



CITY OF MELROSE
LEGAL & LEGISLATIVE COMMITTEE
AGENDA • MAY 1, 2023

Council Chamber, First Floor, Melrose City Hall Committee Meeting
562 Main Street, Melrose, MA 02176

7:00 PM

The public should take notice that the Melrose City Council may, on certain occasions, have a quorum in attendance due to standing committees of the City Council consisting of both voting and non-voting members. Members attending this duly posted meeting are participating and deliberating only in conjunction with the business of the standing committee.

I. CALL TO ORDER

Ryan Williams
John Obremski
Christopher Cinella
Jack Eccles
Maya Jamaledine
Jen Grigoraitis

Chair
Vice Chair

President, Ex Officio

II. PUBLIC COMMENT

Remote Link for Public Comment:
<https://cityofmelrose-org.zoom.us/j/93081672051>

Meeting ID:
930 8167 2051

III. ORDERS

1. **ORDER-2023-80** : Acceptance of MGL Chapter 138, section 19C relative to Farmer-Brewery Licenses which will allow the City to amend local regulations to permit the operation of breweries within the City of Melrose.

From: City Council

ASSIGNED TO COMMITTEE

IV. ADJOURNMENT



CITY OF MELROSE

OFFICE OF THE MAYOR

PAUL BRODEUR

Mayor

City Hall, 562 Main Street
Melrose, Massachusetts 02176
Telephone - (781) 979-4440

March 31, 2023

RE: Acceptance of M.G.L. c. 138, § 19C (Farmer Brewery)

Dear Honorable City Council Members,

As you may recall from my State of the City Address last month, I am eager to establish a local process in Melrose to allow for the operation of breweries within City limits. With a reputation as a destination business, a brewery would help draw visitors from a wide geographical area, benefitting other local businesses, and potentially generating thousands of dollars in meals tax for our community.

The initial step in moving us towards this goal, is for City Council to accept Massachusetts General Laws. c. 138, § 19C.¹ This statute addresses Farmers Brewery Licenses, the state license which must be issued to breweries prior to their operation within City/Town limits in Massachusetts. Generally, such a license allows the business to manufacture and sell at retail those products produced by the brewer.

Acceptance of this statute by City Council would open the door for the next parts in the local process to occur - the Melrose Liquor Licensing Commission considering, reviewing, and potentially adopting local Liquor Licensing regulations for the local issuance of Farmer Series Pouring Permits², and the necessary Melrose Zoning ordinance changes being made to allow for this new intended use/ business within City limits. The necessary public hearings before the requisite public bodies involved would need to be noticed and held relative to any such intended changes. I also anticipate the involvement and input of a number of City Departments relative to such changes and the operation of this new type of business within our community, such as:

- Office of Planning and Community Development
- Department of Inspectional Services
- Police Department
- Health & Human Services Department

I expect that allowing for this new type of business within Melrose will help stimulate economic activity and support business development opportunities in Melrose, adding to the diversity of our business inventory, and offering an additional amenity to residents.

I respectfully request your favorable action and welcome any questions you may have.

Sincerely,

Paul Brodeur

¹ <https://malegislature.gov/Laws/GeneralLaws/PartI/TitleXX/Chapter138/Section19C>

² This local pouring permit is required to allow for a Farmer Brewer Licensee to pour on-premises for sale and sampling to the public its own beer.

Part I

ADMINISTRATION OF THE GOVERNMENT

Title XX

PUBLIC SAFETY AND GOOD ORDER

Chapter 138

ALCOHOLIC LIQUORS

Section 19C

FARMER-BREWERY LICENSES; HEARING; APPEAL; NOTICES TO INTERESTED PARTIES; OPERATION OF BREWERY; RECORDS; FEES

Section 19C. (a) For the purpose of encouraging the development of domestic farms, the commission shall issue a farmer-brewery license to any applicant who is both a citizen and resident of the commonwealth and to applying partnerships composed solely of such individuals, and to applying corporations organized under the laws of the commonwealth or organized under the laws of any other state of the United States and admitted to do business in the commonwealth and to applying limited liability companies and limited liability partnerships organized under the laws of the commonwealth, subject to such conditions as the commission may prescribe by regulation to address issues of citizenship and residency and the need for a license manager under

section 26 as qualifications for a limited liability company or limited liability partnership to hold a license pursuant to this section and sections 15, 18, 18A, 19 and 19B, unless: (1) such person does not comply with reasonable application procedures required by the commission; or

(2) the commission determines that such person is not of responsible character; or

(3) a church or school located within five hundred feet of the brewery premises has objected to issuance of the license in accordance with section sixteen C; or

(4) the commission determines that the applicant retains or owns an interest, directly or indirectly, in the business of a licensee under section twelve or fifteen; or

(5) the commission determines that the applicant retains or owns an interest, directly or indirectly in more than one business licensed under section eighteen; or

(6) the applicant has not furnished the requisite license fee or bond; or

(7) the commission determines that the co-partners, corporate officials or stockholders of the applicant do not meet the requirements of clauses (2), (4) and (5), or that the manager or agent intended to conduct the farmer-brewery business on the applicant's behalf does not meet such requirements, or that such co-partners, officials, stockholders, agent or manager remain undisclosed.

(b) The commission may on its own motion, and shall upon the written request of any applicant who has been refused a farmer-brewery license or has been refused transfer or renewal of such a license, hold an evidentiary hearing, notice of which shall be mailed to the applicant at the address

given in his application. Such hearing shall be before the commission, or a member thereof. The commission shall present its reasons for refusing issuance. The applicant may appear in person or by counsel, may cross-examine witnesses for the commission and may present evidence. The hearing shall be stenographically or sound recorded. If the hearing is conducted by an examiner, the examiner shall report on the hearing to the commission. The commission shall decide within thirty days of the completion of the hearing whether to issue the farmer-brewery license or grant the transfer or renewal. If the commission refuses the license, transfer or renewal following the hearing, notice in writing of the refusal shall be mailed to the applicant. In all such cases, the commission shall keep on file a statement in the form of an opinion of the reasons for the refusal, and shall furnish a copy thereof to the applicant.

