

**MINUTES  
CITY OF ST. CHARLES, IL  
LIQUOR CONTROL COMMISSION MEETING  
MONDAY, JULY 20, 2015**

**1. Opening of Meeting**

The meeting was convened by Liquor Commissioner Rogina at 4:30 p.m.

**2. Roll Call**

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

**Absent:** Ald. Lewis

**Others Present:** Police Chief Keegan, Atty. John McGuirk, Mark Koenen, Tina Nilles

**3. Recommendation to accept and place on file minutes of the Liquor Control Commission meeting held on June 15, 2015.**

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

**4. Recommendation to hear a proposal from Jennifer and Peter Nicholas who are representing Bellawhisk d/b/a/ Painting With A Twist to be located at 141 S 1<sup>st</sup> Street.**

**Chief Keegan:** Before you this evening is a proposal for a yet to be classified liquor license. This is a proposed business set to take ownership/custody of the building in September with a target opening date of October of this year. It will be located at 141 S 1<sup>st</sup> Street in one of our up and coming business districts. It's a different concept of a new business practice called Painting with a Twist. We initiated the background process at the Police Department, fingerprints were taken and we'll get out to do a site inspection to coincide with them taking over custody of the site. BASSET training, Dram Shop insurance and the background is all pending. The applicants are here this evening.

**Jennifer Nicholas:** The concept is you call or walk in for a painting class. You come with friends, or a mix of people for two hours and an artist entertains you, you paint a picture, and you leave. It's not to sit around and drink alcohol. The wine and beer is there if you like a drink. It's kept in a cabinet. There is no bar or seating at a bar to drink. We'll be done by midnight every night with offering two classes per night. We also will have a private party room available. The floor plan is still being built out. This franchise is very much into the community wanting us to spend \$1,000 every month with the local town in advertising. They want us to have, at least once a month, a charity event of some sort. There will also be classes geared for families.

The “twist” concept is you don’t have to have a drink. It’s not geared towards cork and brush where people are thinking alcohol and paint. Coffee will also be served. I want people to come in to have a fun experience on any given day as they walk by.

**Robert Gehm:** This sounds like a neat concept to have downtown with the focus of having fun. How do you recruit the instructors to teach a painting class?

**Chrmn. Rogina:** We had a conversation prior to this meeting and I would like you to talk to the Commission regarding that; although there are some businesses of this type within the area, this is the first Painting with a Twist franchise in Illinois.

**Jennifer:** We went to our “Discovery Day” and they talked about the franchise and did a background check on us to decide if we were eligible for the franchise. The next step is I’ve contacted College of DuPage and will run an ad for local artists going to art school or graduating teachers; select 4 or 5 of them to go to a “Discovery Day” where they will get trained to entertain and paint approximately 10 of their basic pictures. We will have a website where a whole week is mapped out to what kind of picture will be painted and we’ll also have a day that you can paint your pet where you send in a picture of your pet and they will sketch it for you to paint.

**Robert:** So after they are certified as an artist teacher they are rotated on a schedule?

**Jennifer:** Yes, we can select a teacher’s personality that will best fit a certain audience. The franchise interviews the artists as well.

**Ald. Payleitner:** Thank you for your thorough packet. Does the \$35 fee include alcohol or is there a separate fee for that?

**Jennifer:** Alcohol beverages have a fee but coffee and water are free.

**Chuck Amenta:** I have no questions.

**Chrmn. Rogina:** It’s been outlined here why we need to have staff recommend to Government Operations a site specific D-8 license, because based on what Jennifer just told us, a C license would not work since that license requires food. So we recommend staff make a proposal to present to Government Operations Committee a D-8 license. I would like to have attached to that recommendation support for the concept (this is a compound motion).

Motion by Ald. Payleitner, second by Mr. Gehm to have staff proposed a D-8 license to the Government Operations Committee that is site specific to 141 S 1<sup>st</sup> Street and endorsement by the Liquor Control Commission.

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

**Chrmn. Rogina:** This will go to the August 3 Government Operations Committee, staff will bring forth a draft D-8 ordinance for discussion and I ask for the applicant to be there as well.

**Chief Keegan:** I did ask the franchisees to research for us and talk to the corporate attorneys from the franchise to see if they have any sample language from other communities, even if it's out of state this is a business model that we would like to see what other franchisees have accomplished.

**5. Recommendation to approve a proposed code revision for Title 5 “Business Licenses and Regulations”, Chapter 5.08 “Alcoholic Beverages”, Section 5.08.090 “License Classifications/Class B Restaurant Licenses”, Section 5.08.260 “Regulations Applicable to Certain Licenses Only”.**

**Chief Keegan:** Often times the Police Department works in concert with Economic Development to make sure we're business friendly and doing our part to recruit and retain solid businesses in St. Charles. As part of that effort, I often times look at our liquor code to make sure it's attractive to perspective businesses. What we've seen as of late is there are always trends and themes (as was just presented earlier) in the entertaining district. We've seen some other communities develop business models or liquor license models similar to what I'm presenting. There's a memo in the packet of some B-3 recommendations that we're proposing to put us at the forefront of economic development in being business friendly. (Chief read into record the proposed language for a B-3 license.)

***Proposed language***

**5.08.090 License – Classifications**

**B. Class B – Restaurant Licenses**

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 in original packages only within the retail wine area of the premises. The retail wine 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 (B).

What we've seen is a combination restaurant and packaged wine establishments. It's a growing trend in Chicago and across the region.

