

VILLAGE OF LA GRANGE
Administrative Offices

BOARD REPORT

TO: Village President, Village Clerk, and Board of Trustees

FROM: Robert J. Pilipiszyn, Village Manager
Andrianna Peterson, Assistant Village Manager
Mark Burkland, Village Attorney

DATE: August 10, 2009

RE: **ORDINANCE – COMPREHENSIVE UPDATE TO THE
VILLAGE’S LIQUOR CODE**

BACKGROUND

Since 2007, the Village has been working on developing a comprehensive set of amendments to its liquor code. A need to review our existing liquor code provisions and develop a set of proposed amendments was identified in order to better reflect the changing needs of our businesses, the growing popularity of our downtown, and marketplace changes related to the sale and service of alcoholic liquor.

The comprehensive update attempts to satisfy three primary objectives. First, to provide new license classes for businesses that sell or serve alcoholic beverages in new ways. Second, to provide updated and clarified standards for issuing new and existing licenses. Lastly, to update and modernize certain other regulations so that they reflect the best practices for regulating liquor in the Village.

In January, 2008, an initial draft ordinance was presented to the Village Board for its consideration. At the conclusion of the discussion, the matter was tabled and the Village Board directed staff to more fully study the availability of Bring-Your-Own (BYO), including input from the business community.

Meetings with business owners were conducted between February and March, 2008. Based on that input, further changes to the draft ordinance were made and proposed including provisions for BYO. The Liquor Commission subsequently considered these proposed revisions over a series of meetings through 2008. Much of the Commission’s discussion required further legal review and input.

In March 2009, the Commission reached consensus on a proposed ordinance. That final draft was circulated back to the business community for final input.

While some strong differences of opinion still remain within the business community on the specific subject of BYO, we believe that the proposed ordinance attached for your consideration has been thoroughly vetted and represents a compromise consensus related to the definition, regulation, operation and enforcement of BYO.

PROPOSED AMENDMENTS

The proposed amendments to the existing Liquor Code are as follows:

1. License Classifications (Section 111.15)

The existing license classes that apply to packaged liquor sales, restaurants, and caterers have been re-written as outlined below.

Class A-1, A-2, and A-3 Restaurant Licenses:

Three new Class A license classifications replace the existing three restaurant classifications, including the existing Class B, and Classes C, C-1, and C-2, which are being eliminated.

A. The Class A-1 license is for restaurants serving beer and wine only, rather than a full-line of alcoholic beverages.

B. The Class A-2 license is for restaurants selling a full-line of alcoholic beverages and includes a lounge or bar area.

C. The Class A-3 license is for restaurants selling a full-line of alcoholic beverages but includes only a service bar rather than a bar or lounge area at which customers can sit and buy beverages directly.

All three restaurant licenses allow Bring-Your-Own beer and wine to be consumed in conjunction with a meal (see the Class H License paragraphs below for further information about Bring-Your-Own). Also, all licensed restaurants now may sell wine by the bottle from their regular stock to patrons who have just finished a meal. (This is intended to allow customers to buy and take home a bottle of the wine they enjoyed during their meal.)

Class B General Retail Sales License:

This classification replaces the existing “retail dealer” license Class A. It applies to specific types of retail stores, including grocery stores, gourmet food and wine stores, and convenience marts, allowing them to sell beer and wine in its original packaging. The sales must be merely incidental to the other sales conducted within the business. Note that the Village does not allow “liquor stores.” (The existing Class D License—which governed sale of packaged liquors—is being eliminated. There are no existing Class D Licenses issued.)

Class C-1, C-2, C-3, and C-4 Specialty Retail Licenses:

These new license classifications include:

A. Class C-1 Food Boutique License for a small food boutique (not full-sized grocery stores). This license allows sales of wine in its original packaging and sales of wine by the glass limited to two glasses to a customer in any one day. Sales of wine by the glass is limited to a maximum of 49 percent of a store's gross annual revenue (fifty percent or more of the gross annual revenue must come from the sale of goods other than alcoholic liquor).

B. Class C-2 Wine boutiques License for small wine specialty stores. This license allows sales of wine and beer in their original packaging, sales of wine by the glass limited to two glasses to a customer in any one day, and limited tasting. Sales of wine by the glass is limited to a maximum of 49 percent of a store's gross annual revenue (fifty percent or more of the gross annual revenue must come from the sale of goods other than alcoholic liquor).

