

VILLAGE OF DOWNERS GROVE
Report for the Village Council Meeting
5/2/2017

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| SUBJECT: | SUBMITTED BY: |
| Arts & Crafts Studio Liquor License Classification | Enza Petrarca Village Attorney |

SYNOPSIS

An Ordinance has been prepared to amend the Village's Liquor Code relative to the following:

- Define and create a Class AS license classification to allow for on premise consumption of beer and wine at Arts & Crafts Studios
- Establish the number of Class AS liquor licenses available

STRATEGIC PLAN ALIGNMENT

The goals for 2015-2017 include *Strong, Diverse Local Economy*.

FISCAL IMPACT

N/A

UPDATE & RECOMMENDATION

This item was discussed at the April 18, 2017 Village Council meeting. Staff recommends approval at the May 2, 2017 Village Council meeting.

BACKGROUND

Staff has received a request to amend the Liquor Control Ordinance to create a liquor license classification for on premise consumption of beer and wine at arts and crafts studios. The attached ordinance defines arts & crafts studios as establishments where the public may participate in activities, including, but not limited to, painting, ceramics, woodworking and craft design/construction projects utilizing fibers, metals, wood and/or glass. Beer and wine will be served from a service bar only and is limited to participants during arts and crafts making sessions. Food service is not a requirement for this license class, however, an area for food preparation is allowed and pre-packaged food may be available. The public may participate in regularly scheduled classes, walk-in or by invitation to private party functions.

The proposed ordinance limits the number of Class AS licenses to two. The Liquor Commission reviewed the proposed ordinance at the April 6th meeting and recommended approval.

ATTACHMENTS

Ordinance

Recommendation & Liquor Commission Minutes – April 6, 2017

VILLAGE OF DOWNERS GROVE COUNCIL ACTION SUMMARY

INITIATED: Village Attorney **DATE:** May 2, 2017
(Name)

RECOMMENDATION FROM: Liquor Commission **FILE REF:** _____
(Board or Department)

NATURE OF ACTION:

- Ordinance
- Resolution
- Motion
- Other

STEPS NEEDED TO IMPLEMENT ACTION:

Motion to Adopt "AN ORDINANCE CREATING A LIQUOR LICENSE CLASSIFICATION FOR ARTS & CRAFTS STUDIOS", as presented.



SUMMARY OF ITEM:

Adoption of the attached ordinance shall create a liquor license classification for Arts & Crafts Studios.

RECORD OF ACTION TAKEN:

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ORDINANCE NO. _____

**AN ORDINANCE CREATING A LIQUOR LICENSE
CLASSIFICATION FOR ARTS & CRAFTS STUDIOS**

BE IT ORDAINED by the Village Council of the Village of Downers Grove in DuPage County, Illinois, as follows: (Additions are indicated by **shading**/underline; deletions by ~~strikeout~~):

Section 1. That Section 3.3 is hereby amended to read as follows:**3.3 Definitions.**

For the purposes of this Chapter, the following words and phrases shall have the meanings respectively ascribed to them by this section:

Act. The Illinois Liquor Control Act of 1934, as now or hereafter amended.

Alcoholic liquor. Any spirits, wine, beer, ale or other liquid containing more than one-half of one percent of alcohol by volume, which is fit for beverage purposes. Beverages sold as beer, ale or other designation commonly applied to malt beverages containing more than one-half (1/2) of one percent (1%) of alcohol by volume shall be presumed to be alcoholic liquor for purposes of this Chapter.

Arts & Crafts Studio. A place kept, used, maintained, advertised or held out to the public as a place in which the public may participate in activities, including, but not limited to, painting, ceramics, woodworking and craft design/construction projects utilizing fibers, metals, wood and/or glass.

Alcoholic Liquor product identification sign. Any sign, including any placard, banner, poster, streamer, balloon or other attention getting device, which is designed or used to advertise, promote or identify a particular brand of alcoholic liquor. This includes, but is not limited to, those signs commonly referred to as "beer signs" and may involve electronic or neon displays.

Billiard Hall. A place kept, used, maintained, advertised or held out to the public as a place in which the public may participate in a game of skill commonly known as pool. Such establishment shall have a guest seating capacity, excluding outdoor areas, of not less than one hundred (100). Such establishment shall be limited to patrons twenty-one (21) years of age and older.

Bowling Alley. A place kept, used, maintained, advertised or held out to the public as a place in which the public may participate in the game commonly known as bowling. Such establishment shall have a guest seating capacity, excluding outdoor areas, of not less than one hundred twenty-five (125).

Brew Pub/Restaurant. A place kept, used, maintained, advertised or held out to the public as a place where meals are regularly served and where beer is produced upon the premises. Such establishment shall operate as a restaurant and bar/lounge seating shall be limited to twenty percent (20%) of the entire seating for the establishment.

Brewing Facility. A place kept, used, maintained, advertised or held out to the public as a place in which the primary business is the distribution, manufacture, packaging, sale and storage of craft beer produced on the premises in compliance with Federal and State laws.

Catering Business. A business which provides and serves alcoholic liquor at locations not owned or leased by the catering business for consumption at such location.

Catered event. A dinner, banquet, party or other similar event at which alcoholic liquor is provided for consumption on the premises by a Catering Business.

Club. A corporation organized under the laws of this State, not for pecuniary profit, solely for the promotion of some common objective other than the sale or consumption of alcoholic liquors, kept, used and maintained by its members through the payment of annual dues, and owning, hiring or leasing a building or space in a building, of such extent and character as may be suitable and adequate for the reasonable comfortable use and accommodation of its members and their bona fide guests and provided

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with suitable and adequate kitchen and dining room space and equipment and maintaining a sufficient number of employees for cooking, preparing and serving food and meals for its members and their bona fide guests. Provided, the sale or offer of alcoholic liquor for sale to the public by the club, except as provided in Section 3.32 of this Chapter is not permitted, and further provided, that the affairs and management of the club shall be conducted by a board of directors, executive committee or similar body chosen by the members at their annual meeting, and that no member or any officer, agent or employee of the club shall be paid, or directly or indirectly receive, in the form of salary or other compensation, any profits from the distribution or sale of alcoholic liquor to the club or the members of the club or its guests introduced by members beyond the amount of such salary as may be fixed and voted at any annual meeting by the members or by its board of directors or other governing body out of the general revenue of the club. The term club shall not include any "men's or women's club" as defined herein.

