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CITY of NOVI CITY COUNCIL

Agenda Item C December 19, 2011

SUBJECT: Approval of the transfer of all rights to renewal escrowed 2010 Class C Business with Dance-Entertainment permit, located at 25750 Novi, Suite 104, Novi, MI 48375, Oakland County, from Paradise Entertainment, Inc. to United Bank and Trust, with license to remain in escrow. Transfer is for recordkeeping purposes only; license will remain in escrow until final disposition by United Bank and Trust.

SUBMITTING DEPARTMENT: City Clerk *Ch M C*

CITY MANAGER APPROVAL: *[Signature]*

BACKGROUND INFORMATION:

In March 2011, United Bank and Trust initiated a lawsuit against Paradise Entertainment, Inc. together with an affiliated company known as Hawkwater Ltd., d/b/a Fifth Avenue Billiards, and the individual owners/directors of Paradise Entertainment, Inc. and Hawkwater Ltd., Daniel Stover and Joseph Komos.

On June 2, 2011, the Oakland County Circuit Court entered an order granting the Bank's Motion for Default Judgment against Paradise Entertainment, Inc. and authorizing United Bank and Trust to take immediate possession of all property of Paradise Entertainment, Inc., including the liquor license. The Order further authorized United Bank and Trust at its discretion to sell, assign, transfer, convey and dispose of any and all right in the abovementioned property.

United Bank and Trust is seeking authorization to transfer the license in the bank's name in order to then transfer the license to a third party. There is no intention or ability for United Bank and Trust to operate any business at the location.

The Police Department found no reason to deny the recordkeeping transfer. The Building and Fire Departments did not require inspections at this time as the space will not be used until a tenant is located. Inspections will be performed prior to the issuance of a license to a future tenant.

RECOMMENDED ACTION: Approval of the transfer of all rights to renewal escrowed 2010 Class C Business with Dance-Entertainment permit, located at 25750 Novi, Suite 104, Novi, MI 48375, Oakland County, from Paradise Entertainment, Inc. to United Bank and Trust, with license to remain in escrow. Transfer is for recordkeeping purposes only; license will remain in escrow until final disposition by United Bank and Trust.

	1	2	Y	N
Mayor Gatt				
Mayor Pro Tem Staudt				
Council Member Casey				
Council Member Fischer				

	1	2	Y	N
Council Member Margolis				
Council Member Mutch				
Council Member Wrobel				