



AGENDA ITEM EXECUTIVE SUMMARY

Agenda Item number: 4a

Title: Recommendation to approve an Ordinance Amending Title 5, Entitled “Business Licenses and Regulations” Chapter 5.08, “Alcoholic Beverages”, 5.08.090, “License - Classifications” of the St. Charles Municipal Code

Presenter: Police Chief James Keegan

Meeting: Government Operations Committee

Date: February 20, 2018

Proposed Cost: \$

Budgeted Amount: \$

Not Budgeted:

Executive Summary (if not budgeted please explain):

City staff has been working with a business owner regarding a potential new business to be located at 210 Cedar Ave. The proposed business would be a small event space for private events, such as meetings, bridal showers, etc. The proposed business owners are seeking a liquor license which would allow for a caterer to provide service of alcohol at this business premises. As an option to their clients, the proposed business also requests the ability for some type of BYOB option. As a result of this request a new licenses classification for small event venues (D-9) is being proposed and recommended for approval. The proposed classification has the following limits or provisions:

- Size of the event limited to less than seventy five (75) persons
- Service of alcohol must be incidental to food service
- Alcohol service may be provided by a vendor who holds a current/valid Class B or C license with The City of St. Charles.
- As an alternative, alcohol may be brought on to the premises by the client or sponsor of the event but then service of the alcohol must be done by BASSET trained servers and in accordance with the Code. The client or event sponsor shall also be required to provide a certificate of insurance for that event. The service of food must predominate in this alternative situation as well.

The following amendment to Title 5 is recommended:

5.08.090 – License – Classifications (Proposed Language)

D-9. Class D-9 licenses shall authorize the sale or delivery of alcoholic liquors, for the consumption on the premises only at a Small Event Venue. Small Event Venues shall consist of a business for which the exclusive activity is to provide space for catered private parties of less than seventy five (75) persons, where there is service for consumption at tables of hors d’oeuvres, a buffet, or full multiple course meal, and at which alcoholic liquor may be served or sold incident to such food service. Each venue event at which alcoholic liquor may be served shall be prearranged under the sponsorship of a particular person or organization. Venue events shall not be open to the general public, but attendance shall be by appointment or special invitation of the sponsors. No admission charge shall be levied to guests at such event venues, except for an event sponsored by a non-for-profit corporation or association registered with the State of Illinois.

As an alternative to selling and servicing alcoholic liquor for a particular event on the premises, the holder of a Class D-9 license may instead engage the services of a vendor who holds a then current and otherwise valid Class B or Class C license for the purpose of supplying, opening, dispensing, selling, and/or serving alcoholic liquors for consumption on the premises where the service of food predominates.

As an alternative to selling alcoholic liquor for a particular event on the premises, the holder of a Class D-9 License may instead allow for the consumption of alcoholic liquors, on the premises, that have been brought onto the premises by a person or persons who have contracted for an event to be held on the premises where the service of food predominates, subject to the following:

1. The licensee shall take control of such alcoholic liquors promptly upon delivery thereof to the premises, and shall provide BASSET trained servers for the opening, dispensing, sale, and/or serving of such alcoholic liquors during the event.
2. Any and all alcoholic liquors shall be opened, dispensed, sold and/or served on the premises only by such servers, and only to attendees of the event.
3. A certificate of insurance reflecting coverage for general liability purposes in the amounts otherwise due from and in place for the licensee shall be provided to the licensee by the patron or patrons supplying the alcoholic liquors, and the City of St. Charles and the Local Liquor Control Commission of the City shall be named as an additional insured on the policy.
4. Any alcoholic liquor remaining unserved after the conclusion of the event may be returned to the person or persons who supplied them, to be transported off the premises only in accordance with law.

