



Agenda Cover Memorandum

Meeting Date: April 5, 2017

Meeting Type: COW (Committee of the Whole) City Council Budget Workshop

Item Title: Approve final reading of an Ordinance amending Article 12, Chapter 6 of the Municipal Code and Regulations applicable to Package Liquor Licenses (Class P) and the Gourmet Beverage Endorsement

Action Requested: Approval For Discussion Feedback Requested For Your Information

Staff Contact: Adam Simon Phone #: 847-856-5440 Email: asimon@ancelglink.com

Background:

Presently, Package liquor licensees are prohibited from selling any single container of refrigerated or chilled alcoholic beverage, except for full wine bottles, for off-premises consumption. This is a common regulation designed to prohibit the purchase of single bottles of beer for immediate off-premises consumption, which tends to be aimed at limiting vagrancy and loitering nearby package liquor stores.

Licensees holding a Package Liquor License with a Gourmet Beverage Endorsement may offer a limited quantity of beer or wine for on-premises consumption – either by the full container or as a flight. Currently, the limit on the volume of alcohol which may be served to any patron per day is 12 oz. of wine and 24 oz. of beer. Likewise, flights of wine are limited to a total of 6 oz. and flights of beer are limited to 12 oz.

In response to an application from Beer on the Wall, the Liquor License Review Board considered three amendments to the regulations applicable to Package liquor licensees who have also purchased the Gourmet Beverage endorsement. Specifically:

1. Allow the sale of single bottles of chilled beer for off-premises consumption;
2. Increase the volume of flights to 12 oz. of wine or 16 oz. of beer; and
3. Increase the total volume of alcohol which may be served for on-premises consumption per customer per day to 24 oz. of wine and 48 oz. for beer.

The Liquor License Review Board (LLRB) considered this request on February 13, 2017. The LLRB compared this request to the limitations described for Complementary Service liquor licenses rather than the limitations applicable to a Sampling endorsement. For the Complementary Service liquor license, on-premises consumption is limited to not more than three servings of alcoholic beverages by a patron during any single calendar day. For the Sampling endorsement, each serving may not exceed two ounces and the total quantity may not exceed a total of ten (10) ounces per customer per day. While these changes were suggested by Beer on the Wall, they would be generally applicable to similar type license holders. The other Gourmet Beverage liquor license endorsement is held by Winestyles.

At the March 27, 2017, Committee of the Whole meeting, the Aldermen amended the proposed ordinance to remove all limitations relative to the volume of flights of beer and wine. The other changes proposed by Beer on the Wall are reflected in the attached ordinance.

Recommendation:

Approve final reading of an Ordinance amending Article 12, Chapter 6 of the Municipal Code and Regulations applicable to Package Liquor Licenses (Class P) and the Gourmet Beverage Endorsement

Attachment(s), if any:

- An Ordinance Amending Article 12, Chapter 6 of the Municipal Code Of Park Ridge to Amend Regulations Applicable To Package Liquor Licenses and the Gourmet Beverage Endorsement
- Minutes of the February 27, 2017 P&R Committee of the Whole meeting related to consideration of this ordinance
- DRAFT Minutes of the March 27, 2017 P&R Committee of the Whole meeting related to approve of first reading of this ordinance
- Flight Regulations Comparison Memo

CITY OF PARK RIDGE
ORDINANCE NO. 2017- _____

**AN ORDINANCE AMENDING ARTICLE 12, CHAPTER 6
OF THE MUNICIPAL CODE OF PARK RIDGE
TO AMEND REGULATIONS APPLICABLE TO PACKAGE LIQUOR LICENSES
AND THE GOURMET BEVERAGE ENDORSEMENT**

WHEREAS, the City of Park Ridge is an Illinois home rule municipal corporation organized and operating pursuant to Article VII of the Illinois Constitution of 1970; and

WHEREAS, the City has adopted certain liquor license regulations designed to protect the health, safety and welfare, which regulations are codified at Article 12, Chapter 6 of the Park Ridge Municipal Code (“Liquor Code”); and

WHEREAS, the Illinois Liquor Control Act, 235 ILCS 5/1-1. et seq. (“Act”), describes the minimum regulation of liquor license establishments in the State of Illinois; and

WHEREAS, Section 4-1 of the Act, 235 ILCS 5/4-1, empowers the Mayor and City Council to establish such conditions, regulations and restrictions upon the issuance of local liquor licenses not inconsistent with law as the public good and convenience may require; and