Contracted theater rental. A prearranged function in which an entity enters into a rental agreement or contract for the use of a theater for events, film viewing/critique or theater production/box office events.

Convenience Store. A place kept, used, maintained, advertised or held out to the public as a place in which the sale of food, beverages, medications, household products, cosmetic items and reading materials are provided. No more than twenty-five percent (25%) of the retail sale square footage area shall be devoted to the sale of alcoholic liquor and tobacco products.

Entertainment/Restaurant facility. A place kept, used, maintained, advertised or held out to the public as a restaurant and where dancing, live entertainment or recreational activities such as those which are included in the definition of a recreational facility, are available.

Fashion show. The modeling, showing or other presentation of lingerie or other garments for the purpose of entertaining or for sale of the garment, where the person so modeling the garment appears in a nude or semi-nude state.

Gaming Facility. A place kept, used, maintained, advertised or held out to the public as a place in which the public may participate for a fee in organized, competitive video gaming, online and through the use of video gaming consoles, excluding video gaming that involves gambling of any type. Such facility shall have a retail game sales area. Such facility shall have a guest seating capacity, excluding outdoor areas, of not less than thirty-five (35).

Grocery Store. A place kept, used, maintained, advertised or held out to the public as a place where the primary business consists of the direct retail sale of items such as meats, cereals, grains, produce, baked goods, dairy products, canned and frozen prepared food products, beverages, cleaning supplies, pet food and supplies, over the counter medicines, personal products, household goods and similar items are available to be purchased by the consumer. No more than twenty-five percent (25%) of the retail sale square footage area shall be devoted to the sale of alcoholic liquor and tobacco products.

Hotel. A building or group of buildings used in conjunction with one another as a lodging facility providing sleeping accommodations for compensation to travelers and guests, whether transient, permanent or residential and in which one hundred or more rooms are provided for such purpose.

Men's or women's club. A place kept, used, maintained, advertised or held out to the public as a place which offers entertainment where any person may appear in a nude or semi-nude state, or offers the customer a role playing interaction, including but not limited to servers, hosts, hostesses, dancers, singers, models or other performance artists.

Nude or nudity or a state of nudity. The appearance of a human bare buttock, anus, genitals, or female breast; or, a state of dress which fails to opaquely cover a human buttock, anus, genitals, or areola of the female breast.

Semi-nude. A state of dress in which clothing covers no more than the genitals, pubic region, and areolae of the female breast, as well as portions of the body covered by supporting straps or devices.

Original package. Any bottle, flask, jug, can, barrel, keg, or other receptacle or container whatsoever, used, corked or capped, sealed and labeled by the manufacturer of alcoholic liquor, to contain and to convey any alcoholic liquor.

Outdoor sales. The sale or consumption of alcoholic liquor in an area adjacent to an existing licensed

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business which is wholly or partially contained upon private or public property.

Private function. A prearranged private party, function, or event for a specific personal, social or business occasion, either by invitation or reservation and not open to the general public, where the guests in attendance are served in an area designated and used exclusively for the private party, function or event and where the licensee is not the host of said function.

Regularly scheduled motion pictures or films. Motion pictures or films scheduled to be shown at previously arranged and advertised times and open to the general public. Regularly scheduled motion pictures or films shall not include any motion pictures or films shown as a result of a contracted theater rental, as defined in this section.

Recreational facility. A place kept, used, maintained, advertised or held out to the public as a place in which the public may participate in activities, including but not limited to bowling, gaming, billiards, and indoor simulated golf, as defined herein. Such establishment shall include an area where food is prepared on the premises and food service shall be available during operation. It shall be unlawful for any licensee holding a license for a recreational facility to sell or offer for sale at retail, any alcoholic liquor on such premises at any time when the regular and complete business of the recreational facility is not staffed, in actual operation, and open to the public for business, except that such sales may be made during a one (1) hour period immediately following the close of regular recreational facility operations in such premises. Bar/lounge seating shall be no more than twenty percent (20%) of the total seating provided for patrons of the establishment.

Restaurant. A place kept, used, maintained, advertised or held out to the public as a place with the service of food and drink, and where meals are regularly served, without sleeping accommodations, and where adequate provision is made for sanitary kitchen and dining room equipment and capacity and a sufficient number of employees to prepare and serve food for its customers. It being the intent of this paragraph that the primary business conducted on premises to be licensed as restaurants hereunder shall be the service of food and drink. Food service shall be available at all times liquor sales are being conducted. Menus shall be on the table, presented to each patron as they are seated or be posted in such a manner to be easily readable by the patrons of the restaurant. Provided, the kitchen may not cease operating prior to one hour before closing. Bar/lounge seating shall be no more than twenty percent (20%) of the total seating provided for patrons of the establishment.

Retail sale. The sale for use or consumption, and not for resale.

Retail sale square footage area. The area or space in an establishment devoted for the retail sale of goods or products offered for consumer purchase and shall not include storage freezers, storage coolers, warehouse, office areas or areas that are not open to the general public.

Retirement Facility. A multi-family dwelling complex and health center where meal service and recreational activities are provided to occupants fifty-five (55) years of age or older.

Role playing interaction. An arrangement, service or program where a server, host, hostess, dancer, singer, model or other performance artist, engages a customer in a meeting or conversation involving, depicting, participating in, or relating to any "specified sexual activities" as defined and set forth in Chapter 8 of the Municipal Code.