5.08.100 – License Fees; Late Night Permit Fees; Fees Established

Fees Established. The fees for the various Classes of local liquor licenses authorized in this chapter shall be as follows:

Class License	Annual License Fee	Comments
A-1	\$1,600.00	Package Liquor Stores Only
A-2	\$1,600.00	Grocery Stores
A-2B	\$1,600.00	Wine/Beer Sales Only
A-4	\$1,600.00	Brewery, Distillery, and Winery Sales
A-5	\$1,800.00	Wine by Glass & Bottle Sales
A-6	\$1,600.00	Gasoline Station with Convenience Store
B-1	\$1,200.00	Basic Restaurant Liquor License
B-2	\$1,800.00	Purchase Wine w/Takeout
B-3	\$1,800.00	On Premise Consumption & Retail Sale of Wine
C-1 & C2	\$1,200.00	Basic Tavern Liquor License
C-3	\$1,800.00	Sale of Bottled Wine
D-1	\$4,000.00	Pheasant Run
D-2	\$2,000.00	Hotels
D-3	\$2,000.00	Banquet Halls/Country Clubs

D-4	\$1,000.00	Moose/Clubs
D-5	\$2,000.00	Arcada
D-6	\$2,000.00	Q-Center
D-7	\$500.00	Steele Beam Theatre
D-8	\$1,200.00	Arts & Entertainment License
<u>D-9</u>	<u>\$500.00</u>	<u>Small Event Venues</u>
E-1	\$50.00 per day	Not for Profit
E-2	\$100.00 per day	Special Events B/C licensees
E-3	\$50.00 per day	Kane County Fair
E-4	\$100.00 per day	City Owned Premises
E-5	\$500.00 annual	Harley Davidson
E-6	\$100.00 per day	Special Late Night Permit Event
E-7	\$100.00 per day	Special Events A-2/A-2B licensees
F-1	\$100.00	BYOB Beer and Wine Only
F-2	\$250.00	BYOB Beer, Wine, and Spirits
G-1	\$1,600	Brewery/Restaurant
V	\$1000 - Initial License	Video Gaming
	\$500 - Each Renewal License	
	\$100 - Per each video gaming terminal	

Pursuant to this item being presented at the Government Operations Committee meeting on Tuesday, February 20, 2018 to seek approval; it will be brought before the Liquor Control Commission at a meeting scheduled at 4:30 p.m., the same day, to process and move it forward to this Committee. This item will then continue on to the City Council meeting scheduled on March 5, 2018 for final approval.

Attachments (please list):

Proposed Ordinance

Recommendation/Suggested Action (briefly explain):

Recommendation to approve an Ordinance Amending Title 5, Entitled “Business Licenses and Regulations” Chapter 5.08, “Alcoholic Beverages”, 5.08.090, “License - Classifications” of the St. Charles Municipal Code

City of St. Charles
Ordinance No. 2086-M-_____

Ordinance Amending Title 5, Entitled “Business Licenses and Regulations” Chapter 5.08, “Alcoholic Beverages”, 5.08.090, “License - Classifications” and Section 5.08.100, “License Fees; Late Night Permit Fees; Fees Established of the St. Charles Municipal Code

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ST. CHARLES, KANE AND DUPAGE COUNTIES, ILLINOIS, AS FOLLOWS:

SECTION ONE: That Title 5 “Business Licenses and Regulations” Chapter 5.08, “Alcoholic Beverages”, 5.08.090, “License – Classifications be amended by adding the following:

5.08.090 – License - Classifications

Local liquor licenses for the retail sale of alcoholic liquor shall be divided into the following classes and sub-classes:

4. **Class D – Specific Alcoholic Liquor Sales and Site Specific Licenses** -Class D licenses are divided into the following sub-classes:
 - **D-1. Class D-1** licenses shall authorize the retail sale of alcoholic liquors for consumption on the premises of any resort hotel or motel only and shall be issued only to the operator of said resort hotel or motel. The licensee shall be permitted sales of alcoholic liquors as permitted by Class B and C licenses. Additionally, each of the residence rooms of the resort hotel or motel may have a mini-bar that may be accessed only by a special key obtained from the hotel management by a patron that may be served alcoholic liquors. Class D-1 licenses shall authorize the sale of alcoholic liquors from one (1) halfway house and from two (2) motorized food and beverage cars operating on the eighteen (18) hole golf course for consumption on said golf course only, subject to the following restrictions: all alcoholic liquors shall be served in other than glass containers; all cars shall only operate on designated golf cart paths.
 - **D-2. Class D-2** licenses shall authorize the retail sale of alcoholic liquors for consumption on the premises of any hotel or motel only and shall be issued only to the operator of said hotel or motel. Additionally, each of the residence rooms of the hotel or motel may have a mini-bar that may be accessed only by a special key obtained from the hotel management by a patron that may be served alcoholic liquors.

