IN THE MATTER OF THE BEFORE THE ALCOHOLIC APPLICATION OF THOMAS ROBERT MCGUIRE, JR., KASEY CHARLES BEVERAGE HEARING BOARD TURNER, AND JUSTIN WILLIAM BONNER ON BEHALF OF JAILBREAK FOR BREWING COMPANY, LLC, t/a JAILBREAK BREWING COMPANY, FOR* HOWARD COUNTY, MARYLAND AN EXTENSION OF PREMISES AND A CHANGE OF CLASS FOR A CLASS B Case No.: 17-27 BEER, WINE, AND LIQUOR 7-DAY ON- * SALE LICENSE

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 May 30, 2017, the Hearing Board heard the application of Thomas Robert McGuire, Jr., Kasey Charles Turner, and Justin William Bonner (the "Applicants"), on behalf of Jailbreak Brewing Company, LLC, t/a Jailbreak Brewing Company ("Jailbreak Brewing Company, LLC"), for an extension of premises and a change of class from a Class D Beer 7-day on-sale license for a 3,200 square foot tavern to a Class B Beer, Wine, and Liquor 7-day on-sale license for a 4,850 square foot restaurant located at 9445 Washington Boulevard, Laurel, Maryland 20723. The hearing was properly advertised pursuant to the Alcoholic Beverages Article of the Annotated Code of Maryland. The Applicants were represented by Thomas M. Meachum, Esquire. There were no protestants who appeared in opposition to the application.

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

the following: a letter dated March 31, 2017, from the attorney for the Applicants enclosing the application; the background investigation questionnaire for the Applicants; a copy of the Maryland Motor Vehicle driving record for Justin William Bonner; a copy of the floor plan; a memorandum dated April 19, 2017, from the Liquor Board Administrator to the Alcohol Beverage Inspector, the Department of Inspections, Licenses, and Permits, the Bureau of Environmental Health, the Department of Planning and Zoning, and the Office of the Fire Marshal; the background investigation of the Applicants by the Alcohol Beverage Inspector dated May 16, 2017; an email dated April 26, 2017, from the Department of Inspections. Licenses, and Permits; a memorandum dated May 24, 2017, from the Department of Planning and Zoning; a memorandum dated May 4, 2017, from the Bureau of Environmental Health; a letter dated April 19, 2017, to the Department of Finance; a letter from the Department of Finance; a letter dated April 19, 2017, to the Comptroller of the Treasury; a fax transmission dated April 19, 2017, and a letter dated April 19, 2017, advising notification of the hearing date, and enclosing the required advertisement; an e-mail dated May 15, 2017, from the Alcoholic Beverage Inspector stating the premises had been posted, and a letter dated May 26, 2017, from the office of the Attorney for the Applicants enclosing certification of advertisement from two newspapers of general circulation.

SUMMARY OF TESTIMONY

Kasey Charles Turner, 36% shareholder of Jailbreak Brewing Company, LLC, t/a Jailbreak Brewing Company, was sworn and testified that they are requesting an extension of premises and a change of class to innovate within the beer universe. Mr. Turner testified that they plan to pair their beer with food, and hopefully, will become a destination restaurant. Mr. Turner testified that they have had a 67% increase in growth, and sold 210,676 gallons of beer in

2016. Mr. Turner testified that they are ranked 13th out of 214 breweries in the Maryland/DC/Virginia area. Mr. Turner testified that they distribute their beer to 2,055 retail customers.

Mr. Turner testified that they are a strong member of the community. Mr. Turner testified that they held a fundraiser for the flood victims of Ellicott City, and that they raised \$70,000. Mr. Turner testified that they also partner with engineering students at UMBC.

Mr. Turner testified that they are currently able to seat 150 patrons, and that with the new space would be able to seat 30 more. They will have a private event space that will seat 15 to 20 patrons. Mr. Turner testified that their hours of operation will be 11:30 A.M. to 10:00 P.M., 7 days per week. Mr. Turner testified that at the beginning, they will be closed on Mondays.

Mr. Turner testified that they have written policies, and that their employees serving alcoholic beverages will be alcohol awareness certified.

Mr. Turner testified that Mr. McGuire, the resident agent, will randomly stop by three to four times per week. Mr. Turner testified that he and Mr. Bonner are at the brewery full time.

