

January 30, 2019

Pete and Vickie Downton
VIA E-MAIL

RE: R Licensee Leasing Space to G Licensee

Dear Sir and Madam:

ISSUE: Your correspondence of December 17, 2018 states that you desire to construct an additional structure on the commercial property that contains the building housing your business, which holds a restaurant (“R”) license. The new structure would not be physically connected to the existing structures. It is your intention to lease this new structure to a tenant who intends to obtain a brewery (“G”) license. You inquire whether this is permissible.

Records of the Pennsylvania Liquor Control Board (“PLCB”) indicate that Legends at Lake Lorain, LLC holds Restaurant Liquor License No. R-18774 (LID 67697) for use by it at premises located at 60 Lake Lorain Road, Poyntelle, Pennsylvania.

OPINION: As a threshold matter, because you are engaged in a significant commercial enterprise in a highly regulated area, you are strongly encouraged to consult private counsel experienced in Pennsylvania liquor law.

The PLCB’s Bureau of Licensing (“Licensing”) and, ultimately, the three-member Board, is authorized to review and approve applications and transactions such as those described in your correspondence.

Generally, the Liquor Code contains prohibitions regarding licensees of one class holding business interests in common with licensees of another class. However, Section 411(e) of the Liquor Code, 47 P.S. § 4-411, was recently amended in such a manner as to permit the business relationship described in your correspondence.

Should you have any further questions or concerns regarding the Liquor Code or the PLCB’s Regulations, please do not hesitate to contact this office again.

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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,

A handwritten signature in cursive script, appearing to read "Rodrigo J. Diaz".

RODRIGO J. DIAZ
CHIEF COUNSEL

cc: Pennsylvania State Police, Bureau of Liquor Control Enforcement
Tisha Albert, Director of Office of Regulatory Affairs
B.L. Peifer, Director, Bureau of Licensing

LCB Advisory Opinion No. 18-501