

**REGULAR MEETING OF THE BOARD OF TRUSTEES
OF THE
DOWNERS GROVE PUBLIC LIBRARY
SEPTEMBER 22, 2010**

MINUTES

ROLL CALL

President DiCola called the meeting to order in the Library Meeting Room at 7:35 p.m. Trustees present: Eblen, Humphreys, Read, DiCola. Trustees absent: Greene. Also present: Library Director Bowen. Assistant Director Carlson. Visitors: none.

APPROVAL OF MINUTES

Trustees reviewed the minutes of the regular meeting of August 25, 2010. It was moved by Read and seconded by Eblen **THAT THE MINUTES OF THE REGULAR MEETING OF AUGUST 25, 2010 BE APPROVED.** Ayes: Eblen, Humphreys, Read, DiCola. Abstentions: none. Nays: none. Motion carried.

PAYMENT OF INVOICES

Trustees reviewed the list of invoices submitted for payment. It was moved by Humphreys and seconded by Read **TO APPROVE PAYMENT OF OPERATING INVOICES FOR AUGUST 25, 2010 TOTALING \$86,063.18 AND ACKNOWLEDGE PAYROLLS FOR AUGUST 2010 TOTALING \$168,815.73.** Ayes: Eblen, Humphreys, Read, DiCola. Abstentions: none. Nays: none. Motion carried.

OPPORTUNITY FOR PUBLIC COMMENT ON AGENDA ITEMS

None.

OPPORTUNITY FOR PUBLIC COMMENT ON OTHER LIBRARY BUSINESS

None.

OLD BUSINESS

None.

Trustee Read asked if there was any news on the library board appointments, and President DiCola responded the Village Council has taken no action, but that she thought that it was likely that Trustee Read would be reappointed to his position and a new appointment would be made to fill the position left vacant by the resignation and departure of President Stephen Daniels in the near future.

NEW BUSINESS

- Review and approve the proposal for renewal of the property, liability, and workers compensation insurance policy

A copy of the proposal for renewal of the library's insurance was included in the board packet. The proposal is for renewing the library's policy with the Regent Insurance Co. (General Casualty Group). The basic coverage is the same as in past years. Our broker generally shops our insurance to a number of firms every other year, unless a year's increase seems out of line. She was not due to shop the plan this year, and the proposal for renewing the library plan is \$19,771, actually \$64 less than the 2009 premium.

The workers compensation premium is based on the annual payroll as of October 2009. After the policy is renewed each year, the company audits the payrolls and there is an additional charge or credit for an adjustment to the workers compensation policy to reflect the current payroll for the year ending October 2010.

This year's proposal also includes the option of adding "Agreed Value on Building and Business Personal Property, for an additional premium of \$385." This is an option that has not been offered to the library in the past and Bowen included a fairly detailed explanation in the board packet memo. In brief, in accepting the "Agreed Value on Building and Business Personal Property" means that the insurance company agrees to accept the library's declared insurance value of the building as the actual value and would pay 100% of the replacement cost, up to the maximum coverage of the policy, in the case of a loss.

The stated value of the property has been increased from \$190 to \$200 per square foot. This is the current (as of July 2010) replacement cost that architects recommend for library construction such as ours. The value of the collection has been adjusted to reflect the actual number of items in various formats that the library currently owns.

Trustee Humphreys asked if the replacement cost of furniture was being adjusted for inflation, and Bowen said yes. Trustee Read asked if \$2 million liability was needed, and Bowen said that although the library is fairly protected as a government entity, the \$2 million liability insurance is pretty standard for libraries similar to Downers Grove. He would not recommend lowering it, and doing so would not substantially lower the premium.

It was moved by Read and seconded by Eblen **TO RENEW THE PROPERTY, LIABILITY, AND WORKERS COMPENSATION INSURANCE POLICY WITH THE ADDITION OF THE "AGREED VALUE ON BUILDING AND BUSINESS PERSONAL PROPERTY" PREMIUM OF \$385, FOR A TOTAL PREMIUM OF \$20,156.** Ayes: Eblen, Humphreys, Read, DiCola. Abstentions: none. Nays: none. Motion carried.

- Report on the status of Illinois Library Systems

Two weeks ago the executive director of the Metropolitan Library System (MLS) gave a review of the status of MLS to member library administrators, and last Friday Bowen and Carlson attended a LACONI (Library Administrators Conference of Northern Illinois) program that included presentations on the several systems in the Chicago area. Because the support provided by the systems is so critical, Bowen thought it important that the board be aware of the situation, which he described as critical but possibly hopeful. As the board knows, Illinois library systems received 52% of the funds that were appropriated for them in the budget for the state's fiscal year that ran from July 1, 2009 through June 31, 2010. The state was required to pay all outstanding debts within three months of the end of a fiscal year, but in the last year changed its own requirement from 3 to 6 months, which would be December 2010. The Illinois State Library has repeatedly stated that the remaining funds will be distributed by the December deadline. Unfortunately the systems have not been able to maintain services with only half of their budgeted revenue last year, and of course, nothing for the fiscal year that began July 1.

Bowen noted that the director of the State Library had been scheduled to attend the MLS Administrators Meeting, but left a voice mail on the morning of that meeting saying that she was ill and could not attend. Months ago she had been invited to participate in last Friday's LACONI meeting, but the week before said that she could not attend because of a conflict in her schedule. She did not offer to send another staff member in her place.

Bowen provided board members with a map of the Illinois Library Systems. Northern Illinois is served by North Suburban (NSLS), DuPage (DLS), Metropolitan (MLS), and the Prairie Area (PALS) library systems. North Suburban completely exhausted its resources this spring, and shut down all services. Member libraries contributed enough money to fund their delivery service through the summer, but all other NSLS staff were let go and services ended. NSLS is the only system that did not support some sort of cooperative automation system. The NSLS building is up for sale. NSLS recently received some funding from the state to continue delivery service and to pay its share of the process of merging with other systems.

As the board knows, MLS eliminated most staff and cut all services except delivery and the support of the SWAN automation consortium. SWAN libraries pay most of the expenses of SWAN, but MLS has paid the salaries of the director and network administrator of SWAN and the cost of benefits for all SWAN staff. In addition, MLS has provided the physical location, utilities, and such things as the backup electrical generator that maintains power for the MLS building. With its reduced staff and services, MLS will exhaust its resources by the end of November 2010. MLS does have a line of credit available that could be used if funds are not received in December, but it does not want to begin to accumulate debt unless it is likely that state funding will be released eventually. If the remaining funds from last year are released by December as promised and required, MLS will be able to continue to operate for the remainder of the current fiscal year that ends in June 2011. This means that the second half of the funding for last year will fund the current year. It is hoped that at least part of the funds appropriated for the current year will be released before the end of the year, which would allow MLS to continue for another six or seven months beyond July 2011. MLS owns its Burr Ridge headquarters building

and hopes that the prime location next to I-55 will make it a good candidate for a regional delivery service; also, the current infrastructure could house several additional automation consortia without additional build-out. MLS also leases a site in downtown Chicago that was used for training. Those operations have been shut down for some time, and MLS has a potential sub-lessee for the property.

SWAN has become a separate governmental entity, and the MLS board approved the transfer all of the MLS physical and fiscal assets to the new entity this week. SWAN has also prepared a detailed business plan that identifies all of the costs of maintaining SWAN as an independent agency, including the specifications for square footage, power, and telecommunications infrastructure that are required if SWAN had to move to a new location. Another MLS committee is developing a similar plan for the delivery service. They have identified all of the costs of the current system, including delivery's share of utilities, etc. They are also investigating the cost of options such as outsourcing delivery to a private contractor. They are developing an emergency plan in the event that funding is not received in December 2010 and MLS has to end or greatly reduce the delivery costs.

