

MEMORANDUM



TO: CORTNEY HANSON, CITY CLERK
FROM: MELISSA MORRIS, DEPUTY CITY CLERK
SUBJECT: QUOTA LIQUOR LICENSES – FINAL LICENSE APPLICATIONS
DATE: FEBRUARY 12, 2026

The City is down to its last available Quota Liquor License. In 2022, Novi was granted seven (7) licenses based on population growth between the 2010 and 2020 census. Two (2) previously issued licenses were returned to the City for non-renewal in 2025. Of those nine (9) licenses, City Council has approved the issuance of eight (8), leaving just one (1) available. Once this is allocated, Novi will not be eligible for additional quota licenses until after the 2030 census.

The Clerk's Office has received two applications for the final quota license: K-Bunsik who offers Korean street food options in Pine Ridge and Shake Shack, a roadside burger and shake restaurant in Town Center. These applications will be presented to City Council for consideration at the February 23, 2026 Council meeting. **Council must select one of the following options:**

Option A: Approve the issuance of the final quota license to **K-Bunsik** and deny the application submitted by **Shake Shack**.

Option B: Approve the issuance of the final quota license to **Shake Shack** and deny the application submitted by **K-Bunsik**.

Option C: Deny both applications and do not issue the final quota license to either applicant.

Quota liquor licenses issued by the City are provided at minimal cost to the applicant. This creates a significant economic advantage for businesses compared to the alternative, purchasing a license transfer on the open market which can range from an estimated \$35,000 to \$100,000 or more based on location and demand. Once the City's remaining quota licenses are allocated, this open-market purchase will be the only option for establishments seeking a license until the next census update.

Because of this, the City's remaining quota license represents a valuable economic incentive tool. When aligned with Novi's Council goals and the Novi 2050 Strategic Plan, these licenses can be used strategically to:

- Encourage targeted investment in priority growth areas, particularly along Main Street and in the downtown core.

- Attract unique, high-quality dining and entertainment options that enhance Novi's identity as a regional destination.
- Leverage private investment by reducing startup costs for businesses willing to contribute to the City's long-term vision.

By issuing quota licenses in a way that complements broader redevelopment and economic growth efforts, the City can maximize both the immediate and long-term benefits, ensuring that today's decisions help shape a thriving, vibrant community well into the future.