

## Procedures and Regulations Committee Agenda Cover Memorandum

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Meeting Date: August 5, 2008

Item Title: Modification to Liquor Ordinance based on Business Requests and Review of Liquor License Fees

Committee Action Requested:

- Approval  
 For discussion  
 Feedback requested

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Background:

Over the past several months, the City has received requests from two restaurants that hold liquor licenses regarding entertainment options they wish to provide.

The first request is from Tandoor Restaurant (715 Devon), where they wish to bring in a group of Indian belly dancers that tour the United States and would perform at the restaurant. Currently, the liquor ordinance states the following, "No video or arcade games or dancing shall be permitted."

The second request came from El Famous Burrito (28 Main), where they wish to place pool tables, dart boards and other video games in the restaurant. Currently, the liquor ordinance states the following, "No video or arcade games or dancing shall be permitted."

The Committee is requested to provide feedback on whether they wish to allow liquor establishments to provide for the below listed activities:

- Video and arcade games
- Live entertainment/music such as singers and performers
- Pool table and other games of skill (ie: shuffleboard)
- Dart boards
- Dancing
- Size and number of TVs
- Juke boxes

Also attached is a list of the current fees for liquor licenses and when they were last increased. Some of the newer liquor license fees were established when the class of license was created.

Recommendation:

Discuss issue and provide direction to staff.

Budget Implications:

Does Action Require an Expenditure of Funds:  Yes  No

If Yes, Total Cost:

If Yes, is this a Budgeted Item:  Yes  No

Attachments:

- Current language – liquor ordinance
- Information on liquor license fees

- b. Is not a citizen of the United States.

## 12-6-10 CLASSIFICATION OF LICENSES AND SCHEDULE OF FEES

- A. There shall be the following classes of liquor licenses, which shall authorize the sale of alcoholic liquor as provided below:

**CLASS A:** A Class A license shall authorize a private club to sell alcoholic liquor at retail to bona fide dues paying members and members' guests for consumption on the premises of the club.

**Additional Qualifications:**

1. No Class A license shall be issued to any club, which has been in existence in the City of Park Ridge for less than one year.
2. No license shall be issued to any club established after 8/1/03 whose premises are in a residential zoning district.
3. The private club must be incorporated under the laws of the State of Illinois.
4. The club must be organized for the promotion of some common object other than the sale or consumption of alcoholic liquor.
5. The club must be kept, used and maintained by its members through the payment of annual dues.
6. The club must own or lease a building or space in building of such extent and character as may be suitable and adequate for the reasonable and comfortable use and accommodation of its members and their guests.

**CLASS B:** A Class B license shall authorize a restaurant to sell alcoholic liquor at retail for consumption on the premises.

**Additional Qualifications:**

1. The sale of alcoholic liquor may only be made if incidental and complementary to the service of complete meals, which are served and eaten at tables or booths. The sale of alcoholic liquor may be deemed incidental and complementary to the ordering and service of complete meals only if such sale:

- a. is made to a patron who orders a complete meal with the intent of consuming same;  
or
- b. is made to a patron waiting to be seated or to a seated patron prior to ordering, provided the person making such sale reasonably believes such patron intends to order and consume a complete meal.

A rebuttable presumption shall arise that a patron intends to order and consume a complete meal if the patron declares such intent, unless such patron has exhibited a pattern of conduct on prior occasions, which makes such belief unreasonable.

2. The restaurant must have adequate and sanitary kitchen and dining room equipment and capacity and employ a sufficient number of employees to prepare, cook and serve complete luncheon and/or dinner meals to its customers or guests.

**CLASS B-1:** A Class B-1 license shall authorize a restaurant to sell alcoholic liquor at retail for consumption on the premises. A Class B-1 license shall also authorize such restaurants to sell alcoholic liquor where such sale is not incidental and complementary to the ordering and service of complete meals.

