



May 23, 2016

Gregory A. Szallar, Esquire  
Flaherty & O'Hara  
610 Smithfield Street, Suite 300  
Pittsburgh, PA 15222

**Re: Renting for Storage Purposes Only**

Dear Mr. Szallar:

ISSUE: This is in response to your letter dated April 1, 2016, wherein you indicate that you represent an entity who is both the sole shareholder of and landlord to two separate Pennsylvania retail licensees. One licensee holds both a restaurant and hotel liquor license and the other holds only a restaurant liquor license. You ask if that entity would be prohibited from being able to lease property to a manufacturer for use as an additional storage location, and advise that the property would not be used to manufacture or produce malt or brewed beverages. It is assumed that the manufacturer you are referring to is a Pennsylvania-licensed brewery.

OPINION: As you correctly noted in your letter, section 411(d) of the Liquor Code provides:

[N]o hotel licensee, restaurant licensee or club licensee, and no officer, director, stockholder, agent or employe of any such licensee shall in any wise be interested, either directly or indirectly, in the ownership or leasehold of any property or the equipment of any property or any mortgage lien against the same, used by a manufacturer in manufacturing liquor or malt or brewed beverages....

47 P.S. § 4-411(d). Based upon the plain language in the statute, as long as the property rented by the brewery is not used for manufacturing liquor or malt or brewed beverages, your client may lease the property to the brewery.

Should you have any other questions and/or issues related to the Liquor Code or the PLCB's Regulations, please feel free to once again contact this office.

THIS OPINION APPLIES ONLY TO THE FACTUAL SITUATION DESCRIBED HEREIN AND DOES NOT INSULATE THE LICENSEE OR OTHERS FROM CONSEQUENCES OF CONDUCT OCCURRING PRIOR TO ITS ISSUANCE. THE PROPRIETY OF THE PROPOSED CONDUCT HAS BEEN ADDRESSED ONLY UNDER THE LIQUOR CODE AND REGULATIONS. THE LAWS AND POLICIES ON WHICH THIS OPINION IS BASED ARE SUBJECT TO CHANGE BY THE LEGISLATURE OR THE PENNSYLVANIA LIQUOR CONTROL BOARD.

Sincerely,



RODRIGO J. DIAZ  
CHIEF COUNSEL

cc: Pennsylvania State Police, Bureau of Liquor Control Enforcement  
Jerry W. Waters, Director of Office of Regulatory Affairs  
Tisha Albert, Director, Bureau of Licensing  
Jeffrey Lawrence, Assistant Director, Bureau of Licensing

LCB Advisory Opinion No. 16-188