

City of Salem, Massachusetts



**"Know Your Rights Under the Open Meeting Law, M.G.L. c. 39 §23B, and City Ordinance Sections 2-2028 through 2-2033."**

The City Council Committee on Ordinances, Licenses & Legal Affairs coposted with the Committee of the Whole

met in the Council Chamber on Tuesday, November 29, 2011 at 6:30 P.M.

for the purpose of discussing the matter(s) listed below. Notice of this meeting was posted on November 23, 2011 at 3:25 pm.

(This meeting is being recorded.)

**ATTENDANCE**

**ABSENT WERE:** \_\_\_\_\_  
\_\_\_\_\_

**SUBJECT(S)**

#319 - Ordinance Amending Ch. 2 Sec. 502 re: separate vote by Council for any tax  
tax increase up to 2½% (COPOSTED)

#468 - Home Rule Petition Criteria for Liquor Licenses (COPOSTED)

- Prioritize Committee Matters - which to carryover or let die (OLLA ONLY)

*See Appendix A for  
Committee Action & Votes*

## APPENDIX A

### To be attached to Committee on Ordinances, Licenses and Legal Affairs Committee Report dated 11/29/11

**Committee Members Present: Lovely, Sargent, Sosnowski, O’Keefe**

**Committee Member Absent: Pelletier**

**Committee of the Whole Members Present: McCarthy, Ronan, Prevey, Pinto**

**Committee of the Whole Members Absent: Furey, Ryan**

**The committee discussed the following posted agenda items: (\*co-posted with COW)**

\*Ordinance to vote on 2.5% Tax Increase/Budget

\*Home Rule Petition for Liquor License Criteria

Prioritize Committee Matters to decide action to take (i.e. carryover, discharge)

INVITED: Mayor or Rep., Solicitor, Finance Director, Chamber of Commerce Director

**Order #319: Ordinance to vote on 2.5% Tax Increase/Budget**

C. Ronan

Lead the discussion

Leading issue in Ward 5 – tax property relief

Is there a meaningful measure of tax relief?

Rather than assume the maximum tax increase

Tell administration what to spend

**C. O’Keefe**

**Motion to amend ordinance by striking last two sentences from proposed ordinance**

**C. Sosnowski**

**Second**

Mayor Driscoll

Explained the administration’s stand on the proposal

Council has authority to cut budget now

Process is accountable

Finance Director

Explained the budget process including fluctuating revenue streams

C. Prevey

What if council adopts a different tax shift?

Finance Director

Budget stays the same just shifts RE classification

C. Prevey

What if council voted on this in May and not February?

Finance Director

City waits for good numbers from the state before formulating a budget

Mayor Driscoll	Budget Retreat helps council and administration formulate the budget
C. Ronan	There is a built in conflict between both branches of government Law says tax increase can be 2.5% each year Administration wants authority to set budget on that maximum number City Council should set that number
C. Driscoll	Doesn't see conflict between council and administration Sees the goals of the two branches as the same
C. Ronan	Explained the levy limit
C. McCarthy	Took exception to C. Ronan comments that only he and administration knows about how the levy limit works
C. Ronan	Did not mean it that way Process to get rid of excess capacity = under-ride would get rid of excess amount so that it is not carried over to the next year
C. Sargent	We don't always end up spending 2.5% A lot of flux on state numbers
C. McCarthy	If this were to pass would mayor be obligated to formulate budget based on the number passed by the city council?
City Solicitor	Depends on many factors – difficult to quantify
Finance Director	Doesn't preclude mayor from submitting balanced budget City council controls purse strings on expenditures Revenue estimates in February, April, June Rubber meets road in December when we set the tax rate
C. Sargent	When does an under-ride vote take place?
Finance Director	Anytime but then goes to the ballot
<b>C. O'Keefe</b>	<b>Motion that matter to adopted for first passage with amendment</b>
<b>C.</b>	<b>No second</b>
	<b>Motion failed</b>

**Order #468:**                    **Home Rule Petition for Liquor License Criteria**  
City Solicitor                    Explained home rule petition criteria recommended to the city council by the subcommittee

**C. O’Keefe**                    **Motion that B. STRIKE from Note: All criteria below are not required, but are to be considered by the Board when reviewing applicant requests and REPLACE with The following criteria shall be considered by the Board when reviewing an applicant’s request.**

**C. Sargent**                    **Second**  
**C. O’Keefe**                    **Withdraw his motion**

C. Sosnowski                    Concerned about the ordinance  
What about a cap?  
What about the Salem Waterfront Hotel license with no building

C. Prevey                        Harshesht critic of HRP  
What about a cap?

B. Rennard                      Only 3 of the 7 current conversions may be moving forward  
We can put in text specific to sunset the license

