

O-46-17 and R-31-17  
Proposed Amendments to  
FY 2018 Fees Schedule and 7.12.330 - Temporary Special Class C License to Club.

Mayor Pantelides Proposed Amendments

Amendments

See attached drafts. For creating a lower fee for a Theater One Day Liquor License for a Club that is also a charitable 501(c)(3) organization for live performing theater presentations at locations with fewer than 200 seats.

Rationale:

The City charges \$75.00 per day for a One Day Liquor license authorized by Annapolis Municipal Code Section 7.12.330 - Temporary Special Class C License to Club and the FY 2018 Budget Fee Schedule. Performing arts groups presenting live theater performances as small venues with fewer than 200 seats only perform for a limited number of weekends each year. The number of attendees are not predictable in advance and may vary for each performance. Sometimes, only a few dozen patrons attend. The \$75.00 fee per day is not economical. Other Maryland jurisdictions have created a special lower annual price for a theater liquor license for live theater performances. These amendments propose to create a change that authorizes a lower annual license fee for obtaining One Day Liquor licenses under the current code for those groups presenting live actor performances that qualify as a Club and are also qualified under the Internal Revenue Service Code section 501(c)(3) as a charitable entity.

The proposed amendments are based on the laws in Montgomery County. The amendments define criteria for organizations who would qualify for the special lower fee if they are charitable nonprofits presenting live acting performances in small venues.

Studies in Maryland and nationally support the conclusion that for every dollar spent on attending a theatrical production, about \$7.00 are returned to the local economy. This includes items such as patrons going to restaurants, additional employees, expenses by the theater, and purchases of all types by attendees who are often from out of town.

There are, at least, four nonprofit theater groups in Annapolis who would qualify: Annapolis Shakespeare Company (approximately 100 seats); Annapolis Summer Garden Theater (approximately 108 seats); The Colonial Players (approximately 180 seats); and Compass Rose Theater (small seating area, number not estimated). It should be noted that these nonprofits also provide educational programming in addition to the public performances.

The economic impact of this change is not anticipated to be significant in that many of these theaters only present performances for weekends for a few weeks per year. The total performance days in the four above theaters are estimated at approximately 271 days of performances. At the \$75.00 per One Day license, the revenue is only about \$1,100 annually. The impact for each of these nonprofit theater groups, however, is significant in that they can enhance their revenue to support their arts and nonprofit missions.