- **D-3. Class D-3** licenses shall authorize the retail sale of alcoholic liquors for consumption on the premises of a golf club or any banquet hall at a golf club in conjunction with the service of sit down meals. One (1) or more portable or permanent bars are permitted, when the person who operates the banquet hall makes such retail sale of alcoholic liquor. Class D-3 licenses shall authorize the sale of alcoholic liquors from one (1) halfway house and from two (2) motorized food and beverage cars operating on eighteen (18) hole and nine (9) hole golf courses for consumption on said golf course only, subject to the following restrictions: all alcoholic liquors shall be served in other than glass containers; all cars shall only operate on designated golf paths.
- **D-4. Class D-4-1** licenses shall authorize the retail sale of alcoholic liquors for consumption on the premises only, of any club, provided, that such club shall have been in existence for at least six (6) months prior to the filing of an application for a license under this chapter and shall have maintained clubrooms for such period of time immediately preceding the filing of its application.
(Ord. 2015-M-14 § 1; Ord. 2010-M-29 § 1; Ord. 2008-M-80 § 1.)
- **D-5. Class D-5** licenses shall authorize the retail sale of alcoholic liquors for consumption on the premises only, of the theater premises located at 105 East Main St. The sale of alcoholic liquors shall be from one (1) permanent location in the vestibule, one (1) service bar in the balcony, and up to two (2) other service bars as dictated by the event.
- **D-6. Class D-6** licenses shall authorize the retail sale of alcoholic liquors for consumption on the premises only in conjunction with the operation of the Q Center, located on the premises at 1405 North Fifth Ave. Alcoholic liquor sales are limited to individuals and their guests who are participating in events under the direct control of the licensee. The license shall not be removed from the location at 1405 North Fifth Ave. without the approval of the City Council and consent of the Local Liquor Control Commissioner.
- **D-7 Class D7** licenses shall authorize the retail sale of wine and beer for consumption on the premises only for non-for-profit organization of such theatre located at 111 West Main Street. The sale of beer and wine shall be from one (1) permanent location in the vestibule and service will only be allowed when theatre events are being held on this premise.
- **D-8. Class D-8** licenses authorize the retail sale and consumption of beer and wine at an arts and entertainment studio, while the patron(s) are participating in an arts, crafts or other class that are offered by the licensee. The consumption of beer and wine is restricted to the licensed premises and shall be limited to members of a group assembled on the premises for the purpose of attending an art, crafts, or other classes offered by an

art studio, arts and crafts school, or similar leisure/entertainment business while the licensee is conducting classes.

Partially consumed bottles of wine can be removed from the premises but only securely sealed by the licensee or an agent of the licensee prior to removal from the premises and placed in a transparent, one-time use, tamperproof bag and not for public distribution or consumption.

- **D-9. Class D-9** licenses shall authorize the sale or delivery of alcoholic liquors, for the consumption on the premises only at a Small Event Venue. Small Event Venues shall consist of a business for which the exclusive activity is to provide space for catered private parties of less than seventy five (75) persons, where there is service for consumption at tables of hors d'oeuvres, a buffet, or full multiple course meal, and at which alcoholic liquor may be served or sold incident to such food service. Each venue event at which alcoholic liquor may be served shall be prearranged under the sponsorship of a particular person or organization. Venue events shall not be open to the general public, but attendance shall be by appointment or special invitation of the sponsors. No admission charge shall be levied to guests at such event venues, except for an event sponsored by a non-for-profit corporation or association registered with the State of Illinois.