Sale. (to Sell) Any transfer, exchange or barter, in any manner or by any means whatsoever, for a consideration and not for resale, including all sales made by any person whether as principal, proprietor, agent, servant or employee, and including, but not limited to, all of the following acts when done for consideration:

- (1) The selling of alcoholic liquor.
- (2) The delivery of alcoholic liquor, without additional charge, with a meal or with entertainment or the providing of samples of alcoholic liquor as part of a promotion or sales device of any kind.
- (3) The dispensing of alcoholic liquor.
- (4) The providing of mix, ice, water or glasses for the purposes of mixing drinks containing alcoholic liquor for consumption on the same premises.

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- (5) The pouring of alcoholic liquor.
- (6) The providing of "set-ups" containing alcoholic liquor.
- (7) The giving away of alcoholic liquor.

However, it shall not be considered a "Sale" when:

- (1) alcoholic liquor is provided as part of a religious ceremony; or
- (2) at private functions as defined herein that are held by the host and where the guests are not charged for the alcoholic liquor consumed.

Theater. A place kept, used, maintained, advertised or held out to the public as a place within the DB Downtown Business District regularly used for showing motion pictures/films or conducting theatrical, musical or live performances or events with a seating capacity of nine hundred (900) or more persons.

Theater production/box office events. Theatrical, musical, live performances or special events in which tickets are sold to the general public. These productions shall not include regularly scheduled motion pictures or films.

Wine Boutique. A place kept, used, maintained, advertised or held out to the public as a place where the retail sale of wine and beer, tastings and education seminars/classes are conducted on a regular basis and on-site consumption of wine and beer is allowed.

Wine Shop. A place kept, used, maintained, advertised or held out to the public as a place where the retail sale of wine and beer for off-premise consumption, tastings and education seminars/classes are conducted on a regular basis. (Ord. No. 244, § 1; Ord. No. 1741, § 1; Ord. No. 1749, § 1; Ord. No. 2388, § 1; Ord. No. 2450, § 1; Ord. No. 2541, § 1; Ord. No. 2735, § 1; Ord. No. 2847, § 1; Ord. No. 3164, § 1.)
NOTE:

Section 2. That Section 3.13 is hereby amended to read as follows:

3.13 Classification of licenses.

Such licenses shall be, and are hereby, divided into the following classes:

Class "AS" Arts & Crafts Studio Licenses

"AS" Arts & Crafts licenses shall authorize the on-premise consumption of beer and wine where the primary business is that of an Arts & Crafts Studio as defined herein. The following provisions shall apply:

Seventy five percent (75%) of the facility shall be exclusively devoted to craft making activities.

No more than one (1) service bar shall be allowed on the premises. Such service bar shall not have seats for patrons at which to sit.

Beer and wine service shall be limited to patrons participating in craft making activities and shall terminate at the conclusion of each session. Service shall not be allowed at any time when a craft making session is not in actual operation.

The public may participate in regularly scheduled class sessions by pre-registering, walk-in or by invitation to private party function(s).

It is intended that the service of beer and wine is merely an adjunct to the operation of an Arts & Crafts Studio and shall not be advertised or otherwise held out to be a drinking establishment.

Nudity shall not be allowed during any activity, design, exhibition or instruction.

Such premises may include an area where food is prepared, including hot or cold sandwiches, appetizers, tapas, pre-packaged goods or other similar foods.

Class "B" Brew Pub/Restaurant Licenses

"B-1" Brew pub/restaurant licenses shall authorize the retail sale of alcoholic liquor and beer produced on the premises for on-site consumption and the retail sale of beer in original packages, unopened only,

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produced on the licensed premises for off-premise consumption.

Class "BF" Brewing Facility Licenses

"BF" licenses shall authorize the on-premise consumption and retail sale of craft beer where the premises is that of a brewing facility as defined herein. The following provisions shall apply:

No more than a total of forty-eight (48) ounces of beer shall be served for the purpose of on-site consumption, whether by the glass or by the flight, to any customer in any one (1) day with a single serving not to exceed sixteen (16) ounces,

Product sampling shall be permitted in accordance with State law at no charge,

On-premise consumption shall be limited to the retail portion of the licensed premises except during supervised tours and private events. The retail portion shall not exceed 3,000 square feet.

Patrons under the age of twenty-one (21) shall be allowed on the premises when accompanied by an individual twenty-one (21) years of age or older, however, classes and seminars shall be limited to patrons twenty-one (21) years of age or older.

Class "BYO" Bring Your Own Licenses

"BYO" licenses shall authorize the consumption of beer and wine which has been brought onto the premises by a patron or patrons twenty-one (21) years of age or older for on-site consumption where the premises is that of a restaurant as defined herein. The following provisions shall apply:

BYO shall be permitted in conjunction with the purchase and consumption of a meal while seated at a table and served by wait staff;

No more than one (1) 750ml bottle of wine per patron or no more than 36 ounces of beer per patron (unopened) shall be permitted to be brought into the premises;

BYO shall be allowed only during the restaurant hours of operation and only along with and during regular food service;

BYO licensees may provide glass ware and ice to patrons; may uncork, pour and control its consumption and may charge a corkage fee;

Employees who have successfully completed a certified training program may perform corkage/serving duties. Such employees must be at least nineteen (19) years of age or older and shall serve in accordance with all State and local laws;

BYO licensees shall provide a certificate of insurance reflecting coverage for dram shop or equivalent liability for BYO service;

At a patron's request, the licensee shall re-seal any unconsumed portion of wine in accordance with State law;

BYO licensees are prohibited from storing alcoholic liquor on the premises, unless as otherwise provided by a separate license classification validly held by the licensee;

Packaged and on-site sales of alcoholic liquor is prohibited, unless as otherwise provided by a separate license classification validly held by the licensee;

BYO licensees shall be liable for violations of this Chapter in the same manner as the holder of any other classification of liquor license, including but not limited to violations for service to minors and the over-serving of patrons.

Class "C" Club (Private) Licenses

"C-1"- Private club licenses shall authorize the retail sale of alcoholic liquor for consumption on the premises where the business is that of a club as defined herein.

