City of Milwaukee

Alcohol Beverage Licensing Task Force

Final Report and Recommendations to the

Common Council

April 30, 2009





April 30, 2009

Willie L. Hines, Jr., President City of Milwaukee Common Council City Hall - Room 2005 200 East Wells Street Milwaukee, WI 53202

Dear President Hines:

It is my privilege to transmit to you the Final Report and Recommendations of the Alcohol Beverage Licensing Task Force (ABLTF). I am humbled to have been asked to serve as chair of the task force. The members of the task force, both public representatives and city officials, have been diligent and generous with their time and talents. The breadth of their experience and expertise has resulted in what I believe to be a very thoughtful and constructive set of recommendations.

You and Alderman James A. Bohl, Jr. sponsored the resolution creating the task force. That resolution, adopted July 30, 2008, notes that, though the alcohol beverage licensing system that has been in place for 75 years has generally served the citizens of Milwaukee well, recent events have called into question the integrity of the process. The resolution further states that it is imperative that citizens have confidence in the licensing process. To assure that this confidence is restored and maintained, the resolution directed the task force to make recommendations for changes or improvements in the licensing process.

In the course of our deliberations, we received testimony and written statements from the public, and presentations were made by public officials. I believe that the process was thorough and fair. I want to particularly thank you for your leadership in establishing a process for the task force that was transparent and free of any undue influence. I would also ask that you convey my deep appreciation to the City Clerk, to our staff assistant, Tobie Black, and to the Legislative Reference Bureau, for their support and commitment of time.

Finally, on behalf of all the members of the task force, I urge careful consideration of these recommendations by the Common Council. I also urge you to take into account the minutes of our meetings, which are attached to these recommendations, as we discussed a number of matters that were not specifically part of the duties of the task force, but may be of relevance to changes the council might wish to consider. To that end, I am available to answer any questions that you or other council members may have. Thank you again for your leadership and for providing this opportunity for the task force members to serve the City.

Sincerely,

Justice Louis Butler, Chair

Alcohol Beverage Licensing Task Force

City of Milwaukee

Alcohol Beverage Licensing Task Force

Final Report and Recommendations to the

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INTRODUCTION

The City of Milwaukee Common Council established the Alcohol Beverage Licensing Task Force (ABLTF) on July 30, 2008 with the adoption of Resolution File # 080461. This resolution provided in part that:

"...the task force is directed to study the current alcohol beverage licensing process, evaluate the extent to which this process maintains proper checks and balances in decision making, and make recommendations for changes or improvements to this process...."

ABLTF members were confirmed by the Common Council and include: former Justice of the State Supreme Court, Louis Butler, appointed Chair by the Common Council President; Joel Brennan, appointed by the Mayor; Sallie Ferguson, designated by the Great Lakes Beverage Association; Rebecca Grill, designated by the City Clerk; Edward J. Lump, designated by the Wisconsin Restaurant Association; City Comptroller Wally Morics, appointed by the Common Council; Sharon Nowak, designated by the Wisconsin Tavern League; Bruce Schrimpf, designated by the City Attorney; and Sergeant Chet Ulickey, designated by the Chief of Police. Tobie Black was appointed Staff Assistant to the ABLTF by the City Clerk.

Common Council President, Willie L. Hines, Jr., addressed the first meeting of the ABLTF on October 10, 2008. President Hines reviewed the purposes for creation of the ABLTF noting the special circumstances leading to its formation. These included the indictment and prosecution of a former member of the Common Council related to abuse of the licensing process. He noted that improvements in the licensing process were needed to restore public confidence in the integrity of the Common Council and the licensing system.

The ABLTF held 4 public meetings during the fall of 2008, including a public hearing on December 11, 2008, at which members of the public provided comment and suggestions. An additional 7 public meetings were held in the winter and spring of 2009, including one public hearing at which testimony was received related to the preliminary recommendations of the task force.

During the regular meetings of the task force presentations were made by Rebecca Grill, Manager of the License Division of the Office of the City Clerk, Ron Leonhardt, City Clerk, Bruce Schrimpf, Assistant City Attorney assigned to advise the Licenses Committee and to represent the Common Council in judicial proceedings related to licensing, Alderman James A. Bohl, Jr., Chair of the Licenses Committee, Alderman Michael J. Murphy, Chair of the Finance Committee, and others. The minutes of ABLTF meetings and public hearings are attached as Appendix B and Appendix C, respectively. The minutes of all meetings of the ABLTF are also accessible on the Internet at http://milwaukee.legistar.com/calendar.aspx. The written submissions of members of the public and council members during or after public hearings have been included in Appendix D.

Over the course of 4 meetings, the ABLTF deliberated upon a series of recommendations and questions for review suggested by task force members, adopting recommendations related to pre-application, application, and certification procedures, scheduling for committee consideration, hearing procedures, and procedures for Common Council review and deliberation.

The focus of ABLTF recommendations, consistent with the resolution creating the task force, is purposely limited to licensing procedure and do not address regulation of licensees such as hours of operation, license enforcement, or designation of the types of establishments that may be eligible for alcohol beverage licenses. Several issues of regulation were raised in public hearings and in written submissions to the task force. The task force determined that this commentary should be brought to the attention of common council members and has therefore included it in the appendices.

A public hearing was on the evening of April 16, 2009, to provide interested members of the public an opportunity to comment on the preliminary list of recommendations. The task force held its final meeting on Friday, April 24, 2009, to review public comments and to approve final recommendations.

The ABLTF now presents its final report and recommendations to the Common Council, and urges timely and complete consideration of its recommendations. This report consists of a transmittal letter from Justice Louis Butler, an introduction, 22 recommendations of the task force, background summaries for each recommendation, and appendices.

Recommendations to the City of Milwaukee Common Council from the Alcohol Beverage Licensing Task Force – April 30, 2009

- 1. That the City Clerk's License Division create and publish a pamphlet describing the process for new license application and license renewal applications, including a statement of the applicant's rights and obligations during the application and renewal application process.
- 2. That notices of Licenses Committee meetings scheduled to consider a new or renewal license application be provided to all addresses within 500 feet of the premises identified in the application.
- 3. That the Common Council enact periods of 60 days or 2 council cycles, whichever is less, for scheduling of a new license application before the Licenses Committee upon certification by the License Division that the application is complete.
- 4. That the decision to schedule a renewal application before the Licenses Committee be made administratively by the License Division and based solely upon information contained in a police summary. This review should be entirely separate from the consideration of any written objections on file with the License Division.
- 5. That, once scheduled, a new application may be held only one time at the request of the applicant, interested parties or the local Common Council member for a specific reason chosen from those enumerated in the Milwaukee Code of Ordinances. The motion relating to the hold should include a specific timeline for rescheduling, be made in writing and be presented at the scheduled hearing. The timeline for rescheduling should not exceed 2 regularly-scheduled committee meetings after the date of scheduling of the initial hearing, unless special circumstances are presented to committee members at the hearing.
- 6. That the Common Council adopt rules of decorum for members of the Licenses Committee covering matters such as members leaving room during testimony, members being rude to witnesses, the need for reasonable breaks, members not listening to the evidence being presented but engaging in private conversations while the meeting is in session.
- 7. That the Licenses Committee institute a reasonable, uniform time limit for neighbor testimony to be applied equally to all witnesses.

- 8. That the Common Council establish criteria for determining when concentration is an issue based on land use for that particular neighborhood.
- 9. That the Common Council require that objections to a new license or license renewal made by a Council Member be substantiated in a form to be prescribed by the Common Council.
- 10. That members of the Common Council, who are not members of the Licenses Committee, not be permitted to recommend penalties to the Licenses Committee.
- 11. That the Licenses Committee establish a "pre-signup" sheet outside the committee room to record the names and addresses of those prepared to speak in support of or opposition to the license.
- 12. That, with the exception of the applicant, counsel for the applicant, and law enforcement personnel, witnesses be required to use the standing microphone.
- 13. That the method by which the Board of Zoning Appeals schedules and conducts hearings be explored by the Licenses Committee with special attention given to the scheduling of contested versus non-contested items, and the time the meetings begin.
- 14. That greater attention be paid to the "business plan" of the applicant. There should be a requirement that the applicant have the resources to follow the plan. The issuance of a license and occupancy permit should be conditioned on fulfillment of the business plan.
- 15. That previous premise reports by the police be uniformly considered by the Licenses Committee.
- 16. That the Common Council explore whether hearing examiners be engaged for license revocation hearings.
- 17. That the Common Council adopt by rule, or otherwise, a procedure precluding a member of the Licenses Committee from advocating a position as a

witness on the granting, denial, renewal, revocation, or suspension of a license and also voting on the issue as a member of the Licenses Committee.

- 18. That the Common Council consider other avenues for reviewing license applications such as those for direct sellers, home improvement contractor and junk collectors and dealers to allow the appropriate licensing committee to focus on alcohol beverage licensing and extended hours establishment licensing.
- 19. That the Common Council and Licenses Committee give care that 5 members of the Licenses Committee are present at all times for Licenses Committee meetings. The Common Council should consider designating 2 alternates to serve when a committee member cannot be present or is excused for a time period.
- 20. That when the Licenses Committee recommends denial of a new license establishment, the applicant for the new license be provided an appeal to the Common Council.
- 21. That the Common Council amend chapter 90 to require that applicants (new and renewal) summarize and document any contacts relevant to the new or renewal application process that they have had with Council members during the time of their initial or renewal application. Consideration should be given to requiring Council members to prepare the same documentation. The documentation should be available to the public and the Licenses Committee.
- 22. That the Common Council make the recommendations of the Alcohol Beverage Licensing Task Force a part of the Milwaukee Code of Ordinances, and as applicable, to the General Licensing Chapter (ch. 84), where appropriate.

RECOMMENDATIONS AND BACKGROUND

- I. Recommendations for the process of applying for a license and for certifying and scheduling applications for committee consideration
 - 1. That the City Clerk's License Division create and publish a pamphlet describing the process for new license applications and license renewal applications, including a statement of the applicant's rights and obligations during the application and renewal application process.

Background Summary

Statements received from the public and discussion by task force members identified concerns that some applicants for alcohol beverage licenses are not well-informed about the licensing application process. This may result in confusion about the role and authority of council members in the process. Applicants and potential applicants for whom English is not their primary language may be at particular risk. Attention was also called to the fact that a pamphlet is already published for neighbors of problem alcohol beverage establishments.

2. That notices of Licenses Committee meetings scheduled to consider a new or renewal license application be provided to all addresses within 500 feet of the premises identified in the application.

Background Summary

The License Division currently notifies council members of a pending or renewal application in their districts. At the request of the council member, a list of addresses up to 250 feet of the premises or, alternatively, the nearest 100 addresses will be notified. This recommendation requires notice in all cases and substantially increases the number of properties receiving notice sent by the License Division.

3. That the Common Council enact periods of 60 days or 2 council cycles, whichever is less, for scheduling of a new license application before the Licenses Committee upon certification by the License Division that the application is complete.

Background Summary

Statements received from members of the public and information provided by License Division Manager suggested that current practices to hold new license applications at the request of the council member in whose district a proposed premises is located sometimes resulted in delays of as much as 6 months in processing new applications. It was stated that a council member should be able to schedule meetings with the applicant or with neighbors within the proposed time limits if he or she chooses for a new license.

4. That the decision to schedule a renewal application before the Licenses Committee be made administratively by the License Division and based solely upon information contained in a police summary. This review should be entirely separate from the consideration of any written objections on file with the License Division.

Background Summary

The task force discussed the fact that the grant of an initial license creates a property interest. This property interest carries with it certain due process considerations requiring that the renewal process be handled fairly, and that licenses be treated consistently. Current practice permits scheduling of a license for a renewal hearing at the request of council members or upon receipt of neighborhood complaints. These reasons may not be consistent with the limited reasons for non-renewal set forth in state law in s. 125.12(2)(ag). These issues would usually appear documented within a police report or summary.

II. Recommendations for Conduct of Committee Hearings on Alcohol Beverage Licensing, Renewal, Suspension and Revocation

5. That, once scheduled, a new application may be held only one time at the request of the applicant, interested parties or the local Common Council member for a specific reason chosen from those enumerated in the Milwaukee Code of Ordinances. The motion relating to the hold should include a specific timeline for rescheduling, be made in writing and be presented at the scheduled hearing. The timeline for rescheduling should not exceed 2 regularly-scheduled committee meetings after the date of scheduling of the initial hearing, unless special circumstances are presented to committee members at the hearing.

Background Summary

Members of the task force noted that there is no time frame limiting the period that a license application may be held. Periods as long as 6 regularly scheduled meetings were discussed and rejected by the task force. The question of who may request that a matter be held was raised. It was noted in discussion that the Committee Chair has discretion to refuse the request. It was further noted that the purpose of this recommendation was to limit the ability of a council member to indefinitely delay the matter.

6. That the Common Council adopt rules of decorum for members of the Licenses Committee covering matters such as members leaving the room during testimony, members being rude to witnesses, the need for reasonable breaks, and members not listening to the evidence being presented but engaging in private conversations while the meeting is in session.

Background Summary

The matter of decorum and lapses in decorum were raised by a number of members of the public and repeated by task force members in discussion during several meetings. Some of the issues raised included committee members having side conversations while testimony is heard, committee members making comment and offering opinions on the matter prior to receipt of all the evidence. Task force members concluded, however, that the specific rules should be left to the Common Council to determine. The initial recommendation was subsequently amended to include specific activities that should be addressed.

7. That the Licenses Committee institute a reasonable, uniform time limit for neighbor testimony to be applied equally to all witnesses.

Background Summary

Task force members noted that allowing some neighborhood witnesses more time to testify than others can create an appearance of favoritism. Consistent time periods may promote confidence in the fairness of the process.

8. That the Common Council establish criteria for determining when concentration is an issue based on land use for that particular neighborhood.

Background Summary

Members of the public, including licensees, commented that the issue of alcohol beverage concentration as a reason for denial of a new premises license appears arbitrary. Examples were given of licenses being granted within the same neighborhood as a premises which had recently been denied. Task force members discussed the issue on several occasions noting the variety of circumstances and conditions that could influence a concentration criterion for any specific neighborhood.

9. That the Common Council require that objections to a new license or license renewal made by a Council Member be substantiated in a form to be prescribed by the Common Council.

Background Summary

There was little discussion of this specific recommendation. General comment had been made by members of the public and discussed by task force members noting that it did not seem fair that an unsubstantiated objection, or an objection based on hearsay, could be used to slow the application process.

10. That members of the Common Council, who are not members of the Licenses Committee, not be permitted to recommend penalties to the Licenses Committee.

Background Summary

Assistant City Attorney Bruce Schrimpf noted that the function of the Licenses Committee is quasi-judicial and deliberation should not be influenced by persons who are not parties to the proceedings or members of the committee. The appearance that the committee defers to the wishes of a local council member may undermine public confidence in the process. When a renewal or revocation proceeding is considered by the Common Council, then any member may participate and offer recommendations.

11. That the Licenses Committee establish a "pre-signup" sheet outside the committee room to record the names and addresses of those prepared to speak in support of or in opposition to the license.

Background Summary

Task force members discussed 2 purposes for the recommendation. First, it may improve management of the hearing and predictability of hearing time. Second, it would make verification of the identity and address of witnesses somewhat easier.

12. That, with the exception of the applicant, counsel for the applicant, and law enforcement personnel, witnesses be required to use the standing microphone.

Background Summary

Comments from the public and by task force members suggested that allowing some witnesses, particularly neighborhood witnesses to be seated at the table and requiring others to use the standing microphone can give the appearance of favoring one side or another.

13. That the method by which the Board of Zoning Appeals schedules and conducts hearings be explored by the Licenses Committee with special attention given to the scheduling of contested versus non-contested items, and the time the meetings begin.

Background Summary

The practices of the Board of Zoning Appeals (BOZA) in scheduling were described to the ABLTF. BOZA separately schedules cases known to be contested or requiring lengthier presentation from other matters. BOZA also schedules late afternoon and evening meetings. Alcohol beverage license hearings are currently scheduled by aldermanic district. Contested matters may result in many hours of waiting for parties to uncontested matters.

14. That greater attention be paid to the "business plan" of the applicant.

There should be a requirement that the applicant have the resources to follow the plan. The issuance of a license and occupancy permit should be conditioned on fulfillment of the business plan.

Background

Comments by the public and discussion by task force members noted that in some cases alcohol beverage licenses are granted for establishments based upon business plans that include future installation of restaurant equipment. Failure to install the equipment and engage in full food service results in a different character of business and type of clientele than the neighbors initially contemplated. This may result in neighborhood conflict. Whether the initial plans were made in a good faith belief that resources would become available, or, as it was suggested, the plans were included to avoid neighborhood objections but not actively pursued, the task force concluded that there should be more assurance that plans are implemented.

15. That previous premise reports by the police be uniformly considered by the Licenses Committee.

Background Summary

Task force members noted that in some new application cases the Licenses Committee considers problems with the premises under operation of a previous licensee, but this is not uniformly done. Task force members also expressed concern that, in cases where a license has not been renewed or has been revoked, it was difficult to assure that a new license applicant was independent from the previous operator, or was simply a "straw-person."

16. That the Common Council explore whether hearing examiners be engaged for license revocation hearings.

Background Summary

Task force members noted that revocation hearings are often long proceedings involving many witnesses, complex evidentiary questions, and frequently involve significant questions of law. The ABLTF was advised that a report, including recommendations, filed by a hearing examiner could properly be reviewed by the Licenses Committee, providing that the licensee was permitted an opportunity to address the report. A recommendation made to the Common Council would be based upon the report, but the Licenses Committee recommendation would be its own. It was noted by task force members that this process could save considerable committee time currently spent on an increasing number of revocation actions.

17. That the Common Council adopt by rule, or otherwise, a procedure precluding a member of the Licenses Committee from advocating a position as a witness on the granting, denial, renewal, revocation or suspension of a license and also voting on the issue as a member of the Licenses Committee.

Background Summary

Task force members were advised that, due to the quasi-judicial nature of the Licenses Committee role in application and licensing cases, it is inappropriate for a member of the committee to participate in voting on a motion related to the license if the member has already reached an opinion prior to the completion of evidence and argument of the parties.

18. That the Common Council consider other avenues for reviewing license applications such as those for direct sellers, home improvement contractors and junk collectors and dealers to allow the appropriate licensing committee to focus on alcohol beverage licensing and extended hours establishment licensing.

