

**MINUTES
CITY OF ST. CHARLES, IL
LIQUOR CONTROL COMMISSION MEETING
MONDAY, SEPTEMBER 18, 2018**

1. Call to Order.

The meeting was convened by Liquor Commissioner Rogina at 4:30 p.m.

2. Roll Call

Members Present: Liquor Commissioner Rogina, Ald. Silkaitis, Ald. Vitek, and Robert Gehm

Absent: Cliff Carrignan

Others Present: Mark Koenen, Atty. John McGuirk, Police Chief Keegan, and Tracey Conti

3. Motion to accept and place on file minutes of the August 21, 2017 Liquor Control Commission meeting.

Ald. Silkaitis: Page 7, near the bottom, the roll call vote says motion by Silkaitis. I voted no, so I don't believe I made the motion.

Mr. Ghem: It was just the three of us, so I probably made the motion.

Chrmn. Rogina: We'll make that amendment and approve the minutes as amended.

Motion by Silkaitis, second by Ghem to accept and place on file minutes of the August 21, 2017 Liquor Control Commission meeting.

Voice Vote: Ayes: Unanimous; Nays: none. Chrmn. Rogina did not vote as Chair.

Motion carried.

4. Recommendation to approve a proposal for a new Class A4 liquor license for the Home Brew Shop located at 225 W Main Street, St. Charles.

Chief Keegan: I'd like to let the Liquor Commission know that Matt O'Rourke is here from our Community & Economic Development Department to answer any questions that may come up regarding zoning, and Commander Mahan did the ancillary background on all the items today. This is an A4 request, which is a recently modified ordinance to our existing liquor code that allows a brewery, winery, or distillery to operate as a package liquor store. The hours of operation would be 7:00 am – 10:00 pm, Monday – Sunday. Mr. Seaman is a long standing business owner in town, and is expanding the footprint of his business. Not the size, but he look and layout. He's investing quite a bit of capital into the remodel. He would like to offer a winery as an ancillary service to his home brew operations. He has seen some diminished

returns and wants to expand his business. We vetted the entire application; there was an issue initially with the 100 ft. rule. We modified our code to match the State that allows for a business to operate in such a fashion so long as their principal business is not the sale and consumption of alcohol. Mr. Seaman's primary business would be that of material to brew at home. Secondly, the church behind his business was recently sold to the Lazarus House. The church will be moving away from that location.

Ed Seaman: I own and operate the Home Brew Shop located at 225 W. Main Street. I've been in that location since 2001. I've noticed a decline in business. As I attempted to do some remodeling on the outside of the building that led to more and more discoveries and now we're into a complete renovation of the building. I am putting a production winery in the back section, home brew supply shop will remain intact, and we're going to have a tasting room. I will have some refrigerated cases to hold the bottled products. The main product will be wine and cider to go along with the current Home Brew Shop.

Chrmn. Rogina: I appreciate your 16 years of solid service in our community.

Ald. Silkaitis: You moved to 3rd Street temporarily, is that correct?

Ed Seaman: We are across the street temporarily; my son purchased the house. It's a mixed use commercial/residential. Coming up this Monday I'm closing on a construction loan to get further funding to continue the project.

Chrmn. Rogina: Any idea of your time-frame?

Ed Seaman: I'm thinking springtime.

Ald. Silkaitis: Your temporary business on 3rd, you're not going to have liquor there?

Ed Seaman: No. Just dry goods.

Ald. Vitek: The dram shop insurance question is not answered; does that apply to this application?

Ed Seaman: I contacted my agent for dram shop insurance. Once I start the sale of liquor I will apply the dram shop, and get it initiated. My employees and I have gone through Bassett Training.

Chrmn. Rogina: If this passes do we need to attach the dram shop piece, or contingent upon?

Chief Keegan: I would say contingent, especially if the license is going to be pushed back several months because of the buildout. Tracey would not issue the license without the dram shop insurance.

Mr. Ghem: Question number 14 asks if a liquor license has ever been revoked and there is no response.

Ed Seaman: We have never had a liquor license.

Motion by Ald. Vitek, second by Ghem, to move forward to committee a recommendation to approve a new Class A4 liquor license for the Home Brew Shop located at 225 W Main Street, St. Charles, with the contingency of the dram shop insurance being in place at the time the license is issued.

Roll Call: Ayes: Silkaitis, Vitek, Gehm; Nays: None. Chrmn. Rogina did not vote as Chair.

Motion Carried

5. Recommendation to approve a proposal for a new class A4 liquor license for D and G Brewing, LLC to be located at 303 N. 4th Street, St. Charles.

Chief Keegan: Alexander Dryer is the petitioner in this matter. This is an A4 license which has the same hours of operation as previous, 7:00 am – 10:00 pm, Monday – Sunday. He will offer some tastings, but it's not a full consumption on site license. Mr. Dryer has gone through the vetting process with both the Federal Government and the State of Illinois to produce beer on site. We vetted this through the police department, Mr. O'Rourke is here to answer any questions regarding zoning.

