

**AGENDA ITEM EXECUTIVE SUMMARY**

Agenda Item number: 4b

Title:

Recommendation to approve an application for a new Class A4 liquor license for D and G Brewing, LLC located at 303 N. 4th Street, St. Charles.

Presenter:

Chief Keegan, Police Department

Meeting: Government Operations Committee

Date: September 18, 2017

Proposed Cost: \$

Budgeted Amount: \$

Not Budgeted: ☐**Executive Summary** *(if not budgeted please explain):*

This is a request for a new Class A4 liquor license for D and G Brewing, LLC located at 303 N. 4th Street, St. Charles. Their business venue is a craft brewery and brewpub. The applicant has been vetted by the Police Department and all documents are in order.

Pursuant to posting this item on the Government Operations Committee agenda, the Liquor Commission meeting is scheduled at 4:30 p.m., September 18 (same day), to process and move it forward before this committee to seek approval for it to go before the October 2, 2017 City Council for final approval.

Attachments *(please list):*

Memo
Background Check
Liquor License Application
Business Plan
Site Plan

Recommendation/Suggested Action *(briefly explain):*

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



Memo

Date: 9/8/2017

To: The Honorable Ray Rogina, Mayor-Liquor Commissioner

From: James Keegan, Chief of Police

Re: Background Investigation-D & G Brewing, 303 N. 4th Street (A-4)

The purpose of this memorandum is to document and forward to your attention the results of the background investigation conducted by members of the St. Charles Police Department concerning the above mentioned establishment.

Mr. Drayer intends to open and operate a small brewery at the above location. We have been in discussions with Mr. Drayer for the better part of the last year and he has completely vetted his concept and operations with other local breweries through the State of Illinois Liquor Control Commission. The site location/floor plans and the corresponding application materials were also reviewed by my staff. We feel this business and its unique offerings will be a nice addition to St. Charles.

We also found nothing of a derogatory nature that would preclude either the site location or the applicant from moving forward with brewery operations and on-site consumption, subject to City Council approval. They are applying for a class A-4 license.

Thank you in advance for your consideration in this matter.

Police Department



Memo

Date: 9/8/2017

To: The Honorable Ray Rogina, Mayor-Liquor Commissioner

From: James Keegan, Chief of Police

Re: Background Investigation-D & G Brewing, 303 N. 4th Street (A-4)

The purpose of this memorandum is to document and forward to your attention the results of the background investigation conducted by members of the St. Charles Police Department concerning the above mentioned establishment.

Mr. Drayer intends to open and operate a small brewery at the above location. We have been in discussions with Mr. Drayer for the better part of the last year and he has completely vetted his concept and operations with other local breweries the State of Illinois Liquor Control Commission. The site location/floor plans and the corresponding application materials were also reviewed by my staff. We feel this business and its unique offerings will be a nice addition to St. Charles.

We also found nothing of a derogatory nature that would preclude either the site location or the applicant from moving forward with brewery operations and on-site consumption, subject to City Council approval. They are applying for a class A-4 license.

Thank you in advance for your consideration in this matter.

LIQUOR APPLICANT BACKGROUND CHECK LIST



APPLICANT(S): Drayer, Alexander

BUSINESS: D & G Brewing, LLC

ADDRESS: 303 N 4th St. St. Charles, Illinois 60174

	REQUESTED	COMPLETED
APPLICATION	<u> </u>	<u>X</u>
BUSINESS PLAN/FLOOR PLAN/MENU	<u> </u>	<u>X</u>
LEASE (OR LETTER OF INTENT)	<u> </u>	<u>X</u>
BASSET CERTIFICATE(S)	<u> </u>	<u>X</u>
FINGERPRINTS (<u>ALL</u> MANAGERS)	<u> </u>	<u>X</u>
DRAM SHOP (CERTIFICATE OF INSURANCE)	<u>X</u>	<u> </u>
TLO	<u> </u>	<u>X</u>
I-CLEAR	<u> </u>	<u>X</u>
CERTIFICATE OF NATURALIZATION (IF APPLICABLE)	<u>N/A</u>	<u>N/A</u>
POLICE RECORDS CHECK	<u> </u>	<u>X</u>
APPLICANT'S HOMETOWN RESIDENCY LETTER	<u> </u>	<u>X</u>
ILLINOIS LIQUOR COMMISSION	<u>X</u>	<u> </u>
SITE VISIT	<u>X</u>	<u> </u>

* COMMENTS: Unable to obtain ILC License until City issues local Liquor License. Mr. Drayer will
contact me when ready for site visit. Mr. Drayer will forward his Dram Shop Insurance Policy when he
receives it.

INVESTIGATOR ASSIGNED: Detective Eric Bauwens #316

SUPERVISOR REVIEW:  #316

Police Department



Memo

To: Commander Erik Mahan #346
From: Detective Eric Bauwens #316
Re: Liquor License Background – D & G Brewing, LLC

The purpose of this memo is to document the background investigation of Alexander Drayer, pursuant to his application for a Class A4 Liquor License.