Background Summary

Comments were made by the public and concerns expressed by task force members related to the volume of work by the Licenses Committee. It was suggested that there may be alternative procedures for handling a variety of licenses including bartender licenses. Licenses that are within the jurisdiction of the Public Safety Committee are also included in the recommendation.

19. That the Common Council and Licenses Committee give care that 5 members of the Licenses Committee are present at all times for Licenses Committee meetings. The Common Council should consider designating 2 alternates to serve when a committee member cannot be present or is excused for a time period.

Background Summary

Task force members discussed the importance to applicants and licensees of having a full complement of Licenses Committee members present where possible. Failure of motions on 2 to 2 tie votes, or the failure or success of a motion by a minority vote of 2 when only 3 members are present, can undermine the confidence of applicants and the public in the outcome.

III. Recommendations for Common Council Proceedings

20. That when the Licenses Committee recommends denial of a new establishment license, the applicant for the new license be provided an appeal to the Common Council.

Background Summary

Task force members were advised that new license applicants, having no previously established property interests in a license, were not entitled to a process requiring Common Council consideration of a license denial under state or federal law. A majority of task force members supported the recommendation. The ABLTF did not discuss whether the applicant should be provided an opportunity to appear before the Common Council or whether the appeal may be limited to written objections, exceptions or arguments.

IV. General Recommendations

21. That the Common Council amend chapter 90 to require that applicants (new and renewal) summarize and document any contacts relevant to the new or renewal application process that they have had with Council members during the time of their initial or renewal application. Consideration should be given to requiring Council members to prepare the same documentation. The documentation should be available to the public and the Licenses Committee.

Background Summary

This recommendation was proposed by the City Attorney. Task force members discussed the potential burden of such reporting, and also the importance of transparency and public confidence in the process.

22. That the Common Council make the recommendations of the Alcohol Beverage Licensing Task Force a part of the Milwaukee Code of Ordinances, and as applicable, to the General Licensing Chapter (ch. 84), where appropriate.

Background Summary

Task force members noted during several meetings that many of the same concerns that resulted in the formation of the ABLTF are applicable to other license procedures. The resolution establishing the ABLTF notes that, "...should the task force find that in the course of its study its recommendations have applicable to other licenses which are granted by Common Council action, the task force shall include those findings in its report."

LRB09045-memo 3 RLW

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Task force members were advised that new license applicants, having no previously established property interests in a license, were not entitled to a process requiring Common Council consideration of a license denial under state or federal law. A majority of task force members supported the recommendation. The ABLTF did not discuss whether the applicant should be provided an opportunity to appear before the Common Council or whether the appeal may be limited to written objections, exceptions or arguments.

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Background Summary

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22. That the Common Council make the recommendations of the Alcohol Beverage Licensing Task Force a part of the Milwaukee Code of Ordinances, and as applicable, to the General Licensing Chapter (ch. 84), where appropriate.

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Task force members noted during several meetings that many of the same concerns that resulted in the formation of the ABLTF are applicable to other license procedures. The resolution establishing the ABLTF notes that, "...should the task force find that in the course of its study its recommendations have applicable to other licenses which are granted by Common Council action, the task force shall include those findings in its report."

LRB09045-memo 3 RLW 4/30/2009

APPENDIX A

A substitute resolution establishing an Alcohol Beverage Licensing Task Force.

..Number 080461 ..Version SUBSTITUTE 1 ..Reference

..Sponsor

ALD. HINES and BOHL

..Title

Substitute resolution establishing an Alcohol Beverage Licensing Task Force.

This resolution establishes an Alcohol Beverage Licensing Task Force to study the current alcohol beverage licensing process, evaluate the extent to which this process maintains proper checks and balances in decision making, and make recommendations for changes or improvements to this process. The task force shall present its findings and recommendations to the Common Council within 6 months of adoption of this resolution. Upon submission of the report, the task force shall automatically be dissolved.

..Body

Whereas, The Common Council's Licenses Committee is responsible for reviewing and making recommendations to the Common Council relating to denying, granting, renewing, nonrenewing, suspending and revoking alcohol beverage licenses in the city; and

Whereas, The Licenses Committee weighs and considers all available evidence, including input from the applicant, citizens, the district Council member, the Milwaukee Police Department and the City Attorney's Office, prior to rendering any alcohol beverage license recommendation; and

Whereas, The Common Council, taking under advisement the recommendation of the Licenses Committee, renders the final alcohol beverage license decision; and

Whereas, While this system has served the citizens of Milwaukee well for over 75 years, recent activities have called into question the integrity of the alcohol beverage licensing process; and

Whereas, It is imperative that the citizens of the City of Milwaukee, individuals and businesses alike, have an overriding sense of confidence and trust in the alcohol beverage licensing process; and

Whereas, The creation of an Alcohol Beverage Licensing Task Force, comprised of persons knowledgeable in licensing systems, to thoroughly study, evaluate, and propose changes to the alcohol beverage licensing process is in the best interest of the City of Milwaukee; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that an Alcohol Beverage Licensing Task Force is created and shall consist of the following 9 members:

- 1. One member appointed by the Common Council President.
- 2. One member of the Tavern League of Wisconsin, appointed by the Tavern League of Wisconsin.
- 3. One member of the Great Lakes Beverage Association, appointed by the Great Lakes Beverage Association.
- 4. One member of the Wisconsin Restaurant Association, appointed by the Wisconsin Restaurant Association.
- 5. The Mayor or the Mayor's designee.
- 6. The City Clerk or the Clerk's designee.
- 7. The Chief of Police or the Chief's designee.
- 8. The City Comptroller or the Comptroller's designee.
- 9. The City Attorney or the Attorney's designee.

; and, be it

Further Resolved, That the Common Council President shall designate the Chair of the task force; and, be it

Further Resolved, That the task force is directed to study the current alcohol beverage licensing process, evaluate the extent to which this process maintains proper checks and balances in decision making, and make recommendations for changes or improvements to this process; and, be it

Further Resolved, That should the task force find that in the course of its study its recommendations also have applicability to other licenses which are granted by Common Council action, the task force shall include those findings in its report; and, be it

Further Resolved, That the City Clerk's Office shall provide staff support to the task force; and, be it

Further Resolved, That all City departments are authorized and directed to cooperate with and assist the task force in carrying out its mission; and, be it

Further Resolved, That the task force shall submit its findings and recommendations to the Common Council within 6 months of adoption of this resolution and shall thereafter be dissolved.

..Requestor

..Drafter LRB08372-1 MST 7/14/08

APPENDIX B

Minutes of the meetings of the Alcohol Beverage Licensing Task Force.



City of Milwaukee

200 E. Wells Street Milwaukee, Wisconsin 53202

Meeting Minutes - Final ALCOHOL BEVERAGE LICENSING TASK FORCE

JUSTICE LOUIS BUTLER, CHAIR
Joel Brennan, Sallie Ferguson, Rebecca Grill, Edward J. Lump, Comptroller Wally Morics,

Staff Assistant, Tobie Black (414) 286-3790
Fax: (414) 286-3456, E-mail:tblack@milwaukee.gov
File Specialist, Joanna Polanco, 286-3926, E-mail: jpolan@milwaukee.gov

Sharon Nowak, Bruce Schrimpf, Chet Ulickey

Friday, October 10, 2008

10:00 AM

Room 301-A, City Hall

1. Roll Call

Meeting commenced at 10:04 a.m.

Members present: Butler, Nowak, Ferguson, Brennan, Lump, Barron, Schrimpf and Ulickey

2. Introduction of Members

Members introduced themselves.

3. Presentation by Common Council President Willie L. Hines, Jr.

Common Council president Willie Hines, Jr. present. Pres. Hines, Jr. is co-sponsor of the resolution creating the task force. He talked about the special cirumstances surrounding Alcohol Beverage licensing and the need for recommendations for an improved licensing system.

4. Presentation by City Attorney Grant Langley

City Attorney Grant Langley at the table. He mentioned that the City Attorney defends actions of the Common Council in court, as well as advises the Common Council and the Licenses Committee.

Suggestions:

- -The task force should consider whether or not there should be changes in the process, such as, is it appropriate for the Licenses Committee to deal with these matters. Analyze whether the License Committee is able to adequately address the suggested changes.
- -Examine the line between appropriate input of Common Council members and the perception of aldermanic influence. Also, how to best allow members of the Common Council to provide appropriate input while dispelling the perception of Aldermanic influence.
- -Encourage behind the scenes input from neighborhood groups. In order to make the process transparent, look at the behind the scenes activity and make the public know of the this activity; a record of contact between licensees and Council Members

should be made.

Question:

Ed Lump asked, "How should the record be maintained of behind the scenes contact? Mr. Langley said it should be the responsibility of the Council Member and the applicant to put behind the scenes contact on record. This will make it a more transparent process.

5. Presentation by Deputy City Clerk Jim Owczarski

Deputy Jim Owczarski present.

Presented information regarding the open records/meetings provisions for the Common Council. He mentioned Chapter 19 of the state statutes regulating open records and meetings.

Mr. Owczarski advised that no meetings are to be conducted through e-mail and that there shold be no discussion of the meetings via e-mail that is cc'd to all members.

6. Presentation by License Division Manager Rebecca Grill

Rebecca Grill, task force member. Ms. Grill passed out a packet of information titled "Alcohol Beverage Licensing" and a sample agenda from a Special Licensing Committee meeting dated February 5, 2008.

Ms. Grill went through the Alcohol Beverage Licensing packet page by page, presenting information including scheduling guidelines, notices to neighbors, and types of appearances before the committee.

In Chapter 90, there are guidelines regarding what merits a warning letter as opposed to an appearance at the Licenses Committee.

Ms. Grill discussed the permits and licenses (Special Party Permits and Temporary Extensions) that are granted or denied by the Council Members without input from the Licenses Committee.

Mr. Brennan asked about the number of alcohol beverage licenses that are applied for each year. Ms. Grill said that she can probably get a breakdown of how many of the 20,000 licenses that are applied for each year in the License Division are Alcohol Beverage licenses.

Asst. City Attorney Bruce Schrimpf pointed out that at times a Council Member will recommend denial or granting of a license, and the Licenses Committee will make a recommendation in opposition to the Council Member's recommendation.

Chair Butler asked about the percentage of decisions of the Council that follow the committee's recommendation when the Council Member recommendends denial as opposed to when the Council Member recommends granting.

Richard Withers from the Legislative Reference Bureau present. Mr. Withers presented information from the LRB that indicates that 79% of committee decisions supported the recommendations of the Council Member.

Mr. Lump wanted to know if statistics can be obtained regarding recommendations and

decisions about Alcohol Beverage licenses only.

Mr. Withers said that LRB can do an analysis of actions of the Council vs. actions of the committee when there are aldermanic recommendations.

7. General discussion of the purpose, responsibilities and goals of the Task Force

Chair Butler said that understanding the process is beneficial to working toward making recommendations about the process.

Alderman James Bohl, Chairman of the Licenses Committee, at the table. He said he wants to appear at a meeting in the future in order to give some viewpoints from the perspective of the Licenses Committee. Ald. Bohl also said that there is a lot more opportunity for abuse with a new license application as opposed to a renewal application.

He opened the invitation to Task Force members to attend a License Committee meeting to view the process.

Sgt. Chet Ulickey said that most applicants usually know what will be presented to the committee. He said he welcomes calls from the public and licensees regarding the police report attached to an application.

Ms. Grill said she believes one of the goals should be a focus on where problems have occurred in the past regarding the license process.

Mr. Schrimpf said he keeps in mind during the Licenses Committee meetings what would and would not be defensible in court. He has found that the process has held up to legal standards. The process by which the committee arrives at its recommendation is what concerns the city attorney's office. Mr. Schrimpf said he thinks there should be a focus on making the process the best it can be.

Ms. Grill added that there should be a focus on the role of aldermanic discretion with regards to how things get scheduled before the committee.

Mr. Brennan said there should be a goal of more transparency in the licensing process and more opportunities for the public to see the process.

Chair Butler added that there should be emphasis on how things work and where they can be improved but not solely from the focus of the problem that occured with Ald. McGee, Jr. He said that hearing from representatives from the organizations like the Tavern League, Great Lakes Beverage Association and the Wisconsin Restaurant Association is very valuable.

8. Set next meeting's agenda

- -Presentation of Information regarding what goes on in other cities in the state regarding Alcohol Beverage licensing
- -Appearance/Presentation by Ald. Bohl
- -Data/statistics regarding Alderman vs council decision
- -Mr. Richard Withers would present information regarding territorial days vs. present.

- -Talking about different ways of obtaining detailed information regarding the license process
- -Discussion of three or four different "case studies"/examples of court decisions regarding Alcohol Beverage licensing

9. Set next meeting date(s)

The task force members proposed various future dates.

Meeting adjourned 11:51 a.m.

Acting Staff Assistant Tobie Black



City of Milwaukee

200 E. Wells Street Milwaukee, Wisconsin 53202

Meeting Minutes - Final ALCOHOL BEVERAGE LICENSING TASK FORCE

JUSTICE LOUIS BUTLER, CHAIR
Joel Brennan, Sallie Ferguson, Rebecca Grill, Edward J. Lump, Comptroller Wally Morics,
Sharon Nowak, Bruce Schrimpf, Chet Ulickey

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Friday, October 24, 2008

10:00 AM

Room 301-A, City Hall

Meeting commenced at 10:07 a.m.

Present 7 - Schrimpf, Grill, Brennan, Ulickey, Butler, Lump and Nowak

Excused 2 - Morics and Ferguson

1. Review and approval of the minutes of the October 10, 2008 Meeting

Minutes approved with no corrections or additions.

Appearance by Alderman James Bohl, Chairman of the Licenses Committee, which will
include discussion of the issues and concerns leading to the creation of the Alcohol
Beverage Licensing Task Force

Ald. Bohl, Chairman of the Licenses Committee, at the table.

He said that there are ways in which the process can be exploited, but it is exploited by individuals and not by a system. He said that the system is not rife with corruption, and he pointed out that there are examples of corruption in different areas in the country that have processes that differ from that of Milwaukee.

Ald. Bohl said that the License Committee is an independent body that does not act at the request of an individual council member.

According to Ald. Bohl, the system is most ripe for abuse when a new license application is considered. Concentration maps, which are used to demonstrate over-concentration of alcohol beverage outlets in areas, police reports and neighborhood testimony are three things that the Licenses Committee uses to consider whether a new application should be approved. A council member has a choice as whether he or she will bring a concentration map to the attention of the Licenses Committee.

A renewal of a license means there is a vested property right. When applications are new, there is no such right.

Council Members are sometimes aware of problems with an establishment, but these things may not show up on a police report. Neighbors have to appear at meetings and items have to appear on police reports to be considered by the committee.

According to Ald. Bohl, applications not being scheduled in a timely manner is a problem. When an applicant puts in an application, he or she deserves to have that application heard in a timely manner. Otherwise, a council member can hold an application "hostage". This is not for monetary gain, but the council member probably knows that the application will be for an establishment that the council member believes will be a problem.

Issues with the alcohol beverage licensing process that Ald. Bohl sees:

- 1) Individuals, largely not from this country, were naive to the process. Applicants not being informed about the process is a problem. Ald. Bohl said that he believes applicants from foreign countries are used to dealing with situations in which things are moved through government through payment.
- 2) A local council member can control the number of individuals in the neighborhood, especially with new applications, who show up for a Licenses Committee meeting. If the local council member does not request that the License Division notify neighbors or if the local council member chooses not to notify neighbors that there is a new application, they neighbors may not know about the application.

If a council member wants to favor the license, he can make sure that the applicant has less opposition.

- 3) Requesting or not requesting a concentration map. Concentration is very often used as a factor when considering new license applications. Ald. Bohl said he has seen a few instances in which a map has been used to argue against one license application, but not presented to the committee when discussing a different license in the same area. There are grey areas when it comes to concentration (is it a restaurant, a nightclub, etc.) when the application is up for a renewal. Those grey areas are not considered as much when the application is new.
- 4) When the committee rules on an existing license and there is a sanction (e.g. a ten day suspension), the licensee has appeal rights. On some occasions, a local alderman does not agree with the sanction and starts lobbying among other council members to change the suspension at Common Council. Council Members receive Findings of Fact and Conclusions of Law for applications heard at committee, but it is a summary of that happened at the Licenses Committee. Some council members only read the Findings and Conclusions and try to change the minds of other council members.

Ald. Bohl said that if there is an example of aldermanic influence, this is one of them.

5) When licenses for renewal are applied for, the License Division staff reviews the matter with the local council member. The council member can deem an item on the police report minor and not needing to be addressed at the committee. A warning letter can then be issued and the applicant does not have to appear at the Licenses Committee. The chair of the committee does not see the item, only the individual council member. That allows a single council member to have discretion with regards to scheduling.

Ald. Bohl said he believes that creating an independent board that is not beholden to the constituency is not needed. The current system just needs a tune up.

Recommendations for changes:

- 1) New licenses should be heard in a specific time frame, no more than 60 days or two full council cycles, whichever is longer.
- 2) Renewals with current year police reports should still be reviewed by the alderperson, but any applications recommended for the warning letters only should also be reviewed by the chair of the Licenses Committee. If the application is in the chair's district, it should be reviewed by the Common Council president.
- 3) Individual Licenses Committee members should abstain from decisions or come to the other side of the table and testify when applications for establishments in their neighborhoods are being heard at committee. Licenses Committee members can hear the testimony but the question should be raised of whether a decision can be made arbitrarily if a council member knows the complete history of the application and problems that may not be addressed at the meeting.
- 4) A pamphlet spelling out the process and the applicant's rights should be distributed to new and renewal applicants. Ald. Bohl said he believes it would be beneficial to applicants to know the process.
- 5) With new licenses, there should be a notice to the closest neighbors to the location. He would not necessarily recommend it for all renewals. Most council members request it anyway for renewals, but neighbors should be notified of a new application.

Mr. Lump said there is suspicion of the government, with foreign applicants in particular. He asked if there are any other ways besides a pamphlet to let people know about the process.

Ald. Bohl said that coverage of what occurred with Ald. McGee has helped. He also said that other groups like the Tavern League and the Great Lakes Beverage Association, not the City of Milwaukee, might want to work to provide a course of some sort about the licensing process, one that is similar to the Responsible Beverage Service Course.

