

MEMORANDUM TO: Mayor and City Council

VIA: David B. Humpton, City Manager DH

FROM: Frederick J. Felton, Assistant City Manager FJF  
Tony Tomasello, Assistant City Manager TT

DATE: January 4, 2006

SUBJECT: Alcohol Regulation

As you will recall, staff raised the possibility of working with Montgomery County during the 2007 Legislative Session on amendments to State liquor laws that would prohibit early morning sales of alcohol and prohibit sales of single beers.

Staff recently met with Montgomery County Department of Liquor Control Director George Griffin and Community Outreach Manager Kathie Durbin to discuss this issue. The City has been working very closely with the County Department of Liquor Control on the "Cops in Shops" and the "Gaithersburg Business Alliance" programs. The County staff fully understands the problems we are experiencing with alcohol sales in Olde Towne and portions of 355, and they would like to work with us on solutions.

Rather than pursuing a legislative remedy during the upcoming legislative session, the County staff has suggested we try to address these issues through the Board of License Commissioners' licensing process. Specifically, they have suggested that we designate a particular geographic area as an "improvement area" and request that the liquor licenses for all establishments within the impact area have restrictions on operating hours and individual sales.

Please note that all liquor licenses in the County expire on May 1, 2007. This spring, all businesses seeking to renew their licenses will have to submit an application and may have to appear at a hearing. The County staff has suggested that this would be the appropriate time to request that the restrictions be imposed. Please note that this may not be easy to achieve because the Board of License Commissioners have never imposed restrictions of this nature. Staff believes that it will be necessary for citizens to participate in this effort with documented evidence of quality of life problems.

If the Mayor and City Council concur with this approach, staff will notify all potentially affected businesses and give them an opportunity to provide input.

We will be seeking guidance on this issue during the January 16, 2007 Mayor and City Council meeting. If you should have any questions or wish to discuss this matter, please contact one of us.

fjf/ms

cc: Mary Ann Viverette, Chief of Police  
Cindy Hines, Olde Towne Coordinator