

# Request for City Council Action

Date: February 10, 2015

Agenda Section: General Business  No. 6	Originating Department:  City Clerk's Office
Item: Proposed Ordinance to Allow One-Time Approval of Up to Ten Class F Liquor Licenses to Qualifying Not-for-Profit Organizations  No. 6.3	Approved:

**Background:**

Class F liquor licenses allow not-for-profit organizations to hold a temporary liquor license for an event not to exceed 48 hours. The current approval process for such a license requires that the application must be reviewed by the Liquor Advisory Board and then by the Local Liquor Control Commission for each individual event. Depending on the timing of the submission of the application, this approval process may take between three to six weeks, which can be problematic if the organization wishes to have an impromptu event.

In 2013 Carbondale Main Street received five Class F licenses and the Southern Illinois Irish Festival received one license. In 2014, Carbondale Main Street received two Class F licenses. Historically, these two organizations are the only regular applicants for the license.

At the September 2014 meeting of the Liquor Advisory Board, the members of the Board unanimously approved the issuance of a multi-event license which would allow a qualified organization with at least a two-year history of successfully hosting such events to receive temporary liquor licenses for up to ten events within a given license year. The State of Illinois does require that each license spell out the exact address or provide a description of the location where the alcohol will be served, so individual licenses will be necessary.

Staff recommends that the application for these events be treated as any other annual license, but that prior to each event, a notice be provided to the Local Liquor Control Chairman and the City Manager at least fifteen days prior to the event, which notice should include description and documentation sufficient to determine that dramshop insurance will be in effect, that the location will have fencing, parking and restroom facilities, that the primary beneficiary of any alcohol sales will be holder of the temporary license, and that the event will be in compliance with the Carbondale Revised Code. Within ten days of receipt of the notification and supplemental documentation, the Liquor Control Chairman will either approve or deny the issuance of a Class F license. A resolution approving fair days for the organization holding such an annual license will be considered by the City Council at the time the application is approved.

Engineering Approval Obtained	Finance Approval Obtained	Legal Approval Obtained	Approval Obtained	Manager's Approval Obtained
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Council Action: Motion by \_\_\_\_\_ 2nd by \_\_\_\_\_ to \_\_\_\_\_

**Recommended Action:**

It is recommended that the City Council Approve an Ordinance Establishing a Class F3 Annual Temporary Event License for Qualified Organizations.

<b>Municipality</b>	<b>Temporary Liquor License Approval</b>
Champaign	From Liquor Commissioner Rules: Approval by the Liquor Commissioner after review by Planning, Police, Fire, and Neighborhood Services. Must receive Application 30 days in advance
Normal	Commissioner has authority to grant and renew licenses. Application must be filed not more than 60 nor less than 15 days prior to event. Application fee of \$25 - Section K.3.c (although subsequently referenced as \$50 application fee in section K.5.d) and license fee of \$100.
Evanston	Liquor Commissioner has authority to grant or deny any temporary license
Dekalb	Liquor Commissioner has authority to grant or deny any liquor license
Macomb	Mayor as Commissioner approves or appointed Deputy
Peoria	For events held in each of the preceding two years, approval may be granted by Liquor Commissioner (instead of whole Commission).
Bloomington	At Chair's discretion - can either be Commission or Chair
Charleston	Approval by Mayor as Commissioner. No Board or Commission exists to review
Edwardsville	Special Event license used as a temporary license. Is approved by Mayor and must be filed at least five days in advance.
Aurora	Mayor as Commissioner approves or Deputy Commissioner
Mt. Vernon	Approval by the Liquor Commissioner
Murphysboro	Approval by Mayor as Commissioner
Marion	Class III(b) - annual license - approval by Mayor
Paducah	Approval by City Manager
Cape Girardeau	All licenses approved by City Manager

## **Excerpt from Liquor Advisory Board Minutes:**

### **4. Discussion on Approval Process for Class F1 and F2 (Temporary Liquor Licenses) for Established Organizations Holding Recurring Events**

