

jstaran@beierhowlett.com

August 8, 2003

Ms. Beverly Jasinski
City Clerk's Office
City of Rochester Hills
1000 Rochester Hills Drive
Rochester Hills, Michigan 48309-3033

Re: *Liquor Licenses*

Dear Bev:

Here is a copy I received from the Farmington Hills City Attorney of the form of agreement Farmington Hills requires Class C liquor license transfer applicants to sign. According to the recitals, Farmington Hills has used up its available Class C liquor licenses, but has a number of those licenses being held in escrow because the licensees have gone out of business. The Farmington Hills agreement requires the applicant for transfer to agree to terminate and return the liquor license to the Liquor Control Commission and request that the license be returned to the city in the event the applicant goes out of business. The agreement allows the transferee to further transfer the license within the city, subject to the city's and MLCC's approval.

As I mentioned previously, my prior research makes me doubtful that such an agreement is enforceable or would be honored by MLCC, and my conversation with the Farmington Hills City Attorney about this revealed that he has been told by MLCC that MLCC would not enforce such agreements.

Feel free to share this information with the AIS Committee.

Very truly yours,

BEIER HOWLETT, P.C.

John D. Staran

JDS/lh
Enclosure

