

OFFICE OF THE MAYOR MARTIN J. WALSH

January 7, 2018

TO THE CITY COUNCIL

Dear Councilors:

I hereby transmit for your approval a Home Rule Petition to the General Court entitled: "Petition for a Special Law RE: An Act Authorizing Additional Licenses for the Sale of Alcoholic Beverages to be Drunk on the Premises in Boston."

This special act would expand the number of liquor licenses in Boston and target them to neighborhoods that would greatly benefit from an influx of restaurants driving economic activity. Restaurants are the lifeblood of neighborhood business districts, providing jobs and gathering spaces, spurring other businesses to locate nearby, and this balanced approach to licensing ensures neighborhoods historically disadvantaged by the liquor license process will receive their fair share.

The act will allow the City of Boston to grant 184 non-transferable liquor licenses for the sale of alcoholic beverages to be drunk on the premises over the three years following the passage of this act. The licenses may be distributed as follows:

- 5 city-wide all-alcohol licenses and 5 city-wide wine and malt licenses, provided that the neighborhoods of Back Bay, Beacon Hill, and the North End shall not be granted more than 3 of the city-wide licenses per year.
- The licensing board may grant up to 3 all-alcohol licenses and 2 wine and malt licenses for each of the following neighborhood zoning districts: Dorchester, East Boston, Hyde Park, Jamaica Plain, Mattapan, Mission Hill, Roxbury, Roslindale, and Charlestown per year.
- The licensing board may grant up to 3 all-alcohol licenses and 2 malt and wine licenses for areas designated as Main Streets Districts by the Boston Planning and Development Agency per year.
- The licensing board may grant 1 all-alcohol license for the Lawn on D at the Boston Convention and Exhibition Center, 1 all-alcohol license for the Boston Center for the Arts, 1 all-alcohol license for the Bruce C. Bolling Building and 1 all-alcohol license for the Huntington Theater.

This act will also create "umbrella licenses" for large commercial or mixed-use development projects in the City of Boston, under which each individual operator may apply for a license to the Boston Licensing Board without impacting the City's current liquor license cap.





These licenses will only be available for real estate development projects consisting of a building or group of buildings under common or affiliated ownership with a total combined gross floor area of at least 700,000 square feet and including at least 125,000 square feet of commercial space. An umbrella license will have an annual fee of \$150,000.00. Umbrella licenses will allow the city to keep up with the demand of Boston's continued real estate and population growth.

I urge your Honorable Body to support this special act so that we can continue to provide opportunities for Bostonians in every neighborhood.

Sincerely,

Martin J. Walsh

Mayor of Boston

CITY OF BOSTON

IN CITY COUNCIL

ORDERED: That a petition to the General Court, accompanied by a bill for a special law relating to the City of Boston to be filed with an attested copy of this Order be, and hereby is, approved under Clause One (1) of Section Eight (8) of Article Two (2), as amended, of the Amendments to the Constitution of the Commonwealth of Massachusetts, provided, that the General Court may reasonably vary the form and substance of the requested legislation within the scope of the general public objectives of this petition:

PETITION FOR A SPECIAL LAW RE: AN ACT AUTHORIZING ADDITIONAL LICENSES FOR THE SALE OF ALCOHOLIC BEVERAGES TO BE DRUNK ON THE PREMISES IN BOSTON.

SECTION 1. Section 17 of Chapter 138 of the General Laws, as appearing in the 2016 Official Edition, is hereby amended by inserting after the last paragraph the following:

Notwithstanding anything else in this section, and in addition to any other license authorized by this section, the licensing board for the city of Boston ("licensing board") may grant up to 184 non-transferable liquor licenses for the sale of alcoholic beverages to be drunk on the premises pursuant to section 12 of said chapter 138. A license granted pursuant to this paragraph shall be nontransferable to any other person, corporation or organization and shall be clearly marked "nontransferable." For purposes of this paragraph, "nontransferable" means that licenses shall revert back to the licensing board between owners and cannot be sold on the open market. A license issued under this section, if cancelled, revoked or no longer in use at the location of original issuance, shall be returned physically, with all of the legal rights, privileges and restrictions pertaining thereto, to the licensing board which may then grant that license to a new applicant under the same conditions as specified in this section. No license shall be issued under this paragraph to any person, corporation or organization that sold or otherwise transferred any other license issued by the licensing board pursuant to section 12 of chapter 138 in the preceding twelve months. Any license issued under this paragraph shall be invalid and immediately revoked if the licensee sells or otherwise transfers any other license issued by the licensing board pursuant to section 12 of chapter 138 in the twelve months following the issuance of a license under this paragraph. The licensing board shall not issue more than 64 of the licenses authorized by this paragraph for the first time in any single calendar year.

