



Michigan Department of Licensing and Regulatory Affairs
Liquor Control Commission (MLCC)
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General Resort Requirements & Information

A Resort license is type of Class C, Tavern, A-Hotel, B-Hotel, or Specially Designated Distributor license issued without regard to the quota limitation in a local governmental unit.

The Commission may only issue a limited number of new Resort licenses each year pursuant to the limit set by the section of the statute under which the license is issued.

Types of Resort Licenses by Statute Section

MCL 436.1531(2) “Original 550 Resort” – This type of resort license was first authorized by statute in 1964. The statute allowed for only 550 resort licenses of this type. Resort licenses of this type are transferrable anywhere in Michigan.

- A Resort license under Subsection (2) may be a Class C, Tavern, A-Hotel, B-Hotel, G-1, or G-2 license.
- If any class of resort license under Subsection (2) is transferred to a new location, it must meet one of the following requirements:
 - Be a full-service restaurant, open to the public 5 hours a day, 5 days a week, with seating for 100 persons and food sales must be 50% or more of gross receipts; -OR-
 - Maintain sleeping facilities with a minimum of 25 bedrooms, meeting and conference rooms capable of accommodating 200 persons, or convention facilities capable of accommodating 200 persons; -OR-
 - Be a sports or entertainment venue, as defined under R 436.1001(u), which has a capacity of 4,500 or more; -OR-
 - Be located on a golf course which is open to the public and has at least 18 holes that measure at least 5,000 yards.

MCL 436.1531(3) – This type of resort license was first authorized by statute in 1964. The Commission may issue no more than 5 new resort licenses under Subsection (3) each year. A Resort license of this type cannot be transferred from its original location.

- A Resort license under Subsection (3) may be a Class C, Tavern, A-Hotel, or B-Hotel license.
- Must be a business designed to attract and accommodate tourists and visitors to resort area.
- Primary business of the establishment is not the sale of alcohol.
- The Commission shall consider economic development factors of the area.
- Must have a capital investment of \$75,000.

- Must meet one of the following requirements:
 - Be a full-service restaurant, open to the public 5 hours a day, 5 days a week, with seating for 100 persons, except for establishments in counties with less than 50,000 population are only required to have seating for 50 persons. Food sales must be 50% or more of gross receipts; -OR-
 - Maintain sleeping facilities with a minimum of 25 bedrooms, meeting and conference rooms capable of accommodating 200 persons, or convention facilities capable of accommodating 200 persons; -OR-
 - Be a sports or entertainment venue, as defined under R 436.1001(u), which has a capacity of 4,500 or more; -OR-
 - Be located on a golf course which is open to the public and has at least 18 holes that measure at least 5,000 yards.

MCL 436.1531(4) “Resort Economic Development License” – This type of resort license was first authorized by statute in 1983. The Commission may issue no more than 15 new resort licenses under Subsection (4) each year. A Resort license of this type cannot be transferred from its original location.

- A Resort license under Subsection (4) may be a Class C, Tavern, A-Hotel, or B-Hotel license.
- Must be a business designed to attract and accommodate tourists and visitors to resort area.
- Primary business of the establishment is not the sale of alcohol.
- The Commission shall consider economic development factors of the area.
- Must have a capital investment in excess of \$1.5 million.
- Casino gambling prohibited at licensed establishment.
- Must meet one of the following requirements:
 - Be a full-service restaurant, open to the public 5 hours a day, 5 days a week, with seating for 100 persons and food sales must be 50% or more of gross receipts; -OR-
 - Maintain sleeping facilities with a minimum of 25 bedrooms, meeting and conference rooms capable of accommodating 200 persons, or convention facilities capable of accommodating 200 persons; -OR-
 - Be a sports or entertainment venue, as defined under R 436.1001(u), which has a capacity of 4,500 or more; -OR-
 - Be located on a golf course which is open to the public and has at least 18 holes that measure at least 5,000 yards.

