MINUTES
CITY OF ST. CHARLES, IL
LIQUOR CONTROL COMMISSION MEETING
MONDAY, JUNE 16, 2014

1. Opening of Meeting
The meeting was convened by Liquor Commissioner Rogina at 4:33 p.m.

2. Roll Call

Members Present: Liquor Commissioner Rogina, Robert Gehm, Ald. Payleitner, Ald. Lewis, and Chuck Amenta

Absent:

Others Present: Interim Police Chief Huffman, Mark Koenen, Atty. John McGuirk, Atty. Tim O'Neil, Officer Burden and Tina Nilles

3. **Liquor Violation Hearing for Alley 64.**
Minutes taken by Court Reporter – attached.

4. Motion by Mr. Gehm second by Alderman Payleitner to accept and place on file minutes of the Liquor Control Commission meeting held on April 21, 2014 and minutes of the Liquor Control Commission meeting held on May 19, 2014.

Voice Vote: Ayes: unanimous, Nays: none. Motion carried.

5. **House of Tokyo Violation Notice.**

Mayor Rogina: Then next order of business is The House of Tokyo Violation.

Tina Nilles: Your Honor, if you're done with this Alley 64 item, then are we done with the court recorder? She was specifically here for Alley 64.

Mayor Rogina: Yes, she may be released at this point in time because we're moving off of the public hearing.

Mayor Rogina: Alright, having said that we'll move along to the next order of business which is House of Tokyo. Thank you, Mrs. Nilles. The petitioner in this case is Chief Steve Huffman. On or about April 30, 2014, the licensee House of Tokyo, Inc., by and through its employees, officers and or agents committed the following violations of the St. Charles Liquor Code, and they are two in nature. Count one: Failed to pay a license fee for the year beginning on May 1, 2014 in that it is presented an insufficient funds check in the amount of $1200 dollars and count

two: Failed to pay alcohol tax with a penalty of $150 dollars and has on three occasions filed its alcohol taxes late in violation of 3.42.090 of the alcohol tax ordinance; and for the record the licensee in this matter has pleaded guilty and does not request a hearing. Is there anybody from The House of Tokyo present here today, seeing none, we will deal with this matter again in executive session as to the fine that will be administered here.

6. **Recommendation for direction to draft an E-7 liquor license for Committee and Council approval.**

Mayor Rogina: Were going to start with Chief Huffman, who will lay the groundwork for this and then we have a business person in our community, Mr. Paul Lencione who would like to speak to the liquor commission on this matter.

Chief Huffman: Blue Goose Market has approached the city to consider the creation of an E-7 liquor license, this would be a brand new liquor license, temporary liquor license. The E-7 license would allow Blue Goose Market to provide catered events for various festivals and what not that we have here in the city. In fact, if we go forward with this, they would like for the inaugural event to be during the Scarecrow Festival. In talking with city staff, Blue Goose and conducting research, the E-7 license would have all the same restrictions to the current E licensing that we have. For example, food must be predominant at the event. The event would be restricted to the business hours of the establishment. Servers must be BASSET certified, etc., all the current restrictions that are in the E licensing now. The license would only be applicable to class A-2 and A-2B license holders, and these are businesses like the market that the primary source, or their primary retail activity is food and other merchandise. The intent of the license is to provide the opportunity to businesses such as the Blue Goose Market to promote the sale of products that they offer in their stores. They would have these events catered, for example, by their beef distributors, which would allow customers to come to the Blue Goose, in the parking lot, and taste the beef that they actually sell in the store before they purchase it. It's proposed that the sale of alcohol under the E-7 would be beer and wine only. I'd like to introduce Paul Lencione to talk about his concept and what he envisions for these types of events.

Paul Lencione, 300 South Second Street, St. Charles, Illinois: Thank you all for the opportunity to speak to you today. The idea was during Scarecrow Festival for us to be able to hold what we call a Harvest Festival. The idea of that is to give people attending the festival the opportunity to come in and see for that season, some of the things that we do that are really cool. Have the chefs in our deli make great food, prepare meals, and with that, do a wine paring, have reservations and serve full meals, but focusing on the food that we sell and the things that we do that create excitement to drive business into our store for the season, and show them the things that we do that are very cool. The purpose of the Scarecrow Festival is to bring a lot of people in town, and to give the existing businesses the opportunity to forward their branding to create new retail relationships with those folks. The best way to do it is to put our best foot forward and show them all the cool things that we can do. Getting support from my meat providers, so they can come in and do some advertising and show them what we have. Make awesome prepared meals to forward the culinary expertise of The Blue Goose. Part of that is doing a wine pairing that shows off our culinary expertise. And being that wine is something we sell, we don't have