- Mr. Drayer currently resides at the above address in Maple Park, Illinois and has been at this address for the approximately 1 year. The Kane County Sheriff's Department has not had any negative contacts with Mr. Drayer.
- Prior to living at the above address, Mr. Drayer resided at 6335 N. Ridge, Chicago, IL. He lived at this address for approximately 2 years. I did run Mr. Drayer's information through CLEAR, which is a database for the Chicago Police Department. There was one arrest listed for Alexander Drayer with the same DOB. The arrest was for Reckless Conduct on 03/20/03. Mr. Drayer advised me he was never arrested by CPD. It should be noted the subject listed in the arrest report is reported to be a male black. The arrest report indicates the subject was fingerprinted. This arrest was not shown in response to the fingerprint inquiry. The only other contact CPD has listed with Mr. Drayer is he is listed as a witness to a battery on 10/23/00 and victim of a Fraud on 05/30/02.

Service, Courage, Professionalism, Dedication



- Mr. Drayer did submit to a fingerprint inquiry on 07/13/17. The response to this inquiry was received on 07/19/17. According to this inquiry, the only arrest for Mr. Drayer was on 05/30/96. The arrest was for Theft from Library at Penn State University. Mr. Drayer advised me he was at the Library doing research for his class. After completing his research, he mistakenly placed a book into his backpack and walked out. He did not intend to steal the book.
- Mr. Drayer provided a copy of his Illinois Limited Liability Company Act, Articles of Organization. The file number is 06303315 and was filed on 05/20/17. The Company Name is D and G Brewing, LLC. Mr. Drayer is the Registered Agent. (Attached)
- Mr. Drayer provided a copy of the Certificate of Registration from the Illinois Department of revenue. (Attached)
- Mr. Drayer did complete his Basset Training. His date of certification is 08/01/17 and will expire on 08/01/20. His License Number is 5A-0105312. (Attached)
- Mr. Drayer did provide a copy of his lease agreement. The term of the lease will be from 09/01/17 through 08/31/18. The monthly rent will be \$900.00. (Attached)
- Mr. Drayer provided a copy of the Plat of Survey, floor plan as well as his business plan. (Attached) Mr. Drayer advised he intends on operating his business from Thursday-Saturday, 1400 hours until 2200 hours. Mr. Drayer did inquire about the 2200 hour closing time. I advised Mr. Drayer that at 2200 hours, all alcohol sales are complete and all patrons must exit the premise. He stated he understood.
- I did run Mr. Drayer through NewWorld and AEGIS and was unable to locate any contacts with Mr. Drayer.
- I checked TLOxp, Law Enforcement Search Database, and was able to locate Mr. Drayer. There were no Liens or Bankruptcies located. There was one Judgement located. The filing date on the Judgement was 03/30/98, Court Case Number LT-0000148-98, Berks County, PA. It appears this was Landlord Tenant Suit. I was also able to locate the Corporation Record for D and G Brewing, which shows is in good standing.
- Mr. Drayer is still working on obtaining Dram Shop Insurance. He is not able to obtain his Illinois Liquor Commission License until he receives his Liquor License from the City of St. Charles. The business location is still being renovated. He will contact me when he is prepared for the site inspection. The anticipated opening date is 12/01/17.

- Mr. Drayer did sign the Liquor background investigation waiver.
(Attached)

This concludes this background investigation

Respectfully Submitted,

Eric Bauwens 316

Det. Eric Bauwens #316

As an applicant for licensing with the City of St. Charles, I am required to furnish information for use in determining my qualifications. In this connection, I authorize the release of any and all information you may have concerning me, including but not limited to criminal history and conviction information, information of a confidential or privileged nature or any data or materials which have been sealed or agreed to be withheld pursuant to any prior agreement or court proceeding involving disciplinary matters.

I hereby release, discharge, and exonerate the CITY OF ST. CHARLES POLICE DEPARTMENT, its agents and representatives, and any person furnishing information from any and all liability of every nature and kind arising out of the furnishing, inspecting, and copying of such documents, records and other information. This release shall be binding on my legal representatives, heirs, and assigns. It is understood and acknowledged by me that any information secured, pursuant to this required background investigation, which would negatively reflect on me or my ability to obtain licensing in the City of St. Charles or elsewhere may be disseminated to the appropriate agency or jurisdiction of proper authority. A copy of this document shall be as binding as the original.

Alex DRAYER

Applicant Name (Printed)



Applicant's Signature

8/25/17

Date

A4

City of St. Charles, Illinois Liquor Control Commissioner
CITY RETAIL LIQUOR DEALER LICENSE APPLICATION
APPLICATION FEE IS NON-REFUNDABLE



Incomplete applications will not be accepted.
Completed applications may be submitted to:
 Two East Main Street, St. Charles, IL 60174-1984

Date Application Received: _____ ☐ **New Application** ☐ **Renewal Application** **License Class:** _____

