

**Royal Oak Police
Deputy Chief**

MEMORANDUM

To: Mr. Don Johnson, City Manager

From: Gordon Young, Deputy Chief of Police

CC: Corrigan O'Donohue, Chief of Police (P/D)

Date: May 23, 2013

**Re: RIDIN' THE RAILS, LLC REQUEST FOR "BISTRO" REDEVELOPMENT QUOTA
CLASS C AND SDM LIQUOR LICENSES WITH SUNDAY SALES PERMIT AND
CATERING PERMIT TO BE LOCATED AT 316 W. FOURTH ST., ROYAL OAK,
OAKLAND COUNTY, MICHIGAN, ISSUED PURSUANT TO MCL 436.1521a (1)(b)**

The Royal Oak Police Department has received a request from Ridin' the Rails, LLC. (d/b/a Iron Horse Royal Oak) for a new Redevelopment District Class C License to be located at 316 W. Fourth St., Royal Oak, MI 48067, Oakland County. This license will be in compliance with the bistro concept as outlined in the City's Liquor Control Ordinance. It is the applicant's intention to apply for Class C and SDM liquor licenses with Sunday Sales Permit and Catering Permit.

Ridin' the Rails, LLC is owned by JWH Capital IV, LLC, 98%, and Yvonne Peltier, 2%. JWH Capital IV, LLC is owned by Jonathan Hanna ("John"), 51% and Jack Hanna, 49%.

John Hanna is currently involved in two other MLCC licensed businesses. He is the sole owner of The General Store (Royal Oak) since August 2010 and a partner in Ronin Sushi (Royal Oak) since June 2007. MLCC records show there have been no violations issued to these businesses during his ownership.

Jack Hanna is a current partner in Ronin Sushi since June 2007 and previously owned D'Amato's (Royal Oak) from May 1996 through October 1998. MLCC records show there have been no violations issued to these businesses during his ownership. Yvonne Peltier has never owned a MLCC licensed business.

Finger prints were not required for any of the applicants. All necessary documentation and background checks have been performed.

The Iron Horse will be moving into the building vacated by Ernie's Pizza Café. The property will be rented from Washington Square Plaza for \$3,000 a month. Iron Horse will be a full service pizzeria restaurant with food service being the primary service. This restaurant will serve pizza, wings, pasta, salads and breadsticks.

The proposed seating capacity will be 31 seats on the main floor, which includes 6 seats at the bar, and 22 seats on the mezzanine. The total seating will be for 53 patrons.

Iron Horse will also provide catering services. The ratio of food sales to alcohol sales is anticipated to be 70% food and 30% alcohol. The square footage of this establishment is 1,600 square feet. There will be no sidewalk café.

The hours of operation will be Sunday through Saturday from 11:30 A.M. to midnight. Last call will be 30 minutes before closing and last service 20 minutes before closing. Iron Horse may open earlier for special occasions, such as but not limited to St. Patrick's Day, Dream Cruise week and Arts, Beats and Eats with the prior approval of the Chief of Police.

There shall be no gaming devices on the premises or direct connections to any other facility. Iron Horse will only serve alcohol beverages to seated patrons.

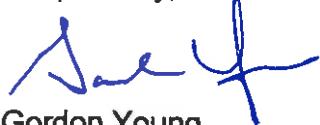
Final capacity shall be set by the police department and the applicants understand they shall be required to comply with all the requirements of City Codes. The applicants have committed to expend not less than \$75,000 in rehabilitation or restoration of the building.

In summary, the applicants meet the State's and City's requirements for new Redevelopment District Class C and SDM Licenses. Additionally, John and Jack Hanna have a long history in Royal Oak for operating successful businesses. If approved, the Police Department does not expect this establishment to cause any significant strain to police resources; and, as such, the Police Department does not object to this new license request.

All necessary forms will be completed, including the Business Responsibility Agreement and Royal Oak Police Business Information Card.