As an alternative to selling and servicing alcoholic liquor for a particular event on the premises, the holder of a Class D-9 license may instead engage the services of a vendor who holds a then current and otherwise valid Class B or Class C license for the purpose of supplying, opening, dispensing, selling, and/or serving alcoholic liquors for consumption on the premises where the service of food predominates.

As an alternative to selling alcoholic liquor for a particular event on the premises, the holder of a Class D-9 License may instead allow for the consumption of alcoholic liquors, on the premises, that have been brought onto the premises by a person or persons who have contracted for an event to be held on the premises where the service of food predominates, subject to the following:

5. The licensee shall take control of such alcoholic liquors promptly upon delivery thereof to the premises, and shall provide BASSET trained servers for the opening, dispensing, sale, and/or serving of such alcoholic liquors during the event.
6. Any and all alcoholic liquors shall be opened, dispensed, sold and/or served on the premises only by such servers, and only to attendees of the event.

7. A certificate of insurance reflecting coverage for general liability purposes in the amounts otherwise due from and in place for the licensee shall be provided to the licensee by the patron or patrons supplying the alcoholic liquors, and the City of St. Charles and the Local Liquor Control Commission of the City shall be named as an additional insured on the policy.
 8. Any alcoholic liquor remaining unserved after the conclusion of the event may be returned to the person or persons who supplied them, to be transported off the premises only in accordance with law.
5. **Class E – Temporary Licenses** - Class E licenses shall authorize the retail sale of beer and wine (or alcoholic liquors if permitted by a Class E-1, E-4 or E-5 license) for consumption on the premises only and only for special events or catered functions where the dispensing of food predominates. The Local Liquor Control Commissioner may, with the advice and consent of the City Council, issue two (2) or more Class E licenses so as to authorize and delineate two (2) or more licensed premises to operate in conjunction with any such special event or catered function. Class E licenses are divided into the following sub-classes:
- **E-1. Class E-1** licenses shall authorize, at the Local Liquor Control Commissioner with advice and consent of the City Council, either the retail sale of beer and wine or the retail sale of alcoholic liquors for consumption on the premises only. Class E-1 shall be issued for special events or catered functions, where the dispensing of food predominates. Applicants for Class E-1 licenses shall be limited to St. Charles organizations or groups, unless the Local Liquor Control Commissioner, with advice and consent of City Council, approves otherwise. There shall be no Class E-1 licenses issued beginning at 12:00 a.m. Friday, before Columbus Day and ending 12:00 a.m. Monday, on Columbus Day.
 - **E-2. Class E-2** licenses shall authorize the retail sale of beer and wine for consumption on the premises only. Class E-2 licenses shall be issued to only Class B and Class C liquor licensees for special events or catered functions where the dispensing of food predominates. There shall be no Class E-2 licenses issued beginning at 12:00 a.m. Friday before Columbus Day and ending 12:00 a.m. Monday, on Columbus Day. Notwithstanding the restrictions on the issuance of Class E-2 licenses in the preceding sentence, Class E-2 licenses may be issued during said period subject to the following provisions:
 1. A Class E-2 license may be issued only in the event the principal street access in front of the licensed premises is blocked due to road closure resulting from a festival taking place during said October period;