PALS is a little behind MLS in planning. They do have a big automation consortium and a delivery service that covers the north part of the state. Since they serve such a large area they have several delivery hubs in different locations. They also have several buildings that belonged to the three former systems. Some are used, some are up for sale. PALS is nearly out of money and has begun drawing on its own line of credit to fund delivery and their catalog consortium until state funds are released in December. They have just begun work on a business plan for their consortium, based on the SWAN model.

DLS, the DuPage Library System, seems to be in the best shape. They house Voices of Vision (the regional office of the program that provides materials for the blind.) The funding for that program had not been released all year, and DLS announced that they would be forced to stop supporting the service from their own funds, so the state provided DLS with some funding to keep VOV going. DLS has cash to operate to June 2011 and has an offer for property that it has for sale.

As work to merge library systems commences, Alliance Library System (ALS) in Peoria seems to be identifying with the northern libraries, rather than the southern systems and has joined the north system merger group that has just begun to meet.

The State Library has stated that the systems must merge, but has not offered any leadership in the merger process. When asked what the objectives of mergers should be, the response has been that it is up the system boards to determine that, but state-wide delivery service and support for automation consortia are the State's priorities.

So, the north systems -- NSLS, DLS, MLS, PALS, and ALS -- have begun exploring possibilities of merging. And, the four down-state systems are discussing their own merger. The north system merger committee has issued an RFP for a consultant. They are not looking for a library consultant, but for a consultant with expertise in merging non-profit bodies, with the goal of

having a plan in place by the end of June 2011 that can be implemented in the fiscal year that begins in July 2011. Bowen believes that it is a very good sign that they are looking beyond just the library world for assistance. That said, at least the initial discussion indicates that there is a lot of protecting one's own turf and that at least for the short term they will focus on maintaining services as they are as much as possible. The state does seem to be able to come up with money at some point, so the systems are hopeful that the remaining funds will be released. At worst case SWAN and delivery can exist on their own, but it will be expensive for member libraries.

At the same time the Illinois Library Association has created a task force on the Future of Illinois Library Cooperation. Some librarians complain about a lack of leadership from the State Library now, but this seems to be a long-time trend. Most of the events that have made Illinois such a great state for library service have been initiated by Illinois public librarians through ILA, rather than the state. It was a movement initiated by Illinois librarians that resulted in the creation of the library systems in the 1970s. In addition, the State Standards for Public Libraries was originally developed by ILA, and all of the revisions have been done by ILA as well. To its credit, the State Library has been willing to fund good ideas; it has just not been a leader in coming up with them.

Bowen was originally concerned that there seemed to be two different things happening -- the ILA task force and the Systems merger groups -- but now he thinks that it is a very good thing. The systems are focusing on the practical problem of trying to figure out how to maintain the services that are left. The ILA group is working on a long term vision for library service in Illinois that includes delivery and shared catalogs, in some form, but also includes the things that have been lost such as continuing education and professional development of library workers and advocacy and marketing of library services, as well as group purchasing options for databases and other costly resources. This is a big picture that Bowen hopes the State will look to, once the current crisis has been stabilized. Bowen provided the board members with the current draft of the ILA plan. He concluded that there are opportunities to continue and actually improve library services in the State, if only Illinois libraries and cooperative systems can survive the next few years.

Trustee Read commented that is good for SWAN to be independent to make it protects its reserve fund from being raided by the State.

REPORT FROM THE ADMINISTRATION

Revenue and expenditure reports for August were included in the board packet. The library is pretty much on target for the year, although the real test will be the final property tax collection in September and October.

Bowen received some other good financial news this week. The Village manager called him to review the Village's intent to move the employee health plan to a different PPO network in 2011. In their conversation the manager also told Bowen that, with the savings from moving to the new network, the Village does not expect any increase in the cost of employee health insurance in FY2011. The library's 2011 budget projected a 15% increase in health insurance costs, so no increase would save the library about \$30,000 in the next fiscal year's budget. This will have a

positive effect on the whole financial plan because the board budgeted for a 15% increase each year for health insurance. When the board does the next budget, the FY 2012 increase will be calculated on the actual (lower) FY2011 cost, the projected increase for 2013 will be based on the new (lower) FY2012 cost, and so on.

The article in last week's *Chicago Tribune* about pension spiking in IMRF pensions is an issue that will continue to be investigated and people may ask questions about library pensions, so Bowen wanted to review the library's retirement benefits for the board. Since he knows that there are a few residents who distrust local officials, he used his own situation as an example.

As the board knows, public libraries in Illinois and particularly within the Chicago suburbs constantly compare policies, best practices, and benefit plans. So, while Bowen does not know much about the specific practices of municipalities, park districts, or school districts, he does know public libraries. He does not know of any public library that has policies or procedures that could be considered pension spiking.

State law requires any employee who works 1000 hours or more per calendar year to participate in IMRF. Those 1000 hours translate into just over 19 hours per week. This library has about 120 employees, 20 full-time, the rest part time. A total of 40 employees qualify for IMRF.

An employee's pension is based on the employee's years of service in an IMRF institution and his or her final average salary. When Bowen retires next summer, he will have 26 years and 11 months in IMRF. As the board knows, his annual salary increases have always been about the same percentage as other library employees' annual increases. Last year's increase was 1.5% and the board has budgeted the same increase for 2011, so the board can definitely not be accused of spiking anyone's final average salary.

The only other credit that an employee receives is for unused paid sick days. IMRF allows a service credit for up to 240 days of unused sick leave. This must be from the employer from which the employee retires; it does not include unused sick time from previous employers. If an employer pays employees for unused sick leave at termination, the sick leave cannot be claimed as IMRF credit. Downers Grove grants employees 12 sick days per year and the library's policy (like most public libraries) is to allow employees to accumulate unused sick leave hours up to the IMRF maximum. The library does not pay employees for unused sick leave. Assuming that Bowen stays healthy for the next year, he will retire with an IMRF credit for about 200 unused sick days. (Incidentally, the library has a 37.5 hour work week which translates into 7.5 hours per day sick leave. IMRF sick leave credit is calculated on 8 hour days, so Bowen will have to have accumulated about 214 unused sick days from Downers Grove to earn a credit of 200 days from IMRF.) Adding that sick leave credit to Bowen's benefit, his estimated pension for 26 years, 11 months service will be 49.3% of his current annual salary. He is grateful for the pension, but he is definitely not one of the officials who the *Tribune* investigated who will receive IMRF pensions of over \$100,000 per year, and neither are any other employees who have retired from this library.

In the interest of full disclosure, Bowen said that before he came to Illinois he worked in another state and has 14 years of service in that state's public employees' retirement system that will give him a very small pension, but which does provide retirees access to a group health insurance plan, with a credit toward the cost of that insurance based on years of service in that plan. IMRF does not provide health benefits to retirees. Full-time employees who retire from the library can continue to participate in the Village of Downers Grove health insurance plan, but the retiree pays the full cost of that insurance premium. Part-time staff members are on their own for health insurance. That is the library's retirement benefit in a nutshell.

Trustee Read asked what IMRF pensions are based on, and Bowen said it was something like the best three years in the last five years of service. (A correction to be reported to the Board at the next meeting: a retiree's final rate of earnings is their highest total earnings during any 48 consecutive months within their last 10 years of IMRF service divided by 48. Usually, this is the average of the last 48 months of service. However, the earnings considered for each of the last three months cannot be more than 25% greater than the highest earnings in any of the first 45 months of the 48 consecutive months.)

The August monthly statistics were included in the board packet. Due to two malfunctioning gate counters having to be replaced a year ago, a new base visitor's count was started in August 2009. So, for the first time in 2010 a comparison of last year's and this year's monthly gate count could be reported. Trustee Read pointed out that there was an almost 16% increase in the number of visitors for August 2010 over August 2009. Although other usage statistics did increase for August 2010, including a 3% increase in circulation for August 2010 over August 2009, none accounted for the 16% increase in visitors to the library. Carlson and Bowen commented that they have seen more patrons using their own laptops in the library during daytime hours this summer.

