

**Queen Anne's County Liquor Board
Minutes of Virtual (Zoom) Meeting**

January 5, 2021

9:00 a.m.

The Board of License Commissioners of Queen Anne's County held a virtual (zoom) meeting on Tuesday, January 5, 2021 at 9:00 a.m. The meeting was called to order by Chairman Joyce E. Jones, Esq. Those present were: Joyce E. Jones, Esq., Chairman; Thomas E. Beery, Vice-Chairman; John T. McQueeney, Timothy G. Hibbard and Gene M. Ransom, III, Esq., Members; Tom Calmon, Liquor Inspector; Cathy Maxwell, Clerk to the Board; Jeffrey E. Thompson, Esq., Attorney for the Board; Amy Moredock, Director of Planning & Zoning; Vivian Swinson, Zoning Administrator.

Michael Corner appeared before the Board to discuss licensing requirements for a new business. (**NOTE:** Mr. Corner's appearance did not record on the USB Drive given to me by QA TV).

Emily Sheppard, license holder for Joshua's Steak House, and Roger L'Heureux, license holder for Smoke, Rattle & Roll appeared before the Board. The trade names have changed for both establishments. The ownership has not changed because of the way the business is structured. Joshua's Steak House is owned by Joshua's Centreville, LLC and that entity did not change. Ms. Sheppard is the only license holder and owns 84% of the company. Mr. L'Heureux said nothing else has changed for Smoke, Rattle & Roll. He is the only license holder and owns 65% of the company. Mr. Beery had a question about the lease and Mr. Thompson will look into this.

The Board held a hearing for a new Class "B-D" beer, wine & liquor license for Allen Wysong and Ross Wysong, for the benefit of Big Owl, LLC, trading as Big Owl, located at 3015 Kent Narrows Way South, Grasonville, MD 21638. Allen Wysong and Ross Wysong appeared before the Board. Mr. Thompson administered the oath to all who were to testify. No one present opposed the granting of this license. Mr. Thompson said Ross Wysong owns 1% interest of the company but he must own at least 15% interest to be an applicant. Mr. Ransom said the Board can proceed with the hearing and approve it contingent upon Mr. Allen Wysong making the change. Mr. Allen Wysong said he is trying to plan ahead and add his son to the license now. Mr. Thompson said the new license cannot be issued until the necessary paperwork is provided to the Board and Mr. Wysong said he will change the ownership to 15% for Ross Wysong and 85% for himself. He is aware that there must be someone on premises at all times with alcohol awareness training. Ms. Jones reviewed § 4-210, approval or denial of license application, of the Alcohol Beverages Code. Mr. Allen Wysong there is a public need for the license. His establishment attracts a certain crowd which is different from the other bars in the area. There would be no adverse effect on current license holders in the area. Mr. Wysong currently has a Class "D" license but is now asking for a Class "B-D" license which has a minimum food requirement of 25%. Mr. Calmon said he met with Mr. Ross Wysong at the establishment and

he met all requirements. A motion was made by Mr. Beery, seconded by Mr. Hibbard, to approve the license contingent upon applicant providing the necessary paperwork regarding the financial interest of each party. All members voted in favor.

(NOTE: email dated 1/15/21 Mr. Allen Wysong indicated he is still in the process of adding his son to the license).

The Board reviewed for advertising the transfer of a Class "B" beer, wine & liquor license from Andrew A. Schulz to Tracy T. Schulz, for the benefit of Crab Deck, LLC, trading as Fisherman's Crab Deck, located at 3032 Kent Narrows Way South, Grasonville, MD 21638. Tracy T. Schulz appeared before the Board. He has been on the Fisherman's Inn license, representing the estate, since his father passed away. Mr. Schulz said Patrick Thompson, Esq. has been working on the paperwork. Mr. Ransom suggested the Board approve this for advertising and Mr. Jeff Thompson and Mr. Patrick Thompson can work out the details. Mr. Ransom made a motion, seconded by Mr. Beery, to approve this application for advertising. All members voted in favor. A public hearing on this application will be held on Tuesday, February 2, 2021.