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Class "E" Entertainment/Restaurant Facility Licenses

"E-1" Entertainment/Restaurant Facility licenses shall authorize the sale of alcoholic liquor for consumption on the licensed premises where the primary business is an entertainment/restaurant facility as defined herein, of not less than twelve thousand (12,000) square feet. Such facility shall have dining on the premises with a guest seating capacity, excluding outdoor areas, of not less than one hundred twenty-five (125). Such facility shall have an area where food is prepared on the premises. An area or area(s) may be devoted to dancing, live entertainment or recreational activities. Physical bar seating shall be limited to twenty percent (20%) of the total amount of dining seats provided.

Such facility shall be limited to patrons twenty-one (21) years of age and older.

A monthly report shall be submitted to the Village describing any planned events or scheduled entertainment by the licensee.

The licensee shall provide the Village with a detailed security plan for the facility, including, but not limited to, a policy, security procedures and security staffing provisions. Twenty-four (24) hour emergency contact information shall be provided to the Village's Police and Fire Departments.

This license shall be subject to any other additional conditions and/or restrictions imposed by the Local Liquor Commissioner either at the time of initial issuance or renewal of the license.

Class "G" Golf Course.

"G" Golf course licenses shall authorize the retail sale of beer and wine for consumption on the licensed premises operated by the Downers Grove Park District. Sales shall be authorized in the clubhouse, an outdoor area and upon the golf course. Sales of beer and wine from a motorized food and beverage cart operating on the public golf course are authorized provided not more than fifty percent (50%) of the designated storage/display capacity shall be devoted to the display and sale of beer and wine. No more than one (1) such motorized food and beverage cart shall be on the course and in operation at any one time. Non-alcoholic beverages and food shall at all times be stocked and available for sale in such cart.

Class "H" Hotel Licenses

"H-1" Hotel licenses shall authorize the retail sale of alcoholic liquor for consumption on the premises of a hotel as defined herein, and the retail packaged sale of beer and wine in original packages to hotel patrons. This shall include sales occurring at facilities, or as part of activities, normally operated as an integral part of the hotel, such as, but not necessarily limited to, restaurants, cocktail lounges, room service and banquets. Provided, the licensed premises shall have at least one restaurant with a seating capacity of not less than one hundred twenty-five (125) operated as an integral part of the hotel.

Class "K" Catering Licenses

"K-1" Catering licenses shall authorize the sale of alcoholic liquor in connection with the operation of an off-site catering business as defined herein that serves alcoholic liquor in connection with the catering of foods for private functions and for consumption only on the premises where the food is catered. The sale of alcoholic liquor shall be incidental to the food service and if the catered event does not qualify as a private function, a special event license shall also be required for the location of the catered event. No cash bar shall be permitted. No alcoholic liquor shall be served at a single location for more than eight (8)

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consecutive hours. A licensee shall submit a report to the Village within thirty (30) days following each July 1 and January 1 setting forth the location of each event the licensee has catered within the Village and the number of hours for which liquor and food were served at such events during the six (6) months prior. In addition, such report shall describe any planned events currently scheduled by the licensee.

"K-2" Catering licenses shall authorize the sale of beer and wine at the Downers Grove Park District Recreation Center located at 4500 Belmont Road. Provided, a catering license may be issued to a sub-contractor who solely provides beer and wine service on behalf of and in conjunction with an off-site food catering business under contract with the Downers Grove Park District. The sub-contractor may not utilize the Class K-2 catering liquor license in any other facility in the Village, operate independently at the Recreation Center or provide beer and wine without food service being available. Service of beer and wine shall be limited to service from a designated portable bar area. No table service of wine or beer shall be allowed. In all instances, the sale of alcoholic liquor shall be incidental to the food service. No cash bar shall be permitted. No alcoholic liquor shall be served at a facility rental for more than six (6) consecutive hours. The licensee shall submit a report to the Village within thirty (30) days following each July 1 and January 1 setting forth the date, time and type of any planned events currently scheduled by the licensee in order for the Village to monitor compliance. In addition, the Village may request that the licensee include information on the dates, times and types of events at the Center during the six (6) months prior.

Class "O" On-Premise Consumption, Outdoor Licenses

"O" Outdoor licenses shall authorize the sale and consumption of alcoholic liquor in an enclosed outdoor seating area. This license may only be issued to establishments holding a valid Class B, C, E, P-O, REC, RF, R or W license and shall be limited to the conditions of the respective license classification issued to the establishment. The main and principal operation of the outdoor area shall be for dining purposes and food must be available in the outdoor dining area at all times and shall be subject to the provisions set forth in Section 3.30. Operation of the outdoor area for a Class C license is limited to private party rentals and shall be subject to the provisions set forth in Section 3.32.

Class "P" Off-Premise Consumption Licenses

"P-1" Packaged liquor licenses shall authorize the retail sale on the premises specified, which shall not include premises of less than three thousand six hundred (3,600) square feet, of alcoholic liquor in packages with the seals unbroken, only, and not for consumption on the premises, except that tastings shall be permitted on such premises in accordance with State law. Such licenses shall be only authorized in locations where the sale of packaged liquor is the primary business and/or in locations where the primary business is that of a grocery store or convenience store as defined herein.

"P-2" Packaged liquor licenses shall authorize the retail sale on the premises specified, of beer and wine in original packages, unopened only, and not for consumption on the premises, except that tastings shall be permitted on such premises in accordance with State law. Such licenses shall be only authorized in locations where the primary business is that of a grocery store, wine shop or convenience store as defined herein.

Class "P-O" On Premise and Off Premise Consumption Licenses

"P-O" Packaged liquor licenses shall authorize the retail sale of alcoholic liquor. Such licenses shall be only authorized in locations where a grocery store is the primary business.