Ms. Nowak asked if all renewals are reviewed by the License Division and by the alderman of each district. Ald. Bohl said no, that council members are not always notified about an application if there is nothing in the file requiring review by the Licenses Committee.

Ald. Bohl said that a quorum for Licenses Committee is three. A majority is required for recommendations to go forward. If there are two members missing, a recommendation can still go ahead with a three to zero vote on an application.

Justice Butler asked if Ald. Bohl's suggestions come from him personally or if it is the view of the Licenses Committee as a whole.

Ald. Bohl said that his views were largely coming from his personal experience on the Committee, and not from the committee itself.

Justice Butler said that if the Licenses Committee had any additional input or thoughts on how the system can be improved, he would invite the other committee members to share their thoughts in writing before the next Task Force meeting.

3. Presentation by Rebecca Grill of two examples of the timeline of a processed license application

Task Force member Ms. Grill distributed a packet with examples of timelines for the processing of a new application. There was an example of an ideal process and three examples of longer processes in the packet.

Regarding the measurement of 250 feet from the premises for neighbor notification, Justice Butler asked how "premises" is defined.

Justice Butler asked how the footage is measured. Ms. Grill said she did not know whether the measurement of 250 feet was from the edge of the property, or the center of the property. Sometimes a council member will request notification of 100 people instead of notification by footage. If a very small amount of addresses is generated from a 250 feet request, sometimes the notification area is increased.

There is still some discretion on the part of the council member regarding whether the neighbors are notified, and Ms. Grill said that if there is not a change on the application, a new item on the police report, or an objection from a neighbor or the local alderman, the application is just scheduled to be granted and is not presented to the Licenses Committee.

4. Presentation by Assistant City Attorney Bruce Schrimpf of different examples of court decisions regarding Alcohol Beverage licensing

Task Force member Mr. Schrimpf provided two examples of published court decisions that involve alcohol beverage licensing in the City of Milwaukee.

The Court of Appeals ruled in favor of the City of Milwaukee in the Heinemeier case, and against the city in the Assad case.

Mr. Schrimpf said that he presented the Heinemeier case as an example because it is a good review by the Court of Appeals of the city's current processes regarding alcohol beverage licenses.

In the Assad case, a complaint was filed in the Milwaukee County Circuit Court even though it was a new application and the applicant had no appeal rights with the city. The Circuit Court judge ruled against the city.

The counsel for the applicant in the case sought temporary injunctive relief against the city requiring it to give the applicant a license to sell alcohol. Mr. Schrimpf said he opposes temporary injunctions against the city that allow establishments to remain open and serve alcohol. He says that a place should only be able to serve alcohol if it has obtained a license to serve alcohol under the provisions of state law.

Mr. Schrimpf said that he took the Assad case to the court of appeals, which ruled in favor of the city against the issuance of an injunction. Another court of appeals judge also ruled that the Common Council had enough evidence to deny the license.

Justice Butler says that the Assad case is very important because of the ruling of the court of appeals. Once the city's Common Council makes the judicial determination that an establishment cannot have a license to serve alcohol, the court of appeals cannot make a different determination. It is not the place of the judicial branch to go against the determination of another branch of government.

Justice Butler also pointed out that the concern of the circuit court judge was the shift in opinion (grant, then deny) of the Licenses Committee between its first and final votes, the latter of which occurred after the Common Council returned the matter to committee. Justice Butler said that if the courts can't look at the specific reasons for the shift in an opinion of council members, it has to be addressed at the aldermanic table.

Mr. Schrimpf also mentions Herro vs. City of Milwaukee, Seventh Circuit published opinion. The case dealt with an area concentrated with liquor licenses. The denial of the license was held up by the courts. Mr. Schrimpf said that there are not hard and fast rules when determining whether or not an area is over concentrated.

5. Presentation by Richard Withers of the Legislative Reference Bureau of information comparing and contrasting the Alcohol Beverage licensing processes of the Milwaukee and other cities in the state, as well as a comparison of Milwaukee's current and former licensing processes (Time Permitting)

Richard Withers from the Legislative Reference Bureau appearing.

Eighteen states regulate sales of alcohol. These are called "control states".

Thirty-two states are "License" states and are of two types:

Type 1) Twenty-three states have "Statewide" licensing, meaning the state issues the license after an investigation.

Type 2) Nine states (including Wisconsin) have licenses that are issued on a municipal level.

With regard to Milwaukee, Wisconsin places responsibility on the Common Council to issue alcohol beverage licenses.

Most states do identify the comer of the premises as the starting point for neighborhood notification areas.

Mr. Lump asked specifics about the use of addresses in issuing notifications to neighbors. Ms. Grill stated that some alcohol licenses are located within a large premise (e.g. Grand Avenue mall). For a notification of neighbors, the general address of the premises would be used, not the specific address licensed location. Specific premises are listed on an application, but notices are sent out from a radius of an address only.

6. Set next meeting's agenda

The next meeting is scheduled for November 21st, 2008.

At the next meeting, there should be a review of the input of the other members of the Licenses Committee, including formal suggestions of what should be changed about the process and what works.

Before the next meeting, a letter should be sent to the members of the Licenses Committee and to Grant Langley, City Attorney, requesting a formal response to requests for suggestions about the licensing process. City Clerk Ron Leonhardt said that arrangements for a public hearing, possibly in the evening, could be made. Public notification can be done through the newspaper, E-notify, press release and invitations to particular interest groups. He also said that other, more senior members of the Common Council should probably be invited to contribute.

Ms. Nowak cautioned against inviting too many people and says that speaking time should be limited. Mr. Lump agreed and said that the subject matter of the meeting with the public should be very narrow.

Before the meeting with the public requesting its point of view (critiques, support of the current system, etc.), the Task Force should decide, at the next Task Force meeting, exactly what topics will be addressed at the public meeting.

Justice Butler asked: From what other entities should input be requested besides the Licenses Committee and the City Attorney's office? These would be other people who might question the alcohol beverage licensing process.

Mr. Brennan suggested that the city's website be used to reach other interested parties, including those who have signed up for e-notify.

Sgt. Ulickey mentioned that most of the members of the Licenses Committee are new and inviting other more experienced council members is a good idea. He also asked if the scope of the meeting for the public could be narrowed right on the notice of the meeting.

Mr. Leonhardt said that the City Clerk's office can do some research on appropriate groups that may be invited to speak.

Meeting adjourned at 12:10 p.m. Acting Staff Assistant Tobie Black



City of Milwaukee

200 E. Wells Street Milwaukee, Wisconsin 53202

Meeting Minutes - Final ALCOHOL BEVERAGE LICENSING TASK FORCE

JUSTICE LOUIS BUTLER, CHAIR
Joel Brennan, Sallie Ferguson, Rebecca Grill, Edward J. Lump, Comptroller Wally Morics,
Sharon Nowak, Bruce Schrimpf, Chet Ulickey

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Friday, December 19, 2008

10:00 AM

Room 301- A, City Hall

- 1. Review and approval of the minutes of the November 21 and December 11, 2008 meetings
- 2. Discussion of the comments and suggestions received at the December 11, 2008 public hearing
- 3. Discussion of the written comments and suggestions received by the Task Force
- 4. Set-up of the next meeting's agenda
- 5. Scheduling of the next meeting (time and date)

Members of the Common Council and its standing committees who are not members of this committee may attend this meeting to participate or to gather information. Notice is given that this meeting may constitute a meeting of the Common Council or any of its standing committees, although they will not take any formal action at this meeting.

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City of Milwaukee

200 E. Wells Street Milwaukee, Wisconsin 53202

Meeting Minutes - Final ALCOHOL BEVERAGE LICENSING TASK FORCE

JUSTICE LOUIS BUTLER, CHAIR

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Friday, January 23, 2009

9:00 AM

Room 301-B, City Hall

Meeting commenced at 9:14 a.m.

Present 7 - Schrimpf, Grill, Ulickey, Butler, Ferguson, Lump and Nowak

Excused 2 - Morics and Brennan

1) Review and approval of the minutes of the November 21 and December 11, 2008 meetings.

The minutes were approved as written.

W. Martin Morics at the table at 9:29 a.m.

Present 8 - Morics, Schrimpf, Grill, Ulickey, Butler, Ferguson, Lump and Nowak

Excused 1 - Brennan

2) Discussion of the comments and suggestions received at the December 11, 2008 public hearing.

Mr. Butler said that an extension had been granted by the Common Council for the task force. The task force's duties will now end March 31st, 2009.

Mr. Butler said that he would like that any recommendations from task force members be submitted in writing before the next task force meeting. He also said that a public hearing would be needed to allow the public to respond to any preliminary recommendations, and then final recommendations would be submitted by the task force to the Common Council.

Ms. Grill asked about what exactly the public should be able to address at the public hearing since members of the public have already had an opportunity to raise concerns.

Mr. Lump agreed that the public should be restricted to the recommendations made and not be able to speak on topics already addressed at the previous public hearing.

Mr. Schrimpf said that the public should be asked to present recommendations in writing before the public hearing so the task force members can review them and ask questions at the hearing.

Mr. Lump brought up the matter of the distance away from the establishment that neighbors are noticed when an application is scheduled to appear at the Licenses Committee.

Mr. Schrimpf pointed out that Licenses Committee meetings are open to the public, so anyone can attend regardless of receiving a notice. He also said that the committee tends to put more weight on the testimony of people who live close to the establishment and that the committee asks people testifying at meetings where they live and how close their addresses are in proximity to the establishment.

Mr. Butler said that there had been discussion of the fact that there are no clear guidelines involved when notifying neighbors of an application appearing at committee. Mr. Lump asked if the task force should be looking at the process of how neighbors are notified when making recommendations for changes.

Ms. Grill said that the task force should be looking into the discretion of the council members when it comes to the notification of neighbors.

Mr. Butler asked if the amount of neighbors that are noticed has any bearing on how many people appear at a Licenses meeting or if it depends more on the nature of the establishment. Ms. Grill said that it generally depends on the nature of the establishment.

Mr. Schrimpf said that comment cards from neighbors in lieu of an appearance at committee are not accepted because those comments would be hearsay. Mr. Schrimpf did point out that police reports are hearsay, but the documented actions of the police are made in the course of government business, so the police reports are allowed.

Sgt. Ulickey said that there is a direct correlation between how many people show up at committee and the amount of "legwork" that everyone involved, including the council member and the licensee, are willing to do with regards to the application.

Sgt. Ulickey also said that the PA33 is not a manufactured or ficticious document but is based on police response and that the committee members know that PA33s are not all inclusive with regards to police incidents.

Ms. Ferguson asked what "PA33" stands for exactly. Sgt. Ulickey said that "PA33" is just a form number and the name doesn't actually stand for anything.

Ms. Ferguson also asked Sgt. Ulickey what goes into the original report on which the PA33 is based. Sgt. Ulickey said what goes into the original police report is generally just the facts, but he also said that actions and incidents are open to the interpretation of the officer.

Ms. Grill pointed out that the PA33 is used by the License Division and the local council member to determine whether an application is even scheduled in the first place. She said that the police department should object to a license based on the police report instead of the local council member objecting based on the report.

Sgt. Ulickey said that time constraints for legal notice of applicants can sometimes restrict whether a police report can be addressed in its entirety. In other words, if an incident at a location occurs after the applicant has been noticed regarding a hearing, and the report of the incident at the applicant's establishment was not made part of the

notice, the incident cannot be addressed at committee.

Mr. Morics asked how often the local council member appears at the Licenses Committee to testify in support or in opposition to a new license application.

Ms. Grill said that most of the time, the local council member will show up if he or she is in opposition. She also said that if neighbors in an area are active, the council member will show up in support of those neighbors.

Mr. Butler asked Ms. Nowak if the Tavern League has a position on the PA33s. Ms. Nowak said that it does not see a problem with them.

Mr. Schrimpf said that licensees should make public records requests for PA33s after incidents occur at their establishments so they can see the entire police report and know what may be presented at the Licenses Committee.

Mr. Lump asked if the police can request that an item be held. Sgt. Ulickey said that the police have requested the rescheduling of an application. He also said that applicants and licensees are encouraged to call the License Investigation Unit to ask questions and to point out errors on the police reports they receive when they are noticed to appear at the Licenses Commitee.

Ms. Ferguson asked Sgt. Ulickey if the police are allowed to check patrons when they come in for a tavem check. Sgt. Ulickey said that the police do not do tavem checks to check out patrons, but if the police have probable cause to check out a patron, such as a patron acting suspiciously, they will.

Ms. Grill said that for renewals, if there is nothing on the police report and no neighborhood objections, the applications do not go to the Licenses Committee. She said that the local council member has probably made up his or her mind before the committee meeting based on the police report and is going to advocate for the citizens in his or her district at the meeting.

Ms. Grill also said that the local council member is not allowed to submit comment cards (cards sent to neighbors soliciting input on issues) that he or she has received back from neighbors at committee. The council member can say that he or she received comment cards with certain results, but comment cards cannot be used as evidence at the committee.

Mr. Schrimpf said that he encourages council members to notify licensees that the council member has received complaints from neighbors. He also said that he does not approve of the local council member making recommendations to the committee, such as asking for a recommendation, such as, "renewal with a ten day suspension".

Mr. Butler said that the concern about whether the input of neighborhood organizations is being heard adequately was raised at the previous public hearing.

Sgt. Ulickey said that there is a desire for the police department to object to licenses, but that the police department does not want to routinely object to licenses because the opposite of an objection is an approval, which is inappropriate for the police department to make.

Mr. Lump addressed the concern brought up at the public hearing regarding applicants opening up establishments under false pretenses. Mr. Schrimpf said that the requirement of a licensee to file a plan of operation with his or her application requires

the applicant to clarify what kind of business he or she plans on running. He also said that the committee is somewhat sensitive to the fact that a small-business owner might need time to get the kind of business that he or she planned going, such as a restaurant, so the establishment might not be exactly what the applicant planned right away.

Meeting recessed at 10:20 a.m. Meeting reconvened at 10:32 a.m.

Present 7 - Schrimpf, Grill, Ulickey, Butler, Ferguson, Lump and Nowak

Excused 2 - Morics and Brennan

3) Discussion of the written comments and suggestions received by the Task Force.

The task force members discussed the written comments from Bob Greene of the Merrill Park Association.

Mr. Butler said that the suggestion by Mr. Greene regarding restricting the percentage of profits from sales of alcohol is out of the purview of the task force.

Mr. Schrimpf said that some people would like CAD reports to be used in front of the committee, including council members and licensees (CAD stands for Computer Assisted Dispatching, which tracks what occurs during a police call. It is generated by the person calling it in and the alarm telecommunicator writing the details down.). During a police call, a telecommunications person is putting what the officer is telling him or her into the computer, which is put in a CAD report. Mr. Schrimpf said that the CAD report is a police report but not an investigative report and that he actively discourages the use of CAD reports because of problems with them. He said that they are only an entrance into the police system that can lead to a report that the committee can use.

Ms. Grill said that with a new applicant, the previous police report of a location is not typically used. However, there are times when the premise report, or report of previous problems at a location, can be presented at the Licenses Committee. The premise report provides details on the fitness of a location as an alcohol beverage establishment.

Sgt. Ulickey said that the fact that a location even has a premise report shows that the location has been a problem.

Ms. Grill said that there should be consistency with regards to when the premise report is and is not used. Sgt. Ulickey said that it is good information to have, and Ms. Grill says that it should be put into the record for access to all parties involved in the application process.

Mr. Greene wrote about the role of the Health Department in licensing. Ms. Grill said that an applicant does not have to go through the health department for approval until he or she already has the license.

The task force discussed the comments of Mike Eitel of Diablos Rojos Restaurant Group. Mr. Butler said that some recommendations detailed in the letter deal more with the decorum of the committee members than the committee's process.

Mr. Eitel wrote that the current process for notifying applicants of committee appearances is unfair and that the licensing process is vague as to what an applicant

needs to do when applying for an alcohol beverage license. He also wrote that the notices for committee are too broadly written.

Ms. Ferguson said that she agrees with the complaints about the decorum of the committee members at the meetings. She said that the conduct of the members, such as whispering and laughing at the table, is inappropriate at times.

Ms. Nowak asked if there is discussion about applications among committee members previous to Licenses Committee meetings. Mr. Schrimpf said that that type is discussion is not allowed under the open meetings law. Ms. Grill said that the committee members receive documents and the schedule of license matters before the meeting so they can review them, but they are not supposed to discuss the matters with each other before the committee meeting.

Mr. Schrimpf pointed out that the committee makes recommendations in disagreement with the recommendations of the local council members. He said that he does not believe that the influence of the local council member on the committee is a problem.

4) Set-up of the next meeting's agenda.

The next meeting will deal with a review of the written comments and recommendations of the task force members. The written comments will be due by February 4th and will be sent to all task force members for review before the next task force meeting.

5) Scheduling of the next meeting (time and date).

The task force scheduled the next two task force meetings for February 9th at 10:00 a.m. and February 23rd at 10:00 a.m.

There will also be another public hearing, which will be scheduled at the next task force meeting.

Meeting adjourned at 11:08 a.m.

Staff Assistant Tobie Black



City of Milwaukee

200 E. Wells Street Milwaukee, Wisconsin 53202

Meeting Minutes - Final ALCOHOL BEVERAGE LICENSING TASK FORCE

JUSTICE LOUIS BUTLER, CHAIR

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Monday, February 9, 2009

10:00 AM

Room 301-B, City Hall

Meeting commenced at 10:09 a.m.

Present 7 - Schrimpf, Grill, Brennan, Ulickey, Butler, Lump and Nowak

Excused 2 - Morics and Ferguson

1) Review and approval of the minutes of the January 23, 2009 meeting

Changes to the minutes of the January 23, 2009 meeting:

On page four of the minutes under the remarks attributed to Bruce Schrimpf, "generated by the officer" should be "generated by the person calling it in and the alarm telecommunicator writing it down"

and

The statement that the CAD report is not a police report attributed to Mr. Schrimpf should be "the CAD is a police report but it is not an investigative report."

Changes to the minutes were adopted.

The minutes were then approved as presented.

2) Discussion of the written recommendations submitted by the Alcohol Beverage Licensing Task Force members

The task force members decided to consider and vote on each item one by one. All recommendations from members were put into a compilation with different categories.

The Pre-Application Process:

Regarding the creation of a pamphlet by the City Clerk's License Division that contains the process for new license applications or license renewals, including the applicant's rights and obligations during the process, all seven members voted "aye".