**Additional Qualifications:**

1. A Class B-1 license may be issued only to a restaurant with seating capacity for 50 or more patrons in its dining area.  
*(Ord 2004-42, 6/7/04, S23)*
2. Such a restaurant may sell alcoholic liquor at retail in accordance with the terms of a Class B license.
3. The following restrictions shall apply to sale of alcoholic liquor by a restaurant holding a Class B-1 license when the sale is not incidental and complementary to the ordering and service of complete meals:
  - a. All such sales may be made only in a separate lounge area and consumption of alcoholic liquor without a meal shall be restricted to the lounge area.
  - b. No separate outside entrance to the lounge area shall be permitted.
  - c. The floor area of the lounge shall not exceed thirty percent (30%) of the floor area of the non-lounge public dining space.  
*(Ord 2004-42, 6/7/04, S23)*
  - d. No video or arcade games or dancing shall be permitted. Television shall be permitted, subject to the following restrictions:

- i. No more than four televisions shall be permitted, three having a screen no larger than thirty-six inches (36") and one having a screen no larger than fifty inches (50") measured on the diagonal;
- ii. Neither televisions nor television programs shall be mentioned in signage or advertising;
- e. Food service may be provided in the lounge area, but is not required.  
*(Ord 2004-42, 6/7/04, S23)*

**CLASS C:** A Class C license shall duplicate a Class B license in all regards, except that beer and/or wine only may be served.

Additional Qualifications:

1. Television shall be permitted, subject to the following restrictions:
  - a. No more than four televisions shall be permitted, three having a screen no larger than thirty-six inches (36") and one having a screen no larger than fifty inches (50") measured on the diagonal;
  - b. Neither televisions nor television programs shall be mentioned in signage or advertising.

*(Ord 2004-75, 11/1/04, S24)*

**CLASS D:** A Class D license shall authorize the sale at retail of alcoholic liquor in catering establishments.

Additional Qualifications:

1. Consumption of alcoholic liquor shall be on the premises only and in conjunction with food service pursuant to a contractual agreement for use of the establishment's facilities.
2. Meals shall be served and prepared on the premises by employees of the owner.
3. The space must be provided with (i) an adequate and sanitary kitchen; and (ii) adequate dining room equipment and capacity; and (iii) with sufficient number of employees to prepare, cook and serve suitable food for its guests.

**CLASS E:** A Class E license shall authorize the sale of alcoholic liquor in original containers for consumption off the licensed premises.

Additional Qualifications:

1. Any single original container being sold must contain not less than sixteen (16) ounces or 0.473 liters, or, in the case of beer, a single original container must contain not less than thirty-two (32) ounces or 0.946 liters.
2. Sales may occur only between the hours of eight o'clock (8:00) a.m. and ten o'clock (10:00) p.m.
3. Such sales may be made only in retail food stores and drug stores with not less than fourteen thousand (14,000) square feet of retail sales area.  
*(Ord 2005-15/ 2/21/05, S24)*
4. Not more than ten percent (10%) of the retail sales area, but not exceeding two thousand (2,000) square feet shall be used for the display of packaged alcoholic liquor. This display area shall be physically separated from all other areas.
  - a. Special Display exception to the above separate area requirement. Special Displays of beer or wine only may be established throughout the store subject to the following:
    - i. A Special Display may be established only in conjunction with the sale of a food product. No Special Display may be established only for the promotion or sale of the alcoholic beverage being displayed.
    - ii. Any combination of up to six wine or beer Special Displays may be ongoing at any one time. Each Special Display must be in a different aisle or be separated from any other Special Display by at least twenty (20) feet.
    - iii. A Special Display for beer may be established only for the purpose of a temporary special promotion by the licensee or a particular food manufacturer. No single Special Display for beer may last for more than twenty-one (21) days.
    - iv. A Special Display for wine may be established on a permanent basis but only in conjunction with the sale of meat, poultry, cheese or seafood.
    - v. No Special Display shall contain more than forty-eight (48) bottles of wine or more than forty-eight (48) cases of beer.
5. No gasoline may be sold by a Class E license.

**CLASS E-1:** A Class E-1 license shall authorize the sale of alcoholic liquor, in original containers and packages.

Additional Qualifications:

1. The sale of alcoholic liquor other than beer is authorized only in original containers of between 8 ounces and 16 ounces.
2. Such a license may be issued only to a natural person who owns and operates a retail package liquor business, which previously held a liquor license issued by Cook County at the location that existed on January 1, 1997.
3. Such license may be issued and renewed annually only during the period January 1, 1997 through December 31, 2006, and may not be issued, renewed or extended thereafter.