MCL 436.1531(5) “Resort Specially Designated Distributor License” – This type of resort license was first authorized by statute in 1984. The Commission may issue no more than 15 new resort licenses under Subsection (5) each year. Resort licenses of this type cannot be transferred from its original location.

- A Resort license under Subsection (5) must be a Specially Designated Distributor license.
- Must be located in a local governmental unit with a population of 50,000 or fewer.
- Must be a business designed to attract and accommodate tourists and visitors to resort area.
- The Commission shall consider economic development factors of the area.

- May be located within 2,640 feet of an existing Specially Designated Distributor location.
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How to Apply

All applicants requesting a new Resort license, seeking to transfer ownership of a Resort license, or transferring interest (stock or membership interest) in a Resort license must submit the following:

- **Application Form**

For a new Resort license or to transfer a Resort license - [Retail License & Permit Application \(Form LCC-100\)](#)

To transfer interest in a Resort license – [License Interest Transfer Application \(LCC-101\)](#)

- **Inspection Fee** - A \$70.00 nonrefundable inspection fee is required for each license requested in an application.
- **License & Permit Fees** – The initial and renewal fees for a Resort license are the same as the license fees of the corresponding type of quota license, except the initial license fee for a new on-premises Resort license issued under Subsections (3) or (4) is \$20,000.00 (payable at the time of licensure). Additional fees will vary based upon whether additional licenses and permits are requested in conjunction with a Resort license.
- **Livescan Fingerprints** – Applicants that have never been licensed through the Michigan Liquor Control Commission must submit fingerprints through the Livescan fingerprinting process - [Livescan Fingerprint Background Request Form](#).
- **Purchase Agreement** – Applicants requesting to transfer a license from another licensee must submit an executed purchase agreement or other documentation signed by both the applicant and the current licensee, which details the sale of the liquor license(s) and other business assets.
 - Purchase agreements must specifically indicate that the liquor license is being sold and provide the purchase price and terms of the sale.
 - Purchasers of on-premises licenses must have at least 10% of the purchase price of the business, excluding real estate.
 - Purchase agreements that are not for cash only sales and include real estate must list the personal property, including the licenses, and real estate with the terms and price for each.
 - If the personal property and real estate are being purchased by separate people or entities, the purchase agreement must indicate those names and who is purchasing which items.

- If the applicant will not pay the full purchase price at closing, the balance due may be covered by a security agreement or promissory note. Alcoholic beverage inventory cannot be included on a security agreement or promissory note.
- **Property Document** – Applicants must provide documentation that demonstrates they will have control over the property that comprises the proposed licensed premises. Property documents include deeds, land contracts, and lease agreements.
 - A provision to reassign the license in the event of a default on a land contract or termination of a lease agreement may be included, but may only provide for the reassignment subject to Commission approval.
 - If the applicant is a company and its members or stockholders own the real estate as individuals or under another company, a lease agreement is needed.
 - If the applicant is an individual and he or she owns the real estate with a spouse or someone else who will not be named on the license, a lease between the applicant and the owners of the real estate is needed.
- **Proof of Attempt to Secure Escrowed Resort License** – Applicants requesting a new Resort license under Subsections (3), (4), or (5) must submit documentation that demonstrates that they have contacted all holders of escrowed quota licenses within their county of the same type of license for which they are requesting a new Resort license and have been unable to secure an escrowed license for use at the proposed location.