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- (1) The sale of alcoholic liquor, in original packages, unopened only, shall be permitted subject to the following conditions:
- a. No more than ten percent (10%) of the retail sale square footage area shall be devoted to the sale of tobacco products.
 - b. Free tastings, classes or seminars shall be permitted on such premises in accordance with State law.
 - c. Alcohol sold in original packages and intended for off-premise consumption shall not be opened or consumed on the premises or in any designated seating/serving area.
- (2) The sale of alcoholic liquor shall also be permitted for consumption on the premises subject to the following conditions:
- a. The premises shall exceed five thousand five hundred (5,500) square feet.
 - b. The seating/serving area for customers consuming alcohol on the premises shall not exceed twenty percent (20%) of the retail square footage area of the premises or three thousand (3,000) square feet, whichever is less.
 - c. Consumption of alcoholic liquor on the premises shall be limited to the designated seating/serving area and signage shall be posted that patrons may not leave the area with open alcohol.
 - d. Such premises shall include an area where food is prepared and regularly served, including hot or cold sandwiches, appetizers, tapas, baked goods or other similar foods.
 - e. It is intended that the service of alcoholic liquor is merely an adjunct to the operation of a grocery store and shall not be advertised or otherwise held out to be a drinking establishment.

Class "REC", Recreational Facility, On Premise Consumption Licenses

"REC-1" Recreational Facility licenses shall authorize the retail sale of alcoholic liquor for consumption on the licensed premises, where the primary business is a recreational facility as defined herein.

"REC-2" Recreational Facility licenses shall authorize the retail sale of beer and wine for consumption on the licensed premises, where the primary business is a recreational facility, as defined herein.

Class "R" Restaurant, On Premise Consumption, Indoor Licenses

"R-1" Restaurant licenses shall authorize the sale of alcoholic liquor for consumption on the licensed premises, where the primary business is that of a restaurant, as defined herein.

"R-2" Restaurant licenses shall authorize the retail sale of beer and wine for consumption on the licensed premises, where the primary business is that of a restaurant, as defined herein.

Class "RF" Retirement Facility Licenses

"RF"- Retirement Facility licenses shall authorize the sale of alcoholic liquor for consumption on the premises to temporary or permanent residents of a retirement facility and their bona fide guests. On-site consumption shall be allowed within the confines of dining rooms and outdoor patio areas where meals are regularly served. No packaged sales of alcoholic liquor shall be allowed. The facility shall not be permitted to advertise or promote the sale of alcoholic liquor nor offer alcoholic liquor for sale to the public.

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Private functions shall be allowed in common areas as part of regular activities integral to the facility. Marketing programs conducted by the facility shall be allowed provided they are private, by invitation only, and are limited to age-appropriate prospective clientele.

Class "S" Special Event Licenses

"S" Special Event licenses shall be issued for the temporary sale of alcoholic liquor during special events.

(a) It shall be unlawful for any person who does not hold a valid liquor license pursuant to the provisions of this Chapter, to dispense or cause to be dispensed alcoholic beverages at a grand opening, tasting, open house or other special event open to the public, without first having obtained a special event license from the Local Liquor Commissioner. It shall be unlawful for any person holding a valid liquor license to conduct a special event which exceeds the limitations on liquor sales or otherwise fails to meet the requirements inherent in the applicable license classification without first having obtained a special event license from the Local Liquor Commissioner.

(b) Applications for a license under the provisions of this section shall be filed on forms provided by the Village. The general application procedures set forth in Sections 3.9 and 3.12 shall not apply to licenses issued under this section except for the requirement under Section 3.9(c)(9) concerning dram shop insurance coverage. Provided, the Local Liquor Commissioner may refer any application under this section to the Local Liquor Commission for review and comment. The application shall include such information as the Local Liquor Commissioner determines is necessary to process such application and may include, but is not limited to, the estimated number of persons attending the event, the location and layout of liquor sales at the event and at the premises, the persons responsible for dispensing of alcoholic liquor, steps to be taken by applicant to protect against any violations of the Village's ordinances and information regarding the manner in which and what type of liquor shall be dispensed and consumed. Additional information and material may be required during the processing of such application related to applicant's qualifications and information provided in the original submittal, including attachments. In the event the applicant is made aware that any information or document submitted as part of this application process is inaccurate or incomplete, the applicant shall immediately notify the Village and provide appropriate corrections. Failure to accurately and completely provide, or as necessary update, required information may delay the processing of such application or result in its denial.

(c) A fee shall be paid along with the application submittal as set forth in Administrative Regulation entitled "User-Fee, License and Fine Schedule".

(d) Where the applicant is a governmental unit and/or charitable organization, the Local Liquor Commissioner may waive the fee otherwise required by this section under his sole discretion.

(e) Upon submittal of a properly completed application and payment of fee, the Local Liquor Commissioner may issue a special events license subject to such reasonable restrictions as the Local Liquor Commissioner may require to protect the public health, safety and welfare, including, but not limited to the following:

(1) No more than six (6) such special event licenses shall be issued for the same location within any calendar year.

(2) The special event license holder shall take proper precautions and fully comply with the applicable provisions of this Chapter during the special event.

(3) The special event will last no longer than three (3) days, provided that two (2) consecutive licenses can be utilized for an event which shall not exceed six (6) days.

(4) The provisions of Section 3.11(b) regarding proximity of the proposed special event shall not apply to licenses issued under this section.

(5) The following restrictions apply to community special events sponsored by a governmental entity:

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(i) At least two (2) persons twenty-one (21) years of age or older shall be present at all times in the liquor consumption area to monitor compliance with applicable regulations and laws of the Village and State of Illinois regarding the consumption of liquor.

(ii) The licensee shall incorporate such other measures as the Local Liquor Commissioner may direct to protect the public health safety and welfare, including measures to protect against violations of the regulations and laws of the Village and State of Illinois regarding the consumption of liquor.

(6) The provisions of Section 3.30 regarding outdoor sales shall not apply to special event licenses issued under this section and a special event may include outdoor sales, service and consumption as approved by the Local Liquor Commissioner.

(7) Except as otherwise provided in this section, the applicant shall comply with all applicable provisions of the Downers Grove Municipal Code, including but not limited to, zoning, building, health and safety regulations.