Regarding the publishing of materials for new applicants in several languages:

Mr. Lump asked whether the materials provided to applicants would be provided in any

other languages besides English.

Mr. Schrimpf said that while it is a practical idea for the materials to be published in various languages, there could be problems when there is an applicant that speaks a language in which material is not available. He also said an applicant, if he or she receives a license, will not always have an interpreter available when dealing with other city departments, such as the police department or the Department of Neighborhood Services. The licensee will be expected to know the law, which is printed in English.

Mr. Lump said that a person who does not speak English may not know the legal system and may be taken advantage of when he or she does not have information in his or her own language.

Ms. Grill said that there would be administrative difficulties in providing application materials in various languages. She said information is not collected with regards to what language an applicant speaks, and that all license applications, not just those for alcohol beverage licenses, would then have to be put into various languages as well.

Sgt. Ulickey said that there have been previous problems with printing police material in more than one language because people complained about their languages not being represented.

Mr. Lump said that there should be some language in preliminary paperwork that lets the applicant know that an interpreter should be obtained by him or her if needed and the rest of the services provided by the city and requirements of the license would be in English.

Mr. Lump requested to withdraw the recommendation that application materials, such as a road map and a "Bill of Rights" for new applicants, be made available in various languages.

The Application Process:

Mr. Brennan said that there should be a definition of a fair and reasonable amount of time for notification of applicants when they are required to appear at a Licenses Committee meeting. He also mentioned previous complaints from applicants about a lack of specificity on notices with regards to what issues concerning their establishment will be addressed at the Licenses Committee.

Mr. Schrimpf said that licenses are renewed at any time during the year because of the volume of taverns in the city. The timing of the notices is in conformance with Chapter 125.12(2), Wis. Stats., which allows notice of no less than three and no more than ten days notice for the revocation of a license. Chapter 125.12(3) and 125.12(3m), Wis. Stats., specifically state that the notification time frame for renewals should conform to the time frame set forth in Chapter 125.12(2).

Mr. Schrimpf said that it should be suggested to licensees that they stay in the city around the time of their renewal, that the licensee should go around to talk to neighbors if they know that there are neighborhood objections against the issuance of their license and that they should go to the police for copies of police reports if they know that there will be objections based on a police report at the committee meeting.

Mr. Butler said that the Common Council is held to the requirements of the state statutes, so there is not an ability to change notice times. Mr. Butler asked if Mr.

Brennan would like to withdraw the recommendation regarding the timeliness of notices, but he would keep the recommendation to specify complaints in the notice to renewal applicants. Mr. Brennan agreed.

Ms. Grill said that the ability of the neighbors to testify has to be weighed when a notice is generated, so there are many general complaints, such as littering and loitering, that are listed on the notice so complaints of neighbors can be addressed at the committee.

Mr. Butler asked Ms. Nowak and Mr. Lump if the notice is considered to be sufficient by members of the Tavern League and the Wisconsin Restaurant Association.

Neither Mr. Lump nor Ms. Nowak said that said that there had been any members that had expressed concern about the time frame of notices. However, Mr. Lump said that there should be some movement towards requiring longer notice time for applicants, although he thinks that it is prudent to mention to applicants at the time of application that they should stay in the area around the time that their application will be renewed.

Ms. Grill said that if the notice time to an applicant is reduced to three days, it is generally because the applicant has not filed the renewal application in a timely manner.

Mr. Butler asked for a vote on whether the Task Force should recommend to the council that the time frame for notice to applicant be at the upper end of the three to ten day range. He also asked for a vote on increasing the specificity of complaints on notices sent to applicants.

City Clerk Ron Leonhardt at the table. He clarified that an establishment would be required to close if the renewal application was not heard before the Licenses Committee and the Common Council met, so the three day notice is sometimes necessary to prevent this from happening. Mr. Schrimpf said that when the application is not reviewed in time, applicants then request an injunction through the court system to prevent the city from closing down their establishments until there can be a hearing on the requested injunction, which could be months later.

All members voted "no" on recommending a required notice time that is on the upper end of the required time frame.

With regards to the issue of increased specificity in the complaint process with respect to the notice, Mr. Brennan said he would withdraw the recommendation if the issue will be addressed in the materials distributed to the applicants at the beginning of the licensing process.

Regarding the recommendation that legal requirements for operation of an alcohol beverage outlet be given to applicants, in Spanish and English, at the start of the licensing process, Ms. Grill said that all materials issued by the License Division are in English for reasons that were previously discussed. Ms. Nowak said that she would withdraw the part of the recommendation that refers to the requirements being printed in Spanish. She said if materials are distributed to the applicants that makes the application easier to complete and spells out legal requirements for applicants, there won't be a need for the recommendation. Mr. Schrimpf pointed out that the applications for an alcohol beverage license are provided to the city by the state.

Regarding the waiting period of three years required for submission of an application for a location that has been deemed unsuitable by the Common Council, Ms. Grill said

that there is an opportunity for applicants to be heard in less than three years if an applicant presents a change in circumstances that relates to the unsuitability of the location.

Mr. Butler said that in the absence of an appeal right for the applicant in the case of an unsuitable location, there is a question of whether the waiting period should be shortened.

Ms. Grill said that before there was a three-year waiting period, applicants continued applying for the license numerous times. Neighbors would appear at the License Committee each time the application was scheduled, but eventually the neighbors would tire of appearing, and the applicant would be able to receive a license without opposition from neighbors.

Sgt. Ulickey said that he thinks the three-year period is reasonable since applicants can bring forth a change in circumstances. Mr. Schrimpf said that the committee and the council usually have considered an enormous factual record that demonstrates that the location has generated an excessive amount of police calls and has been a problem for the neighbors and that warrants a declaration of a location as unfit.

The task force members voted one "aye" to six "noes" against shortening the three-year waiting period. (Mr. Butler voting "aye", Sgt. Ulickey, Mr. Schrimpf, Ms. Grill, Mr. Brennan, Mr. Lump and Ms. Nowak voting "no", Mr. Morics and Ms. Ferguson excused)

Regarding music and age questions on the license applications, Mr. Butler said that there were concerns raised by applicants at the public hearing about questions regarding the type of music that would be played and the ages of proposed clientele.

Ms. Grill said that the questions are on the application so that the neighbors and the local council member can get an idea of what kind of operation is being proposed. For instance, in a residential neighborhood, the neighbors might be more comfortable with an establishment that is more like a corner bar than a full club.

Mr. Lump said that the questions regarding age of patrons and type of music are relevant and the more questions that are asked regarding the business plan of an establishment the better, particularly for the neighborhood. He said the neighborhood should have a certain security in relying on a business plan proposed by an establishment and the more information asked for, the better off the city and the neighborhood might be.

Ms. Nowak said that with newer Internet jukeboxes, there is a variety of songs available from which patrons can choose, although some of it can be blocked. She asked who makes the determination of which songs fits which music categories.

Mr. Butler said that he did not want to raise the legal issue of whether or not there is a constitutional bar against asking about music selections; he said that is not part of the role of the task force. Mr. Butler said that there had been concerns raised at the public hearing regarding the potential or actual likelihood of aldermanic abuse with council members using type of music as a means of keeping certain applicants from opening businesses in certain areas.

Sgt. Ulickey said that it should be kept in mind that an Alcohol Beverage License is a privilege. He said that the Common Council as a whole has a duty to provide for the

safety of a neighborhood as well as the enjoyment of the neighborhood by residents. He also said that an applicant could take advantage of a neighborhood if the intentions of an applicant are not made part of the application. He said that the questions should remain part of the application.

The task force members voted unanimously against taking the age distinction and music questions off of the application.

Certification and Scheduling of License Applications:

Regarding whether the Common Council should adopt a uniform process for giving notice of license hearings, the question should be split into two parts:

- 1) Should there be a uniform process for notifying neighbors that a license application has been scheduled?
- 2) What should the process look like?

Mr. Brennan clarified that the previous discussions made clear that the process of notifying neighbors and whether neighbors were notified was dependent on the opinion of the local council member.

Ms. Grill said that she would recommend a standard for notifying neighbors within 250 feet of the establishment for all applications scheduled. She also said that businesses in the area could be affected adversely by a proposed establishment in the area and should be notified as well, not just the residents.

Mr. Lump asked if Ms. Grill would recommend extending the radius. Ms. Grill said that she would not change the radius of notification, but that opinion would be due to budgetary concerns versus notification concerns, since a wider radius would create a significant increase in notices sent by the License Division. She said that 250 feet seems to be working well.

Ms. Grill said that the current guideline for notification of neighbors is either 250 feet or 100 people. Whatever the proposed notification guidelines will be, there should be a set radius and a set number of people, not a range, so there is consistency among all neighborhoods.

Sgt. Ulickey said that the radius should be extended to 500 feet from the location and the 100-person limit should be discarded since every neighborhood is different and those guidelines can exclude many people depending on how the neighborhood is populated.

Mr. Schrimpf said that he agrees that the notice process should be standardized, but the debate over the radius should be left to the Common Council as part of the political process.

Mr. Lump said it makes sense to expand the radius to 500 feet and to make that radius uniform for all applications.

Ms. Grill said that when the 250 foot radius is used, rarely is the result only a few people noticed. If that happens, Ms. Grill said that she would usually increase the radius to include more neighbors. However, in some areas of the city, over 800 people have been noticed when the 250 feet radius is used. But she also said that she

understands the desire is to notify people and that she believes the number of neighbors noticed should be consistent and should be an exact number.

Mr. Schrimpf said that he wants to give the license office the discretion and the ability to notify more people than the guidelines allow.

Mr. Brennan asked how the council members notify their constituents of neighborhood meetings. Ms. Grill said that she is not completely sure of how the council members notify neighbors of those meetings since the License Division is not involved in that process, but the council members get addresses from the same source as the License Division and they often use a radius of more than 250 feet.

The task force members voted six "ayes", zero "noes" and one "abstain" in favor of notifying all addressees within 500 feet when a new or renewal application is scheduled for a Licenses Committee meeting. (Mr. Butler, Sgt. Ulickey, Mr. Schrimpf, Ms. Grill, Mr. Brennan, Mr. Lump and Ms. Nowak voting "aye", Mr. Schrimpf abstaining, and Mr. Morics and Ms. Ferguson excused)

Regarding whether a reasonable maximum amount of time should be set for a hearing of a new license:

Some task force members proposed different time frames, such as 60 days from the submission of the application or two council cycles.

Ms. Grill said that an application can be certified once all the application materials and requirements needed by the License Division have been received. Ms. Grill said that using a specific number of days for a scheduling time frame is difficult because of the recess from meetings in August and other occurrences, such as election days. She suggested that scheduling by the third regularly scheduled committee meeting after the application is certified would avoid this problem.

Mr. Butler said that the task force has to decide when the time period is to start, be it the date of fingerprinting, application or certification. He also said that he liked the idea of mixing cycles with days because of the problems previously mentioned by Ms. Grill as long as there is a definite start date.

Mr. Schrimpf said that the scheduling time frame should start when the License Division says that the application is ready to be scheduled.

Sgt. Ulickey said that he is in favor of two cycles of time if it does not propose a problem. Ms. Grill says that a two-cycle time frame is possible in most cases, but there are exceptions.

Mr. Schrimpf said that he is opposed to putting too strict a limit on the scheduling time frame.

The task force members voted five "ayes" to two "noes" in favor of the Common Council adopting scheduling periods following the completion of an application for a new license of sixty days or two council cycles. (Mr. Butler, Sgt. Ulickey, Mr. Brennan, Mr. Lump and Ms. Nowak voting "aye", Mr. Schrimpf and Ms. Grill voting "no", Mr. Morics and Ms. Ferguson excused)

Mr. Butler said that the remaining recommendations will be discussed during the next task force meeting.

3) Discussion of the request by the Community Prosecution Unit of the City Attorney's office to make a presentation on its role in the alcohol beverage licensing process

Mr. Butler said that he is not opposed to the Community Prosecution Unit of the City Attorney's office addressing the task force at a future meeting.

No task force members objected.

4) Set-up of the agenda for the next public evening hearing

The set-up of the agenda for the public meeting will be moved to the February 23rd meeting.

5) Set-up of the next regular meeting's agenda

Mr. Butler proposed that the next meeting be for the discussion of the items that were not discussed today. Also, the City Attorney's office will make a presentation at the February 23rd meeting.

The start time for the February 23rd meeting was changed to 9:30 a.m.

6) Scheduling of the next meeting (time and date)

The next regular meeting is scheduled for February 23rd at 9:30 a.m.

Meeting adjourned at 11:58 a.m.

Staff Assistant Tobie Black



City of Milwaukee

200 E. Wells Street Milwaukee, Wisconsin 53202

Meeting Minutes - Final ALCOHOL BEVERAGE LICENSING TASK FORCE

JUSTICE LOUIS BUTLER, CHAIR

Joel Brennan, Sallie Ferguson, Rebecca Grill, Edward J. Lump, Comptroller Wally Morics, Sharon Nowak, Bruce Schrimpf, Chet Ulickey

Staff Assistant, Tobie Black (414) 286-3790
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File Specialist, Joanna Polanco, 286-3926, E-mail: jpolan@milwaukee.gov

Monday, February 23, 2009

9:30 AM

Room 301- A, City Hall

Meeting commenced at 9:38 a.m.

Present 6 - Grill, Brennan, Ulickey, Butler, Ferguson and Nowak

Excused 3 - Morics, Schrimpf and Lump

1) Review and approval of the minutes of the February 9, 2009 meeting

Minutes were approved as written.

2) Presentation by the Community Prosecution Unit of the City Attorney's office on its role in the alcohol beverage licensing process

City Attorney Grant Langley and Asst. City Attorney Adam Stephens at the table.

Mr. Butler asked that written suggestions from the City Attorney's office be submitted to the task force.

Mr. Langley said that the Community Prosecution Unit of the City Attorney's office is also called the Nuisance Abatement Team. The unit works with the police department, the District Attorney's office and its Community Prosecution Team, the Department of Neighborhood Services, the Heath Department and community groups to deal with problem properties in the city, including board-ups, nuisance properties and drug houses, as well as licensed alcohol beverage establishments.

Mr. Butler invited Mr. Langley to provide specific suggestions or proposals to the task force in writing. Mr. Langley said he will submit suggestions in writing dealing with members of the Licenses Committee who hear matters that are in their own districts and the role that those committee members should play either on one side of the table or the other, but not on both.

Mr. Stephens said that the Community Prosecution Unit is staffed by three Assistant City Attorneys:

Jarely Ruiz Police, who works with Police Districts 2 and 6
Robin Pederson, who works with Police Districts 3, 4 and 7
Adam Stephens, who works with Police District 1, including Downtown, and District 5

Mr. Stephens said that the unit has been working for over a year and it works with other departments to address multiple aspects of a location and to figure out why a certain location is a target or a source of illegal activity or violence.

Mr. Stephens said that the CPU receives referrals from the Milwaukee Homicide Review Commission because there has been a shooting or a homicide that is related to a licensed premise, from the police department if there have been a felony drug dealing event or events at the location, and from the community when a property seems to consistently facilitate behaviors that are detrimental to the safety of the public.

Mr. Stephens said the first step for the CPU is looking at the police record for the establishment to see if there is a pattern of activity or just a single event. He said that the next step is discovering if neighborhood residents have complaints against the property, either through neighborhood groups, block watch captains, the Community Liaison officers in the police department, or the local council member.

Once the unit has an idea of what the situation is, it makes contact with the licensee of the establishment or the person in charge of the property. He said a location can facilitate crime in two ways. One is the physical aspects of the building itself, including the condition of the structure, and whether the design of the building has an effect on the likelihood of criminal victimization, including the lighting around the structure and where patrons park. The other is the management of the establishment. Mr. Stephens said it is more difficult to determine when the management of an establishment is facilitating this activity. He said that in the cases with which he has been familiar, very frequently the licensee is not the person in control and is not in charge of the day-to-day operations. Mr. Stephens said that when someone is not the licensee of an establishment but is managing it, this person does not have the motivation to work with the city that an owner does. Mr. Stephens also said that staffing at the location is also an issue with regards to whether staff can actually address problems that arise at the establishment. He also said that the compliance of the owner with other regulations, such as tax laws, and the professional experience of the owner are of note to the unit.

Mr. Lump at the table at 9:50 a.m.

Mr. Stephens said that what he calls the intangibles, including to whom the licensee is marketing, what kind of music is played, whether there is a dress code, and the ages of patrons, are not things that the government should concern itself with because it is clearly the right of licensees to run their establishments as they see fit.

Mr. Stephens said that there are real considerations of why applicants are choosing certain types of entertainment for their establishments. When there are activities such as dancing and billiards, problems seem to stem from altercations between patrons involved in these activities. Mr. Stephens said that licensees should keep these choices in entertainment in mind when they are looking to address the situation at hand, but he does not think that there should be a rigid system dictating what kind of entertainment should be present in establishments.

Mr. Stephens said that there are usually two types of criminal activity involving licensed establishments; the violence that occurs outside of the bar and is associated with the bar, and violence that occurs inside of the bar or involving bar owners and employees.

Mr. Butler brought up the issue of situations that involve patrons that were at an establishment previously in the evening and later are involved in a violent incident at a location away from the establishment and he questioned whether these situations should be treated differently. Mr. Stephens said that the link between the incident and the earlier patronage of the establishment is usually unimportant and the

Milwaukee Police Department makes the decision as to whether details regarding these situations end up on a premise report.

Mr. Stephens said that the CPU sits down with the police department and licensees to create a plan to make sure that violent activity involving its patrons does not reoccur. He said the CPU is also involved in assisting the police department in filing revocation requests and can assist the police in creating a record at the time of an license's renewal. The CPU is also allowed to file civil litigation against an establishment that facilitates drug or gang activity, but the process is usually kept "in house" through the committee hearings.

Mr. Stephens also said the number one goal of the unit is to work with licensees to make sure activities do not occur or continue, not to close the establishment. He said that if the owner is unwilling or unable to cooperate with the city to abate the problem at his or her establishment, then the CPU will take action against the location.

Mr. Stephens said that on the plan of operation section of the license application, there are requests for the applicant to give information regarding how he or she is going to deal with issues like noise and litter, the floor plan and the hours of operation. He said these items are critical when the attorneys are meeting with the licensees in determining how the licensees will be handling certain situations and that there should be a more detailed form in alcohol beverage applications requiring more details from the applicant.