The licenses authorized under the preceding paragraph shall be distributed as set forth in this paragraph. The licensing board may grant up to 15 non-transferable city-wide all-alcohol licenses and 15 non-transferable city-wide wine and malt licenses, provided that the licensing board shall not issue more than 9 of such licenses within any one of the neighborhoods of Back Bay, Beacon Hill, or the North End, nor shall it issue more than 3 such licenses in any one of those neighborhoods for the first time in a single calendar year. The licensing board may grant up to 9 non-transferable all-alcohol licenses and 6 non-transferable wine and malt licenses for each of the following neighborhood zoning districts: Dorchester, East Boston, Hyde Park, Jamaica Plain, Mattapan, Mission Hill, Roxbury, Roslindale, and Charlestown. The licensing board shall not issue more more than one-third of such licenses allotted to a particular neighborhood zoning district for the first time in any single calendar year. The licensing board may grant up to 9 non-transferable all-alcohol licenses and 6 malt and wine licenses for areas designated as Main Streets Districts by the Boston Redevelopment Authority doing business as the Boston Planning and Development Agency. The licensing board may grant 1 nontransferable all-alcohol license for the Lawn on D at the Boston Convention and Exhibition Center: 1 non-transferable all-alcohol license for the Boston Center for the Arts; 1 nontransferable all-alcohol license for the Bruce C. Bolling Building, and 1 non-transferable allalcohol license for the Huntington Theater.

As used the following paragraph, the following words shall have the following meanings:

"Qualifying project," a real estate development project consisting of a building or group of buildings under common or affiliated ownership with a total combined gross floor area of at least 700,000 square feet and including at least 125,000 square feet of commercial space calculated as of the date of the project's receipt of Boston Redevelopment Authority Board, doing business as the Boston Planning and Development Agency, approval.

"Restricted project based licenses," licenses for (i) the sale of all alcoholic beverages to be drunk on the premises within a qualifying project; and (ii) the sale of wines and malt beverages to be drunk on the premises within a qualifying project, and which are not subject to the city of Boston municipal quota.

"Umbrella restricted project based license" or "umbrella license," a license granted to the owner of a qualifying project under which additional restricted project based licensees operating within the qualifying project may be added, and which is not subject to the city of Boston municipal quota.

The licensing board for the city of Boston may grant an umbrella license to an owner of a qualifying project subject to the approval of the alcoholic beverages control commission. The licensing board for the city of Boston may grant restricted project based licenses pursuant to section 12 of chapter 138 to applicants operating within a qualifying project that is in possession

of an umbrella restricted project based license, subject to the approval of the alcoholic beverages control commission. The licensing board shall not approve the addition of licensees operating outside of the qualifying project and shall not approve the transfer of such umbrella license to a location outside of the qualifying project. An umbrella license or any of its restricted project based licenses shall be nontransferable to any person, corporation, or organization operating outside of the qualifying project or alternate location within qualifying project and shall be marked as such on its face. Notwithstanding this paragraph or any other special or general law to the contrary, umbrella licenses or restricted project based licenses shall not be subject to or counted against the municipal quota set forth in this section. An umbrella license or a restricted project based license issued under this paragraph, if cancelled, revoked, or no longer in use at the location of original issuance, shall be returned physically, with all of the legal rights, privileges and restrictions pertaining thereto, to the licensing board.

The owner of a qualifying project shall pay to the city of Boston an annual licensing fee of \$150,000 for the umbrella license to be paid within 30 days after the award of the umbrella license or renewal thereof.

SECTION 2. This act shall take effect on September 1, 2019.

Filed in Council: January 7, 2019

I HEREBY CERTIFY THAT THE FOREGOING, IF PASSED IN THE ABOVE FORM, WILL BE IN ACCORDANCE WITH LAW.

> EUGENE L. O'FLAHERTY CORPORATION COUNSEL