

**CITY OF MADISON
OFFICE OF THE CITY ATTORNEY
Room 401, CCB
266-4511**

Date: September 17, 2013

REVISED MEMORANDUM

TO: Mayor Soglin
All Alders

FROM: Michael P. May, City Attorney

RE: Shamrock Bar and Grill, Legistar Items No. 31095 and 31209:
Memorandum #2

I sent you a memorandum earlier today on these items. Our office received a copy of an email from the Receiver, disclaiming any interest in the lease or the premises.

This disclaimer by the Receiver amounts to an agreement among the parties that the new lease is valid. Based upon this, I now recommend approval of the licenses subject to any conditions imposed by the ALRC.

The substance of the email is as follows:

From: **Rebecca DeMarb** <rdemarb@kerkmandunn.com>
Date: Tue, Sep 17, 2013 at 12:37 PM
Subject: RE: Shamrock Bar and Grill; Agenda Items 4 and 92
To: "Allen, Roger" <RAllen@cityofmadison.com>, "rsage@tds.net" <rsage@tds.net>, "richard@king-law.com" <richard@king-law.com>, "cstevenson@ks-lawfirm.com" <cstevenson@ks-lawfirm.com>
Cc: "larry@empirerealtycompany.com" <larry@empirerealtycompany.com>, David Friedman <friedlaw@chorus.net>

Yesterday afternoon, Mr. Lichte brought a full copy of the Lease between Rainbow Shamrock, LLC, the debtor and former operator ("Rainbow"), and himself (the "Lease") to my office. Although I have requested a full copy of the Lease many times and through multiple attorneys, this was the first time it was provided to me. I do not know why Mr. Lichte, Mr. Sage and Mr. Friedman, another attorney for Mr. Lichte, were hesitant to provide me with a copy of the Lease.

After reviewing the full Lease, I am informing the Common Council that I believe that the leasehold

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interest of Rainbow has terminated according to the plain terms of the Lease.

I understand from your letter dated September 5, 2013, that you were looking for either a court order on the validity of the lease between the Applicant and Mr. Lichte, or a written agreement from "all parties" that the lease is valid. As far as I am aware, no court order has been entered on the validity of the Applicant's lease. Neither Mr. Lichte, Mr. Sage or Mr. Friedman have asked me to sign an agreement that the lease is valid, and I am not sure, still, if I could do so.

I have not independently reviewed the Applicant's lease. Rainbow had a leasehold interest in the bar location (the "Premises") and I, as Receiver, was entitled to realize upon that interest for the benefit of Rainbow's judgment creditor. I am now satisfied that the interest of Rainbow in the Premises, and therefore my interest in the Premises, has been terminated. I have nothing to state regarding the validity of the Applicant's lease and Applicant has not requested that I do so.

Cordially,

Rebecca

Rebecca R. DeMarb

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CC: Mark Woulf
Captain Carl Gloede
ACA Roger Allen
ACA Jennifer Zilavy

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Lisa Veldran