WHEREAS, the Mayor and City Council desire to update and revise the City’s Liquor Code to amend the regulations applicable to Package liquor licenses and the Gourmet Beverage endorsement, as described in this Ordinance.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Park Ridge, Cook County, Illinois, pursuant to its home rule authority provided under Article VII of the Illinois Constitution of 1970 as follows:

SECTION 1: Paragraph I.A of Section 12-6-7, “Descriptions and Restrictions” of Chapter 6, “Alcoholic Liquors,” of Article 12, “Businesses and Occupations,” of the Park Ridge Municipal Code is hereby amended as follows:

I. Class P License (Package)

A. Prohibitions

1. Consumption on the premises (except pursuant to the appropriate endorsement).
2. Delivery or offer of delivery of single containers of refrigerated or chilled alcoholic beverages; except for bottles of wine containing at least 750 ml and except pursuant to the appropriate Endorsement).
3. Delivery of alcoholic beverages in any container other than its original sealed and unopened package (except pursuant to the appropriate Endorsement).
4. Gasoline sales (except pursuant to the appropriate Endorsement).
5. Delivery at any place other than retail food stores and drug stores with not less than ten thousand (10,000) square feet of retail sales area (except pursuant to the appropriate Endorsement).

SECTION 2: Paragraph (A)(9) of Subsection V, "Endorsements," of Section 12-6-7, "Descriptions and Restrictions" of Chapter 6, "Alcoholic Liquors," of Article 12, "Businesses and Occupations," of the Park Ridge Municipal Code is hereby amended as follows:

9. Gourmet Beverage Endorsement. This shall allow a Class P Licensee to offer wine or beer for on premise consumption. Regulations specific to a Gourmet Beverage Endorsement:
 - a. A Gourmet Beverage Shop license shall be available only in B-1 and B-4 zoning districts.
 - b. No "spirits" as defined by this chapter, may be delivered.
 - c. Glasses or flights of wine or beer may be delivered on the licensed premises under the following conditions:
 - i. Hors d'oeuvres must be available for consumption with the wine.

- ii. No more than twenty-four (24)~~twelve (12)~~ ounces of wine or forty-eight (48)~~twenty-four (24)~~ ounces of beer may be served to any individual during any day.
- ~~iii. A glass or flight of wine may contain no more than six (6) ounces; and a glass or flight of beer may contain no more than twelve (12) ounces.~~
- d. The area restrictions set forth in 12-6-7(i)B shall not apply to a gourmet beverage shop whose primary business is the sale of beer and wine.
- e. Infused beverages may be delivered, but only in accordance with state regulations.
- f. One single bottle per customer per day of refrigerated or chilled beer may be delivered for off-premises consumption.

SECTION 3: This Ordinance shall be in full force and effect from and after its passage, approval and publication according to law.

SECTION 4: The City Clerk is hereby authorized and directed to publish said Ordinance in pamphlet form according to law.

Adopted by the City Council of the City of Park Ridge, Illinois this ____ day of _____, 2017.

VOTE:
 AYES: _____
 NAYS: _____
 ABSENT: _____

Approved by me this
_____ day of _____, 2017.

Acting Mayor Marty Maloney

Attest:

City Clerk

Procedures and Regulations

A. Action Items

1. An ordinance amending Article 12 Chapter 6 of the Municipal Code to amend regulations applicable to package liquor licenses and the gourmet beverage endorsement (Adam)

Ald. Mazzuca made a motion to approve. Ald. Shubert seconded the motion.

City Attorney Simon said that Beer on the Wall requested three changes to Section 7, Article 12, Chapter 6 of the municipal code "Package Liquor Licenses and the Gourmet Beverage Endorsement". Below are the three sections of the code that Beer on the Wall is requesting to be changed:

1. Allow the sale of single bottles of chilled beer for off-premises consumption;
2. Increase the volume of flights to 12 oz. of wine or 16 oz. of beer; and
3. Increase the total volume of alcohol which may be served for on-premises consumption per customer per day to 24 oz. of wine and 28 oz. of beer.

Ald. Mazzuca said there was a question when the item was last discussed as to whether the flight language needed to be in the ordinance at all.

