

IN THE MATTER OF THE	*	BEFORE THE ALCOHOLIC
APPLICATION OF UDAYA KIRAN	*	BEVERAGE HEARING BOARD
KADALI ON BEHALF OF SK DREAMS,	*	OF
LLC. T/A TONIC WINE AND SPIRITS	*	HOWARD COUNTY, MARYLAND
FOR A NEW CLASS A-1, BEER, WINE	*	
& LIQUOR 7-DAY OFF SALE LICENSE	*	Case No.: 20-37

DECISION AND ORDER

The Board of License Commissioners for Howard County, Maryland (the “Liquor Board”), pursuant to Rule 1.02(A) of the Liquor Board Rules and Regulations, has delegated the authority to hear and decide cases to the Alcoholic Beverage Hearing Board for Howard County, Maryland (the “Hearing Board”).

On September 8, October 13 and November 10, 2020, using WebEx, a web-based on-line platform, the Hearing Board heard the application of Udaya Kiran Kadali (the “Applicant”), on behalf of SK Dreams, LLC t/a Tonic Wine and Spirits (“Tonic Wine and Spirits”) for a new Class A-1, Beer, Wine and Liquor, 7-day off-sale license and a tasting license for a 1,495 square foot package goods store located at 11100 Barnsley Way, Suite D, Marriottsville, MD 21104.

The hearing was properly advertised, and the property was posted pursuant to the Alcoholic Beverages Article of the Annotated Code of Maryland. The Applicant was represented by Christopher DeCarlo, Esquire. There were several protestants who appeared in opposition to the application, including Scott Karp, Michael Hurd, Kimberly Brandt, Stephen Klein, Nancy Kelbaugh, Harry Butler and Peter Dolan.

All the documents on file were incorporated into the record by reference.

SUMMARY OF TESTIMONY

Udaya Kadali, 100% owner of the LLC and sole proposed licensee, was sworn in and testified that he is the only one that has a financial interest in this proposed package goods store. Mr. Kadali testified that he has been a resident of Howard County since 2005, has never been convicted of a felony and has never held a liquor license. Mr. Kadali explained that this store will be a new construction and will be located at the entrance to the Waverly Woods West community.

Mr. Kadali testified that he hopes to open this package goods store prior to Christmas, 2020, however, it is not built out on the inside yet and he is waiting to have his liquor license approved prior to signing the lease and beginning improvements. Mr. Kadali stated that the hours of operations will be Monday through Sunday from 10 a.m. to 10 p.m. and that he plans to be there every day from 3:30p.m. to 10:00 p.m., which are the busiest times, and on the weekends from open to close. Mr. Kadali testified that he has a day job as a software engineer and will drop into the store during his lunch break. Mr. Kadali testified that he intends to leave his current full-time employment and transition to work full time only at the proposed store.

Mr. Kadali testified that there will be a security system at the store and that he also plans to use cameras to livestream operations so that he can oversee operations when he is not present. Mr. Kadali testified that he lives less than 5 miles away from the proposed store. Mr. Kadali testified that he is prepared to be a licensee as he has experience with management and retail as he previously owned a small retail business and has even taken a wine and spirit education course.

Mr. Kadali testified that for the past 2 years he has shadowed liquor stores owned by Indians in order to research the alcohol needs of the large, nearby Indian community and he plans to concentrate on selling desired Indian beer, wine and spirits, along with local beers.

Mr. Kadali testified that he comes from a community that makes and sells liquor, he is very familiar with Indian spirits and that he has been in contact with local distributors about securing Indian products through proper channels.

Mr. Kadali testified that this will be a family-run store and he intends this store to be a high-end boutique store. Mr. Kadali testified that this will not be a typical store in that no miniatures, shorties or single servings will be sold and there will be no signs in the windows. Mr. Kadali testified that he plans to hold special tastings at the store and will have a gift shop area with cookbooks and spices to be used for drinks.

Mr. Kadali testified that there is a public need for this store as there are 350 residences behind the store location and their approximately 61,000 residents within a five-mile radius. Mr. Kadali testified that the majority of the Indian population resides near his proposed store. Mr. Kadali testified that there are only two liquor stores nearby – one on the other side of I-70 and the other on the other side of Marriottsville Road. Mr. Kadali testified that he does not feel his store will take away from other businesses as the number of residents in the area can support this small store which will focus on Indian wines, beers, and spirits.