Alex Dryer: I'm proposing a small craft brewery at 303 N. 4th Street. We look to have a small operation, 7 barrel system, not producing at this point more than 350 barrels a year, and to sell to the consumer on premise as well as growlers, much like the Penrose Brewery.

Chrmn. Rogina: We spoke downstairs and your dram shop insurance is being completed. This would be the same process, if in fact this was approved for recommendation to Council Committee, it would be contingent upon the dram shop insurance being instated.

Alex Dryer: I met with the insurance broker today; we've been approved for dram shop insurance and can activate the policy at any time.

Motion by Ald. Silkaitis, second by Vitek to move forward to committee a proposal for a New A4 liquor License for D and G Brewery, LLC to be located at 303 N. 4th Street, St. Charles, with the contingency of the dram shop insurance being in place at the time the license is issued.

Roll Call: Ayes: Silkaitis, Vitek, Gehm; Nays: None. Chrmn. Rogina did not vote as Chair.

Motion Carried

6. Recommendation to approve a proposal for a New Massage Establishment License for Lotus Aum, LLC. located at 317 S. Second Street, St. Charles.

Chief Keegan: Shirley Voss, the petitioner, is asking to own and operate, actually a sub-lease of part of the building, to perform holistic well-being massages. This is an appointment only type facility.

Shirley Voss: I'm a resident of Bartlett, the business will be at 317 S. Second Street, St. Charles. One thing I would like to say about the business is that it offers massage to women as one of our services, but that's not our sole purpose.

Chrmn. Rogina: I think you're business plan suggests that it's many services. Speaking for the committee your plan is very thorough. We wish you well.

Motion by Mr. Ghem, second by Silkaitis to move forward to committee a recommendation to approve a proposal for a New Massage Establishment License for Lotus Aum, LLC. located at 317 S. Second Street, St. Charles.

Roll Call: Ayes: Silkaitis, Vitek, Gehm; Nays: None. Chrmn. Rogina did not vote as Chair.
Motion Carried

7. Recommendation to approve a proposal for a New Massage Establishment License for Annie Nail Spa located at 546 S. Randall Road, Unit C, St. Charles, IL 60174.

Chief Keegan: Item 7 is a recommendation to approve a proposal for a new massage establishment license for Annie Nail Spa located at 546 S. Randall Road, Unit C, St. Charles.

This is a sub-lease as well. The owners of Annie Nail Salon are here, Henry and Ash Lee. The petitioner is Laura Willing, she is also present. Laura is a licensed massage therapist and would like to sub-lease an office within Annie Nails, with limited hours of operation, Monday and Tuesday 3:00 pm – 7:00 pm, and Friday from 10:00 am – 3:00 pm. This is an appointment only facility.

Laura Willing: 546 S. Randall Road, Unit C.

Chrmn. Rogina: Is the nail business regular hours.

Henry Lee: 7 days a week, 9:00 am – 8:00 pm.

Chrmn. Rogina: The massage therapy component would be by appointment only.

Henry Lee: Yes. She rents the room inside.

Commander Mahon: She indicated that there would be some walk-in's allowed potentially from customers getting their nails done, and from there she would develop a clientele.

Chief Keegan: If walk-in's take place there will have to be someone there at all times.

Laura Willing: I'm not sub-leasing from them, we are doing a 60 -40 payment.

Mr. Ghem: You're using the space on the floor plan the hours you specified.

Laura Willing: Yes, I have other jobs as well.

Mr. Ghem: If walk-in's were to happen at the start it would only be for the hours you are there. The nail staff will be able to provide that management element to our ordinance because they are open Monday – Sunday.

Chief Keegan: That's right. If a walk-in does take place there has to be a second person there.

Motion by Ald. Vitek, second by Ghem to move forward to committee a recommendation to approve a proposal for a New Massage Establishment License for Annie Nail Spa located at 546 S. Randall Road, Unit C, St. Charles, IL 60174.

Roll Call: Ayes: Silkaitis, Vitek, Gehm; Nays: None. Chrmn. Rogina did not vote as Chair.

Motion Carried

8. Recommendation to Approve a Proposal for a New Class E-4 Temporary Liquor License for the St. Charles History Museum Event Taking Place on Friday, September 22, 2017.

Chief Keegan: This is to approve an E4 license for Friday, September 22, 2017 at the History Museum. This is city owned leased property and the liquor code is very specific; if alcohol is consumed on City property, sold and or delivered, a license is required. This fundraiser is a celebration of the 50th reunion of the St. Charles class of 1967. Mrs. Lewis who is a representative of the class is here, along with the manager of the History Museum Ed Koslowski.

Maureen Lewis: 1321 Ash Street, St. Charles.

Ed Koslowski: Campton Hills.