City Attorney Simon said he researched what other communities were doing with their ordinances regarding flights and that Mt. Prospect, Northfield, and Oak Park all had restrictions on the volume of flights sold in craft beverage establishments. City Attorney Simon referred to a memo that described the regulations enforced by those communities. He added that by controlling the volume of the flights, it would control how quickly a person consumes the alcohol.

Ryan Tracy, Owner of Beer of the Wall, 106 Main St., spoke to the concerns Council had previously brought up regarding vagrancy, he said he would be willing to put up signs stating that alcohol is not to be consumed outside. He noted that vagrancy is encouraged by low prices and high volumes. He said his store sells alcohol high in price in low volumes. He said that Whole Foods and Mariano's have no restrictions on the amount of alcohol a person can consume at their stores. He pointed out that he and his staff are BASSETT certified and that they know when to cut a person off. He added that he invited residents to the meeting to share their experiences about Beer on the Wall.

Ald. Melidosian asked what the range of Alcohol per Volume (APV) is that he sells in his store.

Mr. Tracy said the range he sells is from 2.8 to 18.4 APV and noted that he wouldn't let a person who drank 18.4 APV have another drink.

Demi Haupt, 1317 Good Ave, said she and her husband moved from Milwaukee to Park Ridge and were looking to meet people at local establishments. She said they met two couples at Beer in the Wall and added that Beer in the Wall isn't about drinking so much as it's about socializing and playing games.

Matthew Hall, 136 S. Cumberland, said he agreed with the things that Ms. Haupt said. He if he wanted more alcohol he would just drink at home. He said people go there for the atmosphere.

Kelly Hall, 136 S. Cumberland, said she is not much of a beer person, but is there every Friday night just to hang out because it is a nice environment.

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Kevin Costello, 1030 Peale, said that Beer on the Wall is a place you can go with your family and friends. He said they also have a nice beer menu.

Jim Whitney, 120 S. Fairview, said he thinks this is a niche business that they should support because it complements Park Ridge. He said that people aren't there to drink a lot, that they're there to savor the beer or wine over the course of the evening. He added that he's seen bartenders turn people away who had been overserved.

John Hayes, 429 S. Chester, said that people bring kids there and that he is not concerned with people being overserved.

Ald. Moran said he is fine with amendment 1. He said he didn't see vagrancy as being an issue. He said for amendment 2, he would like to see the flight language removed and that listing the maximum volume of alcohol consumed should be sufficient. He said that for amendment 3, he was not comfortable increasing the volume of beer from 36 oz. to 48 oz. He noted that this was not a bar or restaurant, that it is for tastings and for the sale of packaged goods. He said he was worried about the next business coming in, and that other bars had to turn themselves into a restaurant in order to serve more alcohol.

Ald. Van Roeyen held up 3 water bottles and said that this was not a lot of beer. He said he could see how someone could go through 3 beers quickly. He said he didn't imagine more places like Beer on the Wall wanting to come to Park Ridge to compete. He added he was in support of the amendments and the business owner.

Ald. Moran made a motion to amend section C3 to remove the language on the flights entirely. Ald. Shubert seconded the motion.

Motion to amend carried, by roll call vote, 6-0.

Ald. Shubert made a motion to amend section C2 to change the total volume of alcohol to be served per day from 24 ounces of wine to (18 ounces of wine) or 48 ounces of beer to (36 ounces of beer). Ald. Moran seconded the motion.

Ryan Tracy, Owner of Beer on the Wall, said he did not sympathize with other business who had to build kitchens in order to serve more alcohol. He noted that increasing the volume of alcohol to 48 oz. is what the residents want.

Ald. Van Roeyen said they should reconsider the amendment, as he felt that 48 oz. for a whole day wasn't a lot. He said that the business owner doesn't want to be a restaurant since he owns a specialized store.

Ald. Moran he said he almost agreed with Ald. Van Roeyen. He noted that the owner knew what the rules were when he came to Park Ridge. He said he didn't see the amount of alcohol as a direct competitor with other businesses in the area, however he would be voting no to the amendment of 36 oz.

Ald. Melidosian said he thought he was uncomfortable with 48 oz., but after hearing all the residents speak saying they wanted 48 oz., he said he would have to trust the proprietor. He didn't like that others had to go the route of building a kitchen in order to serve a certain amount of alcohol and encouraged those that did to speak out, as he wanted to hear their viewpoints on this.