Mr. Kadali testified that he and 3-4 of his employees have taken alcohol awareness training and offered his alcohol awareness certificate as an exhibit. Mr. Kadali testified that he is in the process of preparing a booklet outlining store policies, which will include liquor policies for Howard County and Maryland. Mr. Kadali testified that his employees will be over 21 years old and that no one underage will be sold alcohol and will be asked to leave. Mr. Kadali testified that anyone appearing to be under the age of 40 will be asked to provide identification, which will be checked with a point-of-sale scanning device.

Mr. Kadali testified that he has reviewed and understands the Liquor Board Rules and that no prohibited practices will occur. Mr. Kadali testified to the importance of safety for his

customers and that any questionable activity will be stopped 9-11 will be called if necessary. Mr. Kadali does not think there will be any problems as this will be a high-end establishment.

Mr. Kadali testified that the granting of this liquor license will accommodate the public and he ensures that the operation of the store will not disturb residents and will not impact the community in a negative way. Mr. Kadali testified that he plans to give back to the community and will provide support to Howard County schools, including helping to organize events at high schools.

Mr. Kadali testified that there was a discrepancy on the background report prepared by Detective Baxter and that the report was erroneous as his name was noted incorrectly.

Mr. Kadali testified that there will be lighting inside and outside the store and that the security system can be monitored 24/7. Mr. Kadali testified that he has shadowed at JJ Liquors and Normandy Liquors and understands the general feel of the operation of a liquor store.. Mr. Kadali testified that his wife and sister will be at the store when he is not there, and his store will be safe, even though they will not have a security guard on site.

Mr. Kadali testified that this proposed store is going into a commercial center that has already been approved and the other stores will increase the traffic. Mr. Kadali feels that his liquor store will be different, more unique than other liquor stores and will showcase his cultural heritage. Mr. Kadali testified that he belongs to Indian groups and he plans to service the Indian population as well as expose other citizens to Indian culture. Mr. Kadali testified that there will be music playing in the background, there will be TVs playing that show how wines and unique spirits are made and tastings will be available.

The following exhibits were offered and accepted by the Board into the record:

- Exhibit #1 – Aerial view of the store location
- Exhibit #2 – Photograph of Street view of store to be leased (Suite D)
- Exhibit #3 – Chart with population of residents in the area

- Exhibit #4 – Chart showing Asian population in Howard County by census tract
- Exhibit #5 – Floorplan of the store
- Exhibit #6 – Map showing 5-mile radius of other liquor stores in the area
- Exhibit #7 – Zoning Map of Howard County.
- Exhibit #8 – Alcoholic Awareness certificate

Jeremy Eldridge, neighbor and supporter, was sworn in and testified that he has lived in the area for six years and has visited other liquor stores in the area looking for different types of wine. Mr. Eldridge testified that this proposed liquor store is close to his house and will have a positive impact and will be beneficial to the community. Mr. Eldridge testified that he has no concerns for security as he is not aware of much crime in this shopping center. He testified that he is very active in the community association and that there is a large Asian community in Howard County and that this would be a positive impact for the community and would support Howard County, Maryland's goal of equity and inclusion.

Michael Hurd¹, spokesperson of Waverly Woods West Homeowners Association, was sworn in and testified that there are 481 homes in the community that he is representing. Mr. Hurd testified that he questions the market analysis concerning the need for this business and that there are other liquor stores within a 5-mile radius that already satisfy the need of the residents. Mr. Hurd urged the Board to deny the application.

Kimberly Brandt, was sworn in and testified that the HOA may be in opposition to this liquor store, however, she is not. Ms. Brandt testified that no one in her neighborhood was consulted or polled by the HOA and does not feel that everyone in the HOA is opposed to this proposed liquor store. Ms. Brandt testified that she has lived in the neighborhood for a little

¹ Prior to Mr. Hurd's testimony, Chairperson Bird denied a request from Mr. Scott Karp to cross examine Mr. Kadali and to object to the evidence previously accepted by the Board. The request was denied as there was ample opportunity at the September 8th hearing to voice interest to cross examine and to object to evidence and Mr. Karp did not avail himself of that opportunity.

over a year and supports this application and objects to the HOA voicing an opinion for the neighborhood as a whole.