**CLASS F:** A Class F license shall duplicate Class E licenses in all regard except that only beer and/or wine may be sold.

**CLASS G:** A Class G license shall authorize the sale of alcoholic liquor at retail in original containers of the sizes prescribed for the Class E license, by specialty food stores.

Additional Qualifications:

1. Such license may be issued only for an establishment located in a B1, B4 or B5 zoning district.
2. The establishment shall contain no more than fourteen thousand (14,000) square feet of above-grade floor space.
3. No more than twenty-eight hundred (2,800) square feet, or 20% of the retail floor or wall space, whichever is less, shall be used for display of alcoholic liquor.
4. Not less than 20% of all products displayed shall be food products, or brands or varieties of food products, not regularly sold in supermarkets in the City of Park Ridge.
5. The establishment shall not be open for business before 7:00 a.m. or after 10:00 p.m. any day.
6. Such license shall also authorize service of individual samples of wine, not to exceed one ounce, for immediate consumption on the premises, either without charge or in connection with a wine-tasting program designed to educate consumers about wine, for which a fixed fee may be charged.
7. No tobacco products, lottery tickets or automotive products may be sold.

*(Ord 2005-15/ 2/21/05, S24)*

**CLASS H:** A Class H license shall authorize the sale at retail of alcoholic liquor in original containers for delivery outside the City of Park Ridge.

**Additional Qualifications:**

1. Such delivery shall be in accordance with the laws of the jurisdiction where delivery is made.
2. No alcoholic liquor shall be displayed on the premises.

**CLASS I:** A Class I license shall authorize the sale at retail of alcoholic liquor by an "Off-Site Caterer".

**Additional Qualifications:**

1. Such sales may be made in individual servings only for immediate consumption on premises other than that of the licensee.
2. The licensee must have been hired to serve food to a group of people attending an event by invitation or by ticket.

**CLASS I-PR:** A Class I-PR license shall authorize the sale at retail of alcoholic liquor by an "Off Site Caterer" holding a City of Park Ridge Class B, B-1, C or D license.

**Additional Qualifications:**

1. Such sales may be made in individual servings only for immediate consumption on a premises other than that of the licensee.
2. The licensee must have been hired to serve food to a group of people attending an event by invitation or ticket (or) at an event sponsored by a bona fide not-for-profit organization that has obtained a Class T license.

*(Ord 2005-19, 3/21/05, S24)*

**CLASS J:** A Class J supplement shall authorize the sale of alcoholic beverages at a Sidewalk Café. Additional qualifications are:

- A. The Sidewalk Café supplement shall permit the sale of alcoholic beverages only until 11:00 p.m. on any night.
- B. The Sidewalk Café supplement shall permit the sale of alcoholic beverages.  
*(Ord 2008-19, 4/7/2008)*
- C. The Sidewalk Café supplement shall be issued only to the holder of a current Restaurant License and only if a Sidewalk Café business license has been approved by the City.



*(Ord 2004-26, 4/5/2004, S23)*

**CLASS K:** A Class K license shall authorize a diner or luncheonette to sell beer and wine only, at retail, for consumption on the premises.

**Additional Qualifications**

1. A Class K license may be issued only to a diner or luncheonette with seating capacity for 75 or more patrons on the inside of the premises.
2. The beer or wine may be ordered at the counter, but may not be dispensed to any patron at the counter. The beer or wine may be served only by an employee of the licensee at a table or booth which is occupied by the specific patron who ordered the beer or wine.
3. Neither beer or wine may be served in pitchers or carafes and individual servings of beer may not exceed 12 ounces and no individual serving of wine may exceed 6 ounces. Such service will be provided in a clear container.
4. Not more than one individual serving may be delivered to a customer at any one time.
5. Sales of beer or wine may occur only between the hours of 11:00 a.m. and 11:00 p.m.
6. No beer or wine may be served except to an individual patron consuming a meal, the total cost of which is not less than \$4.00, exclusive of the beer or wine.