(c) Any applicant who has appeared before the commission at such a hearing and who has been refused a farmer-brewery license or the transfer or renewal of such a license may appeal to the superior court of the county where the applicant resides or has his principal place of business within the commonwealth, or to the superior court for Suffolk county.

(d) Every applicant for an original brewery license or for a transfer of such a license shall, within seven days after filing an application with the commission, send written notice of his application by registered mail, return receipt requested, to:

(1) each school which offers instruction and training to children of compulsory school age in accordance with sections one and four of chapter seventy-one and which is located within a radius of five hundred feet from the premises on which the brewery is to be operated; and

(2) each church as defined in section sixteen C which is located within a radius of five hundred feet from such premises.

The notice shall also state that the church or school has the right to object under section sixteen C to the issuance or transfer of the brewery license. If the authorities in charge of any such school or church complain to the commission in writing that a brewery license has been issued or transferred without the mailing of the requisite notice, and that they object to such issuance or transfer, the commission shall hold a hearing to determine whether the requisite notice was mailed. If after a hearing the commission determines that notice was not mailed as required, then the commission shall cancel the farmer-brewery license unless, such school or church had actual notice, prior to issuance or transfer, of the application and of the right to object under said sixteen C, or such school or church did not complain as soon as possible after actual notification of the application and of the right to object.

Any farmer-brewer aggrieved by the cancellation of his license or any school or church aggrieved by the commission's refusal to cancel such a license may appeal as provided herein.

(e) A farmer-brewer may operate a farmer's brewery under such conditions as the commission may prescribe by regulation.

(f) A farmer-brewer may import malt, cereal grains fermentable, sugars and hops, but may not import malt beverages or alcohol into the commonwealth.

(g) A farmer-brewer may sell malt beverages or malt beverage products:

- (1) at wholesale to any person holding a valid license to manufacture alcoholic beverages under section nineteen;
- (2) at wholesale to any person holding a valid wholesaler's and importer's license under section eighteen;
- (3) at wholesale to any person holding a valid farmer-brewery license under this section;
- (4) at wholesale in kegs, casks, barrels or bottles to any person holding a license to sell under section twelve, thirteen or fourteen, and, for the sole purpose of resale in containers in which the wine was delivered, to any person holding a license to sell under section fifteen; provided that the total annual sales to sections twelve, thirteen, fourteen, and fifteen licensees shall not exceed fifty thousand gallons;
- (5) at wholesale to any registered pharmacist holding a certificate of fitness under section thirty;
- (6) at wholesale to churches and religious societies, educational institutions, incorporated hospitals, homes for the aged, manufacturers of food products, and manufacturers of drugs and chemicals as authorized by, and subject to the provisions of section twenty-eight;
- (7) at retail by the bottle to consumers for consumption off the brewery premises;
- (8) at wholesale to any person in any state or territory in which the importation and sale of malt beverages is not prohibited by law; and
- (9) at wholesale to any person in any foreign country.

(h) A farmer-brewer may not sell at retail to consumers any malt beverage or malt beverage product not produced by the brewery or produced for the brewery and sold under the brewery brand name. All retail sales must be made on the brewery premises.

(i) A farmer-brewer may be licensed by the local licensing authorities to sell malt beverages for consumption on the brewery premises in accordance with this section and such regulations as the commission may prescribe.

(j) All malt beverages sold by a licensee hereunder shall be sold and delivered in such manner and under such conditions and with such labels or other marks to identify the producer as the commission may prescribe.

(k) Every farmer-brewer under this section shall keep such records as the commission may prescribe, and shall file with the commission, whenever and as often as it may require, duplicates of copies of such records. The commission shall at all times, through its designated officers or agents, have access to all books, records or other documents of every licensed farmer-brewer relating to the licensee's brewery business.

(l) The annual license fee for each farmer-brewer in respect of each brewery shall be computed based on the malt beverage barrelage produced by the brewery as follows:

5,000 barrels or less per year: \$ 22/per year

More than 5,000 and less than 20,000 barrels per year: \$ 44/per year

More than 20,000 barrels and less than 100,000 barrels
per year: \$ 82/per year

More than 100,000 and less than 200,000 barrels

per year: \$110/per year

More than 200,000 and less than 1,000,000 barrels

per year: \$110/per year

Each additional 1,000,000 barrels per year: \$111/per year

For the above purposes, a barrel shall be thirty-one gallons.

(m) Every applicant for a farmer-brewery license shall, at the time of filing an application, pay a license fee based on a reasonable estimate of the amount of malt beverages to be produced during the year covered by the license. Persons holding farmer-brewery licenses shall report annually at the end of the year covered by the license the amount of malt beverages produced during such year. If the total amount of such malt beverages exceeds the amount permitted by the fee already paid, the licensee shall pay whatever additional fee is owing under this section.

(n) Notwithstanding section 17, a local licensing authority, subject to the approval of the commission, may grant a license to sell malt beverages for consumption on the premises at any location it deems reasonable and proper, and approves in writing, on the grounds of a farmer-brewery licensed under this section and on the grounds of the farm operated as appurtenant and contiguous to, and in conjunction with, such farmer-brewery; provided, however, that such licensees may sell for on-premises consumption only malt beverages produced by the brewery or produced for the brewery and sold under the brewery brand name. All the procedures under section 15A shall apply to the granting of a license under this subsection.