Meghan Cole of Carbondale Main Street was present to discuss Special Event licenses. Ms. Cole noted that at this time, Carbondale Main Street is the only organization receiving temporary liquor licenses and the Clerk agreed that Main Street would be the most impacted by this at this time. M. Robinson asked if the point of this matter is that there are a lot of hoops to go through for not a lot of liquor licenses which are issued for a short period of time and that Ms. Cole would like to see the process streamlined to have not quite as many hoops to go through. She agreed and explained further that even when those events have the liquor license fee paid, there are costs associated with the drive to Springfield, the State's special event license fee of \$25, and staff reduction. Ms. Cole remarked that she has been through this process around 30 times and she continues to go back to the State law which indicates that a special event liquor license is not required for a private party. She stated her belief that a ticketed event where tickets are sold, regardless of where it is held, should not require a liquor license. She cited the recent Pop-Up Patio tour as an example where a license was required. J. Mills asked her to re-state the State code and Ms. Cole stated that the language was from the State of Illinois Liquor Commission website which states that a special event liquor license is not required for a private party. She then stated that her interpretation of the language is that if you sell tickets to the event then it is a private party and that recently, a liquor license has been required for that type of an event, and perhaps that requirement needs to be changed. J. Mills suggested that perhaps the requirement is to prevent an issue where a house party sells tickets as a "private event" and then they, too, could serve alcohol without a license.

Ms. Cole indicated that she looked at Champaign where they hold several events every weekend where they hold street parties and the like. M. Robinson remarked that Carbondale already has those. Ms. Cole agreed and said that those events are issued to organizations other than the Champaign Park District and Champaign Park District which hold multi-event licenses. She then suggested that such a multi-event license would be an option to consider for an organization like Carbondale Main Street or to at least streamline the process. J. Mills spoke in favor of streamlining the process for organizations like Ms. Cole's and that there would be no need for her to come before the Board unless there were major changes. Ms. Cole stated that she supported the idea of requiring a new organization going through the whole process until they have proven themselves. Interim Chief Grubbs stated that there would still need to be approval of the events. The Clerk suggested that in the event a multi-event license, perhaps the event plans could be reviewed by the Planning Department and the Police Department. Mr. Grubbs remarked that the Commission is ultimately the one to decide at what level the approval process occurs. He noted that there are several events in the community that are approved at the Staff level, but those events do not involve alcohol.

M. Robinson offered the suggestion of once a year an applicant could apply for a bundle of five or ten events with the full "hoop-jumping", estimate at the beginning of the year how many events which might be held, the fee would be the same at \$100, and City Council would approve the events. Ms. Cole agreed, but stated that if the Council approved them at one time, it could be a Staff decision. Mr. Grubbs re-stated that it was at the pleasure of the Commission where the approval level should occur.

M. Robinson and J. Mills discussed whether there would be a need to have the applicant return if there were no changes from the previous year. They agreed on the idea of approving it once year so long as the record remains spotless.

M. Robinson asked what license Main Street currently holds and the Clerk indicated that they do not hold a license, but apply for temporary licenses which are issued for up to 48 hours. M. Robinson asked if she

could apply for five at once without specifying the event. Ms. Cole noted that the licenses are address-specific and the issuance of the State license is dependent on the address listed on the license and the insurance certificate matching exactly.

J. Mills moved, J. Webb seconded, to approve a change in approving temporary liquor licenses for established organizations with at least a two-year history that are in good standing to permit the application of up to ten licenses at once with a one-time approval per year. All voted aye, motion declared carried.

**CITY OF CARBONDALE, ILLINOIS  
ORDINANCE NO. 2015 -**

**AN ORDINANCE AMENDING TITLE TWO CHAPTER FOUR OF THE  
CARBONDALE REVISED CODE ESTABLISHING A CLASS F3 LIQUOR LICENSE  
FOR QUALIFYING NOT-FOR-PROFIT ORGANIZATIONS**

**ADOPTED BY THE CITY COUNCIL  
OF THE CITY OF CARBONDALE, ILLINOIS  
THE 10TH DAY OF FEBRUARY, 2015**

Published in pamphlet form by authority of the City Council of the City of Carbondale, Jackson County, Illinois, this 11th day of February, 2015.