*(Ord 2004-60, 9/22/2004, S24)*

**CLASS L:** An establishment in which wine is the only alcoholic beverage purveyed to the customer, either for consumption on the premises or in unopened containers for consumption off of the premises.

**Additional restrictions:**

1. No wine in an opened container may be sold for consumption off the premises.
2. No person under 21 years of age may be permitted on the premises unless accompanied by a parent or guardian.
3. The hours shall be from 11:00 a.m. to 8:00 p.m. daily.
4. Such license shall also authorize service of individual samples of wine, not to exceed one ounce, for immediate consumption on the premises, either without charge or in connection with a wine-tasting program designed to educate consumers about wine, for which a fixed fee may be charged. Food shall be offered during wine tastings.

*(Ord 2005-54, 9/6/05, S24), (Ord 2007-36, 5/7/07)*

**CLASS T:** A Class T license authorizes sale of alcoholic liquor at Special Events for a limited time period.

**Additional Qualifications:**

1. A Class T license shall authorize the sale of alcoholic liquor by a bona fide not-for-profit community group not engaged in the business of selling alcoholic liquor, at a designated location where such sale is not otherwise prohibited, in conjunction with social, recreational or fund-raising events and not as part of a profit making enterprise.
2. If the alcoholic liquor is to be provided and delivered by an "Off Site Caterer" (Class I or Class I-PR) Licensee, the Class T License applicant shall so state on the application for the Class T License.

*(Ord 2005-19, 3/21/05, S24)*

**CLASS XX:** A Class XX license shall authorize the sale of alcoholic liquor with Special Conditions. Nothing in this Section shall prevent the Corporate Authorities from creating, from time to time, conditional licenses which are based on the license classifications set forth above, but which contain additional conditions and restrictions. These licenses with special conditions, while created by the Mayor and City Council, shall remain subject to issuance by the Commissioner.

**CLASS Y:** Corkage License, that shall permit a sit down, full service restaurant to allow a patron to bring his or her own bottle of wine onto the premises for the purpose of drinking the wine with a meal.

**Additional Qualifications:**

The license shall be subject to all of the regulations of this Chapter 6, including but not limited to, underage consumption requirements.

B. The fees for licenses shall be as follows:

Class A	Club	\$2,000.00
Class B	Restaurant	\$3,000.00
Class B-1	Restaurant	\$3,500.00
Class C	Restaurant	\$2,000.00
Class D	Catering	\$2,000.00
Class E	Package Store	\$3,000.00
Class E-1	Package Store	\$3,000.00
Class F	Package Store	\$2,000.00
Class G	Package Store	\$1,500.00
Class H	Retail Shipper	\$1,000.00
Class I	Off-Site Catering	\$ 750.00
Class I-PR	Off-Site Catering (Park Ridge Licensee)	\$ 200.00

Class J	Sidewalk Café Supp	No charge
Class K	Restaurant	\$2,000.00
Class L	Wine Establishment	\$3,000.00
Class T	Temporary	\$ 25.00
Class XX	Specialty	\$3,500.00
Class Y	Corkage	\$1,000.00

*(Ord 2004-26, 4/5/2004, S23), (Ord 2004-60, 9/222004, S24), (Ord 2005-19, 3/21/05, S24),  
(Ord 2005-54, 9/6/05, S24)*

- C. The restrictions on a particular license classification shall be binding on the licensee and no premises may be operated in violation of the classification restrictions.

#### 12-6-11 TERM; PRORATING FEE

- A. Each license shall commence on January 1st and shall terminate on December 31st next following the date of issuance.

License fees shall not be prorated except where the license is obtained after January 1 of any license year the fee shall be reduced in proportion to the number of full calendar months that have expired in the license term.