Mr. Butler pointed out that the scope of the task force is narrow, and that the task force is looking specifically for areas in the current process that may be subject to abuse.

Mr. Stephens said that problems at certain alcohol beverage outlets need to be addressed immediately, which is why revocations are being brought in front of the Licenses Committee and why problems are not just being addressed at renewal time.

Mr. Langley said that License Committee members should not be both adjudicating and advocating for one side or the other with regards to the issues that are in their districts. He said that although a member of the City Attorney's office, Bruce Schrimpf, advises the Licenses Committee, the City Attorney's office can also prosecute a revocation before the committee. It can do so because there are very tight screening processes with regards to which assistant city attorneys are handling revocations, which prevents any overlap between the prosecutorial role of the office and the advisory role to the committee.

Mr. Langley said that there is no contact between Mr. Schrimpf and the assistant city attorney that is handling the revocation. Because a council member is not two different people, there cannot be the separation between the role of advocate and adjudicator and therefore, significant due process concerns are raised at committee.

Bruce Schrimpf at the table at 10:11 a.m.

Present 7 - Grill, Brennan, Ulickey, Butler, Ferguson, Lump and Nowak

Excused 2 - Morics and Schrimpf

Discussion of the written recommendations submitted by the Alcohol Beverage Licensing Task Force members

The discussion of written recommendations was resumed from where the task force stopped at the previous meeting.

*Regarding online access for both applicants and neighborhood residents to PA-33s or whatever relevant police information exists about a premise seeking approval or renewal:

Sgt Ulickey said that he is not comfortable with certain information being available in PA-33 form without it going through the proper open records channels due to sensitive information, such as names of underage people. He also said that the PA-33 isn't always all-inclusive, although it usually is. He also pointed out that applicants usually know what has happened at their establishments and that they are also given a copy of the summary police report that will be addressed at committee when they are noticed to appear at the Licenses Committee.

Mr. Butler asked how much time it takes for an applicant to file a public records request with regards to his or her license. Mr. Schrimpf said that if an applicant requests the documents when he or she receives a renewal application, which is sixty days before expiration of the license, it should be enough time. Sgt. Ulickey said that an attorney has received public records request information and received it in four days' time.

Mr. Brennan said that he would withdraw the recommendation if the information regarding being able to access police information through a public records request becomes part of the application packet.

*Regarding whether new applicants should host a neighborhood meeting in conjunction with the local council member's office and provide proof of holding the meeting before the application can be certified::

Ms. Grill said that this was just a suggestion by the City Clerk's office, and not a recommendation. Mr. Schrimpf said that he thinks it is a good idea for applicants to host a neighborhood meeting, with the local council member being invited, to discuss issues in the neighborhood. However, there can be various interpretations as to what happened at the meeting and there is no transcript of neighborhood meetings. There is also no vote on issues taken at the end of meetings. Mr. Schrimpf said that it requires a certain amount of cooperation between the applicant and the neighborhood residents. Mr. Lump pointed out that the suggestion deals with new applicants, not renewal applicants, and he said that the more important thing is transparency of the process and providing proof that the effort was made.

Mr. Butler brought up concerns about the timeliness issue when requiring a neighborhood meeting before a license application can be scheduled. Ms. Grill acknowledged that issue, but brought up the importance of neighbors knowing what is being proposed in the neighborhood. She said that most neighbors do not know about a new establishment is until it opens.

Sgt. Ulickey pointed out that council members often delay hearing items because they say they have not been able to schedule a neighborhood meeting. Mr. Butler said that this suggestion would put the burden on the applicant and would take the neighborhood meeting issue out of the hands of the local council member.

Mr. Lump said that requiring the neighborhood meeting runs contrary to the task force's goal of trying to prevent delays in the due process of applicants.

Ms. Ferguson inquired about the cost to the applicants of setting up the meeting and contacting neighbors.

The suggestion was tabled until a later time.

*Regarding the police records of all applicants for renewal being reviewed and an administrative determination being made as to whether or not a particular applicant is brought before the Licensing Committee. This determination should be made solely on the police report. This review should be entirely separate from the consideration of any written objections on file with the License Division:

Ms. Grill said that an application would only be scheduled if the police report met certain requirements and those requirements would be outlined in the code of ordinances. She said that presently, absent an applicant receiving a warning letter, there is a lot of discretion regarding the police reports and scheduling. She said that the administrative determination would be made by the License Division based on the rules set forth by the Common Council.

Mr. Butler asked about the term "police report". Ms. Grill said that the License Division does not get a copy of a PA-33, just the summary of the PA-33. The summary, not police records or individual police incident reports, is what is reviewed by the License Division and the Licenses Committee.

Mr. Brennan asked Ms. Grill if she thought that the recommendation would result in fewer applicants being brought in front of the Licensing Committee. Ms. Grill said that this may happen because there are currently no set guidelines and some applications, which are borderline cases with regards to the police reports, might not be required to appear.

Mr. Butler wanted to clarify that the recommendation is referring to the police summary that is generated when an application is filed, not police records or PA-33s of individualized incidents. Mr. Schrimpf said that he would opt for the terminology "police summary" because the police report prepared by the License Investigation Unit contains important information that is not found in a police record, such as whether an applicant operated a tavem that was a problem for a the police department.

Mr. Butler amended the language of the recommendation. Therefore: Regarding the police summary of all applicants for renewal being reviewed and an administrative determination being made as to whether or not a particular applicant is brought before the Licensing Committee. This determination should be made solely on the police summary. This review should be entirely separate from the consideration of any written objections on file with the License Division:

The task force voted unanimously in favor of the recommendation (Mr. Morics excused).

*Regarding whether there should be a standard form for review adopted for consideration prior to a hearing, including proof of residence, proof of the existence of a problem, some form of mechanism to prevent repeated annual visits if rulings have been made in favor of license holders:

Mr. Schrimpf said that there are at times objectors from outside of the city who do come to Licenses Committee meetings and some objectors that have complaints that cannot be verified. But he also said that there is some sort of value to reminding applicants that their businesses are affecting the surrounding area and individuals have the right to come to the committee meetings to air their grievances.

Ms. Grill says that there are occasions in which neighbors will complain year after

year due to a business owner not abating problems at the business location. She said that these complaints are usually valid and occur more often than invalid complaints being brought to the committee.

The recommendation was withdrawn.

Committee Hearing (initial license application, renewal and revocation)

With regards to the procedure:

*Regarding a new application being held only one time at the request of neighbors or the local council member for a specific reason chosen from those enumerated by the code and that the motion relating to the hold should include a specific timeline for rescheduling, be made in writing and presented at the scheduled hearing, with the timeline for rescheduling not exceeding 6 regularly scheduled committee meetings after the application's certification, unless special circumstances are presented to committee members at the hearing::

Mr. Schrimpf said that it is a good idea for council members to have to put the matter before the committee in a specific time frame.

Mr. Butler said that there can be a number of reasons for neighbors and council members to want the application held. He asked whether it would ever be appropriate for an application to be held more than once.

Mr. Schrimpf said that if there is a good reason that is plainly stated for holding the license application he is not in opposition to it.

Mr. Lump asked how this can be reconciled with what was previously voted on regarding the scheduling time frame. Mr. Butler said that this recommendation deals with a request for a hold after the application is already scheduled for the Licenses Committee.

Ms. Grill said that without the recommendation, there is currently no required time frame in place for scheduling and an application can be held for an indefinite amount of time.

Mr. Lump asked under what circumstances eighteen weeks beyond that scheduling of the application would be needed. Mr. Schrimpf used examples such as neighborhood concerns, pending charges on the police report or a lack of readiness of the building that would not allow for the business to be opened. In some situations, a hold would benefit the applicant.

Mr. Butler said that the term "special circumstances" could allow for the longer delay. He also proposed the number of meetings that the application can be delayed be changed to two meetings.

The language was amended to reflect a recommendation for rescheduling within two regularly scheduled meetings, not six and after the date of the initial hearing, not after the date of certification. Therefore;

*Regarding a new application being held only one time at the request of neighbors or the local council member for a specific reason chosen from those enumerated by the code and that the motion relating to the hold should include a specific timeline for rescheduling, be made in writing and presented at the scheduled hearing, with the timeline for rescheduling not exceeding two regularly scheduled committee meetings after the application's certification, unless special circumstances are presented to committee members at the hearing:

Mr. Butler asked if the request to hold could only be made by the neighbors or council members. Mr. Schrimpf said that others besides neighbors and council members, like the applicant, should be allowed to request a hold.

City Clerk Ron Leonhardt at the table. Mr. Leonhardt said that the recommendation was not intended to hamstring the committee, but to prevent the local council member from holding an application for a significant amount of time.

Sgt. Ulickey said that as long as the time frame for scheduling is maintained, anyone should be able to request a hold. Mr. Butler said that there is currently no limitation on who can request the hold, but Sgt. Ulickey pointed out that a request for a hold can be denied by the Chair of the committee.

Mr. Schrimpf said that the code enumerates reasons and a time frame for holding applications and a recommendation could be incorporated into the code.

The task force voted unanimously in favor of the amended recommendation (Mr. Morics excused).

*Regarding ensuring five committee members be present for all Licenses Committee meetings and an alternate being appointed if a committee member cannot be present or is excused for a period of time:

Sgt. Ulickey said that another council member should be available to serve in place of a committee member if he or she cannot be at the meeting for a period of time.

Mr. Butler said that his concern is that if full committee attendance is required, then postponement may end up being an issue. He also said that any last minute substitutions might not be as prepared as the regular committee members.

Sgt. Ulickey pointed out that when regular staff is not able to appear, it has to be replaced by another representative. Mr. Lump said that he liked the recommendation, but he agrees that it may present problems if problems with holding applications due to problems with attendance occurring.

Mr. Butler proposed that a vote of three committee members for or against a motion be required for every application instead of just a majority vote.

City Clerk Ron Leonhardt at the table. He said that the number of members on committees is set by the Common Council, not the code of ordinances. Any alternate would have to be appointed by the Common Council president. Mr. Leonhardt said that appointing alternates is not that out of the ordinary. He also asked how the recommendation relates to the concerns of the task force.

Mr. Schrimpf said that sometimes controversial issues result in a split vote if a council member has left the table or abstained from a vote. He said that he is concerned about council members leaving during the committee and not hearing all of the testimony on a matter in front of the committee.

Mr. Butler said that if a vote is cast by a member that has not been present for the entire hearing on a matter, it can give a bad impression. He also said that how it should be dealt with is another question.

Sgt. Ulickey said that he believes that the applicant does not always know why a committee member has left and that there should not be any question in the applicant's mind as to how a vote could have gone if his or her matter had been heard by all committee members.

The task force made a split vote on the recommendation (Mr. Schrimpf, Ms. Nowak, Ms. Ferguson and Sgt. Ulickey voting "aye", Ms. Grill, Mr. Brennan, Mr. Lump, and Mr. Butler voting "no" and Mr. Morics excused)

Mr. Butler proposed amending the recommendation to require a minimum of three votes for or against a motion.

Mr. Brennan asked if the definition of a quorum for the Licenses Committee could be changed to four instead of three. City Clerk Ron Leonhardt said that the council rules could be changed for the Licensing Committee.

Mr. Butler said that he thinks that issue is not something the task force is prepared to vote on.

Mr. Butler proposed tabling the recommendation. The recommendation was tabled.

*Regarding whether the Licenses Committee should establish rules of decorum for proceedings before it and whether the committee members should refrain from adding personal opinions regarding licensees in their district:

Mr. Schrimpf said that he does not like committee members commenting on evidence before all evidence is fully presented. He said that comments should be held until the Chair says that the committee is ready to discuss the application.

Mr. Butler asked if the task force should merely suggest to the council that it propose rules of decorum or if it should put in specific suggestions as to what should and should not be done during a meeting.

Mr. Lump agrees that there should simply be a suggestion to make rules for decorum to avoid the perception of aldermanic influence instead of making specific rules or suggestions.

The task force voted unanimously to establish rules for decorum for the Licenses Committee members (Mr. Morics excused).

*Regarding whether there should be some sort of procedural review created for complainants and their statements prior to any appearance before the committee:

This recommendation was addressed previously in an earlier vote, so it was withdrawn by Mr. Butler.

4) Set-up of the agenda for the next public evening hearing

The agenda of the next public evening meeting will be addressed at the next task force meeting.

5) Set-up of the next regular meeting's agenda

There will be further discussion of the remaining recommendations and the agenda for the evening public hearing will be set.

6) Scheduling of the next meeting (time and date)

The next meeting is scheduled for Monday, March 2nd at 9:30 a.m.

The next evening public hearing will be on Wednesday, March 18th at 7:00 p.m. Meeting adjourned at 12:07 p.m. Staff Assistant Tobie Black



City of Milwaukee

200 E. Wells Street Milwaukee, Wisconsin 53202

Meeting Minutes - Final ALCOHOL BEVERAGE LICENSING TASK FORCE

JUSTICE LOUIS BUTLER, CHAIR

Joel Brennan, Sallie Ferguson, Rebecca Grill, Edward J. Lump, Comptroller Wally Morics, Sharon Nowak, Bruce Schrimpf, Chet Ulickey

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File Specialist, Joanna Polanco, 286-3926, E-mail: jpolan@milwaukee.gov

Monday, March 16, 2009

9:30 AM

Room 301-B, City Hall

Meeting convened at 9:39 a.m.

Present 8 - Schrimpf, Grill, Brennan, Ulickey, Butler, Ferguson, Lump and Nowak

Excused 1 - Morics

1) Review and approval of the minutes of the February 23, 2009 meeting

Minutes were approved as written.

2) Discussion of the written recommendations submitted by the Alcohol Beverage Licensing Task Force members

Mr. Butler said that a reminder should be sent to City Attorney Grant Langley regarding his written recommendations to the task force.

Regarding whether the Licenses Committee should institute a three-minute time limit on neighbor testimony and make sure that the testimony be limited to the license issues at hand.

Mr. Butler asked Sgt. Ulickey if the task force should be making specific recommendations to the Common Council.

Sgt. Ulickey said that there could be a perception that someone is being favored if that person is given more latitude when testifying at committee. He also said that he is not opposed to letting the Common Council set the specific time limit as long as there is a time limit set to ensure consistency.

Mr. Schrimpf said that the Chair of the committee has the discretion to limit the time that people are allowed to testify and that objectors to the license usually have to present proof as to their observations of things that have occurred, including written dates and times. He also said that the testimony of supporters tends to be somewhat limited. He also pointed out that representatives of neighborhood associations are sometimes given latitude with regards to how long they speak on behalf of neighbors.

Sgt. Ulickey said that the time limit would alleviate the perception that some speakers are allowed to go on while others are limited. Mr. Butler asked if the recommendation could be presented to the Common Council without a specific time limit. Sgt. Ulickey said that it would be fine as long as a reasonable time limit is implemented.

The recommendation was amended. Therefore;

*Regarding whether the Licenses Committee should institute a reasonable uniform time limit on neighbor testimony to be applied equally to all witnesses:

The task force voted unanimously in favor of the amended recommendation. (Mr. Morics excused)

*Regarding whether the timeline on notice of hearing (for renewals) may be too short and whether time should be allowed for either rescheduling the hearing of the notice or whether the committee needs to take into account that the license holder may be out of town or have other conflicts:

Mr. Schrimpf said that the timeline for notice of hearing for renewals is set by state statute.

Mr. Lump said that he would withdraw the recommendation based on a previous discussion of notice times.

The recommendation was withdrawn.

*Regarding eliminating a provision that dictates that council members decide whether there is an issue of concentration with a new application and putting in place a specific policy to outline who receives neighborhood notification:

Mr. Brennan narrowed his recommendation to deal with the issue of council members deciding whether there is an issue with concentration and how it affects whether neighbors are notified of a new application.

Ms. Grill said that there has been discussion with a council member of the concentration of alcohol beverage outlets being considered by the committee for all new applications and the issue raised being consistency across the board. Ms. Grill also said that the issue of land use in neighborhoods to determine whether an alcohol beverage outlet is a good use of a property is also being discussed.

Mr. Butler questioned how much concentration is a factor when it comes to use of the land in a neighborhood.

Mr. Schrimpf said that the issue of land use is usually taken into account when there is an area with new development. He said that the council members tend to factor in concentration when dealing with an older, existing neighborhood, not an area of new development.

Mr. Brennan said that he made the recommendation in order to eliminate the ambiguity that is present if a council member can make the determination of whether concentration is or is not an issue.

Mr. Ferguson said that council members use concentration of alcohol beverage outlets to recommend that some licenses be denied by the Licenses Committee, but then ignore concentration when recommending the approval of other licenses.

Sgt. Ulickey said that neighborhood concems should take priority to the issue of concentration because of the different types of neighborhoods in the city. Mr. Brennan said that perhaps the recommendation should be that concentration not be used to deny licenses.

Mr. Schrimpf said that there is some validity to the issue of concentration but he also

acknowledged that the determination of overconcentration can be abused by council members. He also said that there should be specific criteria for evaluating when an area is overconcentrated and when it is not.

Ms. Grill said that there needs to be a focus on consistency with regards to when a council member is considering concentration as an issue.

Mr. Butler recommended having the council establish criteria for determining whether concentration is an issue based on the land use for that neighborhood. Therefore;

*Regarding whether the Common Council should establish criteria for determining whether concentration is an issue based on the land use for that particular neighborhood:

The task force voted unanimously in favor of the amended recommendation. (Mr. Morics excused)

*Regarding whether objections from Common Council members should be accompanied by some form of substantiation and whether acceptable forms of substantiation should be identified:

The task force voted unanimously in favor of the recommendation. (Mr. Morics excused)

*Regarding whether council members should be restricted from recommending any penalties and to the extent possible should standardize punishments and suspensions:

Mr. Schrimpf said that standardizing punishment would be very difficult.

Mr. Butler said that the recommendation should be split up into two parts. Therefore;

*Regarding whether council members should be restricted from recommending any penalties:

Mr. Butler asked if the recommendation is worded too broadly and if the recommendation should be at the Licenses Committee stage, not the council stage. Mr. Brennan approved of the addition of "to the Licenses Committee". Therefore;

*Regarding whether council members should be restricted from recommending any penalties to the Licenses Committee:

Mr. Schrimpf said that he is not comfortable with council members making recommendations of penalties to the committee because it interferes with the discretion of the committee and could be interpreted as some form of aldermanic influence if the recommendation is adopted by the committee.