**CERTIFICATE OF PUBLICATION**

I, Jennifer Sorrell, the duly qualified and acting City Clerk of the City of Carbondale, Illinois, and the official custodian of the records of said City, do hereby certify that this Ordinance was published in pamphlet form by authority of the City Council on the 11th day of February, 2015.

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Jennifer Sorrell, City Clerk

**ORDINANCE NO. 2015-**

**AN ORDINANCE AMENDING TITLE TWO CHAPTER FOUR OF THE  
CARBONDALE REVISED CODE ESTABLISHING A CLASS F3 LIQUOR LICENSE  
FOR QUALIFYING NOT-FOR-PROFIT ORGANIZATIONS**

**WHEREAS**, the City of Carbondale, Illinois is a home rule unit of local government under the Illinois Constitution, 1970, Article VII, Section 6; and

**WHEREAS**, pursuant to Article VII, Section 6(a), of the Illinois Constitution, 1970, the City of Carbondale may exercise any power and perform any function pertaining to its government and affairs including, but not limited to, the power to regulate for the protection of the public health, safety, morals and welfare; and

**WHEREAS**, the City Code of the City of Carbondale, Illinois, regulates the licensure and sale of alcoholic beverages within the City of Carbondale; and

**WHEREAS**, Title Two, Chapter Four, of the Carbondale Revised Code establishes the classifications of liquor licenses and sets the fees for each classification of license; and

**WHEREAS**, the City has determined that a license classification should be established creating an annual allotment of not more than ten (10) Class F licenses for the benefit of qualifying not-for-profit organizations; and

**WHEREAS**, the City Council of the City of Carbondale finds that it is in the best interest of the City of Carbondale to amend Title Two, Chapter Four, of the Carbondale Revised Code as set out in Exhibit "A," attached hereto and made a part hereof.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE  
CITY OF CARBONDALE, ILLINOIS, AS FOLLOWS:**

SECTION 1. That Title Two, Chapter Four, of the Revised Code of the City of Carbondale is hereby amended as set out in Exhibit "A," made a part hereof by reference.

SECTION 2. All of the remaining sections of Title Two of the Carbondale Revised Code shall remain in full force and effect.

SECTION 3. That all ordinances and parts thereof in conflict herewith are expressly repealed and are of no other force and effect.

SECTION 4. The repeal of any ordinance by this Ordinance shall not affect any rights accrued or liability incurred under said repealed ordinance to the effective date hereof. The provisions of this Ordinance, insofar as they are the same or substantially the same as those of any prior ordinance, shall be construed as a continuation of said prior ordinance.

SECTION 5. That it is the intention of the City Council of the City of Carbondale that this Ordinance and every provision thereof shall be considered separable and the invalidity of any section, clause, or provision of this Ordinance shall not affect the validity of any other portion of this Ordinance.

SECTION 6. That the City Council of the City of Carbondale finds that the subject matter of this ordinance pertains to the government and affairs of the City of Carbondale and is passed pursuant to the provisions of Article VII, Section 6(a) of the 1970 Illinois Constitution.

SECTION 7. That this Ordinance shall take effect upon its passage, approval, recording, and publication in pamphlet form in accordance with law.

APPROVED: \_\_\_\_\_  
Donald D. Monty, Acting Mayor

ATTEST: \_\_\_\_\_  
Jennifer Sorrell, City Clerk

APPROVED AS TO LEGALITY AND FORM:

\_\_\_\_\_  
P. Michael Kimmel, City Attorney

## **2-4-8: FEE SCHEDULE:**

A. Annual Fee: The annual fees for the licenses issued under this chapter shall be as follows:

1. Class A1: All class A1 licensees shall pay a fee of the occupancy permit number times a multiplier of 4.5, with a minimum of two hundred twenty five dollars (\$225.00) and a maximum of six hundred seventy five dollars (\$675.00).
2. Class A2: All class A2 licensees shall pay a fee of the occupancy permit number times a multiplier of 13.5, with a minimum of seven hundred fifty dollars (\$750.00) and a maximum of two thousand two hundred fifty dollars (\$2,250.00).
3. Class A3: All class A3 licensees shall pay a fee of the occupancy permit number times a multiplier of 13.5, with a minimum of seven hundred fifty dollars (\$750.00) and a maximum of two thousand two hundred fifty dollars (\$2,250.00).
4. Class B1: All class B1 licensees shall pay a fee of the occupancy permit number times a multiplier of 7.5, with a minimum of three hundred seventy five dollars (\$375.00) and a maximum of one thousand one hundred twenty five dollars (\$1,125.00).
5. Class B2: All class B2 licensees shall pay a fee of the occupancy permit number times a multiplier of 13.5, with a minimum of seven hundred fifty dollars (\$750.00) and a maximum of two thousand two hundred fifty dollars (\$2,250.00).
6. Class C1: All class C1 licensees shall pay a fee of two thousand two hundred fifty dollars (\$2,250.00).
7. Class C2: All class C2 licensees shall pay a fee of two thousand two hundred fifty dollars (\$2,250.00).
8. Class D1: All class D1 licensees shall pay a fee of one hundred dollars (\$100.00).
9. Class D2: All class D2 licensees shall pay a fee of two thousand two hundred fifty dollars (\$2,250.00).
10. Class E: All class E licensees shall pay a fee of one thousand one hundred twenty five dollars (\$1,125.00).
11. Class F1: All class F1 licensees shall pay a fee of one hundred dollars (\$100.00); however, the local liquor control commission may waive such fee upon good cause shown.
12. Class F2: All class F2 licensees shall pay a fee of one hundred dollars (\$100.00); however, the local liquor control commission may waive such fee upon good cause shown.
13. Class F3: All class F3 licensees shall pay a fee of one hundred dollars (\$100.00).
- ~~13.~~14. Class G: All class G licensees shall pay a fee of one thousand one hundred twenty five dollars (\$1,125.00).

~~14.15.~~ Class H1: All class H1 licensees shall pay a fee of one hundred dollars (\$100.00) with the option of paying an additional one hundred dollars (\$100.00) for sale by the drink.

~~15.16.~~ Class H2: All class H2 licensees shall pay a fee of nine hundred dollars (\$900.00).

~~16.17.~~ Class I: All class I licensees shall pay a fee of fifty dollars (\$50.00). (Ord. 2013-9)

~~17.18.~~ Class J: All class J licensees shall pay a fee of one hundred dollars (\$100.00). (Ord. 2014-31)

## **2-4-9: CLASSIFICATION:**

Licenses issued under this chapter shall be of the following classes:

3. A Class F3 license authorizes qualifying not for profit organizations to receive up to ten (10) Class F1 and/or F2 licenses per license year, subject to the conditions of subsections F3a through F3e of this section, and to the terms, conditions, and restrictions of this and all other pertinent sections of this Code.

a. The retail sale of any alcoholic liquor for each of the events shall be by the drink only for consumption on the premises or within an area specifically designated on each Class F1 or F2 license.

b. Each individual Class F1 or F2 license shall be valid for a period not to exceed forty eight (48) hours as determined by the Chairman of the Local Liquor Control Commission.

c. An applicant for a Class F3 license shall submit an application for an annual license in the manner provided by this chapter to the City Clerk's Office. Upon approval of a Class F3 license, the applicant will provide notice at least fifteen (15) days prior to each individual event, which notice shall include sufficient description and documentation to determine that dramshop insurance will be in effect, that fencing, parking and restroom facilities will be provided, that the primary beneficiary of any alcohol sales will be the license holder, the hours during which alcohol will be sold, and that the event will be in compliance with all other aspects of the Carbondale Revised Code. Upon receipt of the fifteen-day notice, the City Clerk will disseminate the notice of the event to the Chairman of the Local Liquor Control Commission and the City Manager. The event details will be reviewed by City Staff and if it is determined that the event will be in full compliance, the Class F1 or F2 license will be issued at least ten (10) days prior to the event.

d. No not for profit organization will be eligible to hold a Class F3 liquor license until they have demonstrated, at minimum, a two-year history of holding either Class F1 and/or F2 liquor licensed events in a manner in keeping with the provisions of the City Code and without notable disruption to the community.