Maureen: I just found out we have a problem with the insurance. I do apologize that this is being brought to you at such a late hour; and thank you to the staff for all they have done. I'm the liaison for the History Museum; the class of 1967 thought it would be nice to have a party, then we realized its City property and it changed everything. An invitation was sent out to all the class members, for a \$10 donation, we turned this into a fund raiser for the museum. Fifty people are coming. It's the insurance that seems to be an issue.

Ed: I knew there was going to be a reunion, but didn't know until a couple weeks ago that there would be alcohol on site. I brought this up at our board meeting last Wednesday; I was concerned about the liability. I went back to our insurance agent to ask for an additional policy.

Chrmn. Rogina: Not dram shop, but an additional policy.

Ed: Maureen has referred to it as dram shop; I've always referred to it as additional liquor coverage. Today I was told that Westfield, our insurance company, will not underwrite this because it's a third party coming to the museum. I'm very concerned about the liability issues, for anyone, not just the museum. Unless someone has some creative ideas to provide wine for 40 people celebrating their 50th high school reunion; I'm going to withdraw the request.

Chrmn. Rogina: All my conversation has been through Ald. Lewis and she's been quite open about the whole situation. All of us since last Friday have been brainstorming back and forth with each other as to how this could be done. Ald. Lewis brought up the E4 license, and it fit.

Ed: There are 2 other issues related to this. This is something we would like to do; it's part of a fundraising exercise. The other thing is this year we're hosting a larger holiday thank you party for our staff and board members, and life time members. It will be a group of about 60. Our broker says we have host liquor license liability for that type of event. We're not charging a fee, but hosting like our own residence. The question is do we need a liquor license for a holiday event we're hosting for our own people.

Chrmn. Rogina: The answer is yes you would need a temporary license. Further, if you schedule a series of these types of events we can package them all together.

Ed: I would like to put a process together of what takes place when we have these smaller events and want to have liquor.

Chrmn. Rogina: The Chief has proven very good at shaping an ordinance that might fit the needs of situations.

Maureen: I'm in agreement that something should be in place so we can have fundraisers for the museum. If we were to piggyback off the Office, would they just need to send over a bartender for the wine? Is that a possibility?

Chrmn. Rogina: Your proposal to piggyback off of a licensee doesn't seem like a problem to me. I'll defer to Attorney McGuirk.

Attny. McGuirk: I think we do have, in the ordinance, a situation where someone with another license hosts these events and gets a temporary license. I've always assumed that the licensee's dram shop satisfies our requirements.

Chrmn. Rogina: Regarding Maureen's proposal of working with the Office to provide the bartender and use their dram shop insurance for this event. You're saying what?

Ed: We're still required to have insurance, full coverage.

Maureen: The insurance you have now doesn't cover this.

Mark Koenen: The code is pretty clear; you have to have that dram shop insurance. What we can do is move this forward contingent on having that available by noon on Thursday.

Chrmn. Rogina: If Maureen is able to work with the Office and get the dram shop insurance, Ed's saying that's not sufficient as far as his liability insurance is concerned.

Attny. McGuirk: He's saying that their coverage doesn't satisfy the liability, that's a problem; they don't want to expose themselves to liability.

Chrmn. Rogina: That's an issue between your group and the history museum?

Ed: Here's where I am, and Maureen you're not going to like this answer, this fundraiser is very small, we'll have exposure to people who went to St. Charles High School, and have them interact with the museum. It's very small, we have to get insurance; I think we need a long-term game plan in place.

Maureen: I'm not ready to pull it yet. I'd like to keep the request with the conditions that if this insurance issue isn't settled it would be pulled.

Chrmn. Rogina: I think what Ed is saying is that there is no way, even with the dram shop; the History Museum doesn't have the insurance. I would entertain a motion to approve this subject to the conditions being met. The dram shop would need to be in place per the ordinance, and the City, the owner of the property would be putting themselves at risk without having this general liability insurance.

Maureen: As the City being the owner of the property, do we have the umbrella that would cover this?

Attny. McGuirk: General liability insurance has specific coverage, and specific exclusions, one of which is dram shop. Dram shop is a state law that allows recovery for serving and delivering alcohol. What I hear Ed saying is they can't satisfy that requirement. It seems like a catch 22, and the Mayor is right we have to have those 2 conditions met.

Laura Purdy: 11th hour Bartending Services, fully insured, basset certified, they have liquor liability insurance.

Ed: I'm just not in favor of it. For the small dollar amount and what we're trying to do. I don't think we should do it. I will be back though for the holiday party.

Chrmn. Rogina: I suggest you work with the Chief long before the party to get something in place.

Ed: Thank you for listening.

Maureen: Thank you again for trying to work with me.

9. Other Business

10. Public Comment

11. Executive Session (5 ILCS 120/2 (c)(4)).

12. Adjournment

Motion to adjourn by Mr. Ghem, second by Silkaitis, meeting adjourned at 5:16

Voice Vote: Ayes: Unanimous; Nays: none. **Chrmn. Rogina** did not vote as Chair. **Motion carried.**

:tc