**Chrmn. Rogina:** I can think of a few restaurants that I gone to in the vast metropolitan area that have not only been fine restaurants but have had retail sales and wine clubs. There was also an occasion of a tasting. I think this is a shrewd move on the part of Economic Development.

**Ald. Payleitner:** How is this different than what they do at Olive Garden now? You're able to taste whatever their house wine is and you can buy a bottle.

**Chief Keegan:** This business model looks at the retail piece (Class A license) somewhat like wine clubs and there's one out in rural Geneva and a popular winery in Roselle. It's a restaurant and entertainment piece with fine dining experience, but a lot of their sales is also the wine store and wine club.

**Ald. Payleitner:** You don't have to go to the restaurant to buy the wine?

**Chief Keegan:** Correct, it's all under one roof. It's a wine stop shop. You can go there and enjoy a good meal and a glass of wine but you can also go to the retail store/wine club and buy a bottle of wine.

**Chuck:** What pops into mind is a micro-brew; could that be where they'll have on-site brewing and sell the package beer, for example, after your meal?

**Chief Keegan:** We've haven't seen a micro-brewery concept in our area yet, but will keep our nose to the grindstone on that. This is more for the winery piece.

**Chrmn. Rogina:** To Chuck's point, this particular ordinance is wine exclusive. So per Chuck's question if there was something like that, we would look into it with another ordinance.

**Chief Keegan:** The business models I'm referring to is the Acquaviva Winery on the outskirts of Geneva and Lynfred Winery in Roselle.

**Robert:** The one I thought of is Cooper Hawks in Naperville where they have a really nice dining experience and have a small retail where you can have a tasting and buy a bottle of wine. It's all part of the same establishment but separated.

**Chrmn. Rogina:** Getting to Chief Keegan's original point of giving Economic Development another tool to put in their arsenal to work with in recruiting businesses to St. Charles is crucial.

**Chief Keegan:** I would also like to read in one other piece of language to the code that is a housekeeping measure to include the B-3 language into that part of the code.

#### **5.08.260 Regulations Applicable to Certain Licenses Only**

##### **B. Class A, Class B-3, Class D-1, and Class E Licenses - Wine and Beer Tasting.**

Class A, Class B-3, Class D-1 and local liquor license holders may conduct on premise wine and beer tasting, but only in connection with the bona fide sale of wine or beer in the original package for consumption not on the premises. Wine and beer tasting shall be confined to samples of not more than one ounce (1 oz.) of wine and two ounces (2 oz.) of beer in conjunction with the anticipated sale of wine and beer. The sample shall be provided without compensation. Class E local liquor license holders may conduct such wine and beer tasting, but only with the written approval of the Local Liquor Control Commissioner.

Motion by Ald. Payleitner, second by Amenta to approve a recommendation to approve a proposed code revision for Title 5 “Business Licenses and Regulations”, Chapter 5.08 “Alcoholic Beverages”, Section 5.08.090 “License Classifications/Class B Restaurant Licenses”, Section 5.08.260 “Regulations Applicable to Certain Licenses Only”.

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

## 6. Other Business

**Chrmn. Rogina:** We are aware of a state statute passed and signed by the Governor regarding Happy Hour. Our particular city ordinance mirrors the state statute and to this point it prohibited Happy Hour. The law has changed and the City Administrator’s office is receiving questions on this. We have the law itself to read over and would give us month to read through it and discuss it further at the August meeting.

**Chief Keegan:** I provided Tina with some questions/answers that were put out by the Illinois Liquor Commission. This law just took effect on July 15 and as a home rule community, we can be more restrictive, just not less restrictive than state law. So this is a basic outline of some of the changes.

**Ald. Payleitner:** So as it is right now, we are beholding to the state statute?

**Atty. McGuirk:** The new law still prohibits 2-for-1 drinks. What the new law allows is reduced prices.

**Chrmn. Rogina:** We are going to review this carefully and talk, ask, answer questions next month; but what about right now if a licensee decides to do something?

**Atty. McGuirk:** Right now the law is in effect and they still can’t do 2-for-1 drinks because the statute hasn’t changed that. They can do a reduce price, they have to give 7-day notice of the reduction period on their website, 4-hour limitation up to 15 hours a week. That’s the primary one for the drinks. There is more regarding meal package and party packages. I don’t believe we prohibited those before in ordinance.

**Chrmn. Rogina:** Than Tina’s in a position to advise anyone who asks her about this to tell them to follow the state statute. We, as a city, will be more clear about that in our ordinance in due time after we review the document.

**Atty. McGuirk:** Again what our ordinance says now is that 2-for-1 is still prohibited. They cannot serve that – this hasn’t change. So to the extent that they are not doing reduce price now, the state statute is in effect and they can do that if they follow these provisions.

**Tina:** To clarify I can tell anyone who asked questions that that can now follow state statutes according to this handout of which I will give them; and let them know these allowances may be adjusted accordingly to our home rule process.

**Chrmn. Rogina:** We will honor the fact that in August we'll address this topic in more detail and have a dialogue of what recommendations you might have.

**Chief Keegan:** I will reach out to some other municipalities and see what others have done as far as being responsive to this law change and give me some time to digest the logistic effect.

**Mark:** I would suggest sending everyone a letter with the attachment giving them the lay of land and state this will be further discussed at the August meeting and invite them to attend.

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

**8. Adjournment**

Motion to adjourn by Mr. Gehm, second Ald. Payleitner Gehm at 5:00 p.m.

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