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State Liquor-License Delays Ease

By GLENN COLLINS

HAS the new chairman of the New York State Liquor Authority, Dennis Rosen, ridden to the rescue of the state's restaurant and bar owners, easing the liquor-license logjam? Consider the improbable evidence.

Mark Gallagher had his lawyer file for a liquor license for his planned second Manor Oktoberfest restaurant, in Forest Hills, on Oct. 7. "It was approved a week later, when I expected it to take months," he said of his 250-seat German-themed bar and grill. "Now I can open in mid-December instead of next year."

And on Sept. 18, a Manhattan lawyer, Leonard M. Fogelman, filed for a license for Congo, a forthcoming 200-seat restaurant in Coney Island, "and it was approved within two weeks," he said, adding, "there is something miraculous about this."

Or as Mr. Gallagher put it, "it used to be a nightmare, and now it is the way it should be."

Restaurateurs and their lawyers are entitled to their astonishment, since for the past year or so they have suffered the lengthiest liquor license application delays in memory — from six to eight months, and even longer. Reasons include the fiscal crisis and understaffing at the authority, which has also been hobbled by a bribery investigation. Critics have said the delays have caused lost jobs and tax revenues.

Six weeks ago, though, Mr. Rosen put into place new streamlining procedures, most noticeably a self-certification process that allows applicants' lawyers to legally vouch for important licensing information that used to take months for the agency to verify and approve.

"This is the new S.L.A.," said Mr. Rosen, 61, a Harvard Law School graduate who took over as chairman in August. A former state assistant attorney general for 27 years, he led a state investigation of the authority's practices in 2005 and 2006. "It will take a while for the skin of the old S.L.A. to be shed."

The authority, which has a budget of \$17 million, takes in some \$55 million from licensing fees and fines. But its statewide staff is 147, down from 224 full-time employees in 1996. And it has only 21 examiners who handle applications, permits and renewals. There are nine in the Harlem office, which serves New York City, Westchester and Long Island.

But Mr. Rosen said he had further cut agency travel expenses and eliminated what he called nonessential administrative positions, permitting him to "hire five more examiners, three of them in New York City."

As a result of the self-certification procedure and the new examiners, the waiting time for approvals should shrink "to 4 or 5 weeks," he said, but some initial approvals have been speedier.

Mr. Fogelman said, "They are telling us that you will get liquor-license approvals within two weeks — and I have seen it." Two other restaurants he filed for — the Eighth Street Kitchen and the MK Restaurant in Manhattan — received licenses in less than 10 days.

The agency said the current backlog of licenses is 2,116, of which 1,018 are older than three months. Mr. Rosen made the promise that "it will take one year to eliminate the entire backlog," he said. "Call me up in a year to let me know how we did."

The effort is intended to cut through red tape engendered by the authority's 26-page application. By certifying information, applicants' lawyers are vouching for it, making examiners' verifications unnecessary. Lawyers who submit improper filings face criminal penalties, he said. "We will not hesitate to send a message," he said, referring to prosecutions, "if we have found false certification."

Mr. Rosen said a new internal auditor would "make our licensing protocols more efficient." And applicants' fingerprints, and photographs of restaurants, can now be received electronically.

Mr. Rosen also said he had hired Michael Jones, a former prosecutor in the Manhattan District Attorney's office, to "oversee the Harlem office and clean it up." In April, the New York State inspector general raided the office, suspecting that employees had taken bribes. So far there have been no charges or arrests in the investigation.

Mr. Rosen acknowledged that the new fast-tracking creates separate systems for those using attorneys and those not — some of whom are unable to afford them. Mr. Rosen said some criticism was "legitimate," but added that "the self-certifications will speed up the process for everyone — including those who don't file through lawyers."

Across the state lawyers charge \$1,500 and more for filing applications, Mr. Rosen said. In New York City, that figure can be double or much more.

Lawyers have to be "very, very careful with the certification," said Warren B. Pesetsky, a lawyer who represents many applicants, adding that "self-certification will cost restaurateurs more, because they will be billed for the verification time." But for restaurateurs carrying huge leases month after month at idle restaurants, Mr. Pesetsky said, "it will be worth it."

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