The Board reviewed an Affidavit for Fisherman's Inn to change the license holder to Andrew A. Schulz to replace his father, Oscar (Sonny) Schulz. Ms. Jones said the Affidavit indicates that the ownership of the corporation has not changed. Mr. Thompson said the Affidavit is intended under the statute to cover a death. He said it would be reasonable for the Board to determine that as long as the ownership among the persons didn't change, in other words, the Affidavit actually does say that Oscar Schulz's stock went to the remaining shareholders so there's no real change in shareholders. The interest of those persons has changed. Mr. Ransom made a motion, seconded by Ms. Jones, to approve the Affidavit. All members voted in favor. Mr. Thompson said Tracy Schulz cannot be put on the Crab Deck license until the Board actually approves the transfer for the Crab Deck. Mr. Ransom made a motion, seconded by Mr. Hibbard, to table the previous motion until after the transfer hearing for the Crab Deck at the next monthly meeting on February 2, 2021. All members voted in favor. Mr. Thompson said he has discussed this with Mr. Patrick Thompson and everything is in order for advertising.

The Board reviewed for advertising the transfer of a Class "B" beer, wine & liquor license from Sandeep Patel to Joshua McCallen, for the benefit of Kent Manor FBS, LLC, trading as Kent Manor Inn, located at 500 Kent Manor Drive, Stevensville, MD 21666. Joshua McCallen, applicant, Daniel Alicea and David Gates appeared before the Board. Mr. Thompson asked if the licensed premises is changing. Mr. McCallen said yes, they feel it is best to have most of the property considered licensed rather than just a small portion. Mr. Thompson reminded them that they would be responsible for any underage persons on the property, similar to a golf course. Mr. Thompson said the license is to be issued to the authorized individuals because it is an LLC. He said from the Operating Agreement, it appears that the managing member is not Mr. McCallen. Mr. Thompson said the Board will need a resolution from the other members that Mr. McCallen is the only authorized individual on behalf of the company to hold the license. This should be signed by the managing LLC. He said Question 8(a) says "the qualifying Queen Anne's Co. resident applicant(s)" is indicated with an "A". Mr. Thompson said you are

not required to be a Queen Anne's Co. resident for this license so that is in the applicant's favor. Ms. Jones said Mr. McCallen will be required to meet with Mr. Calmon. Also he must sign the Attestation Sheet that is part of the Board's Rules and Regulations. The licensee or his designee must complete an alcohol awareness class prior to the license being issued. Mr. Paul Gates said he will be the general manager of the property. He is alcohol awareness trained. Mr. Thompson said the application can be approved for advertising. The resolution will need to be submitted prior to the license being issued.

The Board reviewed for advertising the transfer of a Class "A" beer, wine & liquor license from Sunil and Renu Datta to Dhara S. Patel and Renu Datta, for the benefit of Shree Hari OM LLC, trading as Rhodes Store, located at 620 Main St., Church Hill, MD 21623. Joseph McQueeney, Esq. appeared before the Board. Mr. Thompson has reviewed the application. He said the 75% ownership and Queen Anne's Co. residency requirement is no longer in effect. Mr. McQueeney said there is also a non-Queen Anne's Co. resident who is a 100% membership holder currently. Mr. Thompson there is another applicant who is not a member of the LLC at all. Mr. McQueeney said § 4-105 of the Alcohol Code states that at least one of the authorized individuals shall be a resident of the jurisdiction at the time the application is filed. The Queen Anne's statute that eliminates the 75% language doesn't really seem to say that for a Class "A" beer, wine & liquor you are not required to be a resident. So they wanted a resident to be on the application. Mr. Thompson said the Board would still need that authorization, because the Board would have to review her ability to be an applicant. Mr. McQueeney said this is addressed under the Operating Agreement under the management section showing Ms. Datta as the second authorized person on behalf of the company. Mr. Thompson reviewed the Agreement and verified that this is correct. Mr. Thompson amended Question 19 on the application to read "yes". Mr. McQueeney said Ms. Patel has a 100% financial interest in the company. Ms. Jones said Mr. Calmon should meet with the applicant prior to the February 2 hearing and asked Mr. McQueeney to advise his clients to get back to him promptly. Mr. Thompson said the application is approved for advertising.