(f) The Local Liquor Commissioner may issue a special event license as provided under this section to permit the sale and consumption of alcoholic liquor on public property. Provided, except for Village sponsored or co-sponsored community-wide celebrations, special events and other similar activities or functions, a temporary use license as provided in Chapter 4 of the Downers Grove Municipal Code shall be required for any special event conducted wholly or partially upon Village controlled property. An application shall be completed as provided in subsection (b) above and submitted to the Local Liquor Commissioner for decision. Provided, in addition to any other requirements which may be imposed, issuance of any special event license involving public property shall be contingent upon proof of dram shop insurance, up to the statutory limit, and such other liability insurance as the Village may from time to time direct, listing the Village, its officers and employees, as an additional insured.

(g) It is recommended that at least one (1) person on-site shall possess a certified training certificate pursuant to Section 3.33.3.

Class "T" Theater.

"T" Theater licenses shall authorize the retail sale of alcoholic liquor for consumption on the licensed premises where the primary business is that of a Theater as defined herein, subject to the following conditions:

1. Sales of alcoholic liquor shall be limited to contracted theater rentals and theater production/box office events.
2. Alcoholic liquor sales shall not be allowed during regularly scheduled motion pictures or films or during events that are primarily oriented for children.
3. Sales shall be made from portable bars containing alcoholic liquor, mixes and related preparation materials. Such portable bars shall not have seats or stools for patrons at which to sit.
4. Portable bars shall be removed and/or stored out of view during all regularly scheduled motion pictures.
5. No alcoholic liquor shall be served at a single contracted theater rental for more than six (6) consecutive hours.
6. Alcoholic liquor may be served during theater production/box office events during one (1) hour prior to the event, during intermission not exceeding two (2) consecutive hours and for no more than one (1) hour after an event. However, an extension of liquor serving hours may be granted in accordance with the provisions of Section 3.31(a).
7. Food service must be available during contracted theater rentals and theater production/box office events in which alcoholic liquor service exceeds two (2) consecutive hours. However, should there be a suspension of liquor service for a main event or attraction (at a minimum duration of one (1) hour), such food service shall not be required.
8. The licensee shall submit a report to the Village within thirty (30) days following each July 1

Art Studio

and January 1 setting forth each contracted theater rental/theater production/box office event and the number of hours for which liquor was served during the six (6) months prior. In addition, such report shall describe any planned events currently scheduled by the licensee.

Class "W" Wine Boutique.

"W-1" Wine Boutique licenses shall authorize the retail sale of beer and wine in original packages and for consumption of wine or beer on the premises. Tastings, classes or seminars shall be permitted on such premises in accordance with State law. Such licenses shall be only authorized in locations where the sale of wine is the primary business.

The sale of wine and beer shall be permitted for consumption on the premises subject to the following conditions:

- a. The premises shall not exceed three thousand six hundred (3,600) square feet.
- b. The seating/serving area for customers ordering wine or beer within the premises shall be limited to forty percent (40%) of the gross retail square footage, but shall not exceed seven hundred fifty (750) square feet.
- c. Such facilities shall include an area in which preparation of food is provided and food is served on the premises, including hot or cold sandwiches, appetizers, tapas or other similar foods.
- d. It is intended that the service of wine or beer is merely an adjunct to the sale of beer and wine in original packages. (Ord. No. 244, § 6; Ord. No. 279, § 1; Ord. No. 356, § 1; Ord. No. 634, § 1; Ord. No. 635, § 1; Ord. No. 1059, § 1; Ord. No. 1200, § 1; Ord. No. 1465, § 1; Ord. No. 1741, §§ 15 to 17; Ord. No. 2246, § 1; Ord. No. 2388, § 7; Ord. No. 2541, § 6; Ord. No. 2735, § 1; Ord. No. 2945, § 1; Ord. No. 2996, § 1; Ord. No. 3050, § 1; Ord. No. 3164, § 2.)

Section 3. That Section 3.15. is hereby amended to read as follows:

3.15. Limitation on number of licenses.

The number of licenses in each classification as defined in Section 3-13 which it shall be lawful to issue shall be limited so that the licenses in force and effect at any time shall not exceed the following numbers:

| License Classification | Amount of licenses not to Exceed |
|--|---|
| "AS" (Arts & Crafts Studio) | 2 |
| "B-1" (Brew Pub) | 1 |
| "BF" (Brewing Facility) | 2 |
| "BYO" (Bring Your Own - beer/wine) | 4 |
| "C-1" (Club, private) | 6 |
| "E" (Entertainment/Restaurant - full) | 2 |
| "G" (Golf Course) | 1 |
| "H-1" (Hotel) | Unlimited |
| "K-1" (Catering - full) | 4 |
| "K-2" (Catering - Park District - beer/wine) | 1 |
| "O" (Outdoor) | Unlimited |
| "P-1" (Packaged-full) | 20 |
| "P-2" (Packaged -beer/wine) | 15 |
| "P-O" (Packaged - full off premise and on premise consumption - Grocery Store) | 3 |
| "REC-1" (Recreational Facility - full) | 3 |
| "REC-2" (Recreational Facility - beer/wine) | 1 |
| "R-1" (Restaurant - full) | Unlimited |
| "R-2" (Restaurant - beer/wine) | Unlimited |
| "RF" (Retirement Facility - full) | Unlimited |

Art Studio

| | |
|-----------------------|-----------|
| "S-1" (Special Event) | Unlimited |
| "S-2" (Special Event) | Unlimited |
| "T" (Theater) | 1 |
| "W-1" (Wine Boutique) | 2 |

(Ord. No. 244, § 4a; Ord. No. 284, § 1; Ord. No. 356, § 2; Ord. No. 1059, § 1; Ord. No. 1200, § 1; Ord. No. 1395, § 1; Ord. No. 1465, § 2; Ord. No. 1741, § 21; Ord. No. 2246, § 2; Ord. No. 2541, § 8; Ord. No. 2735, § 1; Ord. No. 2861, § 3; Ord. No. 3050, § 3.)

