



# BOSTON CITY COUNCIL

Committee on Government Operations

Ricardo Arroyo, Chair

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## REPORT OF COMMITTEE CHAIR

March 22, 2023

Dear Councilors:

***Docket #0133, Petition for a Special Law Re: Authorizing Additional Restricted Liquor Licenses***, was referred to the Committee on January 11, 2023, and sponsored by Councilors Brian Worrell, Ruthzee Louijeune, and Ricardo Arroyo. The Committee held a working session on March 9, 2023.

### **Summary of Legislation As Filed:**

Docket #0133 would authorize the licensing board to grant up to three all-alcohol liquor licenses and two malt/wine licenses for specific neighborhoods by ZIP code. These licenses would be rolled out over a period of five years. The licenses would be non-transferable and restricted. Licenses issued under this act if canceled or revoked would be returned to the licensing board and the licensing board may grant that license to a new applicant from the same ZIP code. The licenses would be authorized for the following ZIP codes: 02119, 02121, 02124, 02126, 02128, 02131, 02132, and 02136. The licenses would be governed by section 12 of chapter 138 and will be distributed based on public need and will remain available until issued.

### **Information Gathered at the March 9, 2023 Working Session:**

The Chair reviewed the provisions of the legislation. The following individuals from the Administration participated: Segun Idowu, Chief of Economic Opportunity and Inclusion for the City of Boston and Danny Green, Executive Secretary for the Licensing Board for the City of Boston. Attorney Lesley Hawkins, Partner, Prince Lobel also participated. The Councilors gave opening remarks. Councilors discussed the purpose of the ordinance to expand licenses to underserved communities in Roxbury, Roslindale, Hyde Park, Dorchester, Mattapan, West Roxbury, and East Boston in order to center on equity and provide a mechanism for economic vitality for these neighborhoods. Councilors discussed that the costs of licenses on the open market are an economic barrier for many and for small businesses. The Committee discussed that including zip codes will eliminate neighborhood competition, that none of the licenses are transferable so they will not contribute to the secondary market, and that these licenses will not “flood the market” or adversely impact current non-restricted license holders because of the staggered release, targeted locations, and the restricted nature of the licenses.

Councilors discussed language changes to the docket. The Committee agreed to remove language that was not needed and to change language to have consistency with state law. Councilors also discussed language changes to clarify when the licenses will start to be given out

and the intent of the ordinance so that all of the licenses will be distributed and carried over and not lost if not granted in a particular year.

### **Summary of Amendments:**

Based on information gathered at the working session, the docket is amended from its initial filing as follows:

- The first sentence in Section 1 is amended by removing the following provision: “and in addition to any other licenses authorized under this act” because this phrase is not needed since there are not additional licenses in the act; the word “cordial” is removed because the wine and malt licenses can be adjusted to include cordials with approval from the Boston Licensing Board, pursuant to Chapter 481 of the Acts of 1994; therefore, the term “cordial” does not need to be mentioned in this legislation.
- The first sentence in Section 1 is amended so that the types of licenses match the current approved terminology and formatting as used throughout the General Laws.
- The first sentence in Section 1 is amended by adding the following phrase after the word “years”: “beginning in the year that this act has passed”
- In Section 1, the first sentence is amended to include two additional ZIP codes, 02122 (Fields Corner/Neponset) and 02125 (Uphams Corner/Savin Hill). These zip codes are being added because they fall below the citywide average for licenses per capita, are areas with high interest in liquor license expansion, and allow the City to target underserved/minority communities that need rebuilding. With this change, the legislation will be applicable to ten zip codes.
- In Section 1, the following sentence is removed: “Licenses shall be distributed based on public need and shall remain available until issued.” This sentence is removed because the standard is part of the established process and criteria under which the Boston Licensing Board issues licenses.
- The following new sentence is added at the end of Section 1: “Licenses shall remain available until granted. A license not granted by the board in a given year by this act will be rolled over to the following year until all such licenses are distributed under this act.” This language is added in order to provide clarity around the intent of the legislation. This amended language ensures that if less than five licenses are issued for a given ZIP code in a year, the balance will roll over to the next year and the Boston Licensing Board will have the option of issuing them in subsequent years.
- The second paragraph in Section 1 is removed to its own section as Section 2 and the word “section” is changed to “act”.
- The effective date section is changed from Section 2 to Section 3.

### **Rationale and Recommended Action:**

Passage of this legislation will provide an avenue for individuals that may not have the resources to purchase licenses on the open market. This legislation will establish equity among neighborhoods that are lacking establishments with alcohol or beer and wine licenses by tying the licenses to specific zip codes. Having such establishments is important to the economic vitality of the neighborhoods and contributes to a positive quality of life for the residents by providing places to gather and socialize with family and neighbors. Having such establishments improves public safety, community engagement and helps local businesses. These licenses are targeted to specific areas, are not transferable, and are granted on a staggered approach; therefore, the licenses under this act will not compete on the open market and will not devalue the licenses of current holders or flood the market. Passage of this legislation in its amended draft provides clarity and will ensure that the intent of the legislation is met and will provide economic opportunity to potential restaurant owners and underserved, targeted neighborhoods.

By the Chair of the Committee on Government Operations, to which the following was referred:

***Docket #0133, Petition for a Special Law Re: Authorizing Additional Restricted Liquor Licenses,***

submits a report recommending that this docket **ought to pass in a new draft.**

For the Chair:

A handwritten signature in blue ink, appearing to read "Ra", followed by a horizontal line.

Ricardo Arroyo, Chair  
Committee on Government Operations