Last spring the board did a walk-around to evaluate the appearance and condition of the building and grounds, and Carlson was pleased to report that much of the exterior work identified at that time has been completed. Carlson contacted four companies recommended by the PSA structural engineer who did a walk-around of the exterior of the building this summer and who was very familiar with the library because of his work on the building project ten years ago. The library received three quotes for the exterior window and wall caulking and sealing project and two quotes for removing the rust and painting the lintels on the north, west, and south sides of the original building, as well as the crash bollards at the NE corner of the building and in the dumpster enclosure on the west side of the library. IWS, Inc. was chosen to do both projects as their quote for each was the lowest. IWS started the work on Monday, September 13, and were to complete it by September 30. However, they put a couple of extra men on the job and completed all of the work one week ahead of schedule, September 22. The foreman and crew did a nice job and were very considerate and accommodating of the library's patrons and staff.

President DiCola asked about the tuck-pointing work, and Carlson responded that quotes were received for some tuck-pointing work, but due to the cost of the other more urgent sealing and painting projects, the tuck-pointing will have to wait until the next budget year. Some minor tuck-pointing was done by IWS for no charge, for example, the small holes in the window sills on the west wall. This summer one of the wing walls of the dumpster enclosure was found to be damaged, perhaps by the dumpsters or a delivery truck at some time. Quotes have been received for the repair of this wall so, if weather permits, that work will be done this fall.

TRUSTEE ANNOUNCEMENTS AND REQUESTS FOR INFORMATION

Trustee Humphreys will miss the October 27 board meeting and Trustee Read will miss the October 13 meeting. Bowen reminded the board that because the board currently consists of five rather than six trustees, a quorum is now three rather than four trustees.

ADJOURNMENT

The meeting was adjourned at 8:41 p.m.

**DOWNERS GROVE LIQUOR COMMISSION
VILLAGE HALL COUNCIL CHAMBERS
801 BURLINGTON AVENUE**

Thursday, September 9, 2010

I. CALL TO ORDER

Chairman McInerney called the September 9, 2010 Liquor Commission meeting to order at 6:30 p.m.

II. ROLL CALL

PRESENT: Mr. Clary, Ms. Fregeau, Ms. King, Ms. Strelau, Chairman McInerney

ABSENT: Mr. Adank, Mr. Krusenowski

STAFF: Liaison to the Liquor Commission Carol Kuchynka, Assistant Village Attorney Beth Clark

OTHERS: Amy Ellis, Robert Spadoni, Jim Russ, Terry Newsome, Carey Newsome, Bill Kenney, Gene Esposito, Vicki Esposito, Gary Sheffield, Larry Spatz, Joe Frankel, Lee Masover, Greg Bedalov, Court Reporter

III. APPROVAL OF MINUTES

Chairman McInerney asked for approval of the minutes June 3, 2010 Liquor Commission meeting and asked members if there were any corrections, changes or additions.

Hearing no changes, corrections or additions, the June 3, 2010 minutes of the Liquor Commission meeting were approved.

Chairman McInerney reminded those present that this evening's meeting was being recorded on Village-owned equipment. Staff was present to keep minutes for the record and a court reporter was present taking the minutes verbatim.

IV. APPLICATION FOR LIQUOR LICENSE

Chairman McInerney made the following statements:

"The first order of business is to conduct public hearings on liquor license applications. For the benefit of all present, I would like to state that this Commission does not determine the granting or denial of the issuance of any license. We may at the end of each hearing, make a finding or recommendation with respect to the application. If necessary, the Commission may adjourn a hearing to a later date in order to have benefit of further information."

"At the conclusion of the hearing, the Commission will summarize its findings and determine any recommendations it wishes to make to the Liquor Commissioner"

"The Liquor Commissioner, who is the Mayor of Downers Grove, will, pursuant to Section 3-12 of the Ordinance, render decisions regarding issuance of available licenses within 60 days in order to consult the Plan Commission for its recommendations."

"Hearings by this Commission are held according to the following format: 1) reading of information pertinent to the application, 2) comments from the applicant, 3) comments from the public, 4) discussion by the Commission, and 5) motion and finding by the Commission."

Half Italian, Inc. d/b/a Capri - 5101 Main Street

Chairman McInerney stated that the first order of business was an application hearing for Half Italian, Inc. d/b/a Capri located at 5101 Main Street. He stated that the applicant was seeking a Class "R-1", full alcohol, on-premise consumption liquor license and a Class "O" outdoor liquor license.

Chairman McInerney asked that any individual(s) representing the applicant step forward and be seated. He asked that any individual(s) giving testimony, state and spell their name for the record, indicate their affiliation with the establishment and be sworn in by the court reporter.

Ms. Amy Ellis and Mr. Robert Spadoni were sworn in by the court reporter. Ms. Ellis introduced herself as the owner of Capri, Mr. Spadoni introduced himself as the attorney representing the applicant.

Chairman McInerney asked the applicant to present its case.

Attorney Spadoni stated that Capri has been operating a licensed establishment for over a year under the current owner, Maria Rovito. He stated that she is looking to retire, sell the business and dissolve the corporation. He stated that the Commission received a copy of the Asset Purchase Agreement. He stated Ms. Ellis is the 100% of Half Italian, Inc. and will be doing business as Capri Downers Grove. He understood that a permit to change the existing signage of Capri Ristorante would need to be completed. He stated that Ms. Ellis has worked for Capri behind the scenes bookkeeping, accounts payable and accounts receivable for a number of years.

Attorney Spadoni stated that the business operation and all of the staff shall remain the same.

Chairman McInerney asked if there were any staff recommendations pertinent to the application. Ms. Kuchynka stated that issuance of the license remains contingent upon issuance of a revised Certificate of Occupancy, receipt of the annual fee, receipt of satisfactory local background checks, lease assignment and executed Sidewalk Café License Agreement..

Chairman McInerney asked if there were any comments from the public pertinent to the application. There were none.

Chairman McInerney asked if there were any comments from the Commission.

Ms. Strelau asked Ms. Ellis about her affiliation with the restaurant. Ms. Ellis replied that she has personally known the Rovito family for over 10 years and has been doing office work for them.

Ms. Strelau noticed that Ms. Ellis did not have liquor serving experience and asked if she had been responsible for handling liquor. Ms. Ellis replied that she helped out bartending for Capri but felt it was too minimal to include that experience on the manager application.

Ms. Strelau asked Ms. Ellis if she was BASSETT Certified. Ms. Ellis replied yes.

Ms. Strelau was concerned with her ability to safely control and handle the distribution of liquor with such limited experience. She stated that will be her responsibility as liquor manager and cautioned her to be careful and take extra precaution in serving liquor.

Ms. Fregeau stated that Capri is a great addition to Downers Grove and looked forward to their ongoing commitment to the Village. She asked if they will retain the existing staff. Ms. Ellis replied yes.

Ms. Fregeau asked about the two plans provided in the packet. Attorney Spadoni replied one was the original plan and the second had the addition of the outdoor café.

Ms. Fregeau asked if they see any substantive changes in terms of staffing. Ms. Ellis replied no.

Ms. Fregeau asked if all staff was over 21. Ms. Ellis believed that all were over 21. Attorney Spadoni confirmed they are 21.

Ms. Fregeau asked how much time Ms. Ellis would be spending at the restaurant. Ms. Ellis replied that she currently has a day job, but plans to be there at night. She stated that she will be phasing out her day job by the beginning of the year and plans to focus more time there. She stated in the beginning about 30 hours per week, gradually increasing.

Ms. Fregeau asked who will be acting as general manager in her absence. Attorney Spadoni stated that the restaurant currently opens at 4 pm and they plan to transition into lunch hours after the 1st of the year. He stated that Ms. Ellis will gradually phase out of her duties for Capri's office work and take over the restaurant. He noted that the current managers will continue duties until Ms. Ellis fully transitions over to the restaurant operations. He stated that she currently controls all liquor sales and purchases through her current duties for Capri.