to create a beer garden or a wine festival, where people are coming in to get drinks, but as a small part of the complete offering that is the Blue Goose and leveraging the fact that we have the festival in town. It wouldn't be a part of The Scarecrow Festival, however, the CVB is in favor of businesses like mine taking advantage of the Scarecrow Festival, it adds an element they are looking for as well as giving back quite a bit to the community. Creating a festival that is based on craftsmanship with the higher ideas of what we do in putting together amazing meals, showing the better side of St. Charles, the culture, heritage and care that the Blue Goose offers as an asset to the City of St. Charles. I am making the request to see if there is a way that we could do this.

Mayor Rogina: Alright, I want to start with Mr. Ghem and work our way down. You all may have questions for either Mr. Lencione or Chief Huffman.

Mr. Ghem: I think it's a great idea during The Scarecrow Fest. I guess part of me thinks about the logistics on how you would do that. Would it be outside the Blue Goose?

Mr. Lencione: It would be outside in our parking lot. Initially the first thing that I have to do is get permission to do it and it will be on site. The idea is to connect the cool things that we're doing with the location. I have to get people coming to my location and going into the store.

Mr. Gehm: And the other side would be as the Chief mentioned about being in compliance with the other A-2 and A-3 licenses. BASSET certification, how would we make sure that's done before the event takes place? Do you check the day before? Do you check during the event just to make sure that all those rules are being followed, so that it is in the nature of what's been explained?

Chief Huffman: Yes, that would all be vetted through the application. Blue Goose would have to apply, if we create the E-7, and during the background investigation, prior to approval, we ensure that all servers are BASSET certified.

Mr. Ghem: Ok, and as you said also just the normal hours of operation would follow this to order?

Chief Huffman: That's correct, and if we move forward, you will direct us to create language for an ordinance. We would vet that out as well through the creation of the ordinance what times we'd want to propose for the E-7 to be in effect.

Mr. Ghem: Good. That's all I had your honor.

Ald. Payleitner: I think it's a great idea, and my questions are more in the logistics of it. Mr. Lencione, are you charging for food and drink?

Mr. Lencione: Yes, I will be. They'll be some charge, possibly tickets like any vendors situation would. I have to figure out the business side as I put this together.

Ald. Payleitner: OK, I just know that the State of Illinois doesn't allow you to give it away.

Mr. Lencione: There is a possibility that there could be some sampling going on in different areas. We have to put it all together to see how it's going to happen, but we would follow the sampling provisions of the law.

Ald. Payleitner: Good you took care of my question on that. Remind me Chief, there's something about events held the same weekend as Scarecrow, correct?

Chief Huffman: There is. Our current E licenses have specific language that prohibits the issuance of the license on Columbus Day Weekend or Scarecrow Fest.

Ald. Payleitner: OK

Chief Huffman: This E-7 would be written to not contain that prohibitive language.

Ald. Payleitner: OK. Thank you.

Mayor Rogina: Alderman Lewis

Ald. Lewis: I like the concept. Some of my questions have already been answered. How about age? Twenty-one and older?

Mr. Lencione: Actually that's a good question. We were talking about that because this is not a beer garden concept. I would like this to be family friendly. I don't see the drinking of beer and wine being essential to this. I would like to be able to have families come in, so; no I wouldn't want a beer garden circumstance where you have to be twenty-one to come in. I would prefer to card anyone who requested it, but most of the things that would be available in this would have nothing to do with beer and wine. I just want those elements to be available.

Ald. Lewis: So you would be selling wine by the glass, and beer by the glass?

Mr. Lencione: It's possible to have a prefixed meal, but yes, I could imagine selling wine by the glass.

Ald. Lewis: So, a vendor would come in, like your Boars Head Meat.

Mr. Lencione: Absolutely.

Ald. Lewis: He wants to sample his food and would I pay for that food and my glass of wine?

