

Charter Township of Ypsilanti

RESOLUTION 2021-05

Amending Chapter 37 of the Ypsilanti Township Code of Ordinances

Whereas, the Township Code of Ordinances, Chapter 37, contains provisions regarding liquor licensing, liquor control enforcement, and liquor inspections; and

Whereas, Chapter 37 was last updated and revised in accordance with adoption of Ordinance No. 2005-360 on August 16, 2005; and

Whereas, the number of new on-premise liquor licenses available to be approved by the Board of Trustees is limited by a quota system mandated by state law and controlled by state liquor control regulations; and

Whereas, the number of on-premise liquor licenses available to be approved by Ypsilanti Township as a local governmental unit of the state is restricted by state law to one license for every 1,500 residents, which currently equates to a total of 36 on-premise liquor licenses based upon 2010 U.S. Census data reporting the Township's population as 53,362 people; and

Whereas, to date, the Board of Trustees has approved a total of 31 new on-premise liquor licenses intended to be used by businesses operating in Ypsilanti Township for the benefit of Township residents; and

Whereas, an analysis of new on-premise liquor licenses previously approved by the Board of Trustees shows that 17 of 31 new on-premise liquor licenses approved by the Board of Trustees and intended for use in Ypsilanti Township, which equals approximately 55% of all licenses granted to applicants, have been sold by the applicant and transferred for use in other local governmental units within Washtenaw County; and

Whereas, in addition to 17 on-premise liquor licenses having been sold and transferred out of Ypsilanti Township, an additional five (5) on-premise liquor licenses in Ypsilanti Township are currently held in escrow and are not being used; and

Whereas, the typical monetary value of an on-premise liquor license asset offered for sale on the open market has been reliably reported to be as much as 80

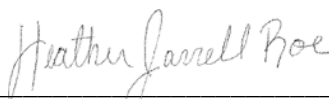
times more than the current license application fee being charged by Ypsilanti Township; and

Whereas, the 17 new on-premise liquor licenses approved by the Board of Trustees and transferred out for use in other communities continue to be counted in perpetuity against Ypsilanti Township's quota of on-premise liquor licenses in accordance with state law and regulations with no recourse available to retain or recover such licenses to promote future economic development for the benefit Township residents; and

Whereas, in light of the pattern of loss of on-premise liquor licenses and the desire to improve the manner and process used to consider applications for new on-premise liquor licenses, proposed **Ordinance No. 2021-494** attached updates and revises Chapter 37 in its entirety, defines the authority and role of the Township liquor committee, clarifies the application process for various Township departments, updates definitions to align with changes in state law, updates the minimum required contents of a license application, removes application fees and refers to a new fee schedule to be adopted by the Board of Trustees, defines the process and criteria for annual license renewal, and updates the criteria for nonrenewal or revocation of a license.

Now therefore be it resolved that **Ordinance No. 2021-494** attached hereto is adopted by reference.

I, Heather Jarrell Roe, Clerk of the Charter Township of Ypsilanti, County of Washtenaw, State of Michigan hereby certify the above resolution is a true and exact copy of Resolution No. 2021-05 approved by the Charter Township of Ypsilanti, Board of Trustees assembled at a Regular Meeting held on March 2, 2021.



Heather Jarrell Roe, Clerk
Charter Township of Ypsilanti