



AGENDA ITEM EXECUTIVE SUMMARY

Agenda Item number: 4b

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

Presenter: Chief Keegan, Police Department

Meeting: Government Operations Committee

Date: June 19, 2017

Proposed Cost: \$ 0

Budgeted Amount: N/A

Not Budgeted:

Executive Summary (if not budgeted please explain):

The attached ordinance revisions attempt to codify several changes being proposed to our liquor code that are the result of conversations from our business community in regards to:

- Hours of Sale (Sundays)
- Gas Stations
- Breweries
- Cross-Access (Arcada and Pride Concept)
- Specialty Drinks (Abby’s & El Puente)

In each of these recommendations, proprietors have asked for consistency amongst neighboring communities and/or changes in the marketplace that necessitate these changes.

The hours of sale (Sundays) recommendation. Code Section 5.08.130. *The proposed update allows for the sale of packaged liquor items Monday- Sunday from 7 AM to 10 PM.* The current Code permits the sale of packaged liquor items Monday- Saturday from 7 AM to 10 PM and on Sunday from 10 AM and 10 PM, except on New Year’s Eve and Day, Easter, Mother’s Day, Father’s Day, Christmas Eve and Day then sales are permitted from 7 AM to 10 PM. *Additionally, the sale of liquor for on-site consumption is updated in the proposed Code allowing for service Monday- Sunday from 7 AM to midnight.* The current Code permits the sale of liquor for on-site consumption Monday- Saturday from 7 AM to midnight and on Sundays from 10 AM to midnight, with the same exceptions as noted above in the section for sale of package liquor items.

The gas station license (D-6). Code Section 5.08.090 (Class A-6). This interest comes as a change in the market place where we have seen communities in our region ask for additional opportunities to sell alcohol as an ancillary item to convenience purchases. The total square footage of alcohol sales cannot exceed over 10% of the gas station retail square footage.

Brewery licenses and the on-site manufacturing of both beer and wine. Code Section 5.08.090 (Class A-4). The City has received interest from various business interests. Two business plans have come forward in the last few weeks and several proprietors have approached us in regards to their interest in St. Charles. To remain both competitive and on the cutting edge of business, staff is recommending changes to our code to allow for this practice.

Both cross-access and specialty drink recommendations. Code Sections 5.08 (Classes F-2 and B-3). We have learned of these requests in listening to our businesses. Besides Pheasant Run and the Q Center which has an overall site licenses, both the Arcada Theatre/Club Arcada and the Pride Liquor Store/Urban Counter have separate businesses operating under one roof. Likewise, two of our local establishments have specialty drinks that have become quite popular. Both Abby’s and El Puente have asked for specialty drink combination licenses (retail from designated areas/consumption on-site).

As always, I stand ready to answer any questions or concerns these recommendations might pose.

This item will be going before the June 19, 2017 Liquor Control Commission for review and recommendation to move forward to the Government Operations Committee.

Attachments (please list):

Ordinance with amendments

Recommendation/Suggested Action (briefly explain):

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

City of St. Charles
Ordinance No. 2017-M-_____

An Ordinance Amending Title 5, Entitled
“Business Licenses and Regulations”
Chapter 5.08, “Alcoholic Beverages” 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”, of the St. Charles Municipal Code, be amended as follows:

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:

1. **Class A** – Packaged Alcoholic Liquor Licenses Class A licenses shall authorize the retail sale of alcoholic liquor in original packages only and not for consumption on the premises, except as permitted for the Class A-4 license. Class A licenses are divided into the following sub-classes:
 - o **A-1.** Class A-1 licenses shall authorize the retail sale of alcoholic liquors in original packages only and not for consumption on the premises. ~~Such licenses shall not be authorized for gasoline filling stations.~~ The primary purpose of the premises shall be the retail sale of alcoholic liquor. The premises shall have a minimum gross area of two thousand square feet.
 - o **A-4.** ~~Class A-4~~ A licenses shall authorize the retail sale of beer or wine for consumption on or off the premises, where brewed or fermented on the premises, provided the retail sale of beer or wine for consumption off the premises shall be in original packages only. ~~Class A-4 licenses shall also authorize the retail sale of wine in original packages only and not for consumption on the premises where fermented on the premises.~~
 - o **A-5.** Class A-5 licenses shall authorize the retail sale of domestic and imported wines, champagne, imported alcoholic liquor and gourmet beer in original packages only and not for consumption on the premises. The retail sale of alcoholic liquor shall be incidental to non- alcoholic liquor retail sales and shall not exceed twenty-five percent (25%) of the annual gross sales of said licensee. Class A-5 licenses shall also authorize the retail sale of wine, by the glass only, for consumption on the premises.
 - o A-6 Class A-6 licenses shall authorize the retail sale of alcoholic liquors in original packages only, and not for consumption on the premises, in gas stations containing convenience stores where the retail sale of packaged alcoholic liquor is secondary to the sale of gasoline products and/or miscellaneous convenience store items and the square footage devoted to the retail sale of alcoholic liquor is ten percent (10%) or less of the gross square footage.