Business Name: _____

APPLICATION CHECKLIST

Check items to confirm all are attached to this application

	Applicant	Office Use Only
Application Fee	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Completed Application for all questions applicable to your business.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Copy of Lease/Proof of Ownership	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Copy of Dram Shop Insurance or a letter from insurance agent with a proposed quote.	<input checked="" type="checkbox"/> <i>IN PROGRESS</i>	<input type="checkbox"/>
Copy of Articles of Corporation , if applicable.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Completed B.A.S.S.E.T. (Beverage Alcohol Sellers & Servers Training) form – filled out for all employees. A copy of the B.A.S.S.E.T. certificate is only needed for each manager . It is the business establishment's responsibility to keep copies of all B.A.S.S.E.T. certificates on file for all of their employees.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Copy of Site Plan for Establishment (Drawn to scale including the parking lot, patio and/or deck, outdoor seating).	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Copy of Floor Plan for Establishment (Drawn to scale and must include the layout of the establishment with tables, chairs, aisles, displays, cash register, bar, and lounge area with dimensions, percentage, and square footage noted for each space). Be sure to also include all fixed objects , such as pool tables, bar stools, vending/amusement machines; as well as all exits .	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Copy of Business Plan, to include: Hours of Operation Copy of Menu Whether or not live music will be played at this establishment Will there be outdoor seating and/or outdoor designated smoking area Do not include a marketing or financial plan with this business plan	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Are any building alterations planned for this site? If not sure, please contact Building & Code Enforcement at 630.377.4406 and/or Fire Prevention Bureau at 630.377.4458 to discuss whether or not a walk-thru and/or permit are necessary for this business.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
All managers have been fingerprinted who are employed by your establishment. When new management is hired, it is imperative you contact the Mayor's office to be fingerprinted so the City's business files are appropriately updated.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

OFFICIAL USE ONLY

☐ **Approved*** ☐ **Denied** **Date Approved/Denied:** _____ **Customer Number:** _____

 Signature of Mayor, Liquor Control Commissioner

 Date Issued

***ISSUANCE OF THIS LICENSE IS CONTINGENT ON MEETING ALL REQUIRED BUILDING AND FIRE DEPARTMENT REQUIREMENTS.**

APPLICANT INFORMATION

A. Type of Business: ☐ Individual ☐ Partnership ☐ Corporation ☒ Other (explain): LLC ; sole AGENT

B. Business Name: D and G BREWING , LLC

C. Business Address: 303 N. 4th STREET , SUITE A. ST.CHARLES 60174

D. IL Tax ID Number: E. Business Phone: 773)203-2325 F. Business E-mail: dandgbrewery@gmail.com G. Business Website: N/A

H. Contact Person: Alexander Drayer I. Title: OWNER / member J. Phone No.:

K. If Corporation, Corporation Name:

L. Corporation Address (city, state, zip code):

BUSINESS ESTABLISHMENT LOCATION INFORMATION

A. License Class: ☒ A Package ☐ B Restaurant ☐ C Tavern ☐ D Hotel/Banquet/Arcada/Q-Center/Entertainment/Club
CLASS 4
☒ Other: BREWERY w/ TAP Room

B. Address applying for liquor license (exact street address): 303 N. 4th St. Suite A St. CHARLES IL 60174 C. Number of Parking Spaces: 20 D. Outside Dining s.f. [17.20.020-R]: N/A E. Holding Bar s.f. [5.08.010-F]: N/A

F. Total Building s.f.: 17,800 G. Total Number of Seats: 39 H. Number of Bar Seats: 10 I. Sale Counter s.f.: N/A J. Live Entertainment Area s.f. [5.08.010-H]: N/A

K. Kitchen s.f.: N/A L. Cooler s.f.: 112 M. Dry Storage s.f.: 365 sqft shelved N. Seating Area s.f.: 550 O. Retail/public Area s.f.: N/A P. Service Bar s.f. [5.08.010-O]: N/A

Q. Brief Business Plan description based on type of establishment listed above: This is a BREWERY w/ a TAP ROOM. THE TOTAL SPACE IS APPROXIMATELY 1100 sqft. HALF of the SPACE IS SEATING, THE OTHER HALF IS BREWERY. THE BAR DIVIDES THE SPACE. THE BREWING SYSTEM IS 5BBL AND IS A DIRECT FIRE SYSTEM

MANAGER INFORMATION

Full Name, include middle initial: Alexander DRAYER Title: OWNER / sole member

Birthdate: Birthplace: Driver's License#: Home Phone:

Home Address:

Full Name, include middle initial: Title:

Birthdate: Birthplace: Driver's License#: Home Phone:

Home Address:

Full Name, include middle initial: Title:

Birthdate: Birthplace: Driver's License#: Home Phone:

Home Address:

PROPOSED FLOOR PLAN/LAYOUT OF PROPERTY**Mandatory: attach to this application a floorplan or layout of the proposed facility to include the following:****CLASS B LICENSES**

- | | |
|----|--|
| 1. | Every application for a Class B license, whether an initial application or a renewal application, shall have attached thereto a site drawing of the proposed licensed premises, drawn to scale showing the following (<i>check off once complete</i>): <ul style="list-style-type: none">a. The location of all rooms, segregated areas, including outdoor seating areas and the square footage thereof;b. The designated use of each room or segregated area (i.e. dining room, holding bar, service bar, kitchen, restrooms, outdoor seating areas, all rooms and segregated areas, including outdoor areas where alcoholic liquor may be served or consumed and all locations where live entertainment may be provided);c. The proposed seating capacity of rooms or segregated areas where the public is permitted to consume food and/or alcoholic beverages and/or live entertainment may be provided.** |
| 2. | The site drawing is subject to the approval of the Local Liquor Control Commissioner. The Local Liquor Commissioner may impose such restrictions as he deems appropriate on any license by noting the same on the approved site drawing or as provided on the face of the license. |
| 3. | A copy of the approved site drawing shall be attached to the approved license and is made a part of said license. |
| 4. | It shall be unlawful for any Class B licensee to operate and/or maintain the licensed premises in any manner inconsistent with the approved site drawing. |