Ms. Grill asked if the restriction should apply to council members that are on the other side of the table or if the restriction should apply to all council members, even if the council member is serving on the Licenses Committee.

Mr. Schrimpf said that the City Attorney's office is of the opinion that a council member serving on the Licenses Committee has an obligation to move to the other side of the table and act as a witness if he or she has already formed an opinion on an application before hearing testimony at committee.

The task force voted unanimously in favor of the recommendation (Mr. Morics excused)

*Regarding, when possible, if there should be a standardizing of punishments and suspensions:

Mr. Brennan withdrew the recommendation due to previous discussion.

*Regarding council members knowing that many of the complaints with the Licenses Committee stem from unprofessional behavior or lack of decorum on the part of the members:

Mr. Brennan withdrew the recommendation due to previous discussion.

*Regarding there being a city-appointed interpreter for some of the license applications or renewals:

Ms. Nowak withdrew the recommendation due to previous discussion.

*Regarding the necessity of personal comments when the committee is dealing with one's means of making a living:

Ms. Nowak withdrew the recommendation due to previous discussion.

*Regarding whether witnesses making comments should be limited to two minutes:

Ms. Nowak withdrew the recommendation due to previous discussion and recommendation.

*Regarding whether there should be a "pre-signup" sheet outside the committee room with names and addresses of those prepared to speak for or against the license and whether only legal representatives or law enforcement should be allowed at the table while others stand at the microphone:

The task force voted unanimously in favor of the recommendation. (Mr. Morics excused)

*Regarding whether the method by which the BOZA schedules and conducts hearings should be explored with special attention given to the scheduling of contested versus non-contested items, the time the meetings begin and the time limits placed on supporters and opponents of the applications:

Ms. Grill explained that the agenda for the Licenses Committee is scheduled by aldermanic district, which means applicants for non-contested items are required to wait for hours to have their non-contested applications heard after contested items that may require a lengthy amount of testimony. Additionally, if items that are expected to have neighborhood testimony are scheduled earlier in the day, it is more difficult for neighbors to attend the meeting.

Mr. Butler said that the issue of time limits had already been discussed. He also asked if this area is potentially subject to abuse and whether it should be considered by the task force.

Ms. Grill said that if the focus is to be taken off the local council member making their recommendations in relation to applications it is also necessary to give neighbors more ability to weigh in on applications, so it is indirectly related to the goal of the

task force.

The language of the recommendation was amended. Therefore;

*Regarding whether the method by which the BOZA schedules and conducts hearings should be explored by the licenses committee with special attention given to the scheduling of contested versus non-contested items, and the time the meetings begin:

The task force voted unanimously in favor of the amended recommendation. (Mr. Morics excused)

SUBSTANTIVE ISSUES

*Regarding whether PA-33s are good or bad tool for the committee:

Ms. Nowak withdrew the recommendation due to previous discussion.

*Regarding whether the council should develop a uniform procedure for the consideration of various types of police reports, police summaries, and PA-33s, including verification of the items contained within the reports, and access of the reports by the applicant prior to the hearing:

Mr. Butler withdrew the recommendation due to previous discussion.

*Regarding whether greater attention should be paid to the "business plan" of the applicant; whether there should be a requirement that the applicant have the resources to follow the plan; and whether the issuance of a license and occupancy permit should be conditional on fulfillment of the business plan:

Mr. Lump said that this would be a way of putting some order into the licensing procedure with regards to who get the licenses and what the use of the licensed property is going to be. He said applicants should be held accountable for how the applicant ends up running their businesses.

The task force voted unanimously in favor of the recommendation. (Mr. Morics excused)

*Regarding whether the council should adopt a uniform procedure for requesting concentration maps as part of the application process:

Mr. Butler withdrew the recommendation due to previous discussion.

*Regarding whether greater weight should be given to police reports on problem buildings and whether there should be greater care exercised in order to determine that the applicant is not "fronting" for the problems of the previous owner:

Mr. Lump clarified that the recommendation deals with applicants that act as the face of an establishment while a previous owner that had problems at the establishment acts as the real operator of the business. Mr. Schrimpf said that state and local laws currently prohibit this kind of arrangement.

Ms. Grill asked if the recommendation means that the history of an establishment should be considered when a new application is filed for a previously-licensed location. Mr. Butler said that would be part of the intent of the recommendation.

Mr. Schrimpf said that if consideration of the premise report by the Licenses Committee is put in the ordinance it would stand up to legal challenges. He said that he would err on more information being provided to the Licenses Committee than less.

Mr. Butler said that the second portion of the recommendation is already covered by state law and local ordinances and he proposed changing the language of the recommendation. Therefore;

*Regarding whether police reports on problem buildings should be considered by the Licenses Committee:

Mr. Butler said this would take the decision to introduce evidence of past problems at establishments out of the hands of the local council members. The Licenses Committee would then decide how this information would impact a license application.

The task force voted unanimously in favor of the amended recommendation. (Mr. Morics excused)

*Regarding whether council members should be able to express objective opinions on licenses to be issued in their district:

Mr. Lump withdrew the recommendation due to previous discussion.

*Regarding whether a council member should not be allowed to suggest appropriate action once a hearing is scheduled:

Mr. Lump withdrew the recommendation due to previous discussion.

*Regarding whether, in the case of a new license being granted in an area that has within the past three years been deemed concentrated, specific reasons outlining why the license should be recommended for granting despite being located within the concentrated area must be presented to the committee and made part of the motion to recommend approval of the license:

Ms. Grill withdrew the recommendation due to previous discussion.

*Regarding whether the committee should be allowed to consider the actions of prior owners of a business at that location:

Mr. Butler withdrew the recommendation due to previous discussion.

*Regarding what weight should be given to citizen testimony in determining approval or disapproval of a license application:

Mr. Schrimpf said that there should be something in place to make sure that all citizen testimony is given equal weight.

Mr. Butler withdrew the recommendation due to previous discussion.

COMMON COUNCIL DELIBERATION

*Regarding whether council members and applicants should be required to keep records of "behind the scenes" contacts:

Mr. Schrimpf said that the recordkeeping of communication between the council member and the applicant for a license that the council member is in opposition to could be presented at committee as evidence of the applicant's cooperation towards resolving issues or lack thereof.

Ms. Grill asked whether the recommendation is referring to all communication or just communication relating to the license application. Mr. Butler said that the issue is complicated because there are multiple communications that could take place between an applicant and a council member. The communication may not directly relate to the pending application but based on the nature of the communication that takes place, the net result of that communication could make it easier or more difficult for that application to be processed.

The task force members skipped forward to the recommendation by the City Attorney's office regarding this issue because it encompasses what other recommendations on this subject were attempting to address:

Regarding whether Chapter 90 should be amended to require that applicants (new and renewal) summarize and document any contacts that they have had with Council members during the time of their initial or renewal application, whether consideration should be given to requiring Council members to prepare the same documentation and whether the documentation should be available to the public and the Licenses Committee.

Mr. Butler said that documenting every interaction between council member and applicant may not be necessary, but if the interaction relates directly to the status of the application it should be documented.

Mr. Lump suggested adding language that refers to communication that is directly related to the license application. Therefore;

*Regarding whether Chapter 90 should be amended to require that applicants (new and renewal) summarize and document any contacts relevant to the license or renewal that they have had with Council members during the time of their initial or renewal application, whether consideration should be given to requiring Council members to prepare the same documentation and whether the documentation should be available to the public and the Licenses Committee.

Ms. Grill asked if an applicant's failure to comply with the documentation requirement would be taken into consideration against his or her license or application. Mr. Schrimpf said that real issue would be public disclosure of this failure, which he did not believe would result in the revocation of an existing license or anything similar. Mr. Butler asked Mr. Schrimpf if a lack of compliance with requirements dictated by Chapter 90 could be grounds for denial or revocation if the Licenses Committee decides to consider it.

The task force voted 7-1 in favor of the amended recommendation. (Ms. Grill voting "no", Mr. Morics excused)

*Regarding whether all communications between any council member and any applicant for a new or renewed license be required to be placed on the record, with outside lobbying of any council member also placed on the record:

and;

*Regarding whether council members and applicants should be required to keep

records of "behind the scenes" contacts:

Mr. Lump and Mr. Butler withdrew the recommendations due to previous discussion.

*Regarding whether the council should create a right to appeal the denial of a new license application to the entire council when a council member recommends that denial and the Licenses Committee agrees with the recommendation:

Sgt. Ulickey clarified that there is a one-year wait before re-applying for a license if denial is based on a police report, not fitness of location or overconcentration.

Mr. Lump asked about the practicality of allowing new applicants to make an appeal to the Common Council.

Mr. Schrimpf said that there are different standards for due process when a license is being renewed, which is why an applicant for a renewal of a license is allowed to appeal to the Common Council. Sgt. Ulickey said that since having a license is a privilege, property rights should not hold extra weight.

City Clerk Ron Leonhardt at the table. He asked if the right to appeal to the Common Council is dependent on whether a denial is recommended to the Licenses Committee by a council member. He also asked if the recommendation applied to establishments only.

In consideration of these questions, the recommendation was amended. Therefore;

*Regarding whether the Common Council should create a right to appeal the denial of a new licensed establishment application to the entire council when the Licenses Committee makes the recommendation:

The recommendation was adopted on a 6-2 vote. (Ms. Grill and Mr. Schrimpf voting "no", Mr. Morics excused)

*Regarding whether a council member should be precluded from voting on a license application if the council member or a family member submits the application:

Ms. Grill said that the recommendation should be removed from the entire licensing process, not just the voting. Mr. Butler said that the council member could not be excluded in the process if he or she initiated the process with an application.

Sgt. Ulickey asked if a council member can apply for an alcohol beverage establishment license.

Mr. Leonhardt at the table. He said that the Ethics Code prohibits council members from taking any action as a council member that would benefit them financially. The code also applies to family members of council members or any organization in which a council member has a substantial interest.

Mr. Butler withdrew the recommendation since the issue is addressed by the Code of Ethics.

RENEWAL

*Regarding whether renewals where the premises have current year police reports or warning letters should be reviewed by the chair of the Licenses Committee or the entire Licenses Committee:

Mr. Butler withdrew the recommendation due to previous discussion.

A discussion point was presented to the task force:

Should tavem owners be held more or less accountable for what happens on and/or near their premises, even if there is no showing of wrongdoing by the businesses:

Mr. Brennan away from the table at 11:50 a.m.

Sgt. Ulickey said that the current committee gives the proper weight to those instances in which incidents did not occur inside the establishments and to the reactions of the licensees to the incidents.

Mr. Butler is concerned about situations in which a bad element decides that it prefers to patronize a location that is being operated according to the law and responsibly by the licensee.

Ms. Ferguson said that her concern is the weight that is given to the actions of patrons that occur after the patrons leave an establishment.

Mr. Butler said that this issue is presented as a discussion point to see if the task force had a position as to the accountability of licensees, not as a recommendation.

REVOCATION

*Regarding whether a streamlined revocation process could be developed:

Mr. Butler withdrew the recommendation due to previous discussion.

3) Set-up of the agenda for the next public evening hearing

The next scheduled task force meeting is Wednesday, March 18th at 1:30 p.m. The public hearing will be rescheduled at that time.

4) Set-up of the next regular meeting's agenda

The agenda will consist of a completion of the discussion of the recommendations, the scheduling of the evening hearing, and the agenda of the evening hearing.

5) Scheduling of the next meeting (time and date)

The next scheduled task force meeting is Wednesday, March 18th at 1:30 p.m.

Meeting adjourned at 12:03 p.m. Staff Assistant Tobie Black



City of Milwaukee

200 E. Wells Street Milwaukee, Wisconsin 53202

Meeting Minutes - Final ALCOHOL BEVERAGE LICENSING TASK FORCE

JUSTICE LOUIS BUTLER, CHAIR

Joel Brennan, Sallie Ferguson, Rebecca Grill, Edward J. Lump, Comptroller Wally Morics, Sharon Nowak, Bruce Schrimpf, Chet Ulickey

Staff Assistant, Tobie Black (414) 286-2231
Fax: (414) 286-3456, E-mail:tblack@milwaukee.gov

Wednesday, March 18, 2009

1:30 PM

Room 301-B, City Hall

Meeting convened at 1:40 p.m.

Present 8 - Morics, Schrimpf, Grill, Ulickey, Butler, Ferguson, Lump and Nowak

Excused 1 - Brennan

1) Review and approval of the minutes of the March 16, 2009 meeting

Minutes were approved as written.

 Discussion of the written recommendations submitted by the Alcohol Beverage Licensing Task Force members

REVOCATION:

*Regarding whether hearing examiners should be engaged for revocation hearings:

Ms. Grill said that the process could be streamlined for revocations since they are currently scheduled during the regular meeting calendar, which creates scheduling difficulties.

Mr. Schrimpf said that a report filed by the hearing examiner would be reviewed in front of the Licenses Committee and the party filing the revocation and the licensee could discuss the report. The committee and the Common Council would be the ultimate decision-makers. Mr. Schrimpf said that it is a more streamlined way of gathering facts and making the record.

Mr. Morics said that if there is a recommendation to work from prepared by the examiner, the committee will not have to spend a large amount of time reviewing the matter.

Mr. Butler suggested adding language to the recommendation to leave the decision to the council as to whether it is a good idea. Therefore;

*Regarding whether the Common Council should explore whether hearing examiners should be engaged for license revocation hearings:

The task force voted 7-1 in favor of the amended recommendation. (Sgt. Ulickey voting "no", Mr. Brennan excused)

GENERAL/MISCELLANEOUS

The recommendations of City Attorney Grant Langley relating to rules or other procedures when a member of the licenses committee wishes to advocate a position relating to a new license or renewal were discussed:

Mr. Schrimpf said that it is better for the council member to simply present the facts and leave the decision to the committee. The local council member can make arguments for or against at the full Common Council.

Ms. Grill asked if the council member serving on the Licenses Committee would be precluded from voting on the matter while acting as a committee member. Mr. Schrimpf said yes.

The task force voted unanimously in favor of the amended recommendation. (Mr. Brennan excused)

*Regarding whether the Licenses Committee should continue to be staffed by the council members:

Ms. Ferguson said it relates to a previous recommendation requiring there be five council members at all times.

Mr. Butler said the recommendation should be discussed when the related, previously tabled recommendation dealing with staffing of the Licenses Committee is discussed.

*Regarding whether a special date should be set aside for the longer agenda items:

Ms. Grill said that when longer items are anticipated at the Licenses Committee, they are scheduled towards the end of the day and sometimes additional committee meetings are scheduled to prevent lengthy regular committee meetings.

Mr. Butler asked if the previous recommendation dealing with BOZA and meeting scheduling satisfied Ms. Ferguson's concerns. She said yes.

The recommendation was withdrawn.

*Regarding whether suggested break and lunch times should be allowed when preparing the agenda for the Licenses Committee meeting:

Mr. Morics said that schedules cannot be that strict because public meetings are unpredictable with regards to time. He said that when specific times are made part of a meeting agenda, it has to be followed rigidly, regardless of what is occurring at the meeting.

Mr. Butler said that a previous discussion and recommendation dealt with rules of decorum for committee members, including their walking out of the room during testimony.

Mr. Morics said that the issues that prompted the recommendations regarding rules of decorum and suggested break and lunch times should be noted specifically in the previously adopted recommendation. Therefore;

*Regarding whether the Common Council should adopt rules of decorum for members of the Licenses Committee covering areas such as members leaving the room during testimony, members being rude to witnesses, the need for reasonable breaks, members not listening to the evidence presented but engaging in private conversations with committee members and other council members while the meeting is in session:

Mr. Schrimpf said that it does not look good when council members that are not on the committee but are attending the committee meeting to discuss a particular license have side conversations with committee members while the meeting is in session.

The previously adopted recommendation was amended.

*Regarding whether other avenues of reviewing applications for licenses such as bartenders, direct sellers, home improvement contractors, and junk collectors should be explored to allow the Licenses Committee to concentrate on other applications:

Ms. Grill said that all types of licenses are scheduled in front of the Licenses Committee. She said that with these types of licenses there is not as much extensive public comment on the applications, so they could be dealt with in a different manner.

Mr. Schnmpf pointed out that bartenders are regulated by Chapter 125, so they may still need to be heard at Licenses Committee. However, there is rarely any neighborhood objection to them. With the other licenses, the Common Council has a pretty free hand in how those licenses are handled.

Mr. Butler asked if the bartender application could be removed from the recommendation. He also asked if alcohol beverage licenses and Extended Hours licenses could be added to the recommendation in place of the words "other licenses". Ms. Grill agreed. Therefore;

*Regarding whether other avenues of reviewing applications such as direct sellers, home improvement contractors, and junk collectors should be explored to allow the licensing committee to concentrate on alcohol beverage licenses and extended hours licenses:

The task force voted unanimously in favor of the amended recommendation. (Mr. Brennan excused)

*Regarding whether any recommendations selected should be made part of the Milwaukee Code of Ordinances, and as applicable, part of the General Licensing Chapter:

Ms. Grill said that the creation of the task force was not just to deal with alcohol beverage licenses, but other licenses with which there was a problem, so making recommendations part of the General Licensing Chapter would assist in dealing with all the licenses that come before the Licenses Committee.

Mr. Morics suggested adding the language "where appropriate" to the recommendation since certain recommendations will involve ordinance changes and the decorum of council members is dealt with by council rules. Therefore;

*Regarding whether any recommendations selected should be made part of the Milwaukee Code of Ordinances, and as applicable, part of the General Licensing Chapter where appropriate:

The task force voted unanimously in favor of the amended recommendation. (Mr. Brennan excused)

*Regarding whether the council should adopt standardized procedures and guidelines to determine when suspension, revocation or non-renewal is an appropriate sanction:

Withdrawn by Mr. Butler due to previous discussion.

*Regarding whether the mayor's office, the city attorney's office, the Fire and Police Commission, and the Department for City Development should be part of the formal process for granting or denying a license:

Mr. Schrimpf said that the city attorney's office is an advisor to the committee although the role is not substantive. He also said that the City Attorney's office is now involved in helping the police in seeking revocations, but there is nothing formal as to when or how the City Attorney's office gets involved. Mr. Schrimpf said that the Fire & Police Commission does not have a role in licensing, but he said that he could see a role for the Department of City Development since council members refer to development in an area when they are discussing the appropriateness of certain businesses in neighborhoods.