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- o B-3 Class B-3 licenses shall authorize the retail sale of alcoholic liquors for consumption on the premises of a restaurant and tavern. Class B-3 shall also authorize the retail sale of wine or specialty drinks originating from the licensed premises in original packages only and not for consumption on the premises that are sold within the segregated retail/cashier area of the premises, within the retail wine area of the premises. The retail wine/specialty drink area shall not exceed fifty percent (50%) of the total square footage of the premises. Further, wine and tasting bars shall be permitted in the retail wine area of said premises, and wine tasting may be conducted in accordance with St. Charles Municipal Code 5.08.260

7. **F-2 Carry-In/Store on Premise** License shall authorize the carry in of beer, wine or spirits into a commercial business and place of public accommodation in which social interaction takes place (social club) that does not sell alcoholic beverages and the aforementioned items can either be securely stored on the premises in a secured locker or carried away subject to the following limitations:

1. The beer, wine, or spirits are carried and unopened;
2. No more than one bottle of wine/spirits not exceeding seven hundred fifty milliliters (750 ml) and no more than a 6-pack of beer may be carried in per patron at any one time;
3. At the licensee's discretion, the licensee may require the beer, wine or spirits to be opened and served by the licensee, and the licensee may charge a corkage or setup fee for that service;
4. Proof of dram shop insurance;
5. Carry-in alcohol may only be consumed outside if the licensee has also obtained an outside adjunct license;
6. Patron may remove one, unsealed and partially consumed bottled of wine/spirits for off-premise consumption and any sealed bottles/cans of beer. Partially consumed bottles of wine/spirits or sealed bottles/cans of beer must be removed from the premises 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 or stored away in a secured locker and not for public distribution or consumption;
7. Carry-in/store licensees shall be liable for violations of this chapter in the same manner as the holder of any other classification of liquor license, including, but not limited to, violations for service to minors and the over serving of patrons;
8. Illinois BASSET alcohol seller/server certification or equivalent training is required for at least one person who is on duty at all times that alcoholic liquor is allowed to be carried into the premises;

9. The hours of operation for a Class F-2 license holder are the same as those prescribed for a Class A license holder in Section 5.08-130A of this chapter.

4-8. G-1. Class G-1 Licenses shall authorize the retail sale of beer manufactured on premises for consumption on the premises or for consumption not on the premises in original/sealed packaging only. The retail sales portion of the licensed premises shall be separate from the manufacturing portion of the premises. Food service shall be permitted in accordance with Class B or C Licenses.

