

RESOLUTION NO. 149-2025
BOROUGH OF SEA BRIGHT
A RESOLUTION AUTHORIZING THE RENEWAL OF ALCOHOLIC BEVERAGE
LICENSE NO. 1343-33-011-008 HELD BY S. KELLY CORPORATION
D/B/A THE MAD HATTER UPON SPECIAL CONDITIONS REQUIRING
THE SALE AND ACTIVATION OF THE LICENSE

Councilmember Leckstein introduced and offered for adoption the following Resolution; seconded by Councilmember Bieber:

WHEREAS, S. Kelly Corporation is the holder of Plenary Retail Consumption License No. 1343-33-011-008; and

WHEREAS, the aforesaid license was utilized at the premises known as "The Mad Hatter" until the premises was destroyed by Super-Storm Sandy in October 2012; and

WHEREAS, the aforesaid license has been inactive since that time; and

WHEREAS, the principal owners of the Alcoholic Beverage License were also the owners of the premises known as 10 East Ocean Drive, also known as Lot 3 in Block 19 on the Tax Assessment Map of the Borough of Sea Bright as members of the entity known as Kelly Management Group, LLC; and

WHEREAS, that entity received Site Plan Approval from the Unified Planning Board of the Borough of Sea Bright in 2016 to demolish the existing structure and construct a new building to be used as a restaurant and bar; and

WHEREAS, although the owners obtained substantial financing from the New Jersey Economic Development Authority and commenced construction under the aforesaid approval, construction was stopped for several years for reasons having nothing to do with the municipality and thereafter, the Borough Council declared the property owner to be in default of its obligations and forfeited the performance guarantee posted in connection with the project by means of a Resolution adopted on July 21, 2020; and

WHEREAS, the Code Enforcement Officer of the Borough determined the property to be abandoned on March 18, 2021; and

WHEREAS, the principals of the licensee made numerous representations to the Mayor and Council that new financing had been or was being obtained to complete the project and on the basis of those representations the Borough Council renewed the aforesaid Alcoholic Beverage License through the 2021-2022 license term; and

WHEREAS, despite the continued representations made by the licensee no such financing was obtained and the property remained in its abandoned state; and

WHEREAS, although the licensee, pursuant to N.J.S.A. 33:1-12.18, has continued to submit petitions to the Division of Alcoholic Beverage Control for special rulings to permit the Borough to consider its applications for renewal of this inactive license, the Borough Council has not acted upon such applications since the 2021-2022 license term due to the failure of the licensee to complete the project approved by the Planning Board; the failure of the licensee to obtain refinancing; the continued misrepresentations of the licensee and the failure of the licensee to take even minimal action to maintain the abandoned premises; and

WHEREAS, in or about October 2024 title to the property was foreclosed upon and the principals of the licensee no longer have any right, title or interest in the subject property; and

WHEREAS, the Borough Council has determined that the licensee and its principals are not qualified or suited to continue to hold an Alcoholic Beverage License in the Borough of Sea Bright and that the license should be renewed only upon the special condition that the license be sold to a third party during the current license term and that it be activated within a reasonable time thereafter; and

WHEREAS, the actions taken by the Borough Council by means of this Resolution are designed solely to continue the existence of the license through the 2025-2026 license term in order to permit its sale to a bona fide third party purchaser;

NOW, THEREFORE, BE IT RESOLVED by the Borough Council of the Borough of Sea Bright in the County of Monmouth, State of New Jersey that the Class C Plenary Retail Consumption License No. 1343-33-011-008 held by S. Kelly Corporation t/a The Mad Hatter be and the same is hereby: renewed for the 2022-2023 license term, nunc pro tunc to June 30, 2022; renewed for the 2023-2024 license term, nunc pro tunc to June 30, 2023; and renewed for the 2024-2025 license term, nunc pro tunc to June 30, 2024.

BE IT FURTHER RESOLVED that the aforesaid inactive Alcoholic Beverage License be and the same is hereby renewed for the 2025-2026 license term upon the following special conditions:

1. Submission by the Licensee of all renewal application documents, including a tax clearance certificate.
2. The license shall be sold in a bona fide arms length transaction to a third-party purchaser with no relationship to S. Kelly Corporation, Kelly Management Group, LLC or the owners thereof and that the transfer of the license to a third party be approved by the Borough Council no later than June 30, 2026.
3. That this license, which has been inactive since 2012 shall be activated pursuant to a place to place transfer of the license approved by the Borough Council on or before June 30, 2027, or the license will cease to exist.

BE IT FURTHER RESOLVED that certified copies of this Resolution be forwarded by the Township Clerk to the following:

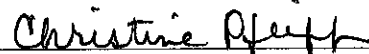
1. Division of Alcoholic Beverage Control
2. Department of Police
3. S. Kelly Corporation
4. New Jersey Economic Development Authority

Roll Call:	Bieber,	Catalano,	Gorman,	Keeler,	Lamia,	Leckstein
	Yes	Yes	Yes	Yes	Absent	Yes

July 15, 2025

CERTIFICATION

I, Christine Pfeiffer, Borough Clerk, do hereby certify that the foregoing is a Resolution adopted by the Borough Council of the Borough of Sea Bright, County of Monmouth, State of New Jersey, at a Council Meeting held on July 15, 2025.


Christine Pfeiffer, Borough Clerk