Mr. Butler said that if departments are formally made part of the process, these departments would have to weigh in on every application, not just the ones they feel strongly about or in which they are involved. The more outside entities are involved, the more resources are taken away from said entities.

Mr. Lump said that it might be more difficult for an applicant to receive a license if he or she has to make contact with the other departments in advance as part of their application process. He also said other agencies, such as the Health Department, have input eventually anyway before a business can be opened.

Mr. Morics said that input from other departments is not needed in every case and institutionalizing something that occurs as an exception is probably not the right way to go.

Withdrawn by Mr. Butler.

*Regarding whether the council should create a cap on the percentage of sales that alcohol can account for at convenience stores:

Withdrawn by Mr. Butler because he questioned whether the issue is within the scope of the committee and because a recommendation previously adopted deals with business plans for alcohol beverage establishments.

Ms. Grill withdrew the previously tabled recommendation involving new applicants holding neighborhood meetings before being scheduled.

Ms. Grill pointed out an error in a preliminary recommendation regarding the time frame for scheduling applications upon their certification by the License Division. The words "or renewal" should be removed from the recommendation since renewal applications must be scheduled in a timely manner before the expiration date of the license.

The task force voted unanimously in favor of deleting the language from the recommendation. (Mr. Brennan excused)

Sgt. Ulickey pointed out an error in a preliminary recommendation regarding "problem buildings". He said that the language should include the words "previous premise

reports", not "police reports".

The task force voted unanimously in favor of changing the language in the recommendation. (Mr. Brennan excused)

Sgt. Ulickey suggested a change in the language of a preliminary recommendation dealing with the amendment to chapter 90 requiring documentation of contact with council members. He suggested that the word "process" be added after "initial or renewal application" to clarify that any relevant contacts made during the entire application process, not just the application stage, should be documented.

The task force voted unanimously in favor of adding the language to the recommendation. (Mr. Brennan excused)

The task force revisited the previously tabled recommendation regarding whether it should be ensured that five council members be present for all Licenses Committee meetings:

Changing the recommendation to require a majority vote was previously discussed. Sgt. Ulickey said that he is referring to situations in which committee members are dismissed for half a day or when a committee member arrives late into the morning.

Mr. Schrimpf asked if there could be an alternate system like there is for a jury in which there is an alternate available to serve if a committee member cannot be present.

Mr. Butler asked why the rule would not be applied to all committee's staffed by council members and if a recommendation should be made specific to the Licenses Committee.

City Clerk Leonhardt at the table. He said that the focus of the task force is the alcohol beverage licensing process and therefore the recommendation could be applied only to the Licensing Committee since it is the only committee that handles those types of licenses.

Mr. Leonhardt said that there needs to be clarification as to how to define "present". Sgt. Ulickey said that an absence of an amount of time that would prevent a committee member from voting would require an alternate attending the meeting.

Mr. Morics said that he has not heard a great deal of concern about the absence of members and he said that the language of the recommendation will be important.

Mr. Lump said that the language of the recommendation could just suggest that the council consider appointing alternates to ensure full attendance at Licenses Committee meetings if possible. Therefore;

*Regarding whether, in consideration of the applicant, care should be given to have five committee members present at all times for all Licenses Committee meetings. The Common Council should consider designating two alternates to serve when a committee member cannot be present or is excused for a period of time:

Mr. Leonhardt said that recommendation could be feasible.

The task force voted unanimously in favor of the amended recommendation. (Mr. Brennan excused)

3) Set-up of the agenda for the next public evening hearing

The compilation of preliminary recommendations will be distributed to task force members and they will be discussed at a public evening meeting.

The date of the next public evening hearing is April 16th at 7:00 p.m.

The discussion of the preliminary recommendations as voted on by the task force. Testimony will be limited to the preliminary recommendations.

Citizens are encouraged to prepare written responses and testimony will be limited to three minutes.

A sign-up sheet should be at the meeting.

There will be a posting on the City's Website and copies of the recommendations will be made available in the City Clerk's office.

4) Set-up of the next regular meeting's agenda

The task force members will be having a final vote on the recommendations before they are submitted to the Common Council.

5) Scheduling of the next meeting (time and date)

The next task force meeting will be on Monday, April 20th at 10:00 a.m.

Meeting adjourned at 3:11 p.m. Staff Assistant Tobie Black



City of Milwaukee

200 E. Wells Street Milwaukee, Wisconsin 53202

Meeting Minutes - Final ALCOHOL BEVERAGE LICENSING TASK FORCE

JUSTICE LOUIS BUTLER, CHAIR Joel Brennan, Sallie Ferguson, Rebecca Grill, Edward J. Lump, Comptroller Wally Morics, Sharon Nowak, Bruce Schrimpf, Chet Ulickey

> Staff Assistant, Tobie Black (414) 286-2231 Fax: (414) 286-3456, E-mail:tblack@milwaukee.gov

Friday, April 24, 2009

10:00 AM

Room 301-B, City Hall

Meeting commenced at 10:09 a.m.

Present 9 - Morics, Schrimpf, Grill, Brennan, Ulickey, Butler, Ferguson, Lump and Nowak

1. Review and approval of the minutes of the March 18 and April 16 meetings.

Meeting minutes were approved as written.

2. Proposal of a correction to recommendation number four on page five of the recommendations.

Sgt. Ulickey proposed adding the language "this review should be entirely separate from the consideration of any written objections on file with the License Division" to recommendation number four. This language was previously approved during the February 23rd meeting.

The task force voted unanimously in favor of the amendment to the recommendation.

3. Discussion of additional written comments submitted in writing by members of the public.

The chair thanked the members of the public for their written input.

Mr. Schrimpf addressed a comment from Keith Stanley, Mainstreet Manager of the SoHi district, regarding the plans of operation that are proposed by applicants and whether applicants should have to provide proof of whether they have the financial resources to be able to put their business plans into effect.

Mr. Morics said that small businesses have to deal with a number of different variables. He suggested that there be some kind of surety requirement or performance bond with the plan of operation to ensure that the applicants follow through with a business plan that may have an effect on whether their licenses are approved.

Mr. Lump said that recommendation number fourteen addresses this concern in part.

He also said that there is a chance that a tavern could promise to serve food as a restaurant when it is financially able, but then decides not to serve food because of increased cost of doing so. A neighborhood could have supported a license application in hopes of having a restaurant that does not ever manifest itself.

Mr. Brennan said that it might be beneficial for the minutes of the meetings to be attached to the recommendations that are submitted to the Common Council. The chair agreed with this suggestion.

The task force voted unanimously to include appendices to the report and recommendations that includes the written testimony of the public, and minutes of the meetings, including the public hearings.

4. Final discussion of the preliminary report and recommendations of the Alcohol Beverage Licensing Task Force.

Mr. Morics suggested that the task force adopt the process used by the Common Council of asking the members if anyone had any specific items they wanted singled out from the report for consideration. Mr. Butler agreed.

Mr. Butler asked the task force members if any member wanted a specific item discussed. The answer was no.

The task force unanimously agreed to the submit the Report and Recommendations to the Common Council in its amended form.

5. Remarks by Common Council President Willie L. Hines, Jr.

Common Council President Willie Hines, Jr. at the table. He thanked the task force members for their service and thanked Justice Butler in particular for chairing the task force.

Ald. Hines said that all the recommendations will be considered seriously by the Common Council.

Mr. Butler thanked Ald. Hines for his support of the task force and his allowance of the task force to work freely. He also thanked the members of the task force for taking the time to serve on the task force and expressed appreciation for the input of the public.

Mr. Butler also said that the task force tried to adhere to the charter of the Common Council and thanked the members of the Common Council for their cooperation.

Mr. Morics publicly commended the Chair for his service to the task force and keeping it on task.

Mr. Butler also expressed his appreciation of City Clerk Ron Leonhardt for his assistance, as well as the staff of the task force.

Meeting adjourned at 10:47 a.m. Staff Assistant Tobie Black

APPENDIX C

Minutes of the public hearings of the Alcohol Beverage Licensing Task Force.



City of Milwaukee

200 E. Wells Street Milwaukee, Wisconsin 53202

Meeting Minutes - Final ALCOHOL BEVERAGE LICENSING TASK FORCE

JUSTICE LOUIS BUTLER. CHAIR

Joel Brennan, Sallie Ferguson, Rebecca Grill, Edward J. Lump, Comptroller Wally Morics, Sharon Nowak, Bruce Schrimpf, Chet Ulickey

Staff Assistant, Tobie Black (414) 286-3790
Fax: (414) 286-3456, E-mail:tblack@milwaukee.gov
File Specialist, Joanna Polanco, 286-3926, E-mail: jpolan@milwaukee.gov

Thursday, December 11, 2008

7:00 PM

Room 102, Frank P. Zeidler Municipal Building 841 N. Broadway

Meeting commenced at 7:02 p.m.

Present 9 - Morics, Schrimpf, Grill, Brennan, Ulickey, Butler, Ferguson, Lump and Nowak

1. Introduction of members and opening remarks, Chair Justice Louis Butler.

Chair Butler made short opening remarks regarding the purpose of the Task Force. Members introduced themselves.

 Comments from neighborhood organizations and business organizations about the process by which the city licenses Alcohol Beverage establishments. Suggestions for changes in the licensing process or input on its adequacy are also requested.

Larry Kress, Greenwich Village Association and the East Side Business District. He said that the notion of aldermanic influence has always bothered him. He said that representatives from the City Attorney's office, the Fire and Police Commission, the Mayor's office and the Department of City Development should be involved in the licensing process. Mr. Kress said that would be a good representation of departments affected by the licensing process and that it would make the process harder to circumvent.

Bob Greene, Executive Director of the Merrill Park Neighborhood Association. He said that alcohol establishments have contributed to the decline of the quality of life in the area. He also said that beer and convenience items became more prevalent in small stores, and grocery stores became convenient stores since selling beer was more profitable.

Mr. Greene mentioned a candy store that tried to sell alcohol and said that it highlights the necessity for strict guidelines for getting an alcohol beverage license. He also suggested a cap on the percentage of total sales that alcohol can account for at convenience stores, such as twenty percent.

Mr. Greene also said that there should be more diligence in the Health Department and that there should be penalties for convenience stores that violate the health code. He also said that tavem owners should be held more accountable for what happens in their businesses and with their patrons and that he doesn't think that council members have clear guidance in the ordinances to make decisions on alcohol licensing.

Carey Flowers, Thurston Woods Block Watch Association. He said he would like to see more support for community opposition to bad businesses and that the community works very hard to create a nice environment and is hurt by problem businesses, which are bad neighbors.

Justice Butler asked if the organization could put the proposed changes or thoughts in writing. Mr. Flowers said that organizations have been told that it is hearsay if someone does not appear in person at the Licenses Committee meeting. Mr. Flowers also said that a PA33 (a detailed police report filed after police contact with an establishment) from the police should be mandatory if there is any police contact with a business.

Craig Berry, Metro Milwaukee Entertainment Association. He said that police presence should be applied equally to all alcohol beverage establishments. He also said that Water Street gets overwhelming support from the police, but the North side clubs and tavems do not get the same police support.

Mr. Berry said that was once of the principal owners of the Matrix nightclub and was an owner of Club Escape. He said that PA33s can be the death of a business, even though he said he does not think that it was meant to be that way, and he said that the PA33 can be abused and gives a police officer too much power.

When it comes to aldermanic influence, Mr. Berry said that an application can be delayed by a council member. He also said that there is no consistency in how many neighbors the council member decides to notify when an application is filed.

Mr. Brennan asked Mr. Berry if there is a reasonable time frame in which the license would be processed and scheduled for committee. Mr. Berry said that his alderman, Ald. Hamilton, suggests that applicants meet with neighborhood groups before the application can be scheduled. But Mr. Berry said that sometimes neighborhood groups don't meet often or that meetings don't occur between the applicant and the neighborhood group, which delays the application. He said that thirty to sixty days is a reasonable amount of time after the police report has been completed.

3. Comments from the general public regarding its knowledge of the Alcohol Beverage licensing process and its perception of the process. Suggestions for changes in the licensing process or input on its adequacy are also requested.

Thomas McNeil, business owner and property owner. He said that the council members have the attitudes of dictators or "kings of the district" and that they forget that they are here to help business owners. He said that the council members seem intent on destroying businesses instead of helping them thrive.

Mr. McNeil said the system could be improved by not putting so many unjustified responsibilities on the business owners. He thinks the police should try to help the businesses to thrive.

Mr. McNeil also said that thirty days from the completion of the police report, an application should be scheduled for the Licenses Committee.

Mary Harrell, owns a tavern at 4106 W. Lisbon Avenue and has been in business almost seven years. When it comes to PA33s, she said that they are used against the business owners even though they are not always true or verified.

She said that Licenses Committee hearings should not be televised and that during the committee meetings, committee members talk down to applicants and demean them.

Ms. Harrell said that an applicant should not be judged on the actions of the previous owner of a tavern and that the public should have real issues when they come before the committee to object to a license, not superficial ones like parking problems. She said that she was previously suspended because of neighbor complaints about parking.

She also said that people who own bars should not be discriminated against just because they sell alcohol and that personal opinions of committee members should not be aired at committee meetings.

Guillermo Rodriguez, owns a business at 1135 W. Lapham Street. Sylvia Rodriguez, his wife, with him at the podium as translator. He said that when a business owner loses a license due to problems at a liquor establishment, sometimes someone else will get a liquor license for the person, but the person who was running the business previously and lost their license continues to run the business. He asked if there can be a stipulation that if a person is listed as the agent or individual on an application, that person has to spend a certain amount of time on the premises. He also said that he sees people applying for licenses as restaurants, when in reality they are really nightclubs that don't sell food at all.

Mr. Rodriguez said that he doesn't have a lot of problems at his bar because he is almost always at the establishment and he said that if a business is managed properly, there will not be problems.

Craig Berry, back at the podium. Mr. Berry asked Sgt. Ulickey if a PA33 should be filed in all instances of police contact, such as underage drinking and disorderly conduct. Sgt. Ulickey said yes. Mr. Berry then pointed out that Summerfest doesn't receive any PA33s despite all the incidents that occur there.

Carey Flowers, back at the podium. He said that the PA33 really kills businesses because they are not interpreted in the way they are intended. He said that there should better education for police officers about the impact of PA33s on businesses. He also said that the neighbors are the people directly affected by bad businesses and that if a business is bad neighbor, the licensing process is effective in getting rid of the bad neighbor.

Archie Brown, back at the podium. He asked why an age limit has anything to do with alcohol licensing. He agreed with Mr. McNeil in that no one can predict what any person could do in his or her establishment, so age should not matter. He said that certain components of a license, like age and music, should not have any bearing on whether a license is granted.

Obiora Obi, business owner. He said that PA33s can be abused depending on the license location and that police officers should do more investigating before PA33s are filed. He also said that the police department's Tavern Squad, which checks for violations at taverns, is rude to patrons when it comes to check for problems.

Mr. Brennan said would like to look at a PA33 and see how it is involved in the licensing process. Ms. Grill pointed out that what is read at committee is not a PA33 but is a summary of the PA33s on an establishment's record.

Sgt. Ulickey said that there might be follow-up after a PA33 is issued, but a simple PA33 may be the beginning and the end of an investigation.

Sylvia Rodriguez, wife of business owner Guillermo Rodriguez, was a sergeant for the Milwaukee County Sheriff's office. She asked if business owners are notified when and if they receive a PA33. She also said that the committee has to be careful about how much weight the testimony of neighbors is given. Ms. Rodriguez said that all the liquor regulations for alcohol beverage licenses, like restrictions on from where alcohol can be bought, are not given to applicants when they apply for a liquor license.

Thomas McNeil, back at the podium. He said that censorship is happening at the committee level. He said that if certain types of music are indicated on the application, like hip-hop, it puts up a red flag to the committee and that there is a penalty if a certain type of music is being played in the business that was not listed on the application or if the clientele is younger than the age limit listed on the application. He said that fines being imposed in lieu of suspensions are preferable because suspensions are too devastating to businesses.

Mr. Scrimpf asked Mr. Berry if the organizations to which he belongs have made any suggestions to business owners as to how they can defend themselves with regards to certain activities, such as underage patrons trying to enter a bar. Mr. Berry said that his organization did cover some things, like obtaining ID scanners.

Mr. Schrimpf asked if Ms. Harrell belongs to an association. She said that she does not belong to any business organization.

Chair Butler mentioned the date of the next meeting of Task Force but clarified that it will not be a public hearing.

Meeting adjourned at 8:45 p.m.



City of Milwaukee

200 E. Wells Street Milwaukee, Wisconsin 53202

Meeting Minutes - Final ALCOHOL BEVERAGE LICENSING TASK FORCE

JUSTICE LOUIS BUTLER, CHAIR

Joel Brennan, Sallie Ferguson, Rebecca Grill, Edward J. Lump, Comptroller Wally Morics, Sharon Nowak, Bruce Schrimpf, Chet Ulickey

> Staff Assistant, Tobie Black (414) 286-2231 Fax: (414) 286-3456, E-mail:tblack@milwaukee.gov

Thursday, April 16, 2009

7:00 PM

301-B, City Hall

Meeting commenced at 7:07 p.m.

Present 9 - Morics, Schrimpf, Grill, Brennan, Ulickey, Butler, Ferguson, Lump and Nowak

1. Introduction of members and opening remarks, Chair Justice Louis Butler.

The chair introduced the task force members. He thanked the task force members for their work and reminded the audience that the recommendations are preliminary.

2. Comments from the general public on the proposed recommendations made by the task force regarding the city's alcohol beverage licensing process.

Keith Stanley, Mainstreet Manager for the SoHi District and a resident of the Sherman Park area. He said that may of his concerns have already been addressed by the task force in its recommendations. He recommended better access for the public to information on when hearings are taking place and mentioned that one has to search through the city's website to get meeting information. He was also in favor of pre-meetings with applicants, residents and council members to avoid some discussions that take time during license meetings. Mr. Stanley also said that there should be a way that the community could give input on the issue of concentration, which is a big problem in the area in which he works, which is an area in transition.

Thomas McNeal, previous alcohol beverage licensee, at the table. He said he agrees with the recommendation for time limits for people testifying, and that testimony from supporters and objectors should be taken into account equally. He also said that the testimony at committee should be based on what's in the actual notice only and should not contain unsubstantiated claims by objectors. He said that the committee uses some testimony without proof against applicants.

He also agreed with expanding the radius for notification of neighbors, but he was not in favor of people who live miles away from the license location giving testimony, including neighborhood organizations that usually oppose liquor licenses.