CLASS C LICENSES

- | | |
|----|--|
| 1. | Every application for a Class C license, whether an initial application or a renewal application, shall have attached thereto a site drawing of the proposed licensed premises, drawn to scale, showing the following (<i>check off once complete</i>): <ul style="list-style-type: none">a. The location of all rooms, segregated areas, including outdoor seating areas and the square footage thereof;b. The designated use of each room or segregated area (e.g. dining room, holding bar, service bar, kitchen, restrooms, outdoor seating areas, all rooms and segregated areas, including outdoor areas, where alcoholic liquor may be served or consumed and all locations where live entertainment may be provided);c. The proposed seating capacity of rooms or segregated areas where the public is permitted to consume food and/or alcoholic beverages and/or live entertainment may be provided.** |
| 2. | The site drawing is subject to the approval of the Local Liquor Commissioner. The Local Liquor Commissioner may impose such restrictions as he deems appropriate on any licensee by noting the same on the approved site drawing or as provided on the face of the license. |
| 3. | A copy of the approved site drawing shall be attached to the approved license and is made a part of said license. |
| 4. | It shall be unlawful for any Class C licensee to operate and/or maintain the licensed premises in any manner inconsistent with the approved site drawing. |

****THE FIRE PREVENTION BUREAU WILL FURNISH ALL FINAL, PERMITTED OCCUPANCY NUMBERS FOR THIS LICENSE.**

CORPORATION / PREMISES QUESTIONS

If applicant is an individual or partnership, is each and every person a United States citizen (5.08.070-2)? ☒ Yes ☐ No

Is any individual a naturalized citizen? ☐ Yes ☒ No

If yes, print name(s), date(s), and place(s) of naturalization:

List the type of business of the applicant (5.08.070-3): **BREWERY**

Number of years of experience for the above listed type of business (5.08.070-4): **6 YRS AS A HOME BREWER**

Amount of merchandise that normally will be in inventory when in operation (5.08.070-5): **\$ 200 - 300 ; T-shirts AND APPROX - 28 BARRELS of BEER LOGO GLASSES**

Location/address and description of business to be operated under this applied for license (5.08.070-6): **CLASS A-4 LICENSE ; 303 N. 4th St Suite A St. Charles IL 60151 BREWERY w/ TAPROOM**

Is the premises owned or leased (5.08.070-6A)? ☐ Owned ☒ Leased

If the premises are leased, list the names and addresses of all direct owners or owners of beneficial interests in any trusts, if premises are held in trust (5.08.070-6B):

Name of Building Owner: **ERIC LARSON**

Address of Building Owner: **605 W. MAIN ST. ST. CHARLES IL. 60174**

Mailing Address of Building Owner (if different):

Phone Number: [REDACTED] E-mail Address: [REDACTED]

Name of Building Owner:

Address of Building Owner:

Mailing Address of Building Owner (if different):

Phone Number: E-mail Address:

Name of Building Owner:

Address of Building Owner:

Mailing Address of Building Owner (if different):

Phone Number: E-mail Address:

Does the applicant currently operate, or operated in the past, any other establishment within the City of St. Charles that requires a liquor license? ☐ Yes ☒ No

If yes, please list the business name(s) and address(es):

9.	<p>Does applicant have any outstanding debt with the City of St. Charles, including, but not limited to, utility bills, alcohol tax, and permit fees, for any current or previous establishment owned, operated or managed by the applicant? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>If yes, please note the City of St. Charles requires all debt to be paid in full before consideration of a new or renewed liquor license is issued.</p>
10.	<p>Are any improvements planned for the building and/or site that will require a building permit? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes, has a building permit been applied for? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>If yes, date building permit was applied for with Building & Code Enforcement:</p>
11.	<p>Has applicant applied for a similar or other license on the premises other than the one for which this license is sought (5.08.070-7)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>If yes, what was the disposition of the application? Explain as necessary:</p>
12.	<p>Has applicant (and all persons listed on page 1 of this application) ever been convicted of a felony under any Federal or State law, or convicted of a misdemeanor opposed to decency or morality (5.08.070-8)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Is applicant (and all persons listed on page 1 of this application) disqualified from receiving a liquor license by reason of any matter contained in Illinois State law and/or City of St. Charles Municipal Ordinances? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
13.	<p>List previous liquor licenses issued by any State Government or any subdivision thereof (5.08.070-9). Use additional paper if necessary. <u>NONE</u></p> <p>Government Unit:</p> <p>Date: _____ Location, City/State: _____</p> <p>Special Explanations: _____</p> <p>Government Unit:</p> <p>Date: _____ Location, City/State: _____</p> <p>Special Explanations: _____</p>
14.	<p>Have any liquor licenses possessed ever been revoked (5.08.070-9)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>If yes, list all reasons on a separate, signed letter accompanying this application.</p> <p>Has any director, officer, shareholder, or any of your managers, ever been denied liquor license from any jurisdiction?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes, proceed to Question 15. If more space is needed, please attach a separate sheet of paper with the information.</p>