C. Class C-3 Retail Cabaret License for a retail store that also has a cabaret. This license is limited to four events in any 30-day period.

D. Class C-4 Movie Theater Licensee for sales and service of alcoholic beverages at public or private parties or at a private showing of a movie or a stage event or other live performance. This license does not allow sale of alcoholic beverages by the theater, but rather by a licensed caterer.

Class D Tasting License:

This new license classification allows grocery stores and retail stores holding a Class B or C license to offer tastings of bottled wines and beers under tightly controlled circumstances.

Class E Business Single Event License:

This new license classification authorizes service (not sale) of alcoholic beverages by a retail, service, or other business establishment (that does not regularly sell alcoholic beverages) at a single special event such as a grand opening, a special promotion, or similar events. There is a limit of four of these licenses to a business in any 12-month period. The availability of alcoholic beverages at such an event may not be advertised. There is no fee for this license.

Class F-1 Fraternal Club and F-2 Private Membership Organization Licenses:

These license classifications are similar to the existing Club license:

A. The Class F-1 Fraternal Club License is an annual license for Fraternal Clubs. It allows sales and service of alcoholic beverages and Bring-Your-Own beer and wine.

B. The Class F-2 Private Membership Organization License authorizes only service of alcoholic beverages and Bring-Your-Own beer and wine at private events. The Class F-2 License is limited to four private events in a calendar year, excluding BYO events.

Class G-1 and G-2 Caterer Licenses:

These caterer licenses (G-1 annual, G-2 temporary) are updated from, and basically the same as, the existing caterer licenses:

A. The Class G-1 General Caterer License authorizes the service of alcohol as a part of a catering business that maintains a business facility within the Village.

B. The Class G-2 Temporary Caterer License applies to restaurants and stores that maintain their principal business facility in the Village. No more than one G-2 Temporary Caterer License may be issued to a business in any 12-month period. There is no fee for the temporary license.

Class H Bring-Your-Own License:

This new license classification authorizes Bring-Your-Own beer and wine (A) in meal preparation services stores, (B) in crafts-making stores, (C) in retail stores having a private event or a structured instructional class such as a cooking class, crafts, class, or similar class under controlled circumstances and (D) restaurants.

A. For meal preparation services stores, Bring-Your-Own is allowed only when customers are engaged in the make-your-own-meal activities or during a private event.

B. For crafts-making stores, Bring-Your-Own is allowed only when customers are engaged in crafts-making, or at a private event, or for an art-exhibit opening or similar event (12 days in any 12-month period).

C. For retail stores, Bring-Your-Own is allowed at a private event or a structured instructional class or similar structured activity.

D. For restaurants, Bring-Your-Own allows customers to carry in their own beer and wine and consume it in conjunction with the service of a meal.

This license classification has been discussed extensively with affected businesses, LGBA representatives, and the Liquor Commission. Two primary considerations were raised about creation of the Bring-Your-Own license.

One concern is the competition to restaurants holding a “full” liquor license posed by establishments that hold only a Bring-Your-Own license. This concern arose in large part because, in an earlier draft of the Bring-Your-Own license provisions, restaurants with full liquor licenses could not obtain a Bring-Your-Own license. The proposed regulations address that concern by allowing any restaurant to allow Bring-Your-Own beer and wine without regard to whether that restaurant has a full liquor license (although many restaurant owners with full liquor licenses have indicated that they would not be interested in also offering Bring-Your-Own).

The other concern is how extensively to regulate a Bring-Your-Own establishment in order to protect public safety. The proposed regulations address that concern by requiring a minimum level of insurance for all Bring-Your-Own establishments (equal in coverage limit to full liquor license holders). If an establishment (other than a restaurant) has no liquor license other than a Bring-Your-Own License, then the regulations do not require that establishment to have sellers and servers training or a background check, because of the limited nature of Bring-Your-Own use in establishments other than restaurants.

2. Liquor Service without Licenses

Two new sections have been created within the liquor regulations allowing not-for-profit organizations and businesses hosting charitable events to serve alcoholic beverages without a liquor license.