Mr. Lencione: No, That's a great question because some of this has to come through the concept stage; there's a couple ways we see this going. Possible for a later seating to do a prefixed meal, so there would be like a pairing. Imagine it like a seminar where there's a schedule of events and some of those events would not contain drinking at all. There might be a

couple preparations, such as, you buy a flight of wine and there would be two preparations of food to pair it with. It would be a package that you'd buy, and you wouldn't have to do the wine, but you would have that opportunity. They'd have a wine vendor there that's making pairings and talking about wines, and so it would be very educational. But it wouldn't be where you would come in buy a glass of wine and slug it down. We are calling this - Harvest Festival.

Ald. Lewis: OK, I like that idea. It probably would be more adult orientated if you were going to do it. Now you have you're cookout during Scarecrow Festival. How would that interact with what you're doing here?

Mr. Lencione: To be determined. I honestly, don't know. This is something we had a conversation about last year; and this is something that Amy from the Convention & Visitor's Bureau and I have talked about for over a year and are now trying to figure out. We didn't do it last year, because we were trying to figure out the right way to do it. The brat stand would probably stay the brat stand and the two would inter-mingle. You would be over here and there would be booths, such as, the Boar's Head people talking about the things that are seasonal for Boar's head and possibly having samples of the new things that they're doing; or bring in Heritage Prairie Farm to talk about their farm program and showing some of those things during the day, and maybe or maybe not even having beer and wine even associated at any point with that. Maybe get the Penrose guys to do a sampling during the cookout because I have a lot of people there at times.

Ald. Lewis: Your focus is the food?

Mr. Lencione: Yes, it's the food. It's about all the things that I do and the entire concept.

Ald. Lewis: Ok, and you get this license, it's a temporary license, is there a limit as to how many times a year? Two times, three times a year?

Chief Huffman: This is of the things that we discussed, is putting a limit on the number of E-7 licenses that can be issued to any one business in a calendar year.

Ald. Lewis: Ok.

Chief Huffman: If I may also address your concerns about minors. Currently in the E licensing language, the only time minors are allowed in a special event, or an E licensing event is with the express written permission of the liquor commissioner. I don't imagine this E-7 licensing having different language than that, and so it's a case by case basis, and I don't recall, Mr. Mayor, if you do recall, the last time we actually allowed minors in, but it's on a case by case basis.

Mayor Rogina: I haven't during my term here, but I have written that point down and I'll comment after all the alderman and other members talk about it. But, it hasn't happened in the last year, Chief.

Mr. Amenta: The benefit I have is that they get to ask all the great questions and all my questions get answered. The one that I do have is you talked about beer and wine being paired with food. Would there be any sales of beer and wine alone and separate from food?

Mr. Lencione: Possibly, but not for the intention of that. We had this conversation when we were first trying to conceive of it, and how does it work together because, hopefully a lot of these things that I'm selling are going to be paid for by my vendors. That's kind of part of it. I need to tap into the marketing stream to make this all viable. So, I can imagine that would be the case. But if it was it wouldn't be any different than going to a restaurant. There's special language because it's not focused around that. I can imagine a scenario where it would be possible; so yes is my only answer at this point. I'm happy to hear guidance on that.

Chief Huffman: I would also like to add the current language in all the E licensing is that food has to be predominating. There has to be more food sold or given away than the amount of alcohol. I don't imagine us changing the language on that. But it's certainly something we can discuss.

Mr. Amenta: Would that be separate from your cookout stand?

Mr. Lencione: It would, this would be out in the far end of my parking lot during Scarecrow Festival. I have a little bit of leeway in the parking lot. It would be separate from the cookout. I expect people from the cookout will come over. I hope they would come over.

Mr. Amenta: I guess specifically my question was, if I wanted to grab a brat from the one side and walk over and get a beer. Does the food from that also add into?

Mr. Lencione: No. That's not the intention at all.

Mr. Amenta: OK

Mr. Lencione: At no point would the intention focus away from the food. Everything would be intended to work together. Like I said I don't have a ton of details. We were looking to do this first before we work it all out.

Mr. Amenta: OK. Thank you.

Mayor Rogina: First of all I want to start by saying that it's been my belief on any and all festivals, as alderman, or even now as mayor, that I'd like to see more participation by our businesses in the community, as opposed to vendors who come in from the outside, they do pay a fee, I'll give them that credit, but then they sell their wares and leave town. If we can do the businesses of our community a favor by providing an atmosphere, whether it be a festival or something else, that allows them to market their product. I'm in favor.

