

 <p>CITY OF ST. CHARLES ILLINOIS • 1834</p>	<b>AGENDA ITEM EXECUTIVE SUMMARY</b>		<b>Agenda Item number: 7</b>
	Title:	Recommendation to approve an Ordinance to Amend Title 5 “Business Licenses and Regulations,” Chapter 5.08 “Alcoholic Beverages,” Sections 5.08.095 “Late Night Permit,” and 5.08.140 “License – Renewal Deadline,” of the St. Charles Municipal Code	
Presenter:	<b>Police Chief Keegan</b>		
<b>Meeting:</b> Liquor Control Commission		<b>Date:</b> April 17, 2023	
<b>Proposed Cost:</b> \$		<b>Budgeted Amount:</b> \$	<b>Not Budgeted:</b> <input type="checkbox"/>
<b>TIF District:</b> Choose an item.			
<b>Executive Summary</b> (if not budgeted, please explain):			
<p><b>Attachments</b> (please list): Memo, Proposed Ordinance</p>			
<p><b>Recommendation/Suggested Action</b> (briefly explain):          Recommendation to modify City Code with the listed revisions to Title 5 “Business Licenses and Regulations”, Chapter 5.08 “Alcoholic Beverages”, Sections 5.08.095 “Late Night Permit” and 5.08.140 “License – Renewal Deadline” of the St. Charles Municipal Code.</p>			



# Memo

Date: 4/13/2023  
To: Lora Vitek, Mayor/Liquor Commissioner  
From: James Keegan/Chief of Police  
Re: Late Fees (Liquor License & Late-Night Permit Renewals)

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It has come to my attention that the renewal processes for both liquor licensing and late-night permitting is rather cumbersome and labor-intensive for staff. Not so much in the processing of applications and back-end book keeping, but rather in the payment of fees and the timeliness of invoice payments. That being said, I took the opportunity to review our liquor code, and as a frame of reference, our alcohol-tax code where similarly, some of the same problems persist.

As a means to incorporate consistency in our collection efforts of payments owed to the City, I recommend consistency in our approach in passing along late-payments to those disregarding deadlines and pushing staff to chase down late-payments and paperwork. Obviously, we reserve the right to deny any licensing renewal application with due process for outstanding debt owed to the City but in many cases, it's late-payments we are constantly chasing down; often times by the same few outliers.

Nonetheless, please see the appropriate code amendments I am recommending in regards to late-payments as a means to ensure the timely collection of licensing fees owed to the City.

## 5.08.140 – License – Renewal Deadline

Any licensee may renew ~~his~~ local liquor license at the expiration thereof; provided, that ~~he~~ ~~it~~ is then qualified to receive a local liquor license and the premises for which such renewal local liquor license is sought are suitable for such purpose; provided further, that the renewal privilege provided for in this section shall not be construed as a vested right which shall in any case prevent the City Council from decreasing the number of local liquor licenses to be issued within the City. A liquor licensee shall file an application for renewal of a local liquor license, accompanied by the applicable local liquor license fee and all required documentation, including dram shop insurance coverage, on or before ~~April 1~~ the date set in the application renewal process; in any given year. There shall be a late payment fee of ~~fifty one-hundred~~ dollars (~~\$50-100~~) for failure to comply with the foregoing; for the first offense, two-hundred fifty dollars (\$250) for the second offense and for the third and subsequent offenses, five-hundred dollars (\$500.00).

***Content with recommended changes incorporated:***

**5.08.140 – License – Renewal Deadline**

Any licensee may renew its local liquor license at the expiration thereof; provided, that it is then qualified to receive a local liquor license and the premises for which such renewal local liquor license is sought are suitable for such purpose; provided further, that the renewal privilege provided for in this section shall not be construed as a vested right which shall in any case prevent the City Council from decreasing the number of local liquor licenses to be issued within the City. A liquor licensee shall file an application for renewal of a local liquor license, accompanied by the applicable local liquor license fee and all required documentation, including dram shop insurance coverage, on or before the date set in the application renewal process in any given year. There shall be a late payment fee of one-hundred dollars (\$100) for failure to comply with the foregoing for the first offense, two-hundred fifty dollars (\$250) for the second offense and for the third and subsequent offenses, five-hundred dollars (\$500.00).

**5.08.095– Late Night Permit**

3. ~~3.~~—Annually, the ~~liquor license~~late-night permit renewal process shall commence on the first city business day in February. Current ~~license-late-night permit~~ holders shall submit a renewal application and include any requested changes. ~~For those L~~ license holders applying for a new or renewing a late-night permit, they are required to specify whether they are applying for the 1:00 a.m. or the 2:00 a.m. permit. In addition, any new or renewal applications shall include a current business concept outlining the operations intended during the late-night permit term of one year, in conjunction with the liquor license to be issued on May 1 of the same year. Failure to provide a timely ~~renewal application or~~ late-night permit application on or before the date set in the application renewal process may result in a delay in issuing said license and permit by May 1 of that year. There shall be a late payment fee of one-hundred dollars (\$100) for failure to comply with the foregoing for the first offense, two-hundred fifty dollars (\$250) for the second offense, and five hundred dollars (\$500) for the third and subsequent offenses.