The Board reviewed for advertising a new Class "B" beer & wine license for Ignazio Bonanni, for the benefit of Cobon, LLC, trading as Avanti Pizzeria, Trattoria and Market, located at 419 Thompson Creek Rd., Stevensville, MD 21666 (formerly Zio's). Joseph McQueeney, Esq., appeared before the Board. Mr. Thompson has reviewed the application. He said Question No. 18 on the application needs to be answered. Mr. McQueeney confirmed the answer to be "No". Mr. Thompson said Mr. Bonanni is the only applicant and is 100% owner of the company. Ms. Jones said Mr. Calmon should meet with the applicant prior to the February 2 hearing. Mr. Thompson said the application is approved for advertising.

The Board reviewed a postponement request from Joseph McQueeney, Esq. for a violation hearing for Lazy Mermaid which is scheduled for Monday, January 11. Mr. McQueeney said he is also representing Carmines and Amalfi Coast and is requesting a postponement for the violation hearings for them also. He may also be representing El Jefe. Mr. McQueeney has a court date conflict at 10:15 a.m. Mr. Ransom suggested that these hearings be postponed until

a later date in February. Mr. McQueeney said if these were rescheduled for a Monday date in February, he would be available. Ms. Jones said these violation hearings will be postponed until February and all parties will be notified of the new date. She also advised Mr. McQueeney that his clients need to respond to Mr. Calmon's letters and emails.

The Board discussed proposed Regulation pursuant to § 4-202(d) of the Alcohol Beverages Code - Population and Numerical Limitations. The following is the previous text following by the revised text.

(PREVIOUS TEXT) As a Rule, for alcohol licensing, divide the County by the four(4) Commissioners Election Districts, which are divided proportionally by population, as the determinate for limit, of Class A Licenses.

The limit is set at the current number, with no additional licenses issued until the population supports the addition of a new license, at a ratio of one(1) to two thousand (2,000) in population.

The population statistics shall be provided by the Department of Planning and Zoning.

Class A Licensees will have the right to apply for a transfer within their District.

Exceptions to limit:

1. New retail commercial centers, with a minimum of twelve (12) storefronts and a minimum of thirty thousand (30,000) square feet of rentable floor space.
2. A marina convenience store, located within a marina, with a minimum of fifty(50) rentable boat slips.
3. A location that is more that five (5) miles from another Class A licensed location.
4. A location within the boundaries of an incorporated town.
5. The application provides for a unique concept, not currently seen in the market, and deemed desirable by the Board.

All applications for an Alcoholic Beverage License are subject to Article 4-210 of General Provisions, and the above exceptions do not provide an approval or waiver of these requirements.

PROPOSAL NO. 2

The maximum number of Alcoholic Beverage Licenses in each of the Election Districts of Queen Anne's County, Maryland, shall be limited to:

One (1) Class A License for each Two Thousand Five Hundred (2,500) actual population of each Election District, based on and as determined by the official and most current population report of each Election District as determined by the Queen Anne's County Board of Election Supervisors. No license shall be transferable from the Election District in which it was originally located.

CHANGE IN CLASSIFICATION

The change in classification of an existing On-Premise License (Class B) to a Class A License shall be subject to the same population and numerical requirements as an application for a new

license. Transfers of licenses that affect only the licensee and **do not** affect a change in the licensed premises shall not be subject to population and numerical requirements.

CLUB LICENSES

Club licenses shall be excluded from the population and numerical requirements of this Rule and shall not be transferable to any other class of license.

(REVISED TEXT) Queen Anne's County shall be divided by the Election Districts to limit the number of Class A Alcoholic Beverage Licenses.

The maximum number of Class A licenses in Election District four (4) shall be limited to one (1) Class A License for each two thousand (2,000) actual registered voters, as determined by the Queen Anne's County Board of Election Supervisors.

All existing Class A licenses in Election District four (4) are grandfathered in and transferable. Any Class A license transferring to Election District (4) is subject to the population limit.