15.	<p>Complete ONLY if yes was answered to the questions above (14):</p> <p>Name: _____ Name of Business: _____</p> <p>Position with the Business: _____</p> <p>Date(s) of Denial: _____</p> <p>Reason(s) for Denial of License: _____</p>
16.	<p>Date of Incorporation (Illinois Corporations) (5.08.070-10): N/A LLC FORMED 5/20/17</p> <p>Date qualified under Illinois Business Corporation Act to transact business in Illinois (Foreign Corporation): _____</p>
17.	<p>Has the applicant and all designated managers read and do they all understand and agree not to violate any liquor laws of the United States, the State of Illinois, and any of the ordinances of the City of St. Charles in conducting business(5.08.070-11)?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Have you, or in the case of a corporation, the local manager, or in the case of a partnership any of the partners, ever been convicted of any violation of any law pertaining to alcoholic liquor? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Have you, or in the case of a corporation the local manager, or in the case of a partnership any of the partners, ever been convicted of a felony? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Have you ever been convicted of a gambling offense? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (If a partnership or corporation, include all partners and the local manager(s).)</p> <p>Will you and all your employees refuse to serve or sell alcoholic liquor to an intoxicated person or to a minor?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
18.	<p>Mandatory: All individual owners, partners, officers, directors, and/or persons holding directly or beneficially more than five (5) percent in interest of the stock of owners by interest listed on page 1 of this application must be fingerprinted by the City of St. Charles Police Department (5.08.070-A12).</p> <p>Has this been done? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes, date(s): _____</p>
19.	<p>Mandatory: Has the applicant attached proof of Dram Shop Insurance to this application or already furnished it to the City of St. Charles (5.08.060)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No PROPOSED QUOTE ATTACHED</p> <p>If already furnished, date of delivery: _____</p> <p>NOTE: Insurance must be issued from May 1, 20XX – April 30, 20XX in accordance with City code 5.08.060. Request a prorated rate from your insurance company if you are applying for a new license during this timeframe.</p>

20. **Mandatory:** Is the premises within 100 feet of any real property of any church; school; hospital; home for the aged or indigent persons; home for veterans, their wives/husbands, or children; and/or any military or naval station (5.08.230)?
☐ Yes ☒ No

COMMENTS/ADDITIONAL INFORMATION

APPLICATION FOR LATE NIGHT PERMIT

SUPPLEMENTAL TO LIQUOR LICENSE FOR CLASS B/C

N/A

To: St. Charles Liquor Control Commission

Date:

I now possess or have applied for a liquor license Class

Applicant's Name:

Name of Business:

Business Address:

Business Phone:

SUPPLEMENTAL PERMIT APPLIED FOR

Payment of Late Night Permit fee is required at the time the permit is issued.

- ☐ 1:00 a.m. Late Night Permit – fee of \$800.00
- ☐ 2:00 a.m. Late Night Permit – fee of \$2,300.00

NOTE: Other permits that may be available upon request include:

- Class E – Special Event License (1 to 3-day event @ \$100.00 per day)
- Outdoor Dining Permit (Contact Community & Economic Development @ 630.377.4443)

SIGNATURES



Applicant Signature

8/9/17
Date

B.A.S.S.E.T. TRAINING

Please list employees required to have B.A.S.S.E.T training on this page – include all managers, assistant managers, bartenders, and clerks who are permitted to make alcoholic liquor sales. Include copies of certificates for managers only and mark Manager if applicable. Add another page, if needed.

Name:(First) Alexander(Last) DRAYER(Middle) —Manager OWN/MANAGER

Home Street Address:

City, State, Zip:

Date of Course: 8/1/17Place Course was Taken: (ONLINE) LEARN 2 SERVEBirthdate: 02/22/72Certificate Granted: YES 8/1/17Expiration: 8/1/2020**Name:**

(First)

(Last)

(Middle)

Manager

Home Street Address:

City, State, Zip:

Date of Course:

Place Course was Taken:

Birthdate:

Certificate Granted:

Expiration:

Name:

(First)

(Last)

(Middle)

Manager

Home Street Address:

City, State, Zip:

Date of Course:

Place Course was Taken:

Birthdate:

Certificate Granted:

Expiration:

Name:

(First)

(Last)

(Middle)

Manager

Home Street Address:

City, State, Zip:

Date of Course:

Place Course was Taken:

Birthdate:

Certificate Granted:

Expiration:

NEW MANAGEMENT REQUIREMENTS

Whenever a new manager comes on board, the City must be notified and that person must be fingerprinted.

It is the business establishment's responsibility to keep copies of all B.A.S.S.E.T. certificates on file for their employees.

Business Name:

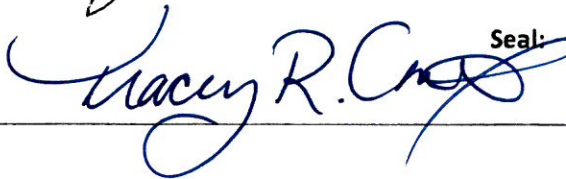
SIGNATURES



Applicant's Signature

8/18/17

Notary & Date



Seal:



☐ Liquor Commissioner hereby directs City Clerk to issue permit indicated above.