Acting Mayor Maloney said he would be voting in favor of the amendment. He said Council is constantly changing their liquor license and with the amendment they are almost up to a full bottle of wine. He suggested that maybe they could think about allowing a bar/tavern license instead.

Ald. Mazzuca said he would be voting yes to the amendment as he felt this was turning into more of a tavern license.

Motion to amend failed, by roll call vote, 3-3 (Ald's. Moran, Melidosian, and Van Roeyen were the nay votes).

Ald. Melidosian made a motion to split the three amendments to the ordinance so they could be voted on separately. Ald. Moran seconded the motion.

Motion carried, by roll call vote, 6-0.

Final Votes as Amended:

Section 2-9-C-ii

"No more than twenty-four (24) ounces of wine or forty-eight (48) ounces of beer may be served to any individual during any day."

Motion carried, by roll call vote, 4-2 (Ald's. Shubert and Mazzuca were the nay votes).

Section 2-9-C-iii

(As amended)

Striking all language in this section.

Motion carried, by roll call vote, 6-0.

Section 2-9-F

"One single bottle per customer per day of refrigerated or chilled beer may be delivered for off-premises consumption."

Motion carried, by roll call vote, 5-1 (Ald. Mazzuca was the nay vote).

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Acting Mayor Maloney said the reason he voted the item down was because if the code changed it would be more of a burden for other residents if they changed the code. He added that this wasn't a city-wide problem, that it is a problem that only Mr. Dombro had.

Ald. Melidosian suggested that he and Mr. Dombro speak after the meeting to see if they could possibly come up with a solution.

Mr. Dombro thanked Council, and Ald. Melidosian.

III. Procedures and Regulations

A. Action Items

1. Approve Revision to Council Policy Statement #19 (Residential Permit Exceptions to Parking Ordinances) to include medical exception

Ald. Mazzuca made a motion to approve. Ald. Moran seconded the motion.

Public Works Director Zingsheim said that this was discussed at January's Committee of the Whole meeting, and staff has brought back the changes that Council had requested to see. He said that his revision to CPS 19 would allow a caregiver or anyone taking care of a resident of Park Ridge to be issued a special sticker to allow them to park on the street.

Ald. Melidosian asked Director Zingsheim if he was in favor of this revision.

Director Zingsheim said he was not in favor because there had been no demand for it.

Ald. Melidosian said that the amendment doesn't completely work. He said that in a typical situation where care of a person is involved, there is usually numerous people involved in taking care of the person. He said there may be several caretakers, family members, and nurses coming and going who would all need to have a sticker in order to be able to park on the street. He added that this revision would create more of a burden for staff as there is no way to account for every person taking care of someone at a property.

Motion failed, by roll call vote, 3-3 (Ald's. Shubert, Melidosian, and Van Roeyen were the nay votes).

B. Discussion Items

1. Modifications of an Ordinance amending Article 12, Chapter 6 of the Municipal Code and Regulations applicable to Package Liquor Licenses (Class P) and the Gourmet Beverage Endorsement

Community Preservation & Development Director Brown said that Beer on the Wall is requesting the following changes:

1. Allow the sale of single bottles of chilled beer for off-premises consumption;
2. Increase the volume of flights to 12 oz. of wine or 16 oz. of beer; and
3. Increase the total volume of alcohol which may be served for on-premises consumption per customer per day to 24 oz. of wine and 48 oz. of beer.

Ald. Van Roeyen asked if Beer on the Wall was serving food.

Director Brown said they have to serve snacks.

Ald. Moran noted that their hours are different than a restaurant's hours.

Director Brown confirmed that they do have different hours.

Ald. Melidosian asked why there was a distinction on flights versus total volume of alcohol.

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Director Brown said the owner found out that the patrons want to be served more.

Ald. Melidosian asked if customers could buy two bottles.

Director Brown said no, that they can either buy one bottle or a six pack.

Ryan Tracy, Owner & Operator of Beer on the Wall, said he is not able to sell less than 750 ml off the premises. He said that Metra commuters are looking to buy beer. He said he wanted to know if his business should or should not be selling beer to the commuters. He added that he is just trying to close the loophole and needed clarification from Council.

Ald. Van Roeyen asked if Mr. Tracy's need to sell a higher volume of alcohol would increase over time.

Mr. Tracy said that he didn't want to open a bar, and that he liked the restrictions of the City's code. He added that they are required to have food on the premises, and the customers have the option of having food delivered.