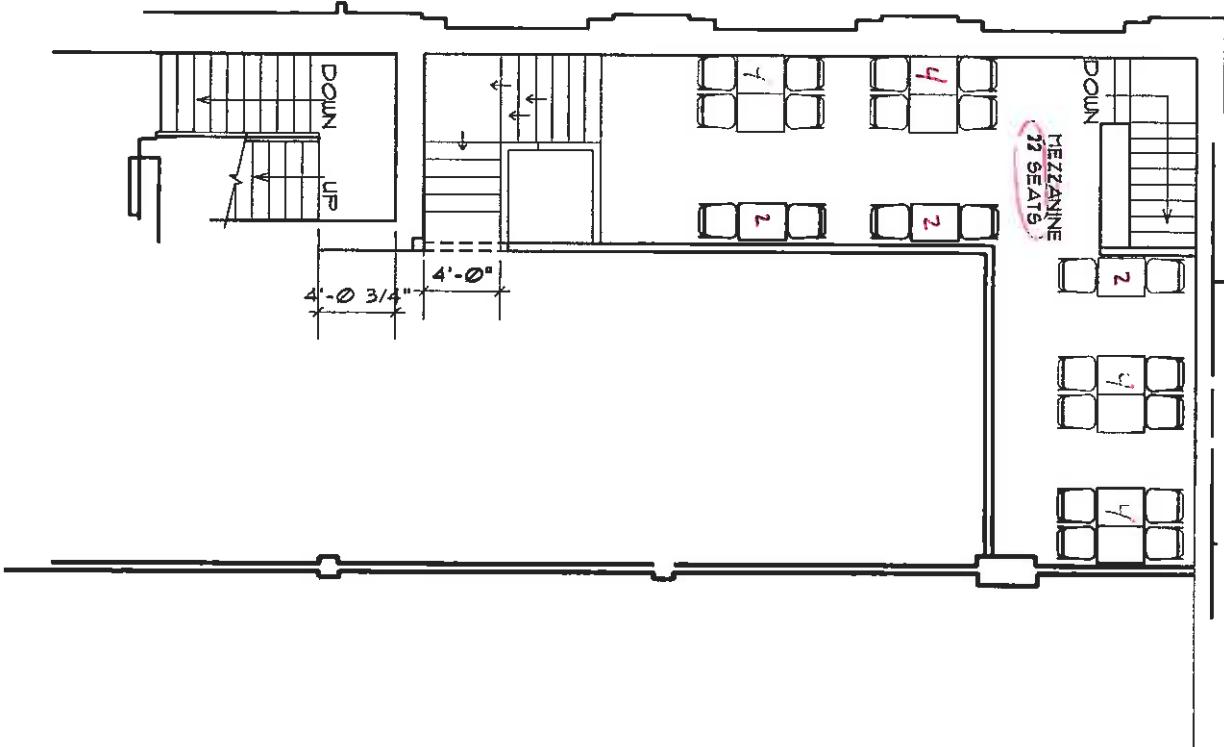
The application is subject to the approval or denial of the Royal Oak City Commission.