Liquor Commissioner's Signature

Date

ADDENDUM TO RETAIL LIQUOR LICENSE APPLICATION**To be completed by the City of St. Charles Police Department**

Date:

Name of Applicant:

Name of Business:

Address of Business:

Ward Number:

To Liquor Control Commissioner, City of St. Charles, Illinois

Pursuant to the provision of the City of St. Charles Municipal Code, Chapter 5.08, Alcoholic Beverages, the following guide shall be in effect for the investigation of an applicant for a Retail Dealer's Liquor License:

1. Date on which applicant will begin selling retail alcoholic liquors at this location:

ONCE STATE ISSUE LICENSE2. Is the location within 100 feet of any church; school; hospital; home for the aged or indigent persons; home for veterans, their wives/husbands or children; or any military or naval station? ☐ Yes ☒ No3. If the answer to question 2 is yes, answer the following: Is applicant's place of business a hotel offering restaurant service, a regularly organized club, a restaurant, a food shop, or other place where the sale of alcoholic liquors is not the principal business? ☐ Yes ☐ No**If yes, answer a, b and c:**

- a. State the kind of such business:
- b. Give date on which applicant began the kind of business named at this location:
- c. Has the kind of business designated been established at this location for such purpose prior to February 1, 1934, and carried on continuously since such time by either the applicant or any other person?

☐ Yes ☐ No4. If premises for which an alcoholic liquor license is herein applied for are within 100 feet of a church, have such premises been licensed for the sale of alcoholic liquor at retail prior to the establishment of such church? ☐ Yes ☐ No

If yes, have the premises been continuously operated and licensed for the sale of alcoholic liquor at retail since the original alcoholic liquor license was issued therefore? ☐ Yes ☐ No

5. Is the place for which the alcoholic liquor license is sought a dwelling house, flat, or apartment used for residential purposes? ☐ Yes ☒ No

6. Is there any access leading from premises to any other portion of the same building or structure used for dwelling or lodging purposes and which is permitted to be used or kept accessible for use by the public? (Connection between premises and such other portion of building or structure as is used only by the applicant, his/her family and personal guests not prohibited.)

☐ Yes ☒ No7. If applicant conducts or will conduct in the same place any other class of business in addition to that of City Retailer of Alcoholic Liquor, state the kind and nature of such business: ☐ Yes ☒ No

8.	Are all rooms where liquor will be sold for consumption on the premises continuously lighted during business hours by natural light or artificial white light so that all parts of the interior shall be clearly visible? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
9.	Are premises located in any building belonging to or under the control of the State of Illinois or any other political subdivision thereof, such as county, city, etc.? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
10.	Are the premises for which license is herein applied for a store or place of business where the majority of customers are minors of school age or where the principal business transacted consists of school books, school supplies, food or drinks for such minors? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
11.	It is required by the City of St. Charles that all employees undergo BASSET training. Provide a copy of the certificate of training completion for each manager. All certificates for managers have been submitted: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
12.	From your observation and investigation, has applicant—to the best of your knowledge—truthfully answered all questions? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, state exceptions:
13.	Have all persons named in this application been fingerprinted? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Fingerprinted by: _____ Date: _____
14.	Other necessary data:

SIGNATURES

ENDORSEMENTS AND APPROVALS

INVESTIGATING OFFICER

<u><i>Eric Bauman</i></u>	<u>316</u>	<u>DETECTIVE</u>
Investigating Officer Signature	Badge Number & Rank	

ENDORSEMENT OF THE CHIEF OF POLICE

Recommend Issuing Liquor License: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<u>9/8/2017</u>
<u><i>James T. Keegan</i></u>	Date
Signature Of Chief of Police	

D and G Brewing Company

Executive Summary of the Brewery

D and G Brewing Company is a craft brewery and brewpub soon to be located in St. Charles, Illinois. It will have an initial capacity to brew 350 barrels of beer per year. D and G's goal is to make and deliver quality, artisanal beer directly to consumers. With the numbers of small breweries opening in the United States and in the greater Chicagoland area, there is a growing demand for craft beer in an underserved market.

Nature of the Business

D and G Brewing Company is a small batch brewery and taproom. We serve quality beer, at a great price, in a comfortable environment. We pride ourselves in knowing our craft and we wish to share it with the community. We see making beer as a chef sees food; a creative expression of self, which we wish to share. D and G's intends to serve 4 signature beers including an American IPA, a Roasted Chocolate American Stout, a Kolsch, and an American Amber. Additionally, from time to time we will release seasonal beers and small batches of distinct, new brews to tempt the connoisseur and educate the novice.

The taproom and brewery will be located in the same space. Patrons will observe the making of the beer they are being served. Customers are able to have a beer, see the brewing process, and speak to the brewers about the product. It is a goal of D and G to educate the consumer about beer, the beer we serve, and the brewing process.

D and G Brewing Company is not a bar. Beer will be sold directly to customers in 2 manners: by the glass, and through growler fills. Kegs will be self distributed to other bars and restaurants if production levels permit. Glasses of beer will be poured and consumed on the premises; growlers are to be purchased and carried away to be

consumed off-premise. D and G will serve no other liquor or beer in its establishment.

We will only sell what we brew.

In the tradition of the best of the Colorado-style breweries, we aim to always give the consumer a feeling of family when they come into our establishment, 'that we're local and a part of the community. We are the owners and operators; from brewing to serving and janitorial services, we do it all.