2. In addition to all other conditions and restrictions applicable to Class E-2 licenses, the Local Liquor Control Commissioner may impose such additional conditions and/or restrictions as he deems necessary; and
 3. The Local Liquor Control Commissioner may, with the advice and consent of the City Council waive or vary any conditions and/or restriction applicable to a Class E-2 license, if deemed appropriate under the circumstances.
- **E-3.** The Class E-3 license shall authorize the retail sale of beer and wine for consumption on the premises only and within the pre-designated area of the Kane County Fair Grounds. Class E-3 shall also authorize the retail sale of wine and/or beer in original packages only. The retail area and consumption areas must be pre-approved by the Chief of Police (with a site drawing) at the time of the liquor license application. Further, wine and beer tasting bars shall be permitted in accordance with St. Charles Municipal Code 5. 08. 260.
 - **Class E-3** license shall be issued solely to the Kane County Fair for the conduct of the annual Kane County Fair and not more than twenty (20) days of events that the Local Liquor Control Commissioner and Chief of Police deem licensable per calendar year. Each of the events shall be subject to approval by the Chief of Police so as to avoid conflicts between other events and festivals occurring in the City. The Class E-3 license shall be valid only for the scheduled dates as outlined above and are subject to daily fees in accordance with St. Charles Municipal Code 5. 08. 100.
 - **E-4.** Class E-4 licenses shall authorize at the Local Liquor Control Commissioner's discretion, and subject to prior approval by the City Council, either the sale or delivery of beer and wine, or alcoholic liquors, for consumption on City owned property, including but not by way of limitation, 1st Street Plaza. There shall be no Class E-4 licenses issued during the second full week of October, beginning 12:00 a.m. Friday and ending 12:00 a.m. Monday.
 - **E-5.** Class E-5 licenses shall authorize, at the Local Liquor Control Commissioner, with advice and consent of the City Council, either the sale or delivery of beer and wine or alcoholic liquors, for consumption on the premises only. The Class E-5 license shall be issued solely for the conduct of not more than twenty (20) days of events that the Local Liquor Control Commissioner, City Council and Chief of Police deem licensable per calendar year at specific premises. Each of the events may not be more than one day in duration. The schedule of such events shall be subject to

approval by the Chief of Police so as to avoid conflicts between said events and major festivals or events occurring in the City, including, but not limited to, Flea Market held at the Kane County Fairgrounds, Riverfest, Scarecrow Festival, and the St. Patrick's Day Parade. Such license shall be issued solely for specific premises that is open to the public and kept, used, maintained, advertised and held out to the public as a place where retail business activities or operations are conducted, other than the sale of alcoholic liquor. Events shall be permitted solely on such dates and during such times as are set forth in any Class E-5 license issued.

- **E-6. Class E-6** Temporary License Permits shall authorize the retail sale of beer and wine or the retail sale of alcoholic liquor for consumption on the premises only until 1:00 a.m. or 2:00 a.m. on a specified date. This license shall be issued to Class B and C license holders only for special events or catered functions with the dispensing of food. The issuance of the Class E-6 Temporary License Permit shall be at the discretion of the Local Liquor Control Commissioner, with advice and consent of City Council. Application for a Class E-6 Temporary License Permit shall be submitted 45 days in advance of a scheduled date. No more than four (4) permits shall be issued to any licensee per fiscal year. A license permit is per event during a 24-hour period. There shall be no Class E-6 Temporary License permits issued during the second full week of October beginning 12:00 a.m. on Friday and ending 12:00 a.m. on Monday.
- **E-7. Class E-7** Temporary License Permits shall authorize the retail sale of beer and wine for consumption on the premises only. Class E-7 licenses shall be issued to only Class A-2 and A-2B liquor licenses for special events or catered functions where the dispensing of food predominates. The issuance of the Class E-7 Temporary License Permit shall be at the discretion of the local Liquor Control Commissioner, with advice and consent of City Council. No more than four (4) permits shall be issued to any one licensee per fiscal year. Application for a Class E-7 Temporary License Permit shall be submitted at least 45 days prior to a scheduled event. The hours of service for beer and wine under the E-7 Temporary License Permit shall be restricted to the hours of 12:00 p.m. – 9:00 p.m., Monday through Sunday.” In the event any Class E license (with respect to any Class E-5 license, if required in whole or in part by the Local Liquor Control Commissioner, City Council or Chief of Police) is for an out of doors special event or catered function, the following shall apply, in addition to all other requirements:
 1. The license shall rope off or fence the licensed premises.

