back to the City's quota after someone failed to use it for three years. He had been after a license for about a year and recently, he was able to move forward with the Caribou space. Mr. Dettloff agreed with the statement in the summary that it would help draw some tenants to that location. It had been challenged since Whole Foods left, and he felt that it would be a plus. Mr. Qonja said that he took over seven years ago and there needed to be a little "punch in the arm."

Ms. Tina Barton, City Clerk, came forward to correct that the license was not in escrow. It was issued to a restaurant in Rochester Hills. They started the application process but never finished. The license was able to be allocated, and Rochester Hills wanted to give it to the restaurant, but the owner stopped halfway through with the paperwork. The license had been sitting for a while, so they went to the applicant and asked if he was going to complete the process, and if not, if the City could have it back. The owner filled out the correct paperwork with the State to stop the process, and it came back to the City to allocate.

Mr. Dettloff believed that it originally was going to the Gold Star restaurant on Rochester Rd., which Ms. Barton confirmed.

Mr. Schroeder asked if there were any other establishments that wished to obtain a license. Ms. Barton said that Mr. Qonja was the only applicant at the current time.

Chairperson Boswell opened the Public Hearing at 7:23 p.m. Seeing no one come forward, he closed the Public Hearing.

Hearing no further discussion, Mr. Kaltsounis moved the following motion, seconded by Mr. Dettloff:

<u>MOTION</u> by Kaltsounis, seconded by Dettloff, in the matter of City File No. 15-010 (Wild Bill's Tobacco) the Planning Commission recommends to City Council Approval of the Conditional Use to allow alcoholic beverage consumption on site, based on documents dated received by the Planning Department on June 19, 2015, with the following six (6) findings.

Findings

- The expanded use will promote the intent and purpose of the Zoning Ordinance.
- 2. The proposed building has been designed and is proposed to be constructed, operated, maintained, and managed so as to be compatible, harmonious, and appropriate in appearance with the existing and planned character of the general vicinity, adjacent uses of land, and the capacity of public services and facilities affected by the use.
- The proposal should have a positive impact on the community as a whole and the surrounding area by further offering jobs and another entertainment option.
- The proposed development is served adequately by essential public facilities and services, such as highways, streets, police and fire protection, water and sewer, drainage ways, and refuse disposal.
- The proposed development should not be detrimental, hazardous, or disturbing to existing or future neighboring land uses, persons, property, or the public welfare.
- 6. The proposal will not create additional requirements at public cost for public facilities and services that will be detrimental to the

economic welfare of the community.

Mr. Schroeder asked if the expanded operation would have more employees. Mr. Qonja said that it absolutely would, probably seven to eight more jobs. Mr. Yukon said that back in April, when the Commissioners were talking with the City Attorney about the Ordinance amendment, one of the criteria talked about when alcohol consumption had already taken place. He clarified that Mr. Qonja was not currently selling alcohol. He asked Mr. Anzek how the amendment fit the request.

Mr. Anzek responded that the Ordinance amendment required a new establishment requesting to bring a license into the City or getting one from the City to go through the Conditional Use process. An existing restaurant could move and sell alcohol and if it already had a license, the owner would not be required to get a Conditional Use permit.

Mr. Dettloff noted that Mr. Qonja would not be serving food, but given the fact that he would be open to 1 a.m., if someone wanted some food, he wondered if Mr. Qonja would work out a relationship with a local restaurant so someone could order food to be brought in. That was what the Godfather had done in the past.

Mr. Qonja said that could happen. He had not narrowed down what kind of restaurant or food they might want. He had a relationship with the Churchill's Bistro in downtown Birmingham. They had talked about making prepared cold plates they could store and sell. Currently, in his existing lounge, there were nine chairs. His customers ate next door at the Rochester Diner from eight to ten meals a day, so they already had that relationship going on. It was unofficial, and people were free to bring their own food, smoke and enjoy the environment. Mr. Dettloff wished him good luck.

Mr. Shroeder asked if there were any concerns about the hours of operation, and no one appeared to object.

A motion was made by Kaltsounis, seconded by Dettloff, that this matter be Recommended for Approval to the City Council Regular Meeting. The motion carried by the following vote:

Aye 8 - Boswell, Brnabic, Dettloff, Granthen, Hooper, Kaltsounis, Schroeder and Yukon

Absent 1 - Reece

Mr. Anzek mentioned that he and Ms. Roediger went to the Walton Shoppes site with the owner, Arkan Jonna, to go over the plantings by the smoothie shop drive-through. Mr. Jonna also owned the Rochester Hills Plaza, and he informed them that the Whole Foods lease was up in three months. Whole Foods would not release the lease because they wanted to prohibit any competition from moving in. Mr. Jonna already had it leased to two higher-end businesses, but he did not provide any details. Mr. Anzek maintained that there would be more activity in that center very soon.

Mr. Kaltsounis brought up Mr. Schroeder's concern about the late hours of operation, and observed that it was a high density, commercial area. If it were something that was a half a mile down the road where there was residential all around it, he would definitely have a concern. He would draw the line at certain densities. Mr. Anzek said that was understandable; that was what the Commissioners were challenged to do - look for adverse impacts to a neighborhood. He pointed out that it was in the middle of a shopping center, and there could be a restaurant open until 1 or 2 a.m. as well.

Chairperson Boswell thought that was why a lot of people did not show up. Usually, when alcohol was involved, it brought out a crowd, but he agreed that it was a high density, business area. Mr. Kaltsounis knew of some areas on Auburn Rd. that would be questioned, and he suggested that it could come up in the future.

ANY OTHER BUSINESS

Design Development for Riverbend Park: Commissioner's Input (Design Team+)

NEXT MEETING DATE

Chairperson Boswell reminded the Commissioners that the next Regular Meeting was scheduled for August 18, 2015.

ADJOURNMENT

Hearing no further business to come before the Planning Commission, and upon motion by Mr. Kaltsounis, Chairperson Boswell adjourned the Regular Meeting at 8:34 p.m.