Respectfully,

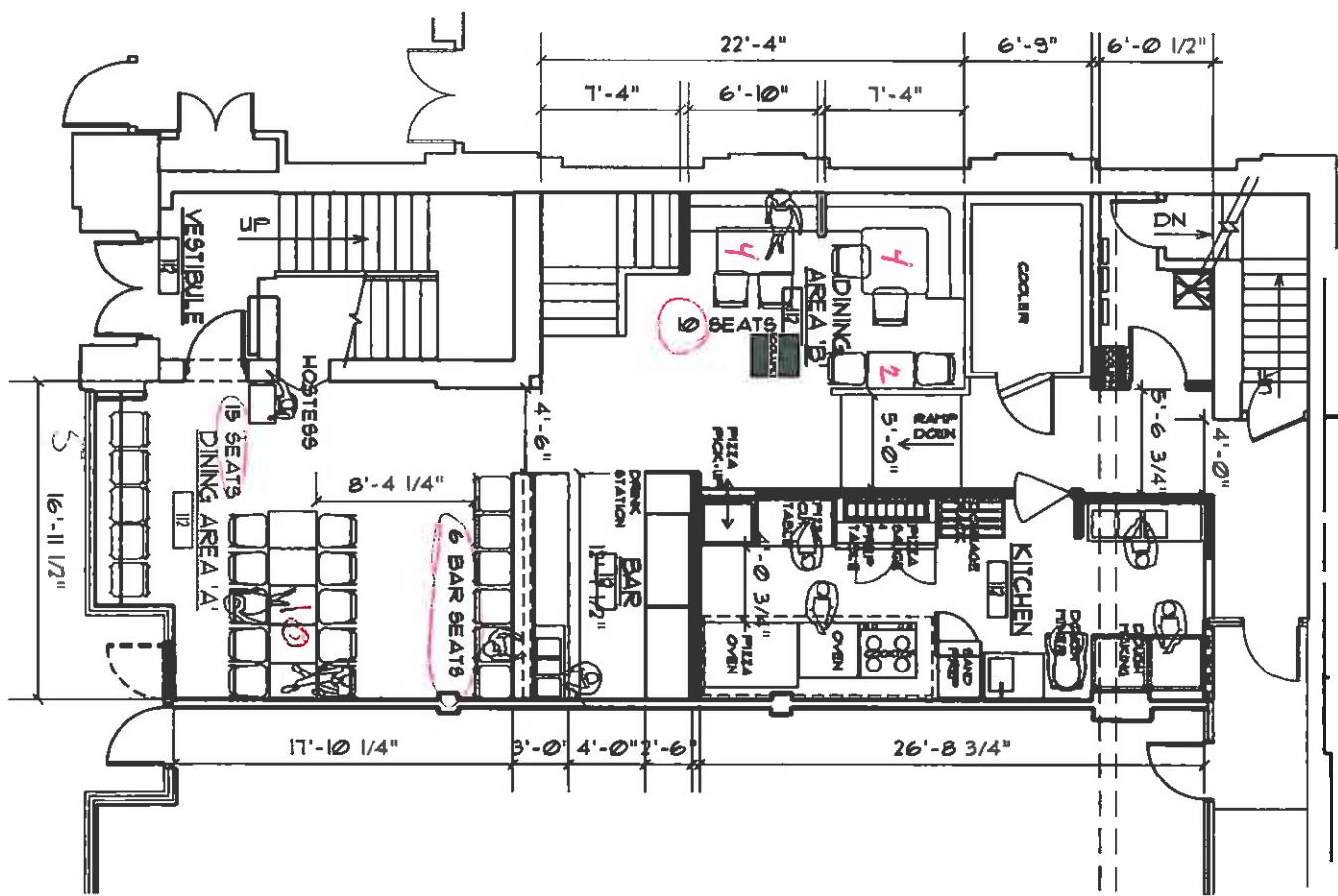


Gordon Young
Deputy Chief of Police
Royal Oak Police Department

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**CITY OF ROYAL OAK
CLASS C LIQUOR LICENSE OR TAVERN LICENSED BUSINESS
PLAN OF OPERATION**

Ridin' the Rails, LLC
Business Name

Iron Horse Royal Oak
Doing Business As

316 W. Fourth St., Royal Oak, MI
Street Address

Preamble: I/we have received copies of Royal Oak City Ordinances 90-3 2001-6, an Ordinance to Establish a General Policy for Liquor Licenses and Permits, understand its provisions, and will be governed by them. The following Plan of Operation is developed in keeping with the spirit and intent of this Ordinance. Ridin' the Rails, LLC is applying for a "Bistro" Redevelopment Quota Class C and SDM Liquor Licenses with Sunday Sales Permit and Catering Permit located at 316 W Fourth St, Royal Oak, Michigan, Oakland County, Michigan to be Issued Pursuant to MCL 436.1521a(1)(b). Ridin' the Rails, LLC will do business as Iron Horse Royal Oak ("Iron Horse Royal Oak").