Section 111.100 Not-For-Profit Organizations

A not-for-profit organization may sell or serve alcoholic liquor at its own charitable events so long as the organization complies with certain regulations, including notification to the Village of an upcoming event. Alcoholic beverages may be sold or served only in conjunction with the service of food at four events per year. There is no charge for the approval.

Section 111.101 Businesses Hosting Charitable Events

A business hosting a private, charitable event may sell or serve alcoholic liquor at that event under conditions similar to those applicable to not-for-profit organizations. There is no charge for the approval.

3. Other Changes

In addition to the licensing classifications, the following sections of the liquor regulations have been updated:

A. Section 111.01. Several definitions within the liquor regulations have been revised for purposes of clarification or modernization (or both).

B. Section 111.16. Numbers of authorized licenses. Clarifying revisions. (The number of available licenses within a class will reduce automatically when a license within that class expires without renewal or is terminated (such as by change of ownership.)

C. Section 111.17. The requirement to have a license. Clarifying revisions. (Details regarding charitable events have been added to this section.)

D. Section 111.19. License application requirements. Provisions relating to location requirements and sellers and servers training have been added to the application requirements.

E. Section 111.20. Investigations of applicants. Clarifying revisions. Background checks are not required for establishments (other than restaurants) that allow only Bring-Your-Own beer and wine or for a Class E Business Single Event, a Class F-1 Fraternal Club License, a Class F-2 Private Membership Organization License, or a Class G-2 Temporary Caterer License.

F. Section 111.25. License fees. Clarifying revisions. No existing license fee has been increased. New fees are proposed for the new license classifications.

G. Section 111.30. Insurance. Clarifying revisions. Bring-Your-Own establishments with no other liquor license may procure “host liability” insurance at the same coverage limit if available, instead of full liquor liability insurance. If host liability insurance is not available, then full liquor liability insurance is required.

H. Section 111.60. Hours. This section regulating the time periods within which alcoholic beverages can be sold, served, and consumed has been updated to achieve logical consistency among the types of licensed establishments. The general time periods (*e.g.*, restaurants, clubs, movie theatre) are from 11:00 a.m. to 1:00 a.m. the next day on Sundays through Thursdays, and from 11:00 a.m. to 2:00 a.m. the next day on Fridays and Saturdays. For other licensees (*e.g.*, retail stores, tastings, BYO except restaurants) the time period is from 8:00 a.m. to 11:00 p.m. each day.

I. Section 111.61. 100-foot location restrictions. The regulations are revised to mirror State law.

J. Section 111.65. Sellers and Servers Training. Clarifying revisions. Bring-Your-Own establishments are not required to have training, except Bring-Your-Own restaurants, because of the prevalence of alcoholic beverages in restaurants. The section also states that the Village strongly recommends sellers and servers training for all establishments that allow consumption of alcoholic beverages.

4. Effective Date

The Village would begin enforcing the amended regulations 30 days after Village Board approval, except as related to the Sellers and Servers training requirement. Enforcement of that provision would start January 1, 2010, which will allow time for businesses to train appropriate personnel in alcohol awareness techniques.

Because all current license fees are generally remaining the same, except for the new Tasting License (Class D - \$150), new licenses under the new classifications would be issued promptly without assessing new fees.

We recommend that the attached ordinance amending the existing provisions of the Village Code governing the sales and service of alcoholic liquor be approved.

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VILLAGE OF LA GRANGE

ORDINANCE NO. _____

AN ORDINANCE AMENDING VARIOUS SECTIONS
OF THE LA GRANGE CODE OF ORDINANCES
RELATED TO THE SALES AND SERVICE OF ALCOHOLIC LIQUOR

WHEREAS, the vibrant and growing business community in the Village of La Grange is offering a wider variety of opportunities for Village residents and guests to enjoy great shopping, fun activities, and wonderful dining experiences; and

WHEREAS, among the additional opportunities are retail boutiques and other business establishments that offer wine and beer sales and opportunities for public and private special events at which wine and beer may be offered, all of which contributes to the vitality of Village's businesses and the enjoyment of downtown La Grange by residents and guests; and

WHEREAS, the President and Board of Trustees of the Village of La Grange have determined that it is appropriate. that it is protective of the public health, safety, and welfare, and that it is in the best interests of the Village to revise and update various provisions of the La Grange Code of Ordinances regulating the sale and service of alcoholic liquor in the manner provided in this Ordinance, to reflect the marketplace changes described above that have occurred in the past several years and so those regulations better serve and protect businesses, customers, and Village residents;

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of La Grange, Cook County, Illinois, as follows:

Section 1. Recitals. The foregoing recitals are incorporated herein as findings of the President and Board of Trustees.