Exceptions:

1. Commercial centers with a minimum of twelve (12) retail storefronts and a minimum of thirty thousand (30,000) square feet of rentable floor space, not currently occupied by another Class A license holder.
2. A marina convenience store located within a marina with a minimum of twenty-five (25) rentable boat slips.
3. A commercial location that is more than three (3) miles from another Class A licensed location.
4. The application provides, for the benefit of the public, a unique concept that is not currently found in the Election District and is deemed desirable by the Board.

Ms. Jones asked Mr. Thompson whether the Board can make this proposed Rule specific to one Election District or one jurisdiction only. Mr. Thompson said he could not find anything and thinks this will be a test case. Ms. Jones asked if the Board add a clause that says the Board shall from time to time examine whether there is a need for a similar regulation for each of the other election districts, would that cover it. Mr. Thompson said since this is a Regulation, he would say they can, that the Board made a determination that there are an adequate amount of Class "A" licenses in Election District 4. Mr. Beery said the Board had previously discussed going by voter registration information because it was available more often. The census information is only available every five years. He said the number of boat slips was reduced from 50 to 25. Exception No. 4 was eliminated which was "location within the boundaries of an incorporated town" because we are only talking about the Island itself. So No. 5 became No. 4. Ms. Jones said Baltimore County's regulation is one line and they made a regulation for the whole county, not just a certain area. Ms. Jones said the Board should have this Regulation in a WORD document for the next meeting. Mr. Ransom said this proposed Rule should have a formal public hearing.

The Board discussed the approval of the following alcohol licenses: Bridges Restaurant, Harris Crab House, Jeff Davis Post 18, Love Point Deli, and VFW No. 7464. Mr. Calmon said he has inspected all of these locations. A motion was made by Mr. Ransom, seconded by Mr. Beery, to approve these five licenses for the 2020-21 license period. All members voted in favor.

Warren Wright, Drug Free Coalition, appeared before the Board. He said the number of opioid deaths is going to be higher this year than last year. Ms. Jones advised Mr. Wright that the "to go" Bill is HB 12 and SB 205.

The Board discussed finalizing the Rules and Regulations. The latest revisions to the Rules and Regulations need to be signed by the Board members prior to being added to the county website and sent to the licensees.

The Board discussed the new liquor license application. Ms. Jones asked Mr. Thompson to review the application to assure it complies with the latest laws. It can then be sent to Jeff Kelly at the Comptroller's Office for his approval.

The Board discussed proposed legislation HB 12, SB 205 which is allowing "to go cups" to continue and will take away this Board's ability to charge the current delivery fee. Ms. Jones said on her last MALA call, the suggestion was to have individual Boards send letters asking to opt out of all or part of the proposed statute, or at the very least express their concerns to the legislators. Ms. Jones said she has an issue with them not allowing the Board to impose a fee. She said she feels our delivery permit fee is very reasonable and the Board is not charging a fee for "to go cups". Ms. Jones said the Board needs to decide if they want to opt out of this proposed Bill entirely or opt out of certain sections. Mr. Ransom said he prefers that the Board makes sure they have the right to charge fees and having the ability to regulate. He does not want to opt out of the entire Bill, as long as this Board has the authority to regulate. Ms. Jones said she feels the Board should at the least opt out of the delivery permit fee portion of it. Mr. Beery said he would prefer to opt out of the entire Bill. He does not understand the benefit of a "to go cup", he feels it is convenience over safety and welfare. He said the way he reads the Bill, it allows a "to go cup" without food. So you could walk in a restaurant, buy a drink and drive away. Ms. Jones said she believes it does include food. Mr. Beery said he still believes that "to go cups" have been an issue in most jurisdictions. Mr. Hibbard said he would like to have a written copy of the Bill to review. Mr. Ransom sent the Bill to the members for discussion. Ms. Jones said on page 2, line 21-22, "the alcoholic beverage is purchased along with prepared food other than pre-packaged snacks". So food is included in this Bill. She said she is concerned with pre-packaging the "to go" drinks and possible rectifying. Ms. Jones made a motion, seconded by Mr. Ransom, that the Board opt out of subsection "c", lines 18 thru 20 on page 4. All members voted in favor. Ms. Jones said if any of the Bill needs to be piecemealed, she encouraged the Board to take time to review the Bill and decide if the Board wants to opt out of the Bill as a whole. Mr. Beery made a motion, seconded by Mr. McQueeney, to opt out of the Bill as a whole. Mr. Beery said it has been his first preference to opt out of the entire Bill. He said Class "D" and "B-D" licenses already have the ability to sell