I want the members of the committee to know, no special events petition is needed. So, we're not under the gun on some time frame of 90 days out. There's no special events requirement here.

We're in a position for the staff to craft an ordinance to come back to us at the next meeting, perhaps. Certainly, Mr. Lencione is in a position where he wants to know sooner than later, then he can start making plans for it. We're not under the gun, where we have to do this by Government Operations.

Ald. Lewis: Is that because it's on private property?

Mayor Rogina: The Chief will tell you.

Chief Huffman: It is private property. No city services are needed. It's a simple application by the Blue Goose for an E-7 license.

Mayor Rogina: The second point I want to make, that should be very clear to everyone, is that this applies to all A2 and A2B licenses. It's not just the Blue Goose that's being granted this, but any other licensee that fits that category. If licensees want to on that particular weekend, or as the ordinance is crafted, they get a certain amount of times to be able to do exactly this model they can. This does not apply to one licensee.

On to the family point, which I think is a very good point. I would make the analogy to restaurants that are family oriented and do serve alcohol. I think that we're in a position to create an atmosphere that is family oriented even if alcohol is being served; and to be very successful at it without any incidents, problems or concerns. The most important is that all you need to do here today if you like the concept; the staff is going to draft an ordinance that is very specific. We already highlighted the fact that the dominant theme of this license is food. You'll be able to see first-hand at the next meeting in July as to whether or not you think the staff has done a good job of creating an ordinance that can be moved along to Government Operations. All licensees will have to adhere to the ordinance whatever the language says.

Ald. Payleitner: Did you just dream this up or is there a template you are using; are they doing this in another community?

Mr. Lencione: It's along the lines of a lot of things the Blue Goose has been doing for a while now. It's an idea I came up with; a way to impact people and earn an ongoing customer following. It's not my intention to make money. I'm doing this for the purpose of earning the business of people who are not aware of what the Blue Goose offers. It's a marketing outreach, not intended to be a profit driven event

Ald. Lewis: I would like to reiterate what the Mayor said. I too like the idea that business are trying to embrace the festivals vs. complaining. Businesses saying, while this is going on what can I do to be more profitable?

Mr. Lencione: I can tell you that although this is a homegrown idea. I don't intend to keep it a secret. It would do well for me the more other businesses in town take this approach to create stronger connections with their customers.

Mayor Rogina: I appreciate that last remark more than any other thing you have said. You would like to see other businesses in our community do the same thing; connect with their customers in a positive manor. That's good for St. Charles.

We are asking today for you, through a motion, to give staff direction to bring back to The Liquor Commission, a model E-7 license for your perusal and possible approval to the Government Operations Committee.

Mayor Rogina: We are going to go into Executive Session.

Voice Vote: Ayes: Unanimous; Nays: None; Absent: Amenta. Chrmn. Rogina did not vote as chair. **Motion carried.**

7. Other Business

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

Motion by Mr. Gehm, second by Mr. Amenta to move into Executive Session at 5:05 p.m. to discuss liquor violations.

Roll Call: Ayes: Gehm, Payleitner, Lewis, and Amenta; Nays: none. Chrmn. Rogina did not vote as Chairman. **Motion carried.**

Motion by Mr. Gehm, second by Ald. Payleitner to return from Executive Session at 5:33 p.m.

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

9. Adjournment

Motion to adjourn by Mr. Amenta, second Ald. Lewis 5:35 p.m.

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

S100816

STATE OF ILLINOIS)
) SS.
COUNTY OF K A N E)

BEFORE THE LIQUOR CONTROL COMMISSION
OF THE CITY OF ST. CHARLES

In Re the Matter of:)
Steve Huffman)
~~Interim~~ CHIEF ~~JAMES LAMKIN~~,)
)
Petitioner,)
)
and)
)
ALLEY 64, 212 West Main)
Street, St. Charles,)
Illinois,)
)
Respondent.)

REPORT OF PROCEEDINGS
City of St. Charles Council Chambers
2 East Main Street
St. Charles , Illinois
June 16, 2014
4:30 p.m.

Reported by: Geri L. Denson
CSR, RPR

PRESENT:

MR. RAY ROGINA, Chairman;

MR. CHUCK AMENTA, Member;

MR. ROBERT GEHM, Member;

MS. MAUREEN LEWIS, Member;

MS. RITA ANNE PAYLEITNER, Member.