Ms. Fregeau asked if Brian Green who is listed as the registered agent will continue his current duties as the establishment. Attorney Spadoni stated that they plan on him remaining with the establishment.

Mr. Clary commented that Capri is a great restaurant. He noted that they indicated it would remain the same. He cautioned them on keeping their serious standards with regard to liquor service. He wished them luck.

Ms. Fregeau stated that they make reference to the vertical license in the training manual. She suggested that they not accept the vertical license as they can be mis-read and result in a violation.

Ms. King stated Capri has a great location and she was glad to see them staying in Downers Grove. She noted that at the last disciplinary hearing, licenses got caught selling to the Village's agent both by carding and not carding the minor. She encouraged them to remain diligent with their liquor handling policies and get familiar with the identifications and back staff so they do not second guess carding.

Chairman McInerney echoed the sentiments of the other Commission members. He was pleased that they were staying in Downers Grove. He stated that serving liquor is a privilege, not a right. He encouraged them to keep up their liquor serving standards. He stated that over service can be an issue. He hoped that they control over service and take the responsibility of liquor serving seriously.

Hearing the testimony given in this case, Chairman McInerney asked for a recommendation from the Commission concerning its finding of "qualified" or "not qualified" with respect to the applicant with regard to the Class "R-1", full alcohol, on-premise consumption liquor license.

MS. KING MOVED TO FIND HALF ITALIAN, INC. D/B/A CAPRI DOWNERS GROVE LOCATED AT 5101 MAIN STREET, QUALIFIED FOR A CLASS “R-1”, FULL ALCOHOL, ON-PREMISE CONSUMPTION LIQUOR LICENSE. MS. FREGEAU SECONDED.

VOTE: **Aye:** Ms. King, Ms. Fregeau, Ms. Strelau, Mr. Clary, Chairman McInerney

Nay: None

Abstain: None

MOTION CARRIED: 5:0:0

The motion carried.

Hearing the testimony given in this case, Chairman McInerney asked for a recommendation from the Commission concerning its finding of "qualified" or "not qualified" with respect to the applicant with regard to the Class "O", outdoor liquor license.

MS. KING MOVED TO FIND HALF ITALIAN, INC. D/B/A CAPRI DOWNERS GROVE LOCATED AT 5101 MAIN STREET, QUALIFIED FOR A CLASS “O”, OUTDOOR LIQUOR LICENSE. MR. CLARY SECONDED.

VOTE: **Aye:** Ms. King, Mr. Clary, Ms. Fregeau, Ms. Strelau, Chairman McInerney

Nay: None

Abstain: None

MOTION CARRIED: 5:0:0

The motion carried.

V. NEW BUSINESS

Chairman McInerney asked if there was any discussion, update from staff or comments from the Commission regarding any new business.

Ms. Kuchynka stated new business will be ordinance discussion.

Friday 2 AM Night Serving Hours:

Ms. Kuchynka stated that she provided the Commission with a request from the Downers Grove Economic Development Corporation (EDC) for a change to Friday night liquor serving hours from 1:00 a.m. to 2:00 a.m. She stated that the EDC recommended making the extra hour of service available to only those businesses who request it by way of an additional license issued to the establishment. She stated that the license would be separate, like the Class “O” outdoor license and would require an additional yearly fee. She stated that the Commission can review them on a yearly basis if there are problems with a particular licensee.

Ms. Kuchynka provided a chart of surrounding communities with Friday night service hours. She stated that Downers Grove is one of the few communities that have service limited to 1:00 a.m. She advised that Oak Brook issues late night licenses at an additional fee, similar to what staff is proposing for Downers Grove. She stated that the City of Chicago also has a late night license for service until 4 or 5 a.m.

Ms. Kuchynka noted that staff always has concern about over service. She understood that an additional hour of drinking may cause an increase in the DUI rate, police activity calls, fights, etc. She provided minutes from past meetings where the late night hours were discussed. She asked for further discussion on the topic and a recommendation for the ordinance change.

Chairman McInerney asked if there were any comments from the public pertinent to Friday night 2 a.m. liquor service. There were none.

Chairman McInerney asked if there were any comments from the Commission.

Ms. King was shocked that Downers Grove was one of the only communities that still have a 1 a.m. Friday night license. Ms. Kuchynka replied that changing to 2 a.m. serving hours has been a recent change for many of the surrounding communities.

Ms. King understood the business perspective of the request, but wondered if Downers Grove should change hours to 2 a.m., just because surrounding communities have done so. She would feel more at ease if a separate license would be issued and can be taken away or service suspended if the establishment were to have infractions. She wondered if the extra fee would cover additional enforcement. Ms. Kuchynka replied that the fee would cover more DUI enforcement and monitoring. She stated that a Cost Center Analysis has not been completed yet, but she felt comfortable with the \$500-\$1,000 fee range per year for the late night license.

Ms. Strelau asked if staff received information from other communities about their fees. Ms. Kuchynka replied that Oak Brook charges \$500, but was unaware how they came up with that dollar figure. Ms. Strelau asked if the other communities charge extra for the 2 a.m. license. Ms. Kuchynka replied they do not have any extra fees for the 2 a.m. license and it is an across-the-board hour restriction for all licensees.

Ms. Kuchynka advised that a majority of local licensees do not stay open past 10 or 11 p.m. and most would not be interested in the 2 a.m. license. She felt it would be unfair to make all licensees pay for something they are not utilizing or have no benefit to them. She stated that the Police Department can then concentrate on a lesser number of establishments that hold the late night license, conduct more enforcement on that core group, in lieu of spreading resources throughout the whole community. She stated that each licensee will be held more accountable.

Mr. Clary asked if there has been a DUI comparison between the hours of 1 and 2 a.m.. Ms. Kuchynka replied that Friday vs. Saturday 1-2 a.m. DUI data has not been compared. She stated that common sense dictates that DUIs will increase exponentially if an extra hour of drinking is allowed.

Mr. Clary asked how many licensees might want the one hour extension. Ms. Kuchynka replied 10-15. She stated that six licensees were in particular support of this amendment.

Chairman McInerney stated that a Chamber of Commerce letter indicated that the hotels were losing business due to this lack of serving hours. Ms. Kuchynka replied that may have been due to a Friday

night wedding. She stated that there is a provision whereby licensees can request an additional hour of liquor service up to eight times per year.

Chairman McInerney asked if any of the hotels applied for that extension. Ms. Kuchynka replied yes. She stated that the Doubletree had three separate requests for Friday night extensions, two for weddings and one for a banquet.

Ms. Fregeau wondered if the Village was losing wedding business because they could not serve until 2 a.m. Ms. Kuchynka did not receive information from hotels claiming booking losses.

Ms. Strelau wondered if staff had received eight collective requests for extensions from the hotels. Ms. Kuchynka replied no.

Ms. Fregeau reviewed previous discussion minutes. She does not want business to leave the Village, but does not want to be the place where customers come for their last call. She looked at past DUIs and noticed they happen within that last hour of closing which was of concern to her.

Ms. Fregeau felt that it is important for the Village to remain competitive. She felt that there was value into licensing them separately. She felt that it should be determined if a licensee is qualified to hold such a late night license if they are in good standing with the Village.

Ms. Kuchynka noted that five of the six establishments requesting the late night license have received DUI Notifications.

Ms. Fregeau recalled that staff polled licensees and there was not great interest in the 2 a.m. license as they have now. She thought that might be because the neighboring communities have changed recently and the need for business to remain competitive. She would feel comfortable if the Police Chief would confirm that it is something that they can manage and suggested it be done on a trial basis. She wondered if they could do it without a formal ordinance change and/or have a sunset clause to see if it is working.