Stephen Klein, neighbor in opposition, was sworn in and testified that there is an adequate amount of liquor stores that would satisfy the need of the community. Mr. Klein stated that he was opposed to the shopping center in its entirety; however, he understands that the County has approved the site of the center. Mr. Klein is opposed to the application.

Scott Karp, neighbor in opposition, was sworn in and testified that there are two liquor stores within walking distance and there isn't a need for the applicant's proposed store and does not support this application. Mr. Karp offered into evidence a document from the State Dept. of Assessments and Taxation showing that SK Dreams, LLC the principal office listed was not correct as he had not signed lease for the location. Mr. DeCarlo proffered that this would be corrected before the license is issued. The Board accepted this Exhibit into evidence as Opposition Exhibit 1 and gave it the weight that it deserves.

Mr. Karp testified that he had concerns, including that there is no square footage indicated on the floorplan and questions whether there is enough space for storage of inventory. Mr. Karp testified that there may be boxes stored in the aisles and since there are many residents in the neighborhood using wheelchairs and scooters, this store may not be ADA compliant.

Nancy Kelbaugh, neighbor in opposition, was sworn in and testified that this store will threaten the success of other competitive stores that are nearby as the majority of products that will be sold in the proposed store would be available at the other liquor stores that are currently in operation. Mr. Kelbaugh expressed safety concerns and suggested that criminals could quickly escape on nearby I-70. Ms. Kelbaugh also expressed concerns about lighting and possible trash in the parking lot.

Harry Butler, neighbor in opposition, was sworn in and testified that he has concerns about whether there will be adequate lighting at the proposed location. He stated that he heard no testimony that the applicants have knowledge about available wines. Mr. Butler testified that most residents in the neighborhood are owners and the neighborhood is considered a 55 and over community. Mr. Butler stated that a vast majority of residents frequent the existing liquor stores that are already in operation.

Peter Dolan, neighbor in opposition, was sworn and testified that he has been a member of the community since 2014 and there is only one way in and one way out to the commercial site. Mr. Dolan stated that at the October HOA meeting, no one spoke in favor of the proposed liquor store. Mr. Dolan testified that he was on the HOA Board for several years and has seen numerous e-mails but none in favor of the liquor store. Mr. Dolan objected to the liquor store being open 7 days a week until 10 p.m. and that there would be increased traffic. Mr. Dolan did indicate that if the hours were reduced that he may be favorable toward the store.

In rebuttal, Ran Kunch, resident of Howard County and involved in the Indian community, was sworn in and testified that he knows the applicant and supports this liquor store. Mr. Kunch testified that there is very limited Indian alcohol in the area, there is a need for certain Indian wines and alcohol and that this store and their offered services are needed.

Joseph Rutter, planning and zoning consultant, was sworn and testified that he is an AICP certified professional planner since 1978 and former Director of Planning and Zoning for Howard County and Anne Arundel County. Mr. Rutter testified that he is very familiar with planning and growth in Howard County and that this is a logical service area for this proposed store. Mr. Rutter testified that Waverly Woods was identified on the 2020 General Plan growth area as a targeted growth area which serves nearby locations. Mr. Rutter stated

that this Waverly Woods project will include 350 single family attached homes and 112 apartments – 462 units that access Marriottsville Road from Barnsley. Mr. Rutter testified that the traffic going to this center does not need to go through the residential area. Mr. Rutter testified that this project complies with the parking requirements for a small retail store and there is not a high volume of traffic. Mr. Rutter stated that there would be no more congestion for this store than there would be at other retail businesses in the center. Mr. Rutter stated that part of the Site Development Plan process will be open to the public.

Mr. Rutter testified that this liquor store will not disturb the peace and safety of the residents in the residential community. This is an age-restricted community and the concept is to provide amenities for residents and granting of this store will satisfy the public need. Mr. Rutter testified that this corner site was always been designated as a commercial site and that the County already approved the traffic for all permitted uses in the shopping center.

The Board accepted Opposition Exhibit May 2017 SDP page of Waverly Woods Plan.

Pursuant to Rule 6.13 of the Liquor Board Rules and Regulations, the Applicant waived his right to request the Liquor Board to hear the case.