#### 12-6-12 TEMPORARY LICENSE

The Commissioner is authorized to issue a Class T (Temporary) license according to the following conditions:

- A. A Class T license shall authorize the sale of alcoholic liquor by a bona fide community group not engaged in the business of selling alcoholic liquor, at a designated location where such sale is not otherwise prohibited, in conjunction with social, recreational or fund-raising events and not as part of a profit-making enterprise.
- B. A Class T license shall be valid only from eleven o'clock (11:00) A.M. of the day for which it is issued until one o'clock (1:00) A.M. of the following day or until two o'clock (2:00) A.M. on January 1<sup>st</sup> of each year. A single Class T license shall be valid only for one such period. A separate Class T license shall be required for each such period. A Class T license may not be renewed or extended. Separate Class T licenses may be issued for consecutive days. No organization may receive more than five (5) Class T licenses in any twelve (12) month period.
- C. A Class T license shall authorize the sale of alcoholic liquor by the glass; it is not necessary that the sale be in connection with or complementary to the sale of food.
- D. A Class T license shall authorize the sale of alcoholic liquor only in a permanent or temporary enclosed building or structure, including a tent, and not at open-air counters

or stands. Consumption of alcoholic liquor may take place only within such enclosed building or structure. No person under the age of twenty-one (21) years may prepare, sell or deliver alcoholic liquor pursuant to a Class T license.

- E. Applications for a Class T license shall be made to the Commissioner on a form provided by the Commissioner, not less than thirty (30) working days prior to the date for which the license is to be issued. The Commissioner may waive any of the provisions of Sections 12-6-7 and 12-6-9 of this Chapter, which are determined to be inapplicable to a Class T license. In addition to all information required by the Commissioner, applicants for Class T license shall provide, at the time of application, a certificate of insurance, which names the City of Park Ridge as an additional insured, verifying that the applicant has obtained dram shop/liquor liability insurance in the amount of one million dollars (\$1,000,000.00) at a minimum. The certificate of insurance shall be subject to the approval of the Commissioner. The applicant shall also provide evidence of having obtained any other permits and licenses required for the event at the designated location. No bond shall be required for a Class T license.
- F. The fee for each Class T license shall be twenty-five (\$25.00) dollars.
- G. After review of the license application, the Commissioner may issue a Class T license and shall advise the Police Department, the Liquor License Review Board and the City Council of such issuance.
- H. The applicant shall acquire any additional license required by the Illinois State Liquor Commission.
- I. Each person who prepares, sells, delivers or serves any alcoholic liquor pursuant to a Class T license is required to sign a letter of understanding, on a form approved by the Commissioner, that states that the person has been advised of the rules and regulations regarding the preparation, sale, delivery and service of alcoholic liquors by the Class T liquor license holder. All persons who prepare, sell, deliver or serve any alcoholic liquor pursuant to a Class T license are not required to complete BASSET training as required by Section 12-6-24.

*(Ord 2005-55, 9/6/05, S24)*

*(Ord 2007-03, 1/8/07, S25)*

### **12-6-13 PAYMENT AND DISPOSITION OF FEES**

All fees shall be made payable to the City and submitted to the Commissioner at the time application is made. The fee shall be immediately turned over to the Finance Department. In the event the license is denied, the fee, except for the nonrefundable application fee, shall be returned to the applicant.

### **12-6-14 NUMBER OF LICENSES**

## Liquor License Fees

<b>Class</b>	<b>Fee</b>	<b>Last Year Fee Increased</b>	<b>Number of Current Licenses</b>
A Club	\$2,000	1981	1
B Restaurant	\$3,000	1981	2
B1 Restaurant	\$3,500	1992	10
C Restaurant	\$2,000	1981	4
D Catering	\$2,000	2001	1
E Package Store	\$3,000	1984	2
E1 Package Store	\$3,000	1996	0
F Package Store	\$2,000	1984	0
G Package Store	\$1,500	2001	2
H Retail Store	\$1,000	2001	0
I Off-Site Catering	\$750	2001	4
I-PR Offsite Catering	\$200 must have another PR license	2005	2
J Sidewalk Café Supplement	No charge/must have another PR license	2004	5
K Restaurant	\$2,000	2004	0
L Wine Establishment	\$3,000	2005	1
T Temporary	\$25	1981	About 10 per year
XX Specialaity	\$3,500	2003	0
Y Corkage	\$1000 or no charge with another PR license	2003	1
			35