Ms. Strelau asked staff if they asked the Police Department for their input. Ms. Kuchynka replied yes. Ms. Strelau asked for their response. Ms. Kuchynka replied that the Chief has expressed concerns. She noted that any time there is a longer period of drinking and noted the adage that "nothing good happens after midnight". She stated that the Chief does not want to overburden the department, especially since there have been staffing cuts. She noted he felt more comfortable that there would be more control by not allowing an across the board change. She stated that licensees performance can be reviewed and these licenses given out under certain conditions.

Ms. Kuchynka was aware that the Commission realizes that the DUI Notification Program is subjective. She stated that violators at the time of the arrest have not been proven guilty in a court of law. She stated that the driver is prosecuted by the Court and the Liquor Commission has no authority to prosecute such violations against the licensee. She stated that data can be reviewed and statistics provided as to the dates and times of the arrest. She stated that they can review the late night license and statistics for each licensee granted such extension, but determine if renewal would threaten the welfare of the community. She stated there would then be a restriction to the privilege.

Ms. Strelau stated that she would not endorse 2 a.m. serving hours if the Police Department does not support it until their concerns are alleviated. She stated that the extra fees could cover policing costs. She wanted the Police Chief to have specific input in the Cost Center Analysis when determining fees.

She stated that the Police Department will be the only ones burdened with these calls. She wanted to be sure that the Police have the financial support to be able to do their jobs. She did not want to support it unless the Police feel they can recover reasonable fees to cover staffing costs. She liked the idea of a sunset clause and the ability to review the program after one year.

Ms. Strelau asked if the DUI Notification spreadsheet can include the day and time of the incident. She noted while they are only notifications, they are a clear indicator of over service. She realized that nothing legally could be done with the data but it is reflective of how the business is operated. Ms. Kuchynka replied yes and noted it is a clear indicator of over service.

Ms. Strelau suggested that in the event late night license issues come before the Commission and there are aggravating circumstances against the licensee that fines be doubled.

Ms. Strelau asked if the Commission will be considering Sunday AM serving hours. Ms. Kuchynka replied yes. She stated that would be the next order of business.

Chairman McInerney stated that his thoughts paralleled comments made by other Commission members. He stated that their goal as the Liquor Commission was to think about what environment they want to create for the Village, what activities are allowed and consider safety issue that may arise on the streets after 2 a.m. He felt that not burdening other licensees with late night fees was a good idea. He would like to have annual review hearings. He stated that DUI Notifications, police reports, control buys and police activity at the location also be considered in the renewal of the late night license. He understood that there may be a burden on the Police Department and that burden should be weighed during the renewal decision. He felt that disciplinary guidelines should also be revisited to include late night service violations. He did not think that existing guidelines would apply well to this new license class. He felt that certain factors should be determined in issuing the license. He felt that the risk to the Village should also be factored into the cost of administering and policing the license.

Chairman McInerney was in favor of pursuing the late night license, but more in total. He wanted to look at guidelines for issuance, staffing costs and disciplinary factors. He requested a motion from the Commission for staff review of the concerns noted herein.

MS. STRELAU MOVED TO HAVE STAFF TO CONTINUE REVIEW AND PROVIDE A COMPREHENSIVE PLAN CONCERNING THE ISSUANCE OF LATE NIGHT LICENSES. MS. KING SECONDED.

VOTE: **Aye:** Ms. Strelau, Ms. King, Ms. Fregeau, Mr. Clary, Chairman McInerney

Nay: None

Abstain: None

MOTION CARRIED: 5:0:0

The motion carried.

Sunday On-Premise Serving Hours:

Ms. Kuchynka stated that Mayor requested the Commission to discuss Sunday on-premise consumption serving hours. She provide the Commission with information on Sunday hours of service for

surrounding communities. She noted that Sunday serving hours for surrounding communities have changed recently. She reminded the Commission that off-premise selling hours were changed from 12:00 noon to 9:00 a.m. a few years back. She asked the Commission for input on changing the on-premise consumption hours to accommodate brunch service. She stated that staff supports an across the board change with no increase in fee. She stated that it would eliminate most of extension requests received for Sunday service on holidays such as Easter, Mothers Day, Fathers Day and football Sundays. She stated that most licensees wish to provide a champagne brunch or bloody mary bar.

Ms. Fregeau asked what time licensees have requested for extensions. Ms. Kuchynka replied that the ordinance allows up to a three hour extension. She stated that she typically gets requests for service at 10 a.m. She did not anticipate many licensees serving this early on a regular basis and noted they may be limited to pancake houses and hotels. She stated that the licensees who are requesting the late night licenses probably will not be in this service category as they stay open late on Saturday.

Chairman McInerney asked staff if they were proposing to change Sunday serving hours from 12 noon to 9:00 a.m. or 10:00 a.m.. Ms. Kuchynka replied either. She noted that surrounding communities vary from 9:00 a.m. or 10:00 a.m.. Ms. Fregeau noted that Naperville, Lisle and Glen Ellyn remain at noon. She noted there were two that have 6:00 a.m. and 7:00 a.m. service, which she was not in favor of. Ms. Kuchynka thought Naperville was in the process of offering early hours. Ms. Kuchynka noted that Sunday hours is coming around, just as is the 2:00 a.m. change. She stated that communities are competing for sales tax revenue and establishments are competing for business in this tough economy.

Chairman McInerney did not feel that the DUI rate will increase exponentially on Sunday mornings. He asked for comments from the Commission.

Ms. Strelau was not concerned with allowing service at 9:00 a.m. or 10:00 a.m., but felt it should match off-premise consumption hours. She thought when they changed off-premise consumption hours they should have considered changing on-premise hours as well. She stated that this is a category of service that restaurants can not offer with brunches. She did not believe that the DUI situation would be a problem between 10:00 a.m. and noon on Sundays like they are from 2:00 a.m. to 3:00 a.m.. She did not feel the change warrants an extra license fee.

Ms. Fregeau agreed with Ms. Strelau. She would not be adverse to changing the hours to either 9:00 a.m. or 10:00 a.m.. She recalled some licensees wanting to provide brunch and provide liquor service at them.

Mr. Clary agreed with changing the hours. He felt it should be consistent with off-premise license hours.

Ms. King agreed to change the hours. She did not believe people would over indulge that early in the morning. She did not have a preference to change hours to 9:00 a.m. or 10:00 a.m..

Chairman McInerney agreed with the Commission members. He felt that the hours should be kept the same as off-premise and keep selling/serving hours consistent. He did not see a big risk involved in early service.

Ms. Kuchynka asked if the Commission would like the Sunday and Friday change of hours ordinance combined or separate. Ms. Strelau felt they should be separated in case one or the other gets hung up. She noted that 2:00 a.m. serving hours is potentially challenging.

Ms. Kuchynka asked the Commission for a recommendation.

MS. STRELAU RECOMMENDED AMENDING SUNDAY SALES HOURS FROM 12 NOON TO 9 A.M. FOR ON-PREMISE CONSUMPTION LICENSE HOLDERS. MS. FREGEAU SECONDED.

VOTE: **Aye:** Ms. Strelau, Ms. Fregeau, Ms. King, Mr. Clary, Chairman McInerney

Nay: None

Abstain: None

MOTION CARRIED: 5:0:0

The motion carried.

Ms. Kuchynka advised that she would prepare a draft ordinance with the change and get an agenda date for the item to go before the Village Council for consideration.

License Classifications:

Ms. Kuchynka provided the Commission with requests concerning recreational facilities. She stated that she left the Commission a draft ordinance creating a gaming facility license classification and amending the existing definition for recreational facilities to include an indoor simulated golf facility.

Ms. Kuchynka asked that the Commission first review the gaming facility license classification. She reminded the Commission that they discussed this matter a number of months ago. She noted Game Pazzo was in the final stages of build out. She stated that the Mayor and Village Attorney have visited the facility. She recalled concern at first as to what type of facility it was. She noted that this is the first of its kind and the Village had nothing to compare it to when determining a license classification. She stated that once the Mayor had an opportunity to visit the facility, he got a better understanding of what they are proposing and how the establishment will operate. She advised the Commission that the concept is completely different from what the group discussed and envisioned.