***Content with recommended changes incorporated:***

**5.08.095 – Late Night Permit**

3. Annually, the late-night permit renewal process shall commence on the first city business day in February. Current late-night permit holders shall submit a renewal application and include any requested changes. License holders applying for a new or renewing a late-night permit, they are required to specify whether they are applying for the 1:00 a.m. or the 2:00 a.m. permit. In addition, any new or renewal applications shall include a current business concept outlining the

operations intended during the late-night permit term of one year, in conjunction with the liquor license to be issued on May 1 of the same year. Failure to provide a timely late-night permit application on or before the date set in the application renewal process may result in a delay in issuing said license and permit by May 1 of that year. There shall be a late payment fee of one-hundred dollars (\$100) for failure to comply with the foregoing for the first offense, two-hundred fifty dollars (\$250) for the second offense, and five hundred dollars (\$500) for the third and subsequent offenses.

*For reference regarding the alcohol code:*

**3.42.090 – Late payment and/or filing; failure to pay and/or file**

- A. If for any reason a tax return required by this chapter is not filed, or a tax imposed under this chapter is not paid when due, a penalty shall be added and collected as follows. For the first offense, \$50.00 or five percent (5%) on the amount of tax which remains unpaid, whichever is greater; for the second offense, \$100.00 or five percent (5%) on the amount of tax which remains unpaid, whichever is greater; and for the third and subsequent offenses, \$150.00 or five percent (5%) on the amount tax which remains unpaid, whichever is greater.

Whenever any person shall fail to pay any tax as provided in this chapter, the City Attorney, upon the request of the Finance Director, shall bring or cause to be brought an action to enforce the payment of the tax on behalf of the City and reasonable attorney's fees incurred in bringing such action in any court of competent jurisdiction.

**City of St. Charles, Illinois**  
**Ordinance No. 2023-M- \_\_\_\_\_**

**An Ordinance Amending Title 5 “Business Licenses and Regulations”,  
Chapter 5.08 “Alcoholic Beverages”; Sections 5.08.095 “Late Night Permit”  
and 5.08.140 “License – Renewal Deadline” 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”, Section 5.08.095 “Late Night Permit” of the St. Charles Municipal Code, be and is hereby amended by replacing the existing portion of the section with the following:

3. Annually, the late-night permit renewal process shall commence on the first City business day in February. Current late-night permit holders shall submit a renewal application and include any requested changes. License holders applying for a new or renewing a late-night permit, they are required to specify whether they are applying for the 1:00 a.m. or the 2:00 a.m. permit. In addition, any new or renewal applications shall include a current business concept outlining the operations intended during the late-night permit term of one year, in conjunction with the liquor license to be issued on May 1 of the same year. Failure to provide a timely late-night permit application on or before the date set in the application renewal process may result in a delay in issuing said license and permit by May 1 of that year. There shall be a late payment fee of one-hundred dollars (\$100) for failure to comply with the foregoing for the first offense, two-hundred fifty dollars (\$250) for the second offense and five hundred dollars (\$500) for the third and subsequent offenses.

SECTION TWO: That Title 5 “Business Licenses and Regulations”, Chapter 5.08 “Alcoholic Beverages”, Section 5.08.140 “License – Renewal Deadline” of the St. Charles Municipal Code, be and is amended by replacing the entire section with the following:

Any licensee may renew its local liquor license at the expiration thereof; provided, that it is then qualified to receive a local liquor license and the premises for which such renewal local liquor license is sought are suitable for such purpose; provided further, that the renewal privilege provided for in this section shall not be construed as a vested right which shall in any case prevent the City Council from decreasing the number of local liquor licenses to be issued within the City. A liquor licensee shall file an application for renewal of a local liquor license, accompanied by the applicable local liquor license fee and all required documentation, including dram shop insurance coverage, on or before the date set in the application renewal process in any given year. There shall be a late payment fee of one-hundred dollars (\$100) for failure to comply with the foregoing for the first offense, two-hundred fifty dollars (\$250) for the second offense, and for the third and subsequent offenses, five-hundred dollars (\$500.00).

**SECTION THREE:** That, after the adoption and approval hereof, this Ordinance shall (i) be printed or published in book or pamphlet form, published by the authority of the City Council of the City of St. Charles, 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 \_\_\_\_\_, 2023.

**PASSED** by the City Council of the City of St. Charles, Illinois this \_\_\_\_ day of \_\_\_\_\_, 2023.

**APPROVED** by the Mayor of the City of St. Charles, Illinois, this \_\_\_\_ day of \_\_\_\_\_, 2023.

\_\_\_\_\_  
Lora Vitek, Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

COUNCIL VOTE:

Ayes : \_\_\_\_\_

Nays : \_\_\_\_\_

Absent : \_\_\_\_\_