In addition to the documents required by all applicants:

Corporations must submit the following information per Administrative Rule R 436.1109:

- Copy of current, filed Articles of Incorporation.
- Current Certificate of Good Standing from the state where incorporated and Certificate of Authority to Do Business in Michigan, if incorporated outside of this state.
- Certified copy of the minutes of a meeting of its board of directors or a statement signed by an officer of the corporation naming the persons authorized by corporate resolution to sign the application and other documents required by the Commission (or Part 3 of Form LCC-301).
- [Report of Stockholders/Members/Partners \(Form LCC-301\)](#)

Limited Liability Companies (LLC) must submit the following information pursuant to Administrative Rule R 436.1110:

- Copy of Articles of Organization and copies of any amendments to the Articles of Organization.
- Current Certificate of Authority to Do Business in Michigan, if the LLC is a non-Michigan LLC.
- Copy of Operating Agreement entered into by members.
- Copy of most recent annual statement filed with the Corporations Division, if an existing LLC.
- Statement signed by a manager of the limited liability company or by at least 1 member if management is reserved to the members naming the person

authorized to sign the application and other documents required by the Commission (or Part 3 of Form LCC-301).

- [Report of Stockholders/Members/Partners \(Form LCC-301\)](#)

Partnerships must submit the following information per Administrative Rule R 436.1111:

- Partnership Agreement, if a Limited Partnership.
 - [Report of Stockholders/Members/Partners \(Form LCC-301\)](#)
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Licensing Process

- The Licensing Division reviews the application and corresponding documents for completeness and verifies the appropriate fees have been received. If additional documents, fees, or corrections to documents are needed, Licensing will notify the applicant.
- Once all the necessary documents have been received Licensing will submit the request to the Enforcement Division for its investigation. If an applicant has applied for and meets the requirements for a conditional license, the request will be considered by the Commission.
- The Enforcement Division will contact the applicant to schedule an interview with the applicant (and current licensee for license transfers). At this meeting an investigator will review with the applicant documents, including:
 - purchase agreement
 - financial documents
 - property documents
 - other items pertaining to the application
- After the interview, the investigator will prepare a report for the Commission regarding the investigation and submit the request back to Licensing for further processing.
- Licensing reviews the report from Enforcement and any additional documents received during the interview process. The request is prepared for the Commission to consider and placed on a docket for an upcoming licensing meeting.
- The Commission considers the request, including:
 - the liquor license operating history of the applicant (if a current or prior licensee)
 - the arrest and conviction record of the applicant
 - whether the applicant meets the requirements for a license
 - the applicant's financial information
 - opinions of the local legislative body or police department, if received.
- The Commission will approve or deny the request based on these factors. Occasionally, the Commission will request more information from the applicant before making a final decision.

- After the Commission makes a decision on the request, the file is returned to Licensing for final processing.
 - Approval orders are sent to the applicant requesting any final items before the issuance of the license.
 - Denial orders are sent to the applicant and the applicant may appeal the decision.
 - When all the final items are received by Licensing, the completed request is forwarded to the Renewal Unit for the issuance of the physical license documents.
 - Any changes in financial provisions at the time of closing which do not conform to the terms previously indicated and investigated may require submission of new forms and possible additional investigation.
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Local Government Unit Approval for New On-Premise Resort Licenses

- The applicant must obtain a recommendation from the legislative body of the local governmental unit (city council, village council, or township board).
 - The legislative body may pass a resolution to recommend the applicant's application for the new Class C license. It may also record its approval on the [Local Government Approval Form \(Form LCC-106\)](#).
 - The resolution must be submitted to the Commission with the initial application and documents.
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Churches & Schools

A new application to sell alcoholic beverages at retail, or a request to transfer location of an existing license, may be denied if the proposed location is within 500 feet of a church or school. The Commission may waive the church/school provision if the church or school does not file an objection to the proposed license. If the church or school does file an objection, the Commission shall hold a hearing before making a decision on the issuance of the license.

Proof of Financial Responsibility

- Liquor liability coverage of at least \$50,000.00 is required by Michigan law for active operation of a licensed business. Types of acceptable coverage are:
 - liquor liability insurance
 - cash
 - unencumbered securities
 - constant value bond

- membership in an authorized group self-insurance pool
- For more information, please read the instructions in the [Proof of Financial Responsibility form \(Form LC-95\)](#).