Ms. Kuchynka stated that Game Pazzo representatives were in attendance to discuss their request. She asked that they introduce themselves and state and spell their names for the record.

Mr. Jim Russ introduced himself as the attorney for Game Pazzo. He thanked the Commission for taking the time to consider their request. He informed the Commission that this facility is not an arcade. He stated that this will be the first business of its kind. He stated that Terry and Carey Newsome, along with Gene and Vicky Esposito are the proprietors of the business. He stated that there was some misunderstanding in the beginning with staff as to the concept of the establishment. He advised that Microsoft, Comcast, and other major corporations have partnered with Game Pazzo. He stated that they have a full kitchen with food service. He encouraged the Commission to see the facility.

Ms. Carey Newsome introduced herself as the president of Game Pazzo. She stated that her background is in retail market expansion, business process engineering and regulatory compliance. Mr. Terry Newsome introduced himself as co-owner of Game Pazzo. He stated that he has 15 years of sales and marketing experience for an international consulting firm. Mr. Bill Kenny stated that he is an advisor for Game Pazzo. He stated he has experience in retail and digital services. Mr. Gene Esposito introduced himself as part owner and stated that he has 20 years experience in engineering and

information technology fields. Ms. Esposito introduced herself as a partner and would help out at the facility.

Ms. Newsome stated that Ms. Kuchynka provided the Commission with gaming statistics projected for the facility. She provided presentation documents for the Commission. She stated that they will address the floor plan, key departments and operation of the facility.

Ms. Newsome stated that they are an entertainment destination where adolescents, adults and families will experience cutting edge gaming technology in a unique environment. She added that it will allow consumers the ability to shop, play and compete in organized gaming activities, eat, drink and socialize in one location. She stated that this facility will bring a new edge to Downers Grove. She stated that if the Downers Grove location is successful, they plan to franchise the concept.

Ms. Newsome stated that Game Pazzo will be comprised of three revenue sources. She stated that they will have retail sales, organized competitive gaming along with food and beverage service. She noted that alcohol will not be a primary revenue stream.

Ms. Newsome stated that gaming is on-line and video console video game playing on Wii, XBox, PlayStation and desktop computers. She stated that Comcast has provided them with high-end internet access.

Ms. Newsome stated that only 25% of gamers are under 18. She noted that the average gamer is 34 years old and that 30% of them are female. She stated that this is a social activity and they hope to bring people out of their homes and into their gaming center.

Mr. Esposito showed the Commission a floor plan of the facility. He stated that the facility is broken into different segments. He stated that there is a retail front end where they will be selling new and used video games and accessories. He stated that customers will have a membership card with a photo on it. He stated that membership will allow their patrons perks such as discounts on retail, gaming and restaurant areas.

Mr. Esposito described the gaming center. He stated that they have 40 different games set up. He stated that they have gaming pods, Wii, XBox, PlayStation and personal computer games. He stated that there is high speed internet access for quick connection to on-line games. He stated that they will have tournaments. He advised that they have a live MTV RockBand stage. He stated that RockBand, Guitar Hero and Wii are very popular. He stated that they have a private party room area. He stated that the party room will be available for private events, birthdays, corporate events and team building.

Mr. Esposito stated that when customers come in, they enter the retail sales area. He stated that they will approach their "cash wrap"/security control area. He stated that is the only way in and out of the gaming center. He stated that minors will have to provide a consent form to let them play due to the ratings of the games. He stated that they will issue a membership card which is checked at the counter. He advised that gaming time increments are from 30 minutes to hours, depending on how long a customer wants to play.

Mr. Esposito explained the café and bar areas. He stated that the café area is connected to a full kitchen. He stated that they will serve sandwiches, pizza, nachos, chicken fingers, hamburgers, hot dogs and snacks. He provided a copy of the menu. He stated that they will have soft drinks, energy drinks, juice, coffee and alcoholic beverages. He stated that there are tables set up for dining. He advised that there are also high-top tables behind all the gaming stations.

Mr. Esposito stated that customers will order and pick up their food at the counter. He stated that they will not have wait staff service. Ms. Fregeau asked if food can be taken throughout the facility or if they are confined to the café area. Mr. Esposito replied that customers can take food anywhere in the gaming facility, but not into the retail sales area.

Ms. Newsome stated that they plan to have a bar area. She stated that it is partially segregated from the gaming area by a partition wall. She stated that it has counter seating. She stated that alcohol can only be purchased from the bar area. She stated that the POS system has a lockout which allows only certain employees access.

Ms. Newsome stated that they have a number of check points and controls. She stated that customers who wish to purchase alcohol will have their age verified at two areas. She stated that their valid photo identification will be checked at the “cash wrap” entry point into the gaming center where they will be given a wristband. She stated that driver’s licenses will be scanned through VeraAge Whiz which is a device programed with state identification information to verify age. She stated that wristbands will be checked by the bartender each time they order an alcoholic beverage. She stated that customers may be required to present their identification again at the bar area. She stated that wristbands will have alternating colors to ensure that fake wristbands are not being utilized. She stated that there will be a maximum of two alcoholic beverages per purchase. Ms. Kuchynka informed Ms. Newsome that only one alcoholic beverage can be delivered at a time, pursuant to local ordinance.

Ms. Newsome stated that they will have dedicated staff who are over 21 will tend bar. She stated that floating staff will conduct spot checks. She stated that alcoholic and non-alcoholic beverages will be served in different cups. She stated that alcohol servers will be BASSETT certified. She stated that serving staff will be required to annually sign off on their liquor policies and procedures.

Ms. Newsome stated that they will post signage that anyone purchasing alcohol will be required to show a valid photo identification and have a wristband. She stated that no alcohol will be allowed past the “cash wrap” counter, which leads into the retail sales area.

Ms. Newsome advised that security cameras have been installed to monitor all areas of the establishment. She stated that management will have 24/7 access via the web and their iPhones.

Ms. Newsome stated that Game Pazzo may host 21 and over events.

Ms. Newsome stated that they will be diligent with their staff about policies and procedures. She stated that all employees will be subject to background checks.

Chairman McInerney noted that other establishments have used the scanning approach at their point of entry. He advised that bartenders should also be diligent in carding although customers have already been carded at entry and received a wrist band as precaution. He would not want them simply relying on the automated system. Ms. Kuchynka stated that bartenders should be encouraged to re-card a customer if they feel the individual is under 30, according to their guidelines. Mr. Esposito stated that the bartender will be responsible for carding again.

Ms. King asked about the carding system. She wondered if the bartender will scan the identification or if it will be visually checked. She asked if they would be able to manually override a date of birth that may be keyed into the system. Mr. Esposito replied they will initially scan the identification at the “cash wrap” area. He noted only those over 21 will get a wristband, but at the bar, the bartender will again card the individual. He added that staff will also be walking through the facility to spot check.

Ms. King noted that the cash register will lock out under 21 year olds from alcohol sales. Ms. Newsome replied yes. He stated that security cameras monitoring the cash register areas.

Ms. Strelau asked if anyone had liquor handling experience. They replied no. She stated that although they have put many things in place, there is still a chance for a violation. She stated that the tone and tenor they set for their employees will determine their success. She cautioned them not to be overconfident with the electronics and scanning software in saving them from a violation.

Mr. Esposito stated that they plan to hire someone with expertise in running a bar and being a professional manager.

Ms. Strelau asked about the square footage of the facility. Mr. Newsome replied 13,000.

Ms. Newsome asked if licensees are allowed to self-test. Ms. Strelau replied yes.

Mr. Esposito stated that there is nothing like Game Pazzo. He stated that they will have social networking through gaming along with retail and food service. He stated that they can plan all they want but will not know the true demographics until the doors open. He hoped that the facility will rate highly with older segments of the local population which is why they sought a liquor license. He advised that after 6 months they plan to re-visit the business model and revise it accordingly. Ms. Fregeau noted that other licensees have made similar assumptions about demographics and not knowing what to expect when just starting up.

