

**2024-0011** Public Hearing and Request for Conditional Use Recommendation - File No. PCU2023-0013 - for alcoholic beverage sales for onsite consumption at Dime Store restaurant, located at 6920 N. Rochester Rd. within the Papa Joe's shopping center on the west side of Rochester Rd. and north of Tienken Rd., zoned NB Neighborhood Business with the FB Flex Business and PUD Planned Unit Development Overlays, Parcel No., 15-03-477-035, Mitchell Freem, Five and Dime Hospitality Group, Applicant

*(Staff report dated 1-10-24, Plans, Development Application, Environmental Impact Statement, Menu and Public Hearing Notice had been placed on file and by reference became a part of the record hereof.)*

*Present for the applicant were Mitchell Freem, Larry Kahn, and Ann-Marie Murphy owners of Five and Dime Hospitality LLC.*

*Chairperson Brnabic introduced this item and noted that it was a request for conditional use recommendation for alcoholic beverage sales for on-site consumption at the Dime Store Restaurant located at 6920 North Rochester Road within the Papa Joe's Shopping Plaza on the west side of Rochester Road north of Tienken Road, zoned Neighborhood Business (NB) with the Flexible Business (FB) and Planned Unit Development (PUD) overlays.*

*Mr. McLeod explained that this is a request for Conditional Use which if granted would allow for the continued progress of the redevelopment of the former Grand Traverse Pie Company site for Five and Dime Restaurant. He noted that it had been determined that a Conditional Use is still required for a tenant space that does not currently have or has had a liquor license prior. He pointed out that this location is at the southeast corner of the shopping center in considering any impact to surrounding residents, and he noted that the nearest residents are far to the north of the other side of the shopping center and on the other side of an existing office complex farther to the north and west of the tenant space. He mentioned that this site was the subject of the zoning consolidation that occurred last year and stated that the whole surrounding area is NB with the FB overlay on the site, which is regulated by a PUD; and he noted that sales and consumption of alcohol requires a conditional use. He reviewed parking, and showed seating on the inside for just over 120 patrons, along with outdoor seating for 28. He commented that outdoor seating is similar to what was there previously.*

*He explained that the hours of operation were generally 8:00 a.m. to 3:00 p.m., with a breakfast, lunch and brunch menu. He stated that overall employees are anticipated at 38. He reviewed the interior floor plan and showed the seating configuration and bar area. He pointed out that there is a small upstairs to the building which would be utilized with possible mini-bar service on the upper floor; and he stated that he would assume this would be more for private parties and would ask that they explain their usage or thoughts for that particular area.*

*He mentioned that the outdoor facade remains relatively unchanged. He noted that the staff report reviews the general criteria that it promotes the intent and purpose of the ordinance, is designed and operated so that it works harmoniously with the surrounding environment, will be served adequately by*

*essential public services, will not be detrimental or hazardous to any existing or future land uses, and will not create additional requirements at public costs.*

*Chairperson Brnabic asked if the applicants had anything to add and questioned the second floor mobile or mini-bar.*

*Ms. Murphy responded that outdoor seating would not begin until next year. She explained that the upstairs is a small mezzanine that overlooks Papa Joe's and would be additional seating on weekends. She noted that the mini-bar was something small similar to something that could be purchased at Pottery Barn so staff do not have to go up and down the stairs to make a drink and may not be something they even will have.*

*Chairperson Brnabic asked what the alcohol menu will include. She noted that the development application indicates that it is a breakfast, lunch and booze restaurant and asked if alcohol will be a big part of the venue. She pointed out that they estimate serving 2,000 to 3,000 customers each week with hours of 8:00 a.m. to 3:00 p.m.*

*Ms. Murphy distributed a paper menu to the Commissioners, noting that alcohol offerings were on the third page of the menu. She commented that their focus is on fresh scratch-made food and alcohol is not a big part of their sales in Detroit, accounting for about 15 percent of total sales. She noted that the estimate of 2,000 to 3,000 customers is just about right and confirmed the hours.*

*Mr. Hooper commented that it seems to be a paradigm shift to breakfast and lunch in the community. He stated that he does not personally have an issue with it. He pointed out that when the development was approved, parking was based on the use that was presented at the time; and as the uses have evolved, they are changing to a much more intense use that requires much more parking than originally anticipated. He mentioned that this has occurred in a number of developments, citing Walton and Adams where that development never anticipated all the restaurant usage there with difficulty finding a parking spot.*

*He noted that there have been a number of restaurants and establishments at the Papa Joe's complex that have come and gone over the years, and he commented that while he is not saying that parking has been a contributing factor, if patrons cannot find a place to park, they are not going to come and visit the establishment. He commented that while they are not a nighttime activity, they would be competing with Papa Joe's for parking. He asked if they have studied this before making a decision to invest.*

*Mr. Kahn responded that they have, and noted that in Detroit they do not have parking at all. He commented that they do not feel like it will overlap with Papa Joe's much. He noted that a good portion of their business is Saturday and Sunday for lunch rush, 10:30 a.m. to 1:30 p.m. He stated that they have spoken with Tony Curtis, Papa Joe's owner, and he concurred with them that they think they will have enough.*

*Mr. Hooper stated that he would want them to go into this with their eyes wide open. He stressed that there is no parking structure adjacent like in Detroit and*