- I. HOURS OF OPERATION:** The hours of operation will be Sunday through Saturday from 11:30 A.M. – Midnight. Last call will be 30 minutes before closing and last service 20 minutes before closing. Iron Horse Royal Oak may open earlier for special occasions, such as but not limited to St Patrick's Day, Dream Cruise week and Arts, Beats and Eats with the prior approval of the Chief of Police.
- II. FORMAT:** Iron Horse Royal Oak will be primarily operated as a full service pizzeria restaurant serving pizza, salads, breadsticks, pasta, chicken wings, with a full-service bar for clientele serving beer, wine and liquor; full-service kitchen facility. The establishment will be one story with a mezzanine dining area. The first floor will provide dining for 31 seated patrons, which includes 6 bar seats. The mezzanine floor will provide dining for 22 patrons. The total capacity for Iron Horse Royal Oak will be for 53 patrons. There will be a full basement which will be used for storage and coolers. There will be no entertainment. The Iron Horse Royal Oak will also provide catering services. The square footage of this establishment is approx. 2,000.

It is agreed that we will not change the format or type of business without written approval of the City Commission. This includes changing from a full-service restaurant to a bar where food service is reduced, etc. The ratio of food sales to alcohol sales is anticipated to be 70% food; 30% alcohol.

The proposed floor plan is attached hereto as Exhibit A.

The final occupancy will be approved by the Royal Oak Police Department.

- III. CODE COMPLIANCE:** The premises, when remodeled/completed, will fully comply with all applicable health, safety, building, sanitation, electrical, plumbing, and fire codes, as well as zoning requirements.

IV. PLAN OF OPERATION: It is acknowledged that under Ordinance 2001-06, Section 4A, the business shall be operated in accordance with an approved Plan of Operation. Changing the operation of the business in any manner inconsistent with the approved Plan of Operation is a violation of the ordinance and the rules of the Liquor Control Commission. Any change to the Plan of Operation must be approved by the City Commission prior to it being placed into effect on the business premises.

V. SECURITY: Security for the customers, building, and community is the first priority for the corporation, and as such, we will undertake whatever measures are necessary to maintain and supervise the expected level.

VI. PARKING: Parking shall be provided as follows:

spaces on site
 public parking spaces
 spaces from the following businesses:

 valet parking (if applicable)

Employees will park at areas designated by management, such as the Sherman surface lot, or Lafayette parking structure.

VII. ALCOHOL MANAGEMENT: The establishment will strictly obey all rules and regulations promulgated by the City of Royal Oak and the State of Michigan Liquor Control Commission. There will be neither service to nor consumption of alcoholic beverages by minors at any time. No alcohol will be sold, or permitted to be sold, on a commission basis by any person.

The following policies will be enforced at the establishment:

1. No alcoholic beverages will be allowed on the premises, other than what is dispensed by the establishment.
2. All staff will pay attention and be alert to observable clues displayed by an intoxicated individual, such as: impaired reflexes, impaired coordination, reduced judgment and inhibitions, impaired vision, etc.
3. All staff will be alert to potential problems at their respective areas at the facility.
4. All staff will be polite and courteous to the intoxicated individual(s) and will be knowledgeable as to when to request assistance from additional facility staff.
5. Patrons who appear to be 30 years of age or younger will be asked to show proper identification. Signage will be posted at serving locations. Patrons must produce proper identification.
 - 5.1 All patrons under 21 years of age, service will be refused.
 - 5.2 Check "State Seal" and other markings. Check for damage or alterations to identification card.