D and G is will be licensed to operate until 10pm, 7 days a week; however, D and G's is projecting that its' current hours of operation will be Wednesday through Friday approximately 2pm until 10pm, and Saturday approximately 12pm until 10pm. These hours may be adjusted from time to time to meet customer demand and business goals.

Organization and Management

D and G Brewing Company will operate as a limited liability company. As such, Alexander Drayer is the sole member. He will be supported by Brittany Groot, who will operate as a spousal non-member. For organization and permitting, Alexander Drayer is the sole principal owner with federal, state, and local agencies.

Beers offered

D and G Beer Company will begin by offering 4 beers on tap. Four of the beers on tap are considered flagship beers; they will be available to customers year round. One beer will be seasonal and will change regularly. Finally, special releases of limited edition beers will occur at irregular intervals. Brew schedule and frequency of availability of all beers is subject to sales and customer reception. The table below provides names and styles of the flagship beers to be offered. It is estimated that we will brew 4 times per month initially, and growth will be based on demand.

Beer Description

D and G's Citrus IPA is well-balance, malty and explodes in your mouth with hops. The malt adds a rich nutty bread-like flavor to the beer. The hop combination of citrus, tropical fruit, and pine flavors add the right amount of bitterness and hop aromas for the hop connoisseur.

D and G's roasted chocolate stout is a robust and hearty American style stout. It has a pronounced coffee-like roasted barley flavor and aroma and a resinous hop flavor. Hop bitterness is medium to high. It has a slight malty sweetness and strong chocolate notes are present. D and G's stout has a distinctive dry-roasted bitterness in the finish, which compliments a medium mouth feel.

D and G's Kolsch is brewed in the traditional German style of Kolsches. It is light in body and appearance. It is highly carbonated. Its maltiness is subdued and its hoppiness is unobtrusive. It imparts on the palate a slight fruitiness from the yeast. It is a light straw color, well balanced, and very drinkable.

D and G's American amber is a beautiful autumn, reddish brown. It has a pronounced malty character combining nutty, biscuity, bread-like flavors and a hint of caramel and roast with a medium hop bitterness and slight floral hop aroma. It's medium bodied and easy to drink.

Advantages that will make the business successful

Before determining that D and G Brewing Company would come to be, we wanted to ensure the business was set up for success. D and G Brewing Company holds several advantages that contribute to the high likelihood of the brewery's success.

According to Tom Hennessy (2012) four issues contribute to a brewery's failure,

undercapitalization based on your model and projected growth, being overleveraged, production issues, and having bad beer. Our business looks to guard us against these issues.

First, the business model has a higher profit margin than many local breweries. The brew tradition in the Chicagoland area is focused on distribution and sales to customers through retail outlets. Brewing and selling for retail has a market lower profit margin than sales directly to customers. Per 72 oz of beer produced, the average distribution brewery makes \$5 in sales. For our direct sales brewery, the same 72oz of beer produces \$32 in sales on the high end and \$12 on the low end. Although larger breweries have the benefit of economy through scale, the difference in production cost is not offset by difference in sale price. This allows a direct service tap room to have greater likelihood of producing enough sales to make the business profitable.

Second, the business is not leveraged, which means we will have lower costs associated with running the business. Instead of needing to make loan payments, money made can be sunk directly into the business. Additionally, this allows the monthly expenditures of the business to be fixed to rent, taxes, insurance, production costs, utilities, maintenance, and any necessary upgrades to the business. Other than rent, taxes, and insurance, each of these costs will increase or decrease based on volume of sales and need for growth. All of this contributes to a lower cash flow being necessary to operate and sustain the business, keeping the start up costs for the business lower. And although this means that the business will be constrained to the capital we have raised for start up, the business's model ensures steady growth operating at a pace that can keep up with production.

Third, we are well educated owners, coming out of the homebrew tradition, able to work full time at the brewery. This allows for greater flexibility and an increased likelihood of success in the initial months; and as the owners, we can work any hours necessary without pay if needed. Additionally, as a husband and wife team, a rarity in the brewing community, we have the advantage of being small scale, which contributes to the mom and pop feel of the business. And, all customer questions will be legitimately answered and all patrons will feel comfortable learning about beer. Additionally, because we will brew on a smaller scale, we can use higher quality products to ensure the quality of the beer we sell.

Forth, our model of taproom has been successful in past. Tom Hennessey is the owner of Colorado Boy Brewery along with multiple others. He has also been instrumental in the successful start up of dozens of more breweries whom are still in operation today. The "Big Nut" according to Hennessey is to build a brewery for under \$100,000 dollars and grow your business organically at a pace that keeps up with production. We are using the Hennessey business model. Friends of ours (Wiley Roots Brewing Company wileyrootsbrewing.com), use this model and have been successful in a very competitive market in Colorado.

Fifth, there has been an increase in the craft beer market locally and nationally, but with a limited number of producers in the Chicagoland (an estimated only 39). One of the major draws of the craft beer market is to obtain locally produced beverages. People want to buy local; for Saint Charles, this would be the local brewery.

Finally, we feel that D and G Brewing Company has a philosophy and manner of doing business that will resonate with customers, especially those interested in craft beer.

We cater to the quality to our beer and the process of making it. We will share this craft with the community and hope they will appreciate what we do. At this time, greater emphasis has been growing toward locally produced, artisanal, and handcrafted products nationally. Our business is appealing to all of these trends. Moreover, with the owners background in education, this business is looking to be a place to educate the neighborhood about beer.