ALSO PRESENT:

MS. TINA NILLES, Administrative Assistant;

MR. JOHN M. MCGUIRK,
Attorney for the Commission; and

MR. TIMOTHY D. O'NEIL,
Attorney for the Petitioner; and

MR. DANIEL HANLON,
Attorney for the Respondent.

CHAIRMAN ROGINA: Good afternoon. I would like to call the June 16th, 2014, meeting of the Liquor Control Commission to order.

Tina, call the roll.

MS. NILLES: Gehm.

MEMBER GEHM: Here.

MS. NILLES: Payleitner.

MEMBER PAYLEITNER: Here.

MS. NILLES: Amenta.

MEMBER AMENTA: Here.

MS. NILLES: Lewis.

MEMBER LEWIS: Here.

CHAIRMAN ROGINA: Let's start by a motion to accept and place on file minutes of the Liquor Control Commission meeting held on April 21st, 2014, and the minutes of the Liquor Control Commission meeting held on May 19th, 2014.

MEMBER GEHM: Make the motion.

MEMBER PAYLEITNER: Second.

CHAIRMAN ROGINA: Moved and seconded.

Any further conversation?

(No response.)

CHAIRMAN ROGINA: Hearing none, all in favor indicate by saying, "aye."

(The ayes were heard.)

CHAIRMAN ROGINA: Opposed?

(No response.)

CHAIRMAN ROGINA: That motion has been carried.

Item 3 on your agenda. I did Item 4. Going back.

Item 3, Liquor violation hearing for Alley 64. Section 5.08.030 of the St. Charles Municipal Code provides that the local liquor control commissioner may revoke for cause all local liquor licenses issued to persons or entities for premises within the city and to impose fines as authorized in the St. Charles Municipal Code.

Both under the section cited above and under Chapter 235, Section 5/7-5 of the Illinois Compiled Statutes, the local liquor commissioner is required to hold a public hearing after notice to the licensee in which the licensee is afforded an opportunity to appear and defend.

Pursuant to Section 5.08.030 and Section 5.08.35B of the St. Charles Municipal Code, this hearing is being conducted by the Local Liquor

Commission at the request of the Local Liquor Commissioner.

Alley 64 has been charged with a violation of Section 5.08.250-0 of the St. Charles Municipal Code in that on March 14, 2014, at approximately 2:03 a.m., it both sold alcoholic beverages during hours in which the sale of alcoholic liquor is prohibited and remained open for business and permitted individuals to remain within its premises during hours in which the sale of alcohol is prohibited.

The licensee, after being served, has plead not guilty to the complaint. For the record, the licensee is present pursuant to notice.

Mr. Casiello, you are here today. And you do acknowledge notice of this proceeding, do you not?

MR. CASIELLO: Yes, I do.

CHAIRMAN ROGINA: Are you represented here today by an attorney?

MR. HANLON: He is.

CHAIRMAN ROGINA: State your name and address for the record.

You may come to the microphone.

MR. HANLON: Good afternoon.

My name is Dan Hanlon, H-a-n-l-o-n, with the law firm of Marquardt & Belmonte. Our address is 311 South County Farm Road, Suite I, Wheaton Illinois, 60187.

It is our intention to admit the violation.

Is that what you are asking at this point?

CHAIRMAN ROGINA: Sure.

MR. HANLON: We are in need of some clarification. The violation you read states that they sold alcohol after 2:00 a.m.

The -- what we are admitting to is there were patrons present after 2:00 a.m.

CHAIRMAN ROGINA: I am sure it is in the same section, so I am not sure it matters.

Mr. O'Neil?

MR. O'NEIL: Tim O'Neil, O-apostrophe-N-i-e-l, 10 West State Street, Suite 200, St. Charles.

The charge is remained open for business and permitted individuals to remain within the premises. That was the basis upon which the Chief is proceeding today.

CHAIRMAN ROGINA: So we will then, for the record, strike "sold alcoholic beverages" and

suggest that the charge would be just simply that it remained open after business.

MR. O'NEIL: Correct, with the alcohol still being present.

CHAIRMAN ROGINA: I am not putting words in your mouth. You are saying the licensee pleads guilty to that--

MR. HANLON: We admit that violation.

CHAIRMAN ROGINA: All right. Then as always, after a guilty plea, we invite the licensee to make any mitigating statements because we will go into the executive session for purposes of penalties.

