

CAMBRIDGE LICENSE COMMISSION 831 MASSACHUSETTS AVE, CAMBRIDGE, MA 02139

CHRISTINE A. ELOW POLICE COMMISSIONER | BOARD MEMBER

> THOMAS CAHILL, IR. FIRE CHIEF | BOARD MEMBER

NICOLE MURATI FERRER CHAIRPERSON | BOARD MEMBER

> Kris C. Foster **EXECUTIVE OFFICER**

NOTICE OF BOARD VOTE – COMMON VICTUALLER LICENSE FEES

Issued: September 30, 2025

On September 11, 2025, during a regularly scheduled meeting, the Board of License Commissioners (the "Board") discussed the Common Victualler Licenses fee structure. Since 2017, the Common Victualler fee structure has been a \$100 base license fee and \$1 per seat in terms of indoor capacity. The Board proposed changing the calculation to include the outdoor capacity as well. Meaning, if you had 15 outdoor seats, the Common Victualler license fee would increase by \$15. The Board's reasoning stemmed from the manner in which outdoor areas are operated (eight months of the year for those on public ways, and potentially twelve months a year for those on private ways).

Previously, the Board noted, patios were used for four months or less, were small and with limited in operations and time, and few and far between in the City. The number of businesses with outdoor areas has exponentially increased: previously existing outdoor areas have also increased in size, businesses are doubling or tripling their capacity, and the outdoor areas are being operated more than half the year and for longer hours on sidewalks and streets, and the amenity is no longer "seasonal." The proposed change will help offset the costs to license and regulate the businesses and is proportionate to the projected enforcement required per the size of the establishment and business model.

The Board solicited written input from the entire licensed community of approximately 529 businesses that could be subject to this fee change if they have or sought outdoor seating. Of those businesses, currently 240 have outdoor seating areas. The Board only received 19 written responses and one verbal response: four from places that do not have any outdoor seating and have no interest in obtaining it; one without an opinion one way or the other; five in agreement; six in opposition (one from an owner of three businesses); and three from associations not businesses - Cambridge Chamber of Commerce, Kendall Square Association, and East Cambridge Business Association.

On September 25, 2025, the Board discussed how financial challenges being faced by the businesses are not unique or unknown to anyone; financial challenges are being faced by businesses and persons alike. The Board noted the fee in question has not been raised since 2017, and, in theory, never since outdoor capacity has not been part of the fee structure since the outdoor program started approximately two decades ago. The Board noted that during COVID, and the two years post COVID, it gave license fee relief. The Board emphasized the proposal is not about generating revenue, but instead it is about covering operational costs. When this is not covered/paid, the taxpayers end up paying it. The Board addressed the point on some of the letters received in opposition about how outdoor areas are not really used the entire eight month patio season (for those on the public way) or how the entire patio area is not really being used. The Board was concerned about this because then the lack of operation in these areas are detracting from other public needs that could be met by other services, such as parking, open spaces, shared traffic lanes, etc.

Based on all factors, on September 25, 2025, the Board voted (2-0) to, effective 2027, include a \$1 per allowed occupant on the outdoor area to the common victualler license fee. The Board noted that delaying the implementation of the change to 2027 would give businesses the entire calendar year of 2026 to determine whether they need the patio, how they are going to use it, and whether it makes sense operational wise for them to proceed with an outdoor area.