John Shelton at the table. He mentioned a situation involving AK Food Mart, in which a license was approved by committee but then returned to committee and later denied due to concentration, occurred.

Sharon Ward, representing a small south side bar call Warski's, at the table. She thanked the task force members for their work and said that she would like the recommendations to spell out clearly and concisely what the changes to correct policies will be or could be. Ms. Ward also said that she hopes that

recommendations for any changes in the procedures for applying for alcohol beverage licenses are made available to the public so that it can respond to them.

Parshotam Singh, proprietor of AK Food Mart, at the table. He said that there was a long delay in the scheduling of his application and that other liquor licenses have been approved in the area of his store even though he was denied due to concentration. He said that he read the recommendations and that he appreciated them.

Darren Deboe, current licensee, said that he hopes that some positive things can come out of the task force recommendations and that there has been concern over the years from applicants over treatment at the committee meetings. He also said that he believes that aldermanic privilege does exist with regards to the Licenses Committee and that some applicants feel they are "dead in the water" if the local council member does not support the license. Mr. Deboe said that one individual should not have that kind of power over something as special as the privilege of holding a license.

Mohammed Chaudury, a restaurant owner who held an Extended Hours license, at the table. He said that the committee members should be current or former small businesspeople so they can have a better perspective on the issues that face the licensees and applicants.

Mr. Shelton asked to ask one more question, which was allowed by the chair. He asked how the Licenses Committee could approve licenses for some and not others. Mr. Butler said that the question is beyond the scope of the task force, but that the task force has made recommendations to try to address those kinds of concerns.

Meeting adjourned at 7:33 p.m. Staff Assistant Tobie Black

APPENDIX D

Written statements presented to the Alcohol Beverage Licensing Task Force.

MICHAEL J. MURPHY

ALDERMAN, 10TH DISTRICT

City Hall, Room 205 200 East Wells Street Milwaukee, WI 53202

Phone (414) 286-2221 Fax (414) 286-3456

e-mail: mmurph@milwaukee.gov website: www.mllwaukee.gov/district10

CHAIR:

- · Finance & Personnel Committee
- Milwaukee Arts Board
- . Housing Trust Fund Advisory Board
- Employes' Retirement System Investment Committee

MEMBER

- · Zoning, Neighborhoods & Development
- Steering & Rules Committee

November 20, 2008

Dear Justice Butler,

Thank you for chairing the Alcohol Beverage Licensing Task Force. Your presence and leadership on the committee ensures its quality, competence and thoroughness. The State of Wisconsin has entrusted the alderpersons of the City of Milwaukee with great regulatory power over alcohol licenses. It is essential that this power is not misused or exercised through an opaque process. Recommendations from your committee will undoubtedly help to restore the integrity of the alcohol licensing process. As the senior member of the Common Council, I respectfully submit recommendations for your committee to consider.

I receive several contacts weekly from prospective alcohol beverage licensees. A significant number of these applicants wrongly believe that the local alderperson possesses the power to grant or deny their application. Because of their misunderstanding, I am put in the awkward position of telling these applicants that I do not support their license application, but that they are entitled to a hearing before a committee constructed of my peers. It is important that the License Division provide these prospective applicants with an informational sheet that details their rights throughout the licensing process. This "Bill of Rights" could succinctly inform applicants of what they should expect throughout the licensing process.

Another important aspect of the application process is the information that the Licenses Committee receives from the Milwaukee Police Department. The details of police activities at a location are perhaps the most significant contributors to the decision to not renew an alcohol beverage license. It is crucial that the information given to the committee from the police department presents information that meets the special needs of the committee. A police report that provides detailed information on the role of the representative of the alcohol beverage establishment during a police visit would help the committee to fully understand the responsiveness of the establishment.

In renewing, suspending or revoking alcohol beverage licenses, developing objective standards would assist the Common Council. Creating a point system as an enforcement mechanism for these unbiased expectations would be a positive step. The Common Council would determine the point values for certain offenses. Based upon convictions, establishments would receive demerit points. When these points reached levels set by the Common Council, this would trigger a mechanism for the revocation or suspension of the license. This point system could be enacted with a provision that ensured the ability of the Common Council to use its discretionary power.

No matter what suggestions your committee might formulate, I trust that you will find recommendations that, if enacted, will restore public confidence in the licensing process. If I can lend support in any way, please do not hesitate to contact me.

Michael I Morrativ



December 9, 2008

Thank you for the opportunity to provide input in the discussion regarding how the city hears licensing renewals for Class B liquor licenses. As a fourteen year veteran holding several licenses, I have been witness to, or participated in, the hearing of dozens of renewals—from mini marts to night clubs to a couple of my own properties.

I would like to preface my comments with the statement that I strongly believe in the process and feel it is absolutely necessary to be vigilant in ensuring that holders of these licenses act responsibly and are accountable for their actions. As the owner of several taverns and restaurants in Milwaukee, I take pride in ensuring the safety of my employees, my customers, and my neighbors through acting responsibly.

As I contemplate the desire to make the system work more efficiently and more effectively, I reflect upon these past experiences. I think the largest problem is with an adherence to some set of procedural rules for the committee itself. Hearings tend to stray off topic, contain irrelevant testimony, and usually run over. The scope of commentary by the committee as well as testimony of participants often seems undefined.

The roles of committee members can seem nebulous as well. Oftentimes, members are visibly distracted, not listening, or excuse themselves mid-stream. The decorum in general is very inconsistent and loose—from joking with participants to hand-of-God admonishments or random monologues about everything from architectural style to the economy and culture. I have also consistently witnessed the allowance of irrelevant testimony, baseless accusations, and anecdotal evidence by complainants that have gone unchecked by the committee or the City Attorney.

Aside from procedural decorum issues, there seems to be a need for some type of vetting process for complainants and their statements. In order to save time, money, and the energy of the committee members, there absolutely must be a procedural review for citizens who intend to come to committee with their complaints. This would better serve the process, protect the taxpayers, and provide fairness to license holders.

My suggestion is to provide a standard form for review that must be approved by the committee prior to setting a hearing. Items to include: proof of residence, proof there is a real problem, (more than one complainant), a mechanism to prevent repeated annual visits if rulings have been made in favor of license holders (unless there is a *new problem*), and an affidavit to fill out demonstrating intent to attend the hearing.

This form could prevent much of what is currently bogging down the system and inconveniencing everyone from committee members, licensees, and witnesses. Oftentimes, there is little more than a personal dispute that can be resolved by other means. I know first hand, that occasionally the complainant does not attend the hearing and everyone is told they can leave.

Click Here to upgrade to m is that license holders deserve a better notification gal representation) are not allowed and absence from

The nearing jeopardizes a renewal, the current notification process is completely unfair. A form letter arrives just a few days prior to a hearing date announcing mandatory attendance. If a license holder is out of town or on vacation, that could be disastrous.

Furthermore, the notice itself is vague and does not provide much of the information a license holder needs. It does not describe in the complaint in exact detail or who is making the complaint. The verbiage of this notification letter is offensive in its broad strokes-- suggesting that a license-holder is responsible for acts ranging from public urination to destruction of property-- even if that has nothing to do with the complaint.

The Task Force should also focus on ways to implement a consistent set of suspensions and revocations. I do realize that much of what the committee is forced to decide is subjective, but I have seen such wild vacillations in "sentencing" that it has cast a shadow on the credibility of the committee to be able to make good judgments.

Yes, license holders absolutely must be held responsible, but so too, should the committee be expected to act responsibly. For many of these small business owners, this license is their livelihood—losing it, even for a two-month suspension, could be a death blow. Inconsistent judgments that can seem arbitrary—based on everything from the mood of a committee member to the license holders' inability to communicate well in English—need to come to an end. There simply must be a detailed guideline for irresponsible use of beverage licenses.

Again, I would like to thank you for the opportunity to express concerns with the system. I hope my comments help in some way and would be happy to offer follow up if need be. In my opinion, this review is long overdue. Best of luck to you and the task force.

Sincerely,

Mike Eitel
Diablos Rojos Restaurant Group

STRONGER CRIERIA FOR LICENSING GROCERY STORE A & B ALCOHOL SALES BY

BOB GREENE, MERRILL PARK MEIGHBORHOOD ASSOCIATION December 11, 2008

Being a Resident of the Merrill Park Neighborhood for 50 Plus years and a member of the Neighborhood Association for 25 of those years, I have had the unique opportunity to witness firsthand the changes in State Statutes and Local Licensing Ordinances that have contributed to the decline in the Quality of Life of our neighborhoods throughout the City.

To see a neighborhood where once SEVEN different grocery stores operated profitably and NONE sold any type of alcohol. We had ONE Liquor Store – Stapleton's B&B Beer Depot.

Then came the seventies and eighties where Large Box Grocery Stores began to proliferate and State Law and Local Ordinances were changed to allow Grocery Stores to sell beer and Spirits also, as a convenience to shoppers using these larger format stores. This applied to all stores selling food.

Smaller, neighborhood stores could not compete with the volume pricing that bigger stores could enjoy by buying in larger quantities. With Beer having a high profit margin, these smaller stores began selling more beer and convenience items to the point that groceries became a smaller sales percentage than the beer and convenience items. In effect, these grocery stores became Convenience Stores.

Crack and Gangs became an ever increasing presence in the city and these "Convenience Stores started to focus on drug paraphernalia, chips and beer as their main items to sell. The Gangs and Drug dealers began to claim the areas around these stores as their "Turf" to sell drugs and recruit area youths to become soldiers to expand their Turf.

Drug Houses and Prostitution began to locate around these stores for Users to go and smoke their weed or crack and to also be close to their source. Rival Gangs began fighting for the "Choice Stores where high volume sales were happening. We even had an applicant apply for a Beer License for a Candy Store he was trying to open in a former Barber Shop at 234 N. 35th St.

I could go on in more detail, but I believe that I am telling you what you are probably already aware of, and I want to underscore this Statute change that I li9ke most feel was the cause of many of the problems that our communities face.

I ask that you consider the following suggestions in strengthening the parameter in which to receive a Liquor license

Pg. 2 STRONGER CRIERIA FOR LICENSING GROCERY STORE A & B ALCOHOL SALES BY

BOB GREENE, MERRILL PARK MEIGHBORHOOD ASSOCIATION December 11, 2008

- Beer/Alcohol cannot be more than 25% of store sales
- Citizen testimony given a greater weight in determining approval/disapproval of License
- Criminal incidents from prior year(s) and prior owners to new applicant and (renewal) current owners be held more accountable for citations/Police Calls in and around their sphere (store perimeter) of influence.
- More diligent of the Health Inspection process in determining License viability to proceed.

GRANT F. LANGLEYCity Attorney

RUDOLPH M. KONRAD LINDA ULISS BURKE VINCENT D. MOSCHELLA Deputy City Attorneys



THOMAS O. GARTNER

BRUCE D. SCHRIMPF

THOMAS J. BEAMISH

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PATRICIA A. FRICKER HEIDI WICK SPOERL KURT A. BEHLING GREGG C. HAGOPIAN ELLEN H. TANGEN

MELANIE R. SWANK JAY A. UNORA DONALD L. SCHRIEFER EDWARD M. EHRLICH LEONARD A. TOKUS MIRIAM R. HORWITZ MARYNELL REGAN

G. O'SULLIVAN-CROWLEY

KATHRYN Z. BLOCK MEGAN T. CRUMP

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SUSAN D. BICKERT STUART S. MUKAMAL

March 17, 2009

Honorable Louis Butler c/o Tobie Black License Division City Hall, Room 105

Re: Suggestion for Alcohol Beverage Licensing Task Force

Dear Justice Butler:

In addition to the previous suggestions we have made regarding bringing more transparency to the processing of alcohol beverage licenses, we believe that it would be the best practice for Licenses Committee members to refrain from making indications of support or opposition to any new license application or renewal. However, if a Licenses Committee member does present relevant facts to the Committee, then we recommend that this member should abstain from voting on this matter at the Committee. This would not preclude that member from voting on the matter when it comes before the full Common Council.

The basis of this recommendation is two-fold. First, there is due process and the need to have the Licenses Committee recommendation free of any hint of pre-judgment or bias. Second, since the concept of aldermanic privilege has received considerable attention, we believe that alderpersons refraining from openly opposing or supporting a license and voting on the license in Committee will alleviate the appearance of aldermanic privilege.

GRANT F. LANGLEY

City Attorney

BRUCE D. SCHRIMPF Assistant City Attorney

BDS:wt:143058

OFFICE OF THE CITY ATTORNEY

Milwaukee City Hall Suite 800 • 200 East Wells Street • Milwaukee, Wisconsin 53202-3551 Telephone: 414.286.2601 • TDD:



April 17, 2009

Alcohol Beverage Licensing Task Force City Hall, 200 E. Wells Street Milwaukee, WI 53202 (414) 286-2221 (414) 286-3456

RE: Feedback on the Preliminary Report and Recommendations & Follow-up to April 16th, 2009 Public Hearing

Justice Louis Butler, Task Force Chair:

I commend the efforts by the Alcohol Beverage Licensing Task Force (ABLTF) in developing the 22 recommendations. It is in my opinion, that the recommendations show fairness for both potential and current licenses holders and the Licenses Committee.

As a follow-up to my comments made at the April 16th Public Hearing, below is a list of concerns, suggestions and feedback based on the recommendations made by ABLTF.

 AWARENESS: ABLTF has recommended that a pamphlet be created and published for licenses renewal application. ABLTF has also recommended an increase of 500 feet for notices.

I would also suggest that hearing dates are published and listed in all Licenses Committee promotional materials including websites and the City of Milwaukee E-Notify system. Information for the Licenses Committee should be less than "two-clicks" away from the City of Milwaukee home page on the internet.

• **CONFLICT RESOLUTION:** ABLTF has recommended that objections be substantiated in a form to be prescribed by the Common Council.

I would also suggest for contested hearings, pre-meetings are scheduled with all involved parties (license applicant, residents, Common Council and Police Department) to be held at the respective District Police Station. These meetings are to inform all parties of the objections and to decide if a written solution can be drafted to be presented at the licenses hearing.

• **HEARING SCHEDULES:** ABLTF has recommended that special attention be given to the scheduling of contested versus non-contested items.

I would also suggest that contested items have hearing times that are conducive to the hours (where applicable) of working residents, where residents have contested.

 COMMUNITY INPUT: ABLTF has recommended an increase of 500 feet for notices.

In recent years, communities have relied on the representation of the Common Council when supporting or denying a licenses applicant. Recommendations by ABLTF should consider other ways communities are able to give input.

For example, the Near Westside Comprehensive Plan adopted by the Common Council in 2004 details recommendations in revitalizing and improving the quality of life for communities. Such plans developed by many stakeholders should be a part of the "body of evidence" when the Licenses Committees is reviewing an applicant.

• QUALITY BUSINESS OPERATIONS: ABLTF has recommended the decision to schedule a renewal application be made administratively by the License Division and based solely upon information contained in a police summary. ABLTF has recommended that the Common Council establish criteria for determining when concentration is an issue based on land use. ABLTF has recommended that greater attention be paid to the "business plan" of the applicant.

From the start of the process to the license hearing, special consideration must be made on how applicants have maintained their business operations. Such "body of evidence" should not be limited to police reports. Licenses Committee should have the opportunity to review current business plans that address such issues as code violations, security and façade treatment.

Many licensed establishments within a few miles of City Hall for decades have kept the lowest standards for maintaining their property (see pictures).



Property located on 27th & Wisconsin continues to have code violations with little thought or care as to the aesthetics of the building or surrounding neighborhood.



The above liquor store located at 28th and Fond du lac Avenue has maintained a property and façade that includes trashy, old, scratched windows, exterior security grates, an over use of signage, a crumbling porch, broken fencing and host of other issues. Once again, not much consideration has been made on the aesthetics of the building or surrounding neighborhood by owner.

In keeping with quality business operations, City of Milwaukee **inspectors should inspect applicants' property** at a minimum of 60 days prior to a license hearing.

Such inspections are currently required by commercial and residential property owners and license applicant should have the same standards. Such "due diligence" by the City will help determine if applicant has operated as a quality business owner.

The Licenses Committee should consider concentration of liquor licenses where no other additional activity is taking place such as dining and/or entertainment. **Communities should not be seen as liquor depots** for the City of Milwaukee where the only available activity is to "buy liquor and stand on the corner to drink it".

I appreciate the opportunity to share my feedback, suggestions and recommendations to ABLTF. It is not my goal to either deter business within the City of Milwaukee or "pick a fight" with any future applicants including the businesses stated in this letter. However, it is my goal to inform ABLTF, Common Council President Willie Hines and the Common Council on ways to improve the Licenses Committee proceeding that neither limits or adds too much weight to the process.

Regards,

Keith S. SOHI District Manager manager@sohidistrict.org

Written comments from Thomas McNeal

it is important that the council take a good look at the way the license committee handles situations regarding people leaving bussinesses after closing. it is argued that bussiness owners should have the power to control the actions of anyone who enters or leaves their establishment. my possition is that adults are uncontrolable unless they want to be controlled. jails, prisons and other types of controlled environments are unable to stop adults in their care from acting badly. we are in most cases unable to control our children which in some cases leads to abuse of our children in order to gain compliance.

this unreasonable expectation alone is the major cause of mianly black and other none white owned liquor establishments being closed by the common council. when we ask, what should we do to control the adults who enter our bussinesses? the Chairman will respond that,"if i tell my kids to keep the noise down they varywell better." how does one tell adults who has kid of their own to act like good kids? Kids don't drink or attend these establishments, what are we to do?

regarding the plans of opperations and weather they should be followed to the letter . in my experiance i've found that the goal of most small bussinesses, large corparations and even cities and states is to move the bussiness forward. now, to move a bussiness forward does not always mean straight ahead. in other words deviation from the original plan is somtimes neccessary in order to advance and move forward. if bussiness are held to the letter of their original plans and punished when they make changes or if they find that the plan is not cost effective and do not impliment. should they close their bussiness? it is unreasonable to expect the average small bussiness owner to predict what the future holds when no one else can.sometimes we have to make quick changes based on what's best for our bussiness. give us a chance and time, somtimes it takes longer than a year but of course we can't make five year plans for bussiness in the city if milwaukee, doing bussiness in milwaukee is like being a minority head coach of the milwaukee bucks or the green bay packers, one year and out, right or wrong.