*no place to park and walk.*

*Chairperson Brnabic noted that it is a PUD, and asked Mr. McLeod if there was a maximum parking capacity on the plaza as a whole.*

*Mr. McLeod responded that there is no more parking to be had on the site and they have reached their limit. He discussed parking requirements for the various NB and FB districts, and mentioned that restaurants have a higher requirement for parking than retail typically does. He explained that the PUD agreement notes the parking allocation for the site itself, and prescribes permissible uses within the district. He stressed that if they were going to do the restaurant without alcohol they would be completely compliant with the PUD agreement and the seating capacity would be the same. He noted that without a bar they would most likely be able to fit a couple more seats in. He commented that time will tell, and stated that it will be a matter of getting people informed of where to park and getting employees to park in the rear. He stated that staff feels that this is compliant with the ordinances as well as the PUD agreement.*

*Mr. Dettloff commented that he likes the fact that they use local vendors for supplies. He noted that there has been some turnover in the center and pointed out that there is nobody in the former Bigalora site yet. He reviewed other restaurants on the site. He asked how long their lease would run.*

*Ms. Murphy responded that it is for 10 years.*

*Mr. Dettloff stated that he wishes them luck, and commented that while he has not gone to their other location the menu looks great.*

*Ms. Neubauer asked if this would be their first location outside of Detroit, and asked if someone could order straight whiskey, scotch or bourbon first thing in the morning.*

*Ms. Murphy responded that they could, and offered that she had some statistics on their morning sales. She noted that alcohol sold between 8:00 and 10:00 a.m. accounted for less than two percent of their total items sold; and alcohol sold between 8:00 and 10:00 a.m. on weekdays specifically accounted for 0.8 percent of their total items sold. She stated that on average they sell seven drinks total per weekday between 8:00 and 10:00 a.m. She added that while they do have a full bar, 82 percent of their total alcohol sales are drinks off of their cocktail menu. She stated that 63 percent of their total alcohol sales are Bloody Mary's, Mimosas, and Irish coffees, and they sell very, very few shots of whiskey or the like straight.*

*Ms. Neubauer stated that this is a great source of comfort, knowing that there are schools around the area and this is right at drop-off time.*

*Mr. Struzik commented that he would echo some of the thoughts of his fellow commissioners and stated that it looks like it will be a pretty popular spot. He noted that he would caution that the weekend numbers in Detroit will not translate to this location. He mentioned that the other place Council Member Neubauer was referring to originally wanted to start serving at 7:00 a.m., and the*

*Commission put pressure on them to push that time back to 8:00 a.m.*

*Mr. Dettloff asked if the liquor license they were bringing in was an Oakland County license.*

*Ms. Murphy responded that they are actually transferring the license from Papa Joe's and are buying it directly from the landlord. She commented that they will sell it back to them when they are done with the lease.*

*Chairperson Brnabic stated that while she understands the possibility of availability, she would note that there is not a great demand for alcoholic drinks between 8:00 and 10:00 a.m.*

*Ms. Murphy responded that seven drinks is an average on the weekdays.*

*Chairperson Brnabic commented that weekends could be much heavier, and stated that she would wonder how many people it actually brings in. She stated that while there is not residential surrounding, there are schools nearby. She noted that this request requires a public hearing, and opened the public hearing. Seeing no cards submitted and no one wishing to speak, she closed the public hearing.*

*Mr. Hooper made the motion in the packet to recommend City Council approval, confirming the 8:00 a.m. opening time. Mr. Galena seconded the motion.*

*After calling for a roll call vote, Chairperson Brnabic announced that the motion passed unanimously. She stated that this will move on to City Council.*

*Mr. McLeod stated that February 12 will be the target date, however, there are no guarantees. He pointed out that they do need to first appear before the Liquor License Technical Review Committee; and he mentioned that the Clerk's Office is incredibly busy right now with everything going on with elections, and they are not promising how quickly they can pull that meeting together. He noted that staff will be in communication with the applicants as well as the Clerk's Office to see how quickly that all can happen.*

*Ms. Neubauer asked when they would project to open.*

*Ms. Murphy responded that they are a little behind and are only starting construction next week, so they are thinking April hopefully.*

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

**Aye** 7 - Brnabic, Denstaedt, Dettloff, Gallina, Hooper, Neubauer and Struzik

**Excused** 1 - Weaver

**Resolved**, in the matter of File No. PCU2023-0013 (The Dime Store), the Planning Commission recommends to City Council Approval of the Conditional Use to allow sales for on premises alcoholic beverage consumption associated with a restaurant use, based

on documents received by the Planning Department on November 30, 2023 with the following findings:

**Findings**

1. The proposed use will promote the intent and purpose of the Zoning Ordinance.
2. The existing building and proposed conditional use have been designed and is proposed to be 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.
3. The proposed restaurant use should have a positive impact on the community as a whole and the surrounding area by providing additional eating and gathering opportunities within the Neighborhood Business District and Papa Joe's Development.
4. The existing building and proposed use are served adequately by essential public facilities and services, such as highways, streets, police and fire protection, water and sewer, drainage ways, and refuse disposal.
5. The existing building and proposed use 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.

**Conditions**

1. City Council approval of the Conditional Use.