2. A sign limiting beer and wine (or alcoholic liquors if permitted by a Class E-1 or Class E-4 license) consumption to the roped off or fenced area shall be prominently displayed by licensee at all times.
3. The license shall provide for the pickup of all litter and trash.
4. The Local Liquor Control Commissioner, with the advice and consent of the City Council, in consultation with the Chief of Police, shall designate on each license issued the number of St. Charles police personnel and/or adult members of the licensee required to be present on the licensed premises at all times beer and wine (or alcoholic liquors if permitted by Class E-1 license) is being served, to supervise liquor sales and check identification of persons. The licensee shall be responsible for any and all compensation of police personnel at the then current over time rate. The licensee shall be required to post a cash deposit to secure the payment of such estimated compensation. If said deposit does not cover actual amount due, licensee is responsible for any balance due.
5. A tamper proof wrist band, of a design and in a color (a separate color must be used for each day) approved by the Chief of Police, or his designee, shall be placed on the wrist of each person eligible to purchase beer or wine (or alcoholic liquors if permitted by a Class E-1 license) prior to that person being given access to the licensed premises. Minors shall not be permitted in any licensed premises. Notwithstanding the foregoing, the Local Liquor Control Commissioner may, with the advice and consent of the City Council, and as designated in any license, permit minors to be present in a licensed premises where food is also served.

SECTION TWO: That Title 5 “Business Licenses and Regulations” Chapter 5.08, “Alcoholic Beverages”, Section 5.08.100, “License Fees; Late Night Permit Fees; Fees Established of the St. Charles Municipal Code be amended by adding the following:

Class License	Annual License Fee	Comments
A-1	\$1,600.00	Package Liquor Stores Only
A-2	\$1,600.00	Grocery Stores
A-2B	\$1,600.00	Wine/Beer Sales Only
A-4	\$1,600.00	Brewery, Distillery, and Winery Sales
A-5	\$1,800.00	Wine by Glass & Bottle Sales
A-6	\$1,600.00	Gasoline Station with Convenience Store

B-1	\$1,200.00	Basic Restaurant Liquor License
B-2	\$1,800.00	Purchase Wine w/Takeout
B-3	\$1,800.00	On Premise Consumption & Retail Sale of Wine
C-1 & C2	\$1,200.00	Basic Tavern Liquor License
C-3	\$1,800.00	Sale of Bottled Wine
D-1	\$4,000.00	Pheasant Run
D-2	\$2,000.00	Hotels
D-3	\$2,000.00	Banquet Halls/Country Clubs
D-4	\$1,000.00	Moose/Clubs
D-5	\$2,000.00	Arcada
D-6	\$2,000.00	Q-Center
D-7	\$500.00	Steele Beam Theatre
D-8	\$1,200.00	Arts & Entertainment License
<u>D-9</u>	<u>\$500.00</u>	<u>Small Event Venues</u>
E-1	\$50.00 per day	Not for Profit
E-2	\$100.00 per day	Special Events B/C licensees
E-3	\$50.00 per day	Kane County Fair
E-4	\$100.00 per day	City Owned Premises
E-5	\$500.00 annual	Harley Davidson
E-6	\$100.00 per day	Special Late Night Permit Event
E-7	\$100.00 per day	Special Events A-2/A-2B licensees
F-1	\$100.00	BYOB Beer and Wine Only
F-2	\$250.00	BYOB Beer, Wine, and Spirits
G-1	\$1,600	Brewery/Restaurant
V	\$1000 - Initial License	Video Gaming
	\$500 - Each Renewal License	
	\$100 - Per each video gaming terminal	

SECTION THREE: That after the adoption and approval hereof, this Ordinance shall (i) be printed or published in book or pamphlet form pursuant to the authority of the City Council, or (ii) within thirty (30) days after the adoption and approval hereof, be published in a newspaper published in and with a general circulation within the City of St. Charles.

SECTION FOUR: This Ordinance shall be in full force and effect ten (10) days from and after its passage by a vote of the majority of the corporate authorities now holding office, approval and publication in the manner provided by law.

PRESENTED to the City Council of the City of St. Charles, Illinois, this ____ day of _____, 2018.

PASSED by the City Council of the City of St. Charles, Illinois this ____ day of _____, 2018.

APPROVED by the Mayor of the City of St. Charles, Illinois, this ____ day of _____, 2018.

Raymond P. Rogina, Mayor

ATTEST:

City Clerk

COUNCIL VOTE:

Ayes : _____

Nays : _____

Absent : _____

APPROVED AS TO FORM:

City Attorney

DATE: _____