- 5.3 Do not return falsified identification cards. Call management immediately.
6. If a patron shows signs of intoxication, staff is to refuse service, politely explain policy, suggest non-alcohol purchase, and/or call for management, if necessary.
7. If a patron is purchasing on behalf of someone else who appears **less than 30 years old**, staff is to request to see identification of recipient or contact supervisory personnel who will seek patron(s) out. Staff will refuse service to minors and will inform all parties involved that policy allows for ejection from premises if illegal activity has occurred.
8. Alcohol dispensing may be restricted to one of the following practices or any combination thereof:
 - No sales to intoxicated persons.
 - No sales without proper identification.
 - Limited alcoholic choices, if necessary.
 - When in doubt, do not serve. Call supervisor.
9. Observe all patrons leaving the property. No open alcoholic beverages are allowed to leave the facility or property.
10. Staff is to approach any person appearing to be impaired and leaving the event to determine if they are driving. If so, staff is to attempt to persuade them not to drive and request a non-impaired companion to drive. If unable, staff will refer patron(s) to bus or taxi service.
11. Supervisory and management personnel will complete documentation of any alcohol-related incidents at end of event. Information will be disseminated accordingly.
12. We shall provide non-alcoholic beverages to all designated drivers either free or reduced prices.
13. The establishment fully participates in the Techniques in Alcohol Management Program and will continue such participation in that program or a similarly recognized program approved by the Royal Oak Police Chief. TIPS/TAM certification cards for all employees shall be available for inspection by the Police Department 35 days after the date of hire.

VIII. REFUSE DISPOSAL: The establishment will dispose of refuse in enclosed dumpster(s), with lids. Pickup will be a minimum of four (4) times per week. A water line with spigot will be provided to clean dumpster enclosure as necessary.

IX. GENERAL: Every effort will be made to maintain positive relationships with adjacent and nearby businesses, as well as cooperation with all City departments. Every effort will be made to solve any problems which may arise.

X. EMERGENCY CONTACTS: Anthony Prainito (586) 306-6708; Jonathon Hanna (248) 250-4900; Yvonne Peltier (248) 506-1902; pager (248) 367-8211.

XI. REFERENCE TO VALET SERVICE: N/A

Date: _____

Ridin' the Rails, LLC d/b/a Iron Horse Royal Oak
Corporate Name/Doing Business As

By: _____
Jonathon W. Hanna, Manager

IRON HORSE

A pizzeria serving New York style pizza with fresh toppings, salads, breadsticks and wings served with beer and wine.

Menu:

Pizza	<u>12"</u>	<u>16"</u>	<u>Pizza By the Slice:</u> \$2.50
Cheese	\$7	\$10	
Toppings	\$1	\$2	

Toppings

Meats: Pepperoni, Italian Sausage, Ham, Bacon and Chicken.

Veggies: Mushroom, Onions, Green Peppers, Black Olives, Banana Peppers, Hot Peppers and Tomato.

Chesses: Double Cheese and Feta

	<u>Small (1-2)</u>	<u>Large (3-4)</u>
Salads	\$6	\$9

Antipasti: Lettuce, Tomato, Ham, Salami, Black Olives, House Mozzarella Blend served with Italian Dressing.

Greek: Lettuce, Tomato, Beets, Banana Peppers, Black Olives and Feta served with Greek Dressing.

Chicken Cobb: Lettuce, Tomato, Bacon, Chicken and House Mozzarella Blend served Ranch Dressing.

	<u>5x</u>	<u>10x</u>
Wings	\$7	\$13

Styles: Original, Hot, BBQ or Sweet and Tangy served with Ranch or Blue Cheese Dressing.

Breadsticks

\$6 Classic breadsticks: House dough topped with butter, house season blend and parmesan cheese served with ranch and pizza sauce.

\$9 Classic breadsticks but served with a Chicken Salsa

\$9 Desert Sticks: House dough topped with butter, cinnamon and sugar topped with Rays Vanilla Ice Cream.

Pop	\$2
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Flavors: Pepsi, Diet Pepsi, Mountain Dew, Sierra Mist, Orange Crush, Mug Root Beer.

Beer	<u>Local</u>	<u>Import</u>	<u>Seasonal</u>
20oz Pint	\$5	\$6	\$6

Wine	<u>Red</u>	<u>White</u>
Glass	\$6	\$6