Mr. Turner testified that they understand that if they hold a Class B license, they will be required to sell more food than alcohol. Mr. Turner testified that it is his understanding that, for the purposes of Rule 4.01(B), he would only be required to certify the percentage of gross revenue from the sale of alcoholic beverages for retail sales of alcohol under the Class B license, and not include wholesale sales under their State manufacturing license.

Mr. Turner testified that their expected time to open the restaurant, if approved, is October 1, 2017.

The following Exhibit was entered into the record: Exhibit #1 - a copy of the PowerPoint presentation by Kasey Turner Pursuant to Rule 6.13 of the Liquor Board Rules and Regulations, the Applicants waived their 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 Thomas Robert McGuire, Jr., Kasey Charles Turner, and Justin William Bonner on behalf of Jailbreak Brewing Company, LLC, t/a Jailbreak Brewing Company, have applied for a change of class and an extension of premises from a Class D Beer 7-day on-sale license for a 3,200 square foot tavern to a Class B Beer, Wine, and Liquor, 7-day on-sale license for a 4,850 square foot restaurant located at 9445 Washington Boulevard, Laurel, Maryland 20723.
- 2. The Hearing Board finds that the Applicants possess a Class 5 Brewery manufacturing license from the State and seek to change that license to a Class 7 Micro-Brewery license but must first obtain a Class B license.
- 3. The Hearing Board finds that the Applicants are fit and proper persons to hold an alcoholic beverage license.
- 4. The Hearing Board finds that Thomas Robert McGuire, Jr. has been a Howard County resident for more than two years, is a registered voter, and 10.9% shareholder of Jailbreak Brewing Company, LLC, t/a Jailbreak Brewing Company.
- 5. The Hearing Board finds that the granting of the application is necessary for the accommodation of the public.
 - 6. 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 Thomas Robert McGuire, Jr., Kasey Charles Turner, and Justin William Bonner on behalf of Jailbreak Brewing Company, LLC, t/a Jailbreak Brewing Company, have applied for a change of class and an extension of premises from a Class D Beer 7-day on-sale license for a 3,200 square foot tavern to a Class B Beer, Wine, and Liquor, 7-day on-sale license for a 4,850 square foot restaurant located at 9445 Washington Boulevard, Laurel, Maryland 20723.
- 2. The Hearing Board concludes that the Applicants are fit and proper persons to hold an alcoholic beverage license.
- 3. The Hearing Board concludes that Thomas Robert McGuire, Jr. meets the requirements of Rules 1.10(S), 1.10(T), 2.06, and 2.10 of the Liquor Board Rules and Regulations concerning resident agent qualifications.
- 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 this application would not unduly disturb the peace and safety of the neighborhood.
- 6. The Hearing Board concludes that for purposes of the certification of sales percentages of food and alcohol required by Md. Code Ann., Alc. Bev. §§ 101 and 23-902, and Liquor Board Rule 4.01(B), only the percentage of alcohol sales from retail purchases conducted under the Class B license must be reported.
- 7. The Hearing Board concludes that it may not authorize the issuance of a Class B license to the holder of a Class 5 Brewery license, unless and until the Class 5 license is

surrendered.

ORDER

For the foregoing reasons, it is this Aday of Aday of 2017, by the Alcoholic Beverage Hearing Board of Howard County **ORDERED** that the application of Thomas Robert McGuire, Jr., Kasey Charles Turner, and Justin William Bonner on behalf of Jailbreak Brewing Company, LLC, t/a Jailbreak Brewing Company, for a change of class and an extension of premises from a Class D Beer 7-day on-sale license for a 3,200 square foot tavern to a Class B Beer, Wine, and Liquor, 7-day on-sale license for a 4,850 square foot restaurant located at 9445 Washington Boulevard, Laurel, Maryland 20723, be and the same is hereby **GRANTED**, subject to the following conditions:

- (a) That the Applicants surrender their Class 5 Brewery license to the State of Maryland; and
- (b) That the Applicants comply with all State and County law; and
- (c) Failure to comply with these conditions and obtain the license by October 31, 2017, shall render this Proposed Decision and Order null and void.

ATTEST:

ALCOHOLIC BEVERAGE HEARING BOARD OF HOWARD COUNTY, MARYLAND

Denise E. King Administrator Heather Gaetano, Chairperson

ABSENT

Mary Bird, Vice-Chairperson

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

Charles C. Feaga, Member

Gene Ryan, Member

Lewis Taylor, Esquire Assistant County Solicitor

Charley C. Sung, Member