Market Analysis

National Trends

Nationally, craft beer is gaining market share. In 1998, craft brew represented 2.6% of the beer consumed in the US. In 2013, that number grew to 7.8%. By 2020, some project the craft beer market to conservatively be 15% of the market. This growth in market share is mirrored by the decrease in consumption of domestic and imported beer nationally.

Further, the growth in craft beer consumption is being driven by the increase in the number of breweries nationally. Craft beer is becoming more available as more individuals produce. Saint Charles, specifically, is an underserved market. For example, in the town of Greeley Colorado, population of 80,000 there are six brewpub and taprooms operating. That is one successful brewery per 13,000 people. These breweries produce a combined 5000 barrels of beer sold directly in the city. In other major cities, such as San Diego, Denver, and Portland, over 100 breweries serve populations of less than 1 million. With 18,000 people and currently no operating breweries, we believe the city of Saint Charles will be an excellent community to locate our brewery.

Additionally, Saint Charles provides a unique opportunity for our style of brewery. The breweries currently located in Chicago and the suburbs have their major emphasis on distribution. These breweries seek to make their beer and make it available to the public through purchase in stores through canning and bottling or purchase in bars. Although some of them have tasting rooms or brewpubs, the majority of their beer sales are through retail.

D and G Brewing Company are operating differently. We are a brewery with a taproom. The taproom is located within the brewery and serves only D and G beer by the pint or taster, or in growlers to go. The primary method of having a D and G beer is so that patrons come to the tasting room.

The different style of this brewery provides an opportunity to build upon. At breweries in Chicago, meeting brewers and owners is difficult to do. Customers have contact with wait staff and bar staff primarily. Although these individuals are generally excited about the product they sell, they often lack practical knowledge on how the beer is created and the how the brewing process and ingredients contribute to the product the customer is having. Generally, questions can have only a cursory answer. Furthermore, when sold at retail, customers have no direct contact.

Instead, D and G is an opportunity for patrons to become exposed to the brewing process and craft beer in a comfortable environment. The brewers and owners of the brewery are on site, serving them their beer. They have the opportunity to learn about the brewing process, as they can be escorted through the brewery by one of the owners. Their comments and concerns can be directly given to and addressed by those most invested in D and G's success: us!

Marketing and Sales

Marketing

Marketing will be done in three manners: social media, contacts within the brew community, and word of mouth. The initial marketing budget is \$50. Given the limited budget, information about the opening and operation of a new brewery in the Saint Charles community becomes a primary responsibility of the brewery owners.

Social media advertising will be accomplished with two platforms: Facebook and Twitter. Business accounts will be started on both sites. As a basic social media strategy, we will use the accounts in a manner similar to other small businesses. These will be used to advertise for sales, provide customers and potential customers information about the business, and to provide a manner of receiving customer feedback and interacting with the public.

Second, the business will engage with local brewers and the local beer community. Both owners have been actively involved in the homebrew and beer community in Colorado. In order to find a base of initial customers, owners will engage with local home brew clubs and clubs associated with beer in Saint Charles and the greater area. Additionally, all clubs within the Chicagoland area will be invited tour the facility and taste beer before and after opening.

Finally, word of mouth will be necessary to elicit sales. Both owners will possess business cards for the brewery and will hand them out at every opportunity. Additionally, local restaurants will be contacted to assist with word of mouth marketing. And hopefully, several of these establishments would like to have our beer on tap.

Funding

The project is entirely self-funded. Documents for start up costs, sales projections, and funding available will be furnished upon request.

Biography of the Owners

Brittany Groot and Alex Drayer currently live in Maple Park. They moved here from the north side of Chicago a year ago. They lived in the city of Chicago for two years. Prior to that, they lived in Greeley, Colorado. While in Colorado, they both taught at the University of Northern Colorado. Criminologists by trade, Brittany focuses on correctional rehabilitation and statistics, while Alex is an expert on crime prevention and problem oriented policing. Prior to this, they met while attending the Ph.D. program at the University of Cincinnati. Brittany finished her Master's and is ABD on her Ph.D. and finishing up soon! Alex has not graduated. Before meeting in Cincinnati, they both attended Loyola University Chicago, where Alex obtained his Master's degree in Criminal Justice and Brittany got her Bachelors. Originally a Penn Stater, Alex came to Chicago many moons ago and worked in direct sales for the Tom James Company. Brittany is currently employed by the State of Illinois as their data manager and researcher for the Department of Juvenile Justice. Alex is working full time starting the brewery and is currently working full time for Northwestern College as an assistant professor in Criminal Justice.

Alex and Brittany's passion for beer began long ago, but their passion for brewing beer began in Colorado soon after moving there. They joined the Tree House brew club where they were taught the art of brewing. Through the relationships in the club, they were immersed in the beer culture and learned the craft. Five members of this club have already gone on to own breweries. They intend to be the 6th and 7th. Additionally,

Brittany and Alex met and became friends with many brewery owners whom have educated them in the various types of breweries and their different business structures. Taking what they were taught, Alex and Brittany have decided to embark on the next chapter of their lives as owners of a small brewery. D and G is this brewery; it is their passion.