5.08.130 – License - Hours of Sale

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1. It shall be unlawful for any person holding a Class A- 1, A- 2, A- 213, A- 4, A- 5, F- 1, F- 2, ~~G- 1~~ license issued pursuant to this chapter to sell, offer for sale or to give away, in or upon any licensed premises any alcoholic liquor prior to the hour of 7: 00 a.m. and after the hour of 10: 00 p.m. ~~on Monday, Tuesday, Wednesday, Thursday, Friday and Saturday; and prior to the hour of 10: 00 a.m. and after the hour of 10: 00 p.m. on Sunday except where New Year's Day, Easter, Mother's Day, Father's Day, Christmas Eve, Christmas Day, and New Year's Eve occurs on a Sunday, then alcoholic liquor sales shall be unlawful prior to the hour of 7: 00 a.m. and after the hour of 10: 00 p.m.~~
2. It shall be unlawful for any person holding a Class B- 1 or B- 2 license issued pursuant to this chapter to sell, offer for sale or to give away, in or upon any licensed premises, any alcoholic liquor between the hours of 12: 00 midnight and 7: 00 a. m. on Monday, Tuesday, Wednesday, Thursday, Friday, and Saturday; and between the hours of 12: 00 midnight and 10: 00 a.m. on Sunday except where New Year's Day, Easter, Mother's Day, Father's Day, Christmas Eve, Christmas, and New Year's Eve occurs on a Sunday, then alcoholic liquor sales shall be unlawful prior to the hour of 7: 00 a.m. and after the hour of 12: 00 midnight.
3. It shall be unlawful for any person holding a Class B- 1, B- 2, B- 3, C- 1, C- 2, C- 3, or D8 license issued pursuant to this chapter to sell, offer for sale or to give away, in or upon any ALCOHOLIC BEVERAGES 5.08-21 licensed premises, any alcoholic liquor between the hours of 12: 00 midnight and 7: 00 a. m. ~~on Monday, Tuesday, Wednesday, Thursday, Friday and Saturday; and between the hours of 12: 00 midnight and 10: 00 a.m. on Sunday except where New Year's Day, Easter, Mother's Day, Father's Day, Christmas Eve, Christmas and New Year's Eve occurs on a Sunday, then alcoholic liquor sales shall be unlawful prior to the hour of 7: 00 a.m. and after the hour of 12: 00 midnight.~~
4. It shall be lawful for any person holding a B- 1, B-2, B- 3, C- 1, C-2 or C- 3 license issued pursuant to this chapter to sell, offer for sale, in or upon any licensed premises, any alcoholic liquor until 2: 00 a.m. on January 1 without being issued a Late Night Permit.
5. It shall be unlawful for any person holding a Class D- 1 license issued pursuant to this chapter to sell, offer for sale or to give away, in or upon any licensed premises, any alcoholic liquor between the hours of 2: 00 a.m. and 7: 00 a.m. on Monday, Tuesday, Wednesday, Thursday and Friday; between the hours of 3: 00 a. m. and 7: 00 a.m. ~~on Saturday; and between the hours of 3: 00 a.m. and 10: 00 a.m. on Sunday except where New Year's Day, Easter, Mother's Day, Father's Day, Christmas Eve, Christmas, and New Year's Eve occurs on a Sunday, then alcoholic liquor sales shall be unlawful prior to the hour of 7: 00 a.m. and after the hour of 3: 00 a.m.~~
6. It shall be unlawful for any person holding a Class D- 2, D-4, D- 5, D- 6, or D- 7 license issued pursuant to this liquor chapter to sell, offer for sale or to give away, in or upon any licensed premises, any alcoholic liquor between the hours of 2: 00 a.m. and 7: 00 a.m. ~~on Monday, Tuesday, Wednesday, Thursday, Friday, Saturday; and between the hours of 2: 00 a.m. and 10: 00 a.m. on Sunday except where New Year's Day, Easter, Mother's Day, Father's Day, Christmas Eve, Christmas, and New Year's Eve occurs on a Sunday, then alcoholic liquor sales shall be unlawful prior to the hour of 7: 00 a.m. and after the hour of 2: 00 a.m.~~
7. It shall be unlawful for any person holding a Class D- 3 license issued pursuant to this chapter to sell, offer for sale or to give away, in or upon any licensed premises, any alcoholic liquor between the hours of 2: 00 a.m. and 7: 00 a.m. on Monday, Tuesday, Wednesday, Thursday, Friday and Saturday; and between the hours of 2: 00 a.m. and 10: 00 a.m. on Sunday except where New Year's Day, Easter, Mother's Day, Father's Day, Christmas Eve, Christmas, and New Year's Eve occurs on a Sunday, then alcoholic liquor sales shall be unlawful prior to the hour of 7: 00 a.m. and after the hour of 2: 00 a.m.
8. It shall be unlawful for any person holding a Class E- 1 or E- 3 license issued pursuant to this chapter to sell, offer for sale or to give away, in or upon any licensed premises, any alcoholic

~~liquor between the hours of 11:00 p.m. and 7:00 a.m. on Monday, Tuesday, Wednesday, Thursday, Friday, Saturday and Sunday, except as otherwise authorized by the City Council.~~

- 9. It shall be unlawful for any person holding a Class E-2 license or E-4 license issued pursuant to this chapter to sell, offer for sale or to give away, in or upon any licensed premises, any alcoholic liquor between the hours of 12:00 midnight and 10:00 a.m. ~~on Monday, Tuesday, Wednesday, Thursday, Friday, Saturday and Sunday.~~
- 10. It shall be unlawful for any person holding a Class E-5 license issued pursuant to this chapter to sell or deliver, in or upon any licensed premises, any alcoholic liquor, except during those hours as specifically set forth in said Class E-5 license.
- 11. It shall be lawful for any person holding a Class E-6 Temporary License Permit issued pursuant to 5.08-22 this chapter to sell, offer for sale in or upon any licensed premises, any alcoholic liquor until 1:00 a.m. or 2:00 a.m. (on specified date as stated on approved permit by City Council).

~~1. It shall be unlawful for any person holding a Class E 7 Temporary License Permit issued pursuant to this chapter to sell, offer for sale, or give away for consumption on the licensed premises any beer or wine between the hours of 9:01 p.m. — 11:59 a.m. on the specified date as stated on approved permit by City Council.~~

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5.08.220 – License – Multiple Locations

Where two (2) or more locations, places or premises are under the same roof or at one street address and do not hold a site license, a separate local liquor license shall be obtained for each such location, place or premise; provided that nothing herein contained shall be so construed as to prevent any hotel or motel operator licensed under the provisions of this chapter from serving alcoholic liquor to his registered guests in any room or part of his hotel or motel, if such liquor so served shall be kept in and served from a licensed location, place or premises in said hotel or motel.

Alcohol sold from one licensed location for the purpose of consumption on the premises may be carried to and consumed within a second licensed location under the same roof so long as such movement can be made wholly within the enclosed structure of the premises or within a permitted outside consumption area.

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SECTION TWO: 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 THREE: 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 _____, 2017.

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

_____, 2017.

APPROVED by the Mayor of the City of St. Charles, Illinois, this _____ day of
_____, 2017.

Raymond P. Rogina, Mayor

ATTEST:

City Clerk

COUNCIL VOTE:

Ayes : _____

Nays : _____

Absent : _____

APPROVED AS TO FORM:

City Attorney

DATE: _____