

**Citizens Committee to Review Alcoholic Beverage Laws (CCRABL)  
Meeting Minutes**

**Truxtun Recreation Center  
Meeting Room 3  
March 9, 2010  
6:00 PM to 7:30 PM**

**Committee Members:**

Whitney Chellis, Chair	Lynne Jones	Vic Pascoe
Brian Cahalan	Ted Levitt	Vince Quinlan
Chris Fox	Joe Lyon	Gilbert Renaut
John Giannetti	Valerie Miller	Denise Worthen
Jerry Hardesty	Sean O'Neill	

**Committee Resource Members:**

Charles Grayston, Vice Chair

**City Staff:**

Sally Nash  
Jacqui Rouse  
Tim Elliott, Finance Department Director

**Parties of Interest:**

Alderman Kirby  
Alderman Silverman  
7 additional members of the public

**General Notes:**

The **Chair** opened the meeting and discussed the agenda for the night. The purpose of the meeting was to discuss the fees for alcoholic beverage licenses and how they are determined.

**Agenda Item II: Discussion of alcoholic beverage licensing fees**

**Tim Elliott** (Finance Department Director) began the discussion by explaining that fees, per City Code requirements, must be based on “cost of service.” He explained that the formula that is used to determine cost of service preceded his tenure with the City. The formula is based on the personnel costs for the fire and police officers, and city clerk hours to “service” liquor licenses, and is not audited. This information was provided for the 2010 budget year by the appropriate Departments at his request. The information was provided verbally from the Departments with no audit or back up materials to substantiate the cost of service. The fees in FY2010 (effective July 1, 2009) went up 54% to cover the cost of service.

**Mr. Elliott** stated that there were apparent inequities in the formulation of fees because there are some establishments that use more of these services than others. He also stated that there was some vagueness in the assumptions behind his cost analysis. He was unsure of the premise for the original fees. He was also unsure of the rationale behind each liquor license fee.

He explained that the 54% increase was largely due to an increase in personnel costs. However, he does not have any backup material on his data. A committee member asked if there were any work audits that had been performed to justify the cost of service estimate and **Mr. Elliott** stated that there was not. Another committee member asked if there would be any budgetary ramifications if the annual fee was broken into installments. **Mr. Elliott** stated that this would not affect the budget.

The **Chair** asked if there could be a separate resolution with the liquor license fee schedule that could be sent to the Alcoholic Beverage Control Board (ABCB) for a public hearing and a recommendation. **Mr. Elliott** thought this would be a good idea, although a separate resolution would not be required. The entire resolution could be referred to the ABCB and they could limit their review to the relevant fees. **Mr. Elliott** stated that last year's fee schedule procedurally should have gone to the ABCB for review because of the increases, and that this would have made sense. He stated that there was not a set policy on how to ensure that segments of the budget and fee schedule that are concerned with alcoholic beverage licensing fees are referred to the ABCB.

**Mr. Elliott** was then questioned about whether the FY2010 fees could be changed at this point. He did not think they could, and he stated that the FY2011 fee schedule and budget had been introduced at City Council the night before. The fees are not going up for this fiscal year, and this is the time to try to change the fees for FY2011. An audience member asked if it would be possible for the liquor license fees to go up in a year or two, and **Mr. Elliott** said that could happen. Another committee member expressed frustration that there was not notification of the fee increases.

The **Chair** asked if there could be a cap placed on the fees. **Mr. Elliott** stated that there could not be because, by code, the fee must cover the cost of service. Therefore, he did not believe that the fees could be limited by a cap, because of the existing code. **Mr. Elliott** stated that he would talk to the police department and the fire department to get better information on the amount of time they spend providing services that are specifically related to alcoholic beverages, for the Committee. He agreed that he thought that there needed to be more equity in how fees are determined.

The committee expressed support of the idea of standardizing the process and making the system work better for all future budget increases city-wide. There is a need for more predictability. There was also support for the idea that there needs to be more notification when fees change. In the spirit of transparency, the committee also discussed the best way to have better representation on the ABCB, which included a recommendation to have a license holder on the Board. This board meets once a month and the public can attend the meetings.

The committee then began to discuss a potentially better way to calculate fees for alcoholic beverage licenses. One idea was to make the fee proportional to gross sales (with an audit). However, there was some concern that this method would not be fair for more successful businesses. It was then generally agreed that fees could be based on capacity. There could be a surcharge for establishments that have a 2:00 a.m. license. For package good stores, fees could be based on square footage.

**Closing:**

The **Chair** again advised that the City Council will hold its public hearing on O-27-09 (2 AM) on March 22, 2010, and that the Committee would not be taking a formal position on the ordinance because the work of the committee has not been completed. The committee's public hearing will be held on April 29, 2010 at 7:00 pm in the City Council Chambers. The next meeting of the committee was discussed. It will be March 16, 2010 at 6:00 p.m. in the same room. The committee will discuss the ACBC and their licensing-of new licenses and renewal licenses; public participation and protest; and APD partnership.

The **Committee** requested more information on the following items:

Workforce audit of police and fire personnel,

Tim Elliott's fee comparison chart,

Data comparison between liquor license fees in the City of Annapolis and Anne Arundel County.

**THE MEETING WAS ADJOURNED AT 7:30**

**Action Items:**

Post **Mr. Elliott's** fee comparison chart on the website (**P&Z**),

Pursue an audit of personnel costs associated with alcoholic beverage licensing fees (**Finance**),

Look up information on the TIPS program and other similar programs to determine what criteria the state uses to designate (license) providers of this training (**ABCB**),

Define criteria for "public need" as required by the ABCB for liquor license approval (**ABCB**),

Make Ward One Sector Study available digitally (**P&Z**),

Information on zoning regulations in Wards 2-8 (**P&Z**),

Draft interim Report **DUE APRIL 1** (All)- More details regarding the interim report and what will be required are forthcoming from the City Clerk's office (**P&Z**).

Facebook setup for CCRABL only (**P&Z**).

**Next Meeting:**

The next meeting for the committee will be held on **March 16, 2010 at 6:00pm** at the Truxtun Park Recreation Center, Meeting Room 3.

**Draft Agenda(s):**

**March 16-** ABCB Licensing, procedure, process

**March 23-** APD Enforcement/Alcohol Compliance Program/Address "cost of services."

**March 30-**Land Use and Zoning

**Schedule of Public Hearings:**

March 22 7:30 PM -City Council (O-27-2010)

April 12 7:30 PM City Council- **Interim Report**

April 29 7:00 PM- CCRABL City Council Chambers (R-73-09)

July 26 7:30 PM-ABL City Council –**Final Report**

END