Emily Wilderman, Owner & Operator of Winestyles, said that she has the same license as Mr. Tracy and that she has similar issues with the amount of alcohol being served. She added that she hasn't experienced any customers becoming out of control from drinking too much.

Ald. Mazzuca asked if there was consensus to move forward with changes 1, 2, and 3.

Ald. Van Roeyen said he is in support of all three.

Ald. Shubert said he was generally supportive of all three items, but said that increasing the volume of alcohol is something that Council originally didn't want to do in the past. Although he felt that 48 oz. was too much, he said he was fine with it if Council wanted to increase the amount of alcohol served.

Ald. Mazzuca said he personally thought that 48 oz. was too much to be served. He also wanted to see the language for item 2 "volume of flights" removed.

Acting Mayor Maloney said he would like to see all three advance to the committee level as an action item. However, he was still not sure if 48 oz. was the number they should go with.

Ald. Moran said he too was okay with all three, but that the flight language should be eliminated. He said he shared the same concerns with Ald. Mazzuca on the number of 48oz., however, he said they could always debate the amount later.

Ald. Mazzuca said there was a consensus to move forward with all three, but to eliminate the flight language.

Acting Mayor Maloney suggested they check with the City Attorney before eliminating the flight language.

Ald. Shubert suggested they have the City Attorney look at the language and the laws of other municipalities regarding regulations on flights of alcohol.

2. Discuss Potential Regulations for Short-Term Rentals – Update

Director Brown said that this item was discussed at the November and January Committee of the Whole meetings. He said that staff brought back information regarding what other municipalities are doing with Airbnb's. He said that creating the forms and internal procedures would take 15-20 hours of staff time, along with the 6 hours for licensing fees. He said they will be discussing short-term rentals at tomorrow night's Planning and Zoning Commission meeting and will discuss the definition of short-term rentals and specific use in certain zoning districts.

MEMORANDUM

To: Procedures and Regulations Committee
CC: Cheryl Peterson, Deputy Clerk
From: Adam B. Simon
Subject: Comparison of Municipal Regulation of Flights of Alcohol
Date: March 27, 2017

For comparison purposes, I have presented below a sample of various municipal regulations related to the service of flights of beer or wine by liquor licensees.

Mount Prospect:

The Gourmet Beverage Shop License permits:

- c. Glasses or flights of wine or beer may be served on the licensed premises under the following conditions:
 - (1) Hors d'oeuvres must be available for consumption with the wine or beer.
 - (2) No more than ten (10) ounces of wine or twenty (20) ounces of beer may be served to any individual during any day.
 - (3) Each glass or flight of wine may contain no more than five (5) ounces and each glass or flight of beer may contain no more than ten (10) ounces.

Northfield:

The Gourmet Beverage Shop License permits:

3. Glasses or flights of beer or wine may be served on the licensed premises under the following conditions:
 - a. Hors d'oeuvres or food must be available for consumption with the beer or wine.
 - b. Each glass or flight of beer or wine may contain no more than five (5) ounces.
 - c. No more than ten (10) ounces of beer or wine may be served to any individual during any day.

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Oak Park:

The Craft Brewery License has the following conditions:

- a. It shall be unlawful for a ...licensee to sell craft beer for off premises consumption in less than a package of four (4) 12-ounce containers, or a single twenty two (22) ounce container.
- b. No more than five (5) craft beer servings shall be served to any customer in one day. A "craft beer serving" shall be defined as:
 - One glass containing more than eight (8) ounces and up to sixteen (16) ounces, two (2) half-pint glasses containing eight (8) ounces, or
 - One flight consisting of four (4) glasses containing four (4) ounces each.
 - Glassware that is larger than a defined serving size must have a pour line to indicate serving size.

Park Ridge:

Here are the proposed changes to the Gourmet Beverage endorsement for Package Licensees:

- c. Glasses or flights of wine or beer may be delivered on the licensed premises under the following conditions:
 - i. Hors d'oeuvres must be available for consumption with the wine.
 - ii. No more than ~~twenty-four (24)~~twelve (12) ounces of wine or ~~forty-eight (48)~~twenty-four (24) ounces of beer may be served to any individual during any day.
 - iii. ~~A glass or flight of wine may contain no more than six (6) ounces; and a glass or flight of beer may contain no more than twelve (12) ounces.~~