But the licensee is in a position to come forward --

MR. CASIELLO: I would appreciate that. But Dan is going to take care it.

MR. HANLON: I am speaking for Mr. Casiello.

It is my understanding that this is the -- they have been open for approximately six years. This is the second time they have been before this board. Obviously, it is two too many.

It is my understanding that the previous

violation was a similar violation to this one.

CHAIRMAN ROGINA: Correct.

MR. HANLON: I can tell this board and your Honor, Mr. Mayor, that prior to receiving the violation, Mr. Casiello reached out to the police department on at least two occasions asking for some assistance in guiding them to enact or initiate proper procedures and better procedures in clearing out the establishment.

They are still hoping to get that guidance from the police department. I don't know if the police department can schedule something with them.

But they are looking to get a better procedure and have some questions answered as to how to handle some certain situations that they just don't know --

CHAIRMAN ROGINA: I will let Chief address that. Huffman.

Interim CHIEF ~~LAMKIN:~~ Well, I guess I would ask -- they are asking for help on how to get people to leave the bar?

MR. CASIELLO: Just like at our last meeting with all the other bar owners, we do have

an issue. I called twice -- I understand the police department is overburdened by a ton of calls. They can't answer every single one. I understand 100 percent.

We realize that with summer coming on, there are a lot more kids in the community -- a lot more kids and adults coming out, maybe because of the winter that we have had that hasn't stopped. But summer is now here.

So I made the call. And I knew they said we don't have time to accommodate my staff. We have been good within six years.

We know changes are happening with the City Council and the Liquor Commission is changing from the Mayor to now a board here. There is changes going on in this town. And we want to make sure we are updated with it.

We are having issues with people straggling out. People going, "Hey, can we use the washroom?"

"You can't. It is after 2:00 o'clock."

We also don't want them using a bush outside.

Do we break the code of 2:00 o'clock and let them use the washroom or go use the bush outside?

Is there a grace period? Is there a time frame where -- you know, drinks are still on the bar. We have the staff trying to get people out. There is a half a beer over here. There is a glass still sitting over here.

CHAIRMAN ROGINA: Chief, I would suggest simply to the licensee that both -- and I know that you and I are more than happy to sit down and talk to Mr. Casiello regarding the issue and to attempt to resolve the matter.

So that is our promise on the record. We are happy to sit with you. You set up a time. We will be happy to -- I am not necessarily -- I may or may not be present. I certainly trust the police department can sit down and be able to work with you to find a means to make sure that this doesn't happen again. If you are committed to that, certainly we are committed to help you make sure.

But I think off top of my head I can think of a few ways to resolve that. That may be relative to last call -- last call would come to mind -- in my mind.

But I am not going -- I don't pretend to be

the expert here. The police department are the experts here. So we will sit with you on that and go from there.

MR. HANLON: Thank you very much.

CHAIRMAN ROGINA: So for the record, then, that is the end of the mitigation. We will go to executive session for purposes of penalty.

Any other questions?

(No response.)

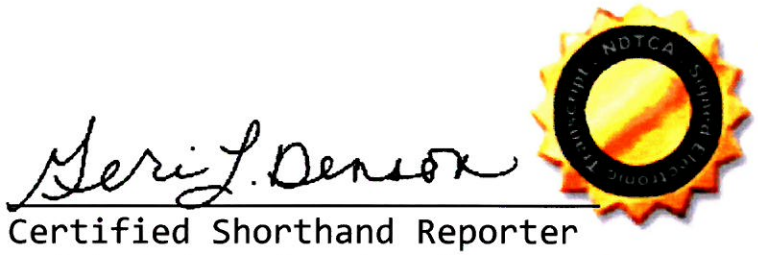
CHAIRMAN ROGINA: All right. Thank you.

PROCEEDINGS CONCLUDED AT 4:41 P.M.

STATE OF ILLINOIS)
) SS.
COUNTY OF K A N E)

I, Geri L. Warsop-Denson, Certified Shorthand Reporter No. 084-003233, CSR, RPR, do hereby certify that I reported in shorthand the proceedings had in the above-entitled matter and that the foregoing is a true, correct, and complete transcript of my shorthand notes so taken as aforesaid.

IN TESTIMONY WHEREOF I have hereunto set my hand on this 19th day of June, 2014.



Certified Shorthand Reporter
Registered Professional Reporter