C. Sargent                        Can criteria run with the license?

C. McCarthy                    Can we set a cap on seasonal licenses?

B. Rennard                      No

C. Sosnowski                    Wants a cap

Solicitor                         Conversion Fees in front of Licensing Board

C. Pinto                         Dilute city with a lot of licenses with devalue the licenses  
Gloucester seasonal licenses are only seasonal and cannot be converted  
Separate fee for seasonal licenses in Gloucester

C. Sosnowski                    Should criteria include provision for public safety/increase in crime?

Patrick Shultz Howling Wolf	<p>Transferability of licenses</p> <p>Issue was/is level playing fee</p> <p>Fee determined by Licensing Board</p> <p>Determined by market value</p> <p>Beer/wine license at \$20,000</p> <p>Board still considering how to value full alcohol perhaps at \$60,000</p> <p>Board has discounted rate at 25% to account for fact that license cannot be moved</p> <p>Saturation point another topic based on politics</p> <p>Measure it against good for city as a whole</p> <p>Many businesses with licenses of lesser value</p> <p>Fewer businesses with licenses of more value</p> <p>Competition is good</p> <p>Free licenses are unfair (Tavern)</p> <p>Beer Works re-vamped his business to reflect competition (Tavern)</p> <p>Initial licenses had no value set</p> <p>100% behind having a fee behind HRP licenses</p> <p>Looked for 2 years to buy a license and there were any available</p> <p>Free floating licenses do not exist/attached to other RE</p>
C. Sosnowski	<p>Need to find an equation that works for everyone</p>
Rinus Oostek Salem Chamber	<p>Aside from state law there is no cap under HRP</p> <p>HRP Criteria will determine market</p>
Shirley Walker	<p>What she isn't hearing in the discussion is including the B5 residents</p> <p>Crime is up in the downtown</p> <p>Salem is number 4 in crime on North Shore Communities (Source: FBI)</p> <p>Quincy Licensing Board composed of Police Chief, Fire Chief, Building Inspector, City Clerk and ? (Five member board)</p> <p>Over-serving in establishments is creating a problem in the B5</p> <p>If this is going to go through then take the money from conversion fees and put in fund for public safety</p>
Marlene Faust	<p>Statement read into the record by Shirley Walker</p>
<b>C. O'Keefe</b>	<p><b>Motion that matter remain in committee and Solicitor continue to work on HRP criteria with subcommittee based on comments from this meeting</b></p>
<b>C. Sargent</b>	<p><b>Second</b></p> <p><b>All in favor none opposed Voted</b></p>

**Prioritize Committee Matters to decide action to take (i.e. carryover, discharge)**

- C. O'Keefe**            **Motion to carry over the following matters:**
- 158-07/92-09/226-09/608-09**        **Tinkers Island**
  - 468 and 275**    **Liquor License issues (combine them going forward)**
  - 500**    **Public Guide Licenses**
  - 154**    **Resident Sticker Parking Derby Street**
  - 489**    **Temporary suspension Fortunetelling Licenses**
  - 533**    **Amend Ch. 12 Maintenance of Structures and Property**
  - 534**    **Amend Ch. 37 Stormwater Maintenance**
  - 550**    **Eaton Place**
  - 592**    **John Femino Letter/Lifebridge**
  - 622**    **Rules and Regs for Rooming Houses**
  - 630**    **Speed zones Swampscott Rd and Whalers Ln**
  - 682**    **Hearing Taxi Operator License Kenneth Mason**
  - 698A**    **Ordinance amending Taxi Ordinance**

**C. Sosnowski**        **Second**  
**All in favor none opposed Voted**

**All other matters will not be carried over:**  
**(276/189/319/321/322/590/646/647)**

**Meeting date(s) and subject matter(s) and invitees may change due to unforeseen circumstances. Please refer to the City's meeting calendar for official meeting postings.**

**Motion C. O'Keefe to adjourn.**  
**All in favor None opposed Approved**  
**Meeting was adjourned at 8:45PM**

When you decide to allow more liquor licenses it seems you are thinking only of short term gain. Your vision from Salem is lacking if you allow liquor licenses to proliferate.

As a B-5 resident, I see that we are on course of allowing more + more bars + masquerading as restaurants. Here is the future I envision if this continues: Salem will become known as The place to drink and get crazy — a place that turns a blind eye and a deaf ear to the effects of over-drinking of alcohol. These effects include ear-splitting screaming, honking of car horns, fights, real violence and drunk driving. Salem's downtown condos will go bankrupt and become poorly maintained ~~buildings~~ apartment houses.

If we commit to more liquor licenses, we will take Salem back in time — ~~to~~ to a time when the downtown was creepy + dangerous and few residents walked the streets. Alcohol breeds violence which breeds fear which causes flight from a city.

Is that what we want?

Marlene Faust