Ms. Strelau asked if they were seeking a full liquor license or beer and wine only. Mr. Esposito replied full alcohol.

Mr. Esposito advised that a big part of their business will be corporate events. He stated that they will have gaming leagues.

Ms. King noted that they mentioned alcoholic and non-alcoholic beverages will be in different cups. Mr. Esposito confirmed. He stated they want to be able to easily identify those who are consuming alcohol. Ms. King asked how they plan to monitor groups that are of mixed ages. Mr. Newsome replied that staff will be walking around and monitoring the gaming area.

Chairman McNerney noted his concern with adults sharing drinks with minors in this type of environment. He stated that it is important that they have a plan to address those incidents.

Ms. King asked about security. Mr. Esposito security needs can be determined once they open. He noted that they can put a person on staff or they can use a security company if necessary.

Chairman McNerney asked about the mature game ratings. He suggested that they review local laws to ensure they are not in violation of the liquor ordinance or code other provisions. Mr. Newsome stated that they are under a license agreement and contracted as to what games they can play. Mr. Esposito added that none of the games will involve nudity.

Ms. King asked if customers can access live internet. Mr. Newsome stated that they will have firewalls installed on the computers to allow access to certain parts of the internet.

Mr. Esposito stated that their future success is dependant on their image. Mr. Kenney stated that he worked for Sears and noted all of their internal controls and processes. He stated that he could walk

into any store and tell immediately whether the management team was on top of things or not - just by the tone in the store. He realized Ms. Strelau's point that management staff sets the tone.

Mr. Esposito stated that product launch parties, private parties and corporate events will be extremely important to their business. He stated that they will be targeting 21-35 year olds. He reminded the Commission that gaming started in the 1990s and remain popular with those growing up in that era.

Mr. Kenney stated that focus groups were used. He noted that this concept is new and focus group reactions are questionable.

Mr. Esposito stated that they have partnered with Comcast who will be their internet service provider. Mr. Newsome stated that Comcast is going to be spotlighting their facility and run about 200 commercials per week.

Mr. Esposito stated that they are working with Microsoft's product development manager for Xbox who has sent them merchandise for the store. He added that RockBand, MTV, Monster Energy, Mad Cats, Triton, Polk Audio, etc. have contributed and have partnered with them.

Mr. Kenney stated that they want to create a venue for people to socialize and play video games, which is a unique aspect of this facility.

Mr. Esposito informed the Commission that they have been speaking with Comcast and MTV about hosting weekly gaming shows and a RockBand reality show. He stated that they have a RockBand license where they can host events as venues throughout Chicago and use MTV's name.

Mr. Esposito stated that they plan to hire 26 employees. He felt that their business will enhance the Meadowbrook Plaza. He stated the facility will bring in sales tax revenue and bring awareness to Downers Grove.

Ms. Fregeau stated how many bar staff they anticipate. Mr. Esposito replied that the number of staff will vary, depending on the time of day. Mr. Newsome stated that once they open they will have a better understanding as to how much staff they will need.

Ms. Fregeau asked about their hours of operation. Mr. Newsome replied 10:00 a.m. to 10:00 p.m. on weekdays and 11:00 a.m. to 1:00 a.m. on Friday and Saturday.

Mr. Esposito stated that they plan to offer Wii for elderly and handicapped events for organized leagues during the day.

Ms. Newsome stated that they are committed as serious about their commitment to the establishment.

Chairman McInerney asked them when they planned to open. Mr. Newsome hoped to open within the next few weeks. He stated that the landlord needs to finish some things.

Mr. Russ stated that they are aware of the time frame in which it will take to have an ordinance passed by Council as well as the time frame needed to obtain a license.

Chairman McInerney noted that the process for creating a liquor license can take some time. He stated that the Commission needs to discuss whether or not an establishment is right for the Village. Mr. Newsome understood that their facility was a new and unique concept and that careful review would be necessary. Ms. Newsome invited the Commission to visit the facility.

Mr. Russ asked that the Commission contact Ms. Kuchynka and they can coordinate schedules for members visit. He stated that they are truly committed to the community.

Chairman McInerney asked who they view as their competition. Mr. Esposito replied Game Stop for retail and perhaps Game Café in Naperville. He noted that there is nothing like this in the country.

Chairman McInerney stated that he has been to an area indoor racing facility where they have indoor go cart racing, a restaurant and bar. He suggested that they go there and look at their controls, particularly because of their lack of liquor handling experience. Mr. Esposito stated that they plan to hire someone with liquor handling experience.

Ms. Kuchynka advised that Mr. Russ reviewed the draft ordinance and accepted its provisions. She stated that the E-6 gaming facility license classification will allow the public to participate, for a fee, in organized competitive video gaming on-line and through the use of video consoles. She stated that would exclude any games involving gambling. She stated it will allow full alcohol consumption on the premises where the primary business is a gaming facility. She stated that there will be an area where food is prepared on the premises and food service shall be available. She stated that they have a minimum seating capacity of 35 and must be a minimum of 10,000 square feet. She stated that bar/lounge seating shall not exceed 20% of the seating provided.

Ms. Kuchynka stated the floor plan appears to have 40 seats, which would limit the number of seats at the bar to 8. Mr. Esposito noted that they will have close to 100 seats, if the tables behind game consoles are included in the seating calculation. Mr. Russ would like to discuss with staff how they plan to calculate game area versus restaurant area seating.

Ms. Strelau stated that tables where food is served can count. She thought they said that food could be brought near the game consoles, yet their "Code of Conduct" document states that "no food is allowed to leave the café" and "all alcoholic beverages must stay in the bar area". She wondered which plan they will follow. Mr. Esposito stated that they planned to allow customers to bring their food and beverages to the game console areas. He stated the statements in the Code of Conduct were wrong. He stated that should read that food and beverages are not allowed in the retail area. Mr. Russ stated that document would be updated.

Ms. Kuchynka stated that the Class E-6 gaming facility license will be limited to one. She asked for a motion as to whether they were in support of the creation of this license class.

Ms. King asked about food service and asked if it would be required during all hours of operation. Ms. Kuchynka replied that establishments must serve food up to one hour prior to close.

Ms. Strelau asked why staff picked the 10,000 square foot number. Ms. Kuchynka replied that was an arbitrary figure. She felt it would un-qualify smaller establishments with no facility to support kitchen service. Mr. Newsome stated that the kitchen is about 500 square feet.

Chairman McInerney recommended that the Commission review the license classifications and clean up the entertainment license classes. He felt that all of these classes fall into a common theme. Ms. Strelau agreed that clean up and simplifying the ordinance would be beneficial. Chairman McInerney noted that they have been crafted for a particular applicant and according to their distinct business model. Ms. Kuchynka replied she would put that item on a future agenda.

Ms. Strelau asked what the fee will be. Ms. Kuchynka replied \$3,670 and based it on the billiard hall, North Beach and the Tivoli Bowl. She stated that Game Pazzo will charge membership fees to join and may need to add that charge to cover additional costs.

Ms. Kuchynka reminded the Commission that the annual fees are not included in the Municipal Code and no longer have to be approved by ordinance. She stated that they are now in an administrative regulation and may be amended by the Village Manager on a regular basis.

Ms. King asked if a parent has to pay a membership fee if they come in with their child. Mr. Esposito replied no. He stated that the membership cards gives regular players discounts.

Ms. Kuchynka advised that the draft ordinance also contains a change to the recreational facility but requested that these items be addressed in separate ordinances. Ms. Strelau agreed they should be separate. Ms. Kuchynka asked for a recommendation on a draft ordinance creating a gaming facility license.

MS. FREGEAU RECOMMENDED CREATING A CLASS E-6 GAMING FACILITY LIQUOR LICENSE. MS. STRELAU SECONDED.