Section 4. That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

Section 5. That this ordinance shall be in full force and effect from and after its passage and publication in the manner provided by law.

Mayor

Passed:

Published:

Attest: _____

Village Clerk



www.downers.us

April 11, 2017

The Honorable Martin T. Tully
Mayor and Liquor Commissioner

COMMUNITY RESPONSE**CENTER**

630.434.CALL (2255)

CIVIC CENTER

801 Burlington Avenue

Downers Grove

Illinois 60515-4782

630.434.5500

TDD 630.434.5511

FAX 630.434.5571

FIRE DEPARTMENT**ADMINISTRATION**

5420 Main Street

Downers Grove

Illinois 60515-4834

630.434.5980

FAX 630.434.5998

Re: Proposed Ordinance - Arts & Craft Studio Liquor License Creation

Dear Mayor Tully:

On Thursday, April 6, 2017 the Liquor Commission considered a draft ordinance concerning the creation of an Arts & Crafts Studio liquor license classification. The following finding was made:

MR. JACOBSON MOVED TO FORWARD AN ORDINANCE CREATING A LIQUOR LICENSE CLASSIFICATION FOR ARTS & CRAFTS STUDIOS TO THE VILLAGE COUNCIL FOR CONSIDERATION. MS. PIETRUCHA SECONDED.

VOTE:

AYE: Mr. Jacobson, Ms. Pietrucha, Ms. King, Mr. Krusenoski,
Chairman Strelau

Nay: None

Abstain: None

MOTION CARRIED: 5:0:0

Motion carried.

Further discussion of this subject can be found in the April 6, 2017 minutes of the Liquor Commission (attached).

Very truly yours,

Alice Strelau, Chairman
Liquor Commission

VILLAGE OF DOWNERS GROVE

POLICE DEPARTMENT

825 Burlington Avenue

Downers Grove

Illinois 60515-4783

630.434.5600

FAX 630.434.5690

PUBLIC WORKS**DEPARTMENT**

5101 Walnut Avenue

Downers Grove

Illinois 60515-4046

630.434.5460

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\\wp\liquor\code\Arts&Crafts\Liq-Com-Rec

DRAFT**V. OLD BUSINESS**

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

Ms. Kuchynka referred to the March month end report and advised that Starbucks forfeiture orders were included in the report. She stated that she included information from the Mayor concerning his intent to issue licenses to 3 Corners and All Blue Rotary Sushi. She stated that there were a number of good news articles included in this month's packet.

VI. NEW BUSINESS

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

Ms. Kuchynka stated that the Village received a request from Board and Brush to establish a new license class that would allow consumption of beer and wine at an arts and crafts studio and presented a draft ordinance in the monthly packet for discussion. She stated that Mr. Curt Selby and Ms. Connolly were present to support their request for the creation of the license and asked them to step forward and be seated and asked that they get sworn in by the Court reporter.

Mr. Selby and Ms. Connolly were sworn in by the court reporter.

Ms. Kuchynka stated that the Village does not currently have a license that would allow consumption of alcohol at an art studio. She asked that the Commission discuss the proposed ordinance and vote on whether to forward to the Village Council for consideration.

Ms. Kuchynka asked Mr. Selby and Ms. Connolly to explain their operation and answer any questions from the Commission.

Mr. Selby stated that he and his wife own Board & Brush Creative Studios based out of Hartland, Wisconsin. He stated that the business started in their basement with his wife making wood crafts among friends and felt that they were on to something when many more wanted to participate. He stated their first studio was opened in Hartland in March of 2015 and they were contacted to franchise the operation and loved the concept. He stated they allow independent owners to open their own shops and use their website and designs. He stated that he left his corporate job in August 2015 to help grow the business and manage corporate-owned studios. He stated that they have 70 studios nationwide, with 55 in operation, and 2 in Illinois. He stated that their first corporate studio is in New Lenox which they opened in May 2016. He stated that they are looking to expand their corporate presence.

Mr. Selby stated that he personally manages their 9 corporate sites, 3 in WI, 1 in IL, 5 in IN. He stated that he searches out good people to put into an executive studio manager role and find a location that is convenient to them. He stated that Ms. Connolly will be their manager for the Downers Grove location. He stated that she reached out to them to establish a shop locally. He stated when they met they were in downtown Downers Grove and saw an empty space for rent and called the rental agent and fell in love with the space and the Village.

He stated that their motto is a "wood and wine" workshop. He stated that they teach 3-hour evening workshops from 6:30-9:30 pm. He stated that the Downers Grove location will have 4-5 tables and roughly 24-30 participants with 1 instructor per table guiding the production.

Mr. Selby advised they generally have a small bar area in each studio and a few small refrigerators. He stated they serve beer, wine and soft drinks. He stated that alcohol sales are a minimal, but necessary, part of their business and noted that only about half of the participants order alcohol during a workshop and average 1-2 drinks. He stated that participants are working on sanding, distressing, staining assembling wood and applying custom stencils as part of the process, so there is not a lot of down time. Mr. Selby stated that he was requesting the creation of a license to accommodate the Downers Grove location.

Mr. Selby stated that he would be happy to answer any questions about the business and/or his request.

Chairman Strelau asked for questions from the Commission.

Ms. Kuchynka asked the Commission to ask questions based on the draft ordinance as opposed to questions that would be asked during an application hearing.

Ms. King asked what location they have chosen. Mr. Selby replied the former Just Crumbs.

Ms. King liked the concept of having something to do. Ms. Connolly replied that she felt the area needed something like this after a visit to the New Lenox store. She stated that there are not a lot of activities for residents to do.

Ms. King asked staff if the license should be geared toward an activity or if the Village would prefer a license that may include a salon. Ms. Kuchynka replied that the ordinance was drafted toward crafting activities. Ms. Kuchynka stated that she went to the Bottle & Bottega art studio where you can paint and drink wine. She stated that this license would only include those places where an activity such as woodworking, painting and/or crafting activities were the principal business. She stated that specific guidelines were included that match other existing classifications such as having a service bar only and the activity must be in operation at all times liquor is being served.

