

SB426 LOS - EHEA Committee_Brewers Hill Neighbors.

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Position: FAV



March 3, 2021

Senator Paul Pinsky
Chair
Senate Education, Health, and Environmental Affairs Committee
2 West Miller Senate Office Building
11 Bladen Street
Annapolis, MD 21401

Senator Pinsky:

I am writing on behalf of Brewers Hill Neighbors (BHN) to support Senate Bill 426, the 46th Legislative District's annual liquor bill. Two provisions on Senate Bill 426 impact the Brewers Hill neighborhood.

First, is the creation of a Class D license for a Bark Social. Although not the original concept brought to BHN, we have executed a Memorandum of Understanding with the developer and are supportive of the new license.

Second, is the creation of a Class B license for DiPasquale's. BNH has not had significant conversation with the owner, we are supportive in concept with the assurance that a Memorandum of Understanding will be executed prior to the issuance of that license.

Thank you for the Committee's consideration and Brewers Hill Neighbors urges a favorable report.

Sincerely,

A handwritten signature in black ink that reads "Joseph Di Seta". The signature is written in a cursive style with a large initial "J" and "D".

Joseph Di Seta
President

CC: Ross Seidman

SB426 LOS - EHEA Committee_Old Line Distillery.pdf

Uploaded by: Ferguson, Senate President Bill

Position: FAV



March 3, 2021

Senator Paul Pinsky
Chair, Education, Health and Environmental Affairs Committee
11 Bladen Street
Annapolis, MD
21401

Senator Pinsky:

I am one of the co-founders of Old Line Spirits, a distillery in Baltimore. I am writing to request your support for Maryland SB 426 in the 2021 legislative session. A portion of SB 426 would allow for Old Line Spirits to apply to the Board of Liquor License Commissioners for Baltimore City to convert our existing 6-day Class D liquor license to a Class D 7-day license. Old Line is seeking parity with our peers with Maryland Class 1 distilleries, as well as wineries and breweries, all of which are able to operate seven days per week. To our knowledge, Old Line is the only distillery in Maryland that is currently unable to operate in its fully licensed capacity on Sundays.

Weekend operations are critical for companies in the beer, wine and spirits industries. Currently, Saturday operations are responsible for 70% of Old Line's direct-to-consumer sales. This cash is critical in funding our growing payroll requirements as well as generating cash for company growth in other markets. Old Line currently operates in six other markets outside of Maryland, none of which are profitable yet. While this is an expected part of the company's growth profile, it is still a challenge. We rely on distillery visitation to generate cash to grow expand into other markets. This growth in other markets fuels a demand for Old Line to purchase more local raw materials, hire more production employees for our distillery and engage with other local businesses (for example, marketing, PR, accounting firms, etc.). All of the revenue we generate gets reinvested in growing the business. Sunday operations will allow us to generate more cash to continue to grow the company and reinvest the cash with other local businesses.

Old Line has had a Class D tavern license since 2018. We have not received any complaints in the nearly three years that we've had this license. Old Line has been warmly embraced by our neighborhood association and our residential neighbors. We are pleased to have played a part in helping to turn a downtrodden, industrial part of Baltimore City into a more vibrant business district. I respectfully ask for your support for SB 426 to help us to continue on this path.

Thank you for your consideration.

Sincerely,

DocuSigned by:

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Mark McLaughlin
CO-Founder, Old Line Spirits

SB426 Testimony - EHEA Committee_BFerguson.pdf

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The Senate of Maryland
ANNAPOLIS, MARYLAND 21401-1991

SB 426 - 46th District - Alcoholic Beverages Licenses

Testimony of Senate President Bill Ferguson

On March 5, 2021

Before the Senate Education, Health, and Environmental Affairs Committee

I respectfully urge my colleagues to support Senate Bill 426, the 46th District Delegation's annual local liquor bill.

As drafted, SB426 has two main components:

1. Page 5, Lines 9-14: Allows for Old Line Distillery to convert their current 6-day Class D license into a 7-day Class D license.
 - o Right now, Old Line Distillery cannot operate their cocktail bar on Sundays, which deprives them of clientele and critical income as many of their visitors on the weekend come from surrounding counties or the broader Mid-Atlantic region.
 - o As with all local breweries, wineries and distilleries, a large portion of Old Line's revenue comes from sales at the distillery. This simple adjustment will allow Old Line to increase its economic ceiling with minimal change to its business model and impact on the surrounding area.
2. Page 6, Lines 25-28: Permits the Liquor Board to issue a Class D license to an establishment located in the 1200 block of South Haven Street so long as a memorandum of understanding (MOU) is executed with the Brewer's Hill Neighbors community organization. This license is for a new Bark Social dog park and beer garden that is coming to that development.

Amendment 833021/1 adds a few additional elements:

Amendment #1 is technical in nature.

Amendment #2 does three things.

1. First, it creates a Class B beer, wine, and liquor license for DiPasquale's as they expand to a new location in Brewers Hill. For the Board to issue the license, DiPasquale's will need to have:
 - o Seating for 75 individuals;
 - o A minimum capital investment of \$700,000;
 - o Average daily receipts for the sale of food that are at least 65% of total daily receipts;

and

- A Memorandum of Understanding with Brewer's Hill Neighbors.
2. Second, it strips language put into the code last year to allow DiPasquale's to transfer their current license to another location in Highlandtown.
 3. Third, it removes a sunset provision put into the code when the 2019 District 46 local liquor bill was passed. The sunset provision applies to Sagamore Distillery's cocktail bar. All parties involved in the 2019 legislation are in favor of removing the current sunset.

As reflected in testimony submitted to the Committee, the local community is supportive of these new licenses and adjustments to the code in its current form. The bill and amendment were both unanimously approved by the Baltimore City Senate Delegation last month.

Thank you for your consideration of SB 426 and I urge the Committee to report the bill and amendment favorably.