VOTE: **Aye:** Ms. Strelau, Ms. Fregeau, Ms. King, Mr. Clary, Chairman McInerney

Nay: None

Abstain: None

MOTION CARRIED: 5:0:0

The motion carried.

Recreational Facility Definition Amendment

Ms. Kuchynka discussed an amendment to the recreational facility definition to include a provision to allow a license for an indoor simulated golf facility and increase the number of beer and wine only licenses from zero to one.

Ms. Kuchynka stated that a representative from Bogies Indoor Golf were in attendance to discuss the request. She asked that he introduce himself and state and spell his name for the record.

Mr. Greg Sheffield introduced himself as the owner of Bogies Indoor Golf.

Ms. Kuchynka stated that there are two Bogies location in operation. She stated that they operate in Oswego and Bloomington. Mr. Sheffield advised that he held a liquor license for the Bloomington location.

Ms. Kuchynka advised that the recreational facility license authorizes the sale of beer and wine where the primary business is a recreational facility. She noted that there is a minimum seating requirement of 35. She stated that food service must be available.

Ms. Strelau asked where the facility will be located. Mr. Sheffield replied a few doors down from Game Pazzo in the Meadowbrook Shopping Center. He stated that the location is a bit large for what they want to do.

Mr. Sheffield stated that they are currently in the process of expanding the Oswego facility to 20,000 square feet with a full restaurant. He stated that location was open in 2007. He stated that the Bloomington location has been open since 2001. He noted that lease is up.

Mr. Sheffield stated that the simulators are 12 ½ by 30 feet large which will take about 2,600 square feet of the facility. He stated that they will have a teaching room and training room for lessons by outside golf professionals. He stated he is a PGA golf professional who will provide lessons. He stated that they will have some pool tables, arcade games and dart boards with some seats.

Mr. Sheffield stated that each simulator area seats four. He stated that there will be 6-8 seats at the bar. He stated that there will be 40-50 seats in the establishment.

Ms. Strelau asked about the games. Mr. Sheffield stated that they will have dart boards, a pool table (space permitting) and Golden Tee. She asked about video poker. He would not have video poker. Ms. Strelau noted that the Village banned it.

Ms. Strelau asked how long he has been operating. Mr. Sheffield replied in Oswego since 2007 and in Bloomington since 2001. He stated that he did not renew the license for the Bloomington location since the lease was up and they knew they were moving. He stated they are looking to relocation and felt that it will be significantly more busy in Downers Grove than there.

Chairman McInerney asked Mr. Sheffield about his liquor license record in those communities. Mr. Sheffield replied he has had no incidents in Bloomington over 9 years. He stated that he had one issue in Oswego where an undercover agent was not carded and was served. He stated that the employee was suspended for two weeks without pay. He noted that the employee was busy but that was no excuse for not doing his job. He stated that staff training is regularly refreshed.

Mr. Sheffield stated that they plan to have 6-7 total employees. He stated that the establishment should be very easy to monitor.

Chairman McInerney asked about the simulators. Mr. Sheffield replied that golf customers hit a ball into a screen in where a golf course is projected on a large screen. He stated that there are 60+ courses to play. He stated that they use their own clubs.

Ms. King asked how large the facility is. Mr. Sheffield replied 7,000 square feet.

Chairman McInerney wondered the difference in video golf and the video gaming facility. Ms. Kuchynka replied that this more of a physical activity than a gaming facility. She was not certain that video gaming played at consoles would fall into the established definition of recreational facility where customers participate in a sport or engage in activities, such as volleyball, tennis, racquetball, handball, bowling or pool. Ms. Kuchynka stated that with exception of the Wii, video games are really not considered a sport or physical activity. Ms. Fregeau stated that their initial concept of the gaming facility has also changed from their initial concept beliefs.

Chairman McInerney noted that there are good examples where the Liquor Commission creates licenses on a case-by-case license. Ms. Strelau agreed. She did not feel what they do is special, but was

concerned with layout, kitchen facilities and bar areas. She stated that what is done in the facilities is ancillary. She agreed with the Chairman that licenses are becoming more difficult than they need be.

Ms. Strelau asked if the square footage requirement is necessary. Chairman McNerney noted that the square footage is usually based on the square footage of the establishment at the time they have created the license. Ms. Kuchynka stated that the Commission may consider revamping the license categories on a future agenda. Ms. Strelau stated she was concerned most with Stardust and Rita's which started out with one concept and had completely finished under another. She stated that the Commission goes at it in a pure look, but these licensees have evolved and then end up not matching what the Commission drafts.

Ms. Kuchynka stated that the legal department is trying to control involvement of licensees from being different from what they propose which is why they have been specific with requirements. Ms. Strelau stated that the Commission should review some of the more convoluted classifications. Ms. Strelau asked that the Commission review the license classifications on a future agenda.

Chairman McNerney noted that the Commission first tries to accommodate a business activity into an existing license structure. He stated that making a simple modifications to the ordinance by adding indoor simulate golf facilities to the definition was fine in this instance.

Ms. Kuchynka noted that the gaming facility has retail, dining, gaming, etc. Chairman McNerney noted that a lot of businesses have a retail component. He stated that the Commission is not concerned with the retail component, but the liquor service.

Ms. Strelau did not have a problem with amending the recreational facility license to include indoor simulated golf.

Ms. Fregeau asked Mr. Sheffield about his projected alcohol sales. Mr. Sheffield anticipated \$50,000 per year or 10-15% in alcohol revenue.

Mr. Sheffield stated that they are seasonal. He stated that they choose locations based on the rent. He stated that they may close for a portion during the summer months or have reduced summer hours.

Mr. Sheffield noted that they offer pizza, hot dogs, brats and cold sandwiches. He stated that they have concession-type food service. He stated that the size of the space may allow them to expand. He noted that they are adding a full restaurant to their Oswego location.

Ms. Strelau asked about demographics. Mr. Sheffield replied their primary customers are men between the age of 25-55. He noted that it will not be a teenage hangout and the primary business will not be drinking. He stated that he will be a golf facility that serves beer, not a bar that offers indoor golf. He stated that customers will not come in just for a drink.

Chairman McNerney asked when they plan to open. Mr. Sheffield replied hopefully December. He stated that they are still in the process of working out the build out details. He noted that if they do not open by then, they may hold off.

Ms. Strelau asked if the business is successful although being closed seven months of the year. Mr. Sheffield replied yes.

Ms. Kuchynka requested a motion from the Commission for and amendment to the recreational facility license and increase the number of licenses available from zero to one.

MS. KING RECOMMENDED TO AMEND THE RECREATIONAL FACILITY DEFINITION TO INCLUDE INDOOR SIMULATED GOLF FACILITIES. MS. FREGEAU SECONDED.

VOTE: **Aye:** Ms. King, Ms. Fregeau, Ms. Strelau, Mr. Clary, Chairman McInerney

Nay: None

Abstain: None

MOTION CARRIED: 5:0:0

The motion carried.

Mr. Sheffield asked what happens from this point. Ms. Kuchynka replied that the draft ordinance will be presented to the Village Council at an upcoming hearing. She stated that the ordinance will need to be adopted before he is able to come back and apply. She advised him to get materials together in support of his application while the ordinance is being considered.

VI. OLD BUSINESS

Chairman McInerney asked if there was any discussion, update from staff or comments from the Commission regarding any old business.

Ms. Kuchynka stated that Ms. Fregeau had been reappointed by the Mayor to serve another term on the Commission.

Ms. Kuchynka advised that she had two applications on file and planned to hold a meeting on October 7th.

VII. COMMENTS FROM THE PUBLIC

There were none.

VIII. ADJOURNMENT

Concluding business for the evening, Chairman McInerney called for a motion to adjourn.

Ms. Strelau moved to adjourn the September 9, 2010 meeting. The meeting was adjourned by acclamation at 9:32 p.m.