Ms. Kuchynka proposed an additional amendment to the draft ordinance to eliminate the ½ hour drinking provision, so as not to limit liquor service at specific times.

Ms. Kuchynka stated that Mr. Selby explained that participants must register for pre-scheduled classes or book a private party. She stated that staff will come 1 hour prior to the workshop, set-up and prepare materials for the class. Mr. Selby noted that if there is a 6:30 class, participants will generally come 6:15-6:20 p.m. He stated that class is done by 9:30, noted that participants do not linger after class and staff is normally out of the store by 10:20-10:30 p.m.

Ms. Kuchynka advised that there are studios coming to the area. She noted that some licensees are offering painting class at licensed premises. She stated that a multitude of crafting activities are listed in the draft ordinance. She stated that the license will be limited to two.

Ms. King loved the concept.

Mr. Krusenoski stated that he had no problem with the concept or the draft ordinance.

Mr. Jacobson commented on the ordinance. He suggested that the definition be revised to eliminate an extra "and" in the sentence "kept, used, maintained, *and* advertised and held out...." He stated that "including, but not limited to" seems to imply any art or craft activity and wondered if "crafting beer"

could be a potential activity. Staff noted that would imply that alcohol is being produced on the premises, which the ordinance does not address.

Mr. Jacobson stated one Class "AS" license provision states that participants can join in by pre-registering, walk-in or attend a "pre-scheduled" class by invitation. He stated that "pre-scheduled" may be unnecessary as the private party would imply that the party was "pre-scheduled" as there was an invitation to the event.

Mr. Jacobson thought the art studio business was a great idea.

Mr. Jacobson asked about the phrase "may include an area where food is prepared on the premises, including...". He wondered if the list of food described should be stricken as it seems unnecessary. Ms. Kuchynka noted that other classifications have that similar language and she was keeping in line with other provisions in the Code.

Ms. Kuchynka advised the Commission that the ordinance will not require food service. She stated that they may offer and/or allow participants to bring in their own. She stated that with the limited class times and the activities involved, food service may not be feasible. Mr. Selby preferred that food service is not a requirement. He stated that they typically have snacks and pre-packaged items available and that participants may bring in their own, but with the nature of the activities it is difficult. Mr. Jacobson asked if there is a need for the food requirement. Mr. Selby stated that they welcome people to bring in food, especially for the private events. He stated that they will have a place to put it. He stated that the extent and the business model portion of their food is pretzels and nuts for snacks. Ms. Kuchynka stated that the classification will read "may include an area" in the event participants can bring in items and/or the facility has some available. She was unsure if certain activities with airborne particles, may cause some concern with the Health Department.

Mr. Selby stated that it was their preference not to serve or prepare food on the premises. He stated that pre-packaged food and snacks generally do not require any special requirements. He stated that they have locations where food is required by the local regulation. He stated that the reality is nobody ever orders food. He stated that their staff is hired to teach workshops. He stated that the participants normally go to dinner before class and hit the area restaurants before they come into the workshop.

Ms. Pietrucha was excited about the business coming to Downers Grove.

Ms. Pietrucha stated she noticed no nudity was allowed. Ms. Kuchynka stated when she was researching different businesses, there were a few that had live nude model painting classes, which will be a prohibited activity of this license class.

Chairman Strelau asked Mr. Selby if they only operate a few nights a week. Mr. Selby replied classes are typically Thursday, Friday and Saturday evenings. He stated they may hold a class on Saturday afternoon and the workshops are based mostly on demand.

Chairman Strelau asked staff if they would like a motion from the Commission. Ms. Kuchynka replied yes. She asked that they move to forward the draft ordinance creating an arts and crafts studio license classification to the Village Council for consideration.

MR. JACOBSON MOVED TO FORWARD AN ORDINANCE CREATING A LIQUOR LICENSE CLASSIFICATION FOR ARTS & CRAFTS STUDIOS TO THE VILLAGE COUNCIL FOR CONSIDERATION. MS. PIETRUCHA SECONDED.

VOTE: **AYE:** Mr. Jacobson, Ms. Pietrucha, Ms. King, Mr. Krusenoski, Chairman Strelau

Nay: None

Abstain: None

MOTION CARRIED: 5:0:0

Motion carried.

Ms. Kuchynka advised the recommendation and minutes would be forwarded to the Village Council for consideration at an upcoming meeting. She stated that she would advise Mr. Selby of the first reading date. She informed Mr. Selby that the ordinance may change at the Council level based on their discussion.

Ms. Kuchynka advised the group that a draft Administrative Fee Regulation was also provided in the packet and that the annual license fee for the Class AS is proposed to be \$2,028/per year. She advised Mr. Selby that the facility will be tested under the Village's control buy program where the police will go in with an underage agent to attempt a liquor purchase.

Ms. Kuchynka stated that she also included an overview of what surrounding communities allow at similar establishments. She stated that some require an on-premise consumption license, some require a BYOB license and some allow BYOB without a license. She stated that staff preferred issuing a liquor license as they will be in control of alcohol that is served to guests and some BYOB communities had indicated that people tend to over serve themselves. She stated that under Section 3-29(a)(1) of the Code, patrons will be allowed to bring in a bottle of wine at the licensed premises, at the discretion of the licensee. She stated they may charge a cork fee. She stated that the licensee will have to maintain control of the wine and that any unconsumed portion of the wine may not leave the establishment. She stated that "cork n go" provisions do not apply, as a register receipt showing a food item must be included in the sealed packaging when a customer leaves with a partially consumed bottle of wine.

Ms. Kuchynka advised the Commission she was unaware when the Council would consider the draft ordinance and would advise them when it was placed on an agenda.

Ms. Kuchynka anticipated a May meeting.

VII. COMMENTS FROM THE PUBLIC

There were none.

VIII. ADJOURNMENT

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

Ms. King moved to adjourn the April 6, 2017 meeting. The meeting was adjourned by acclamation at 7:23 p.m.