Based on the evidence presented at the hearing, the Alcoholic Beverage Hearing Board makes the following Findings of Fact and Conclusions of Law:

FINDINGS OF FACT

1. The Hearing Board finds that Udaya Kiran Kadali, on behalf of SK Dreams, LLC t/a Tonic Wine and Spirits has applied for a new Class A-1, Beer, Wine and Liquor, 7-day off-sale license and a tasting license for a 1,495 square foot package goods store located at 11100 Barnsley Way, Suite D, Marriottsville, MD 21104.
2. The Applicant has been a resident of Howard County, Maryland since 2005.
3. The proposed hours operations for the store will be Monday through Sunday from

10:00a.m. to 10:00p.m.

4. The Applicant has previous experience as small retail business owner and has taken wine and spirits' education courses.
5. The Applicant has shadowed liquor stores for the past two years to learn their operations.
6. The Applicant intends for this store to be a high-end boutique store that sells Indian beer, wine, and spirits along with local alcoholic beverage products.
7. The Applicant and several of his employees have received the alcohol awareness training certification.
8. The Hearing Board finds that the Applicant is a fit and proper person to hold an alcoholic beverage license.
9. The Hearing Board finds that the granting of the application is necessary for the accommodation of the public.
10. The Hearing Board finds that the granting of the application will not unduly disturb the peace and safety of the residents of the neighborhood.

CONCLUSIONS OF LAW

1. The Hearing Board concludes that Udaya Kiran Kadali, on behalf of SK Dreams, LLC t/a Tonic Wine and Spirits has applied for a new Class A-1, Beer, Wine and Liquor, 7-day off-sale license and a tasting license for a 1,495 square foot package goods store located at 11100 Barnsley Way, Suite D, Marriottsville, MD 21104.

2. The Hearing Board concludes that Udaya Kiran Kadali meets the State of Maryland resident agent requirements.

3. The Hearing Board concludes that the Applicant is a fit and proper person to hold an alcoholic beverage license.

4. The Hearing Board concludes that the granting of the application is necessary for the accommodation of the public.

5. The Hearing Board concludes that the granting of the application would not unduly disturb the peace and safety of the neighborhood.

ORDER

For the foregoing reasons, it is this 23rd day of August, 2021, by the Alcoholic Beverage Hearing Board of Howard County **ORDERED** that the application of Udaya Kiran Kadali, on behalf of SK Dreams, LLC t/a Tonic Wine and Spirits for a new Class A-1, Beer, Wine and Liquor, 7-day off-sale license and a tasting license for a 1,495 square foot package goods store located at 11100 Barnsley Way, Suite D, Marriottsville, MD 21104, be and the same is hereby **GRANTED**, subject to the following conditions:

- (a) That the Applicant complies with all State and County Rules and Regulations; and
- (b) That the Applicant satisfies any requirements necessary to obtain the license by November 30, 2021, unless that deadline is extended by the Board upon good cause shown; and
- (c) Failure to comply with these conditions shall render this Proposed Decision and Order null and void.

ATTEST:

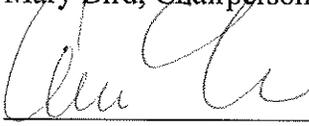
**ALCOHOLIC BEVERAGE HEARING
BOARD OF HOWARD COUNTY,
MARYLAND**



Ashley Aguilar
Board Administrator

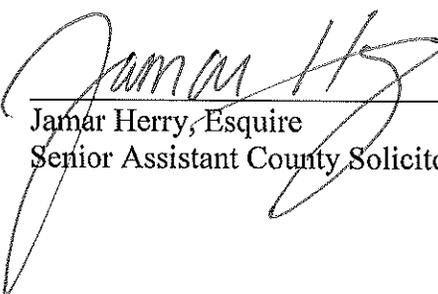


Mary Bird, Chairperson



Harry Evans, Vice Chairperson

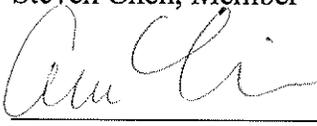
**REVIEWED BY HOWARD COUNTY
OFFICE OF LAW
GARY W. KUC
COUNTY SOLICITOR**



Jamar Herry, Esquire
Senior Assistant County Solicitor

DISSENT

Steven Chen, Member



Charley C. Sung, Member



Claire Kim, Member

**ANY PERSON AGGRIEVED BY THIS DECISION AND ORDER MAY APPEAL
THE DECISION TO THE LIQUOR BOARD WITHIN TEN DAYS OF THE DATE OF
THE DECISION, IN ACCORD WITH RULE 6.14 OF THE RULES AND
REGULATIONS OF THE LIQUOR BOARD.**