beer to go. Ms. Jones said she does not know if this necessarily has to be addressed this legislative session. She said she does not see the state of emergency being lifted any time soon. Mr. Ransom said he does not feel the Board should oppose the whole Bill but try to work with it. Ms. Jones said the County's compliance check rate has been very bad recently and she does not want to see more underage persons getting served. Mr. Calmon has not even done delivery or to go compliance checks yet. Ms. Jones said Mr. Beery made a motion to opt out of the Bill as a whole. Mr. Hibbard voted "aye". Mr. McQueeney voted "aye". Mr. Ransom voted "no". Ms. Jones voted "no". Ms. Jones said it appears the Board will oppose the Bill altogether. She asked Mr. Thompson to send a letter. Mr. Ransom suggested that the Board send a separate letter for HB 12 and a separate letter for the chain store legislation. Ms. Jones said since the Board is opposing HB 12, SB 205, altogether, she suggested that the Board have an alternative where they oppose subsection "c" and include their right to nix it accordingly in Queen Anne's Co. as Mr. Ransom had suggested. Mr. Thompson said regarding the chain store legislation, there is not an actual Bill yet. He will state that since there is not an actual Bill to address, the Board would like there to be no change with to Queen Anne's Co. with regards to chain stores. In summation, this Board would like to be exempt entirely from HB 12, and if not exempted entirely, the Board wants to be excluded from subsection "c", lines 18-20, on page 4. Also an option to have the ability to have regulatory authority. Ms. Jones asked Mr. Thompson to include that the County's compliance rates are down and this Bill will only add to it. Mr. Thompson will send the draft letter to the Board members for their review. Ms. Jones said MALA was going to draft a letter with all the county comments and concerns and leaving it to the individual Boards to let the legislators know how they feel about it. Mr. Ransom said these letters should be sent to the Queen Anne's delegation and also cc'd Senator Pinsky and Senator Davis as the Chairman of the committees so they are made a part of the record for the Bill hearings. Mr. Ransom will forward this information to Mr. Thompson. Ms. Jones told Mr. Wright that the DFC can also send a letter with their concerns. Mr. Wright said he agrees with the Board's position.

The Board discussed the proposed chain store legislation. Mr. Thompson said he has not sent a letter to the Delegation to date. Mr. Ransom said he is strongly opposed to the chain store legislation and feels this County should opt out of it. He said a letter should be sent to the Delegation as soon as possible.

Concerning the proposed Regulation on population, Ms. Jennifer Didonato asked if the Board would consider doing a moratorium on granting new Class "A" licenses until which time they are able to vote on it. Mr. Ransom said he does not feel that is necessary because this Board does not need this new Regulation to deny a license. Mr. Thompson said the Board is adopting this Regulation because they do not see a need for more Class "A" licenses on Kent Island.

The January 11, 2021 meeting will be virtual (zoom) and will address one violation hearing. Also the Board will address Mr. Beery's proposed Regulation on that day as well. The Board will decide at a later date whether to meet in person for upcoming February meetings.

A motion was made by Ms. Jones, seconded by Mr. McQueeney, to go into closed session at approx. 11:00 a.m. to discuss an administrative function. All members voted in favor. Ms. Moredock, Ms. Swinson and Ms. Maxwell also were in attendance. No decisions were made in the Executive Session which ended at approx. 12:15 p.m.

There being no further business the meeting was adjourned, to meet again on Monday, January 11, 2021.

Respectfully Submitted,

Courtney Maxwell

/s/ Joyce E. Jones