Section 2. Amendment of Various Sections of Chapter 111 of Code of Ordinances. The Board of Trustees hereby amends the sections of Chapter 111 of the La Grange Code of Ordinances listed in Exhibit A attached to and by this reference incorporated into this Ordinance so that those sections will hereafter read as provided in Exhibit A.

Section 3. Effective Date. This Ordinance will be in full force and effect from and after its passage, approval, and publication in pamphlet form as provided by law. The requirements of the amended provisions of Chapter 111 will be enforced by the Village 30 days after the effective date, except that liquor licenses holders newly requiring sellers and servers training under the amended

Section 111.65 of the Code of Ordinance will have until January 1, 2010, to comply with the requirements of amended Section 111.65.

PASSED this ____ day of _____ 2009.

AYES: _____

NAYS: _____

ABSENT: _____

APPROVED this ____ day of _____ 2009.

Elizabeth M. Asperger, Village President

ATTEST:

Robert N. Milne, Village Clerk

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EXHIBIT A
TO LA GRANGE ORDINANCE NO. _____
VARIOUS AMENDMENTS AND ADDITIONS
TO LIQUOR REGULATIONS IN
CHAPTER 111 OF LA GRANGE CODE OF ORDINANCES

Sections amended or added:

§	111.01	DEFINITIONS
§	111.15	LICENSE CLASSIFICATIONS
§	111.16	NUMBER OF LICENSES, OTHER RESTRICTIONS
§	111.17	LICENSE REQUIRED; EXCEPTIONS
§	111.19	APPLICATION FOR LICENSE; FILING; CONTENTS.
§	111.20	INVESTIGATION OF APPLICANT.
§	111.24	INITIAL APPLICATION FEE.
§	111.25	LICENSE FEES.
§	111.30	INSURANCE REQUIREMENTS.
§	111.60	HOURS.
§	111.61	LOCATION RESTRICTIONS
§	111.65	SELLERS AND SERVERS TRAINING
§	111.66	AMENDMENTS; CONTINUITY
§	111.100	CHARITABLE ORGANIZATIONS
§	111.101	BUSINESSES HOSTING CHARITABLE EVENTS

Amendment of Section 111.01

§ 111.01 DEFINITIONS

ALCOHOLIC LIQUOR: Spirits, wine, and beer as defined by State law and every liquid or solid containing alcohol, spirits, wine, or beer and capable of being consumed as a beverage by a human being. This definition does not include alcohol used to manufacture denatured alcohol or any liquid or solid containing less than 0.5 percent of alcohol by volume. Nor does this definition include flavoring extracts, concentrates, syrups, or medicinal, mechanical, scientific, culinary, or toilet preparations, or food products unfit for beverage purposes. Nor does this definition include wine intended for use, and used, by any church or other religious organization for sacramental purposes if the wine is purchased from a licensed manufacturer or importing distributor as defined by State law.

BEER: A beverage obtained by the alcoholic fermentation of an infusion or concoction of barley or other grain, malt, and hops in water and includes, among other things, beer, ale, stout, lager beer, porter, and similar beverages.

BOUTIQUE: A small retail shop that specializes in a particular product such as women's clothes, food, or wine, for example.

BRING-YOUR-OWN or BYO: The accommodation by an establishment eligible under this Chapter 111 of beer and wine carried into the establishment by customers for consumption within the establishment.

CATERER: A person who performs, as a business, the service of providing food and beverages to any location within or outside of the Village, which food and beverages are consumed within 36 hours after delivery.

EVENT: A fundraiser, grand opening, concert, show, festival, special meeting, party, or similar non-recurring function, whether public or private.

EVENT, PRIVATE: An invitation-only, limited attendance Event not open to the general public.

EVENT, PUBLIC: An Event open to the general public.

FRATERNAL CLUB: A national or state-wide corporation organized under the not-for-profit corporation laws of the State of Illinois that has been in operation as a fraternal club for at least three years immediately prior to its application for a liquor license and that (1) has been organized solely for the promotion of some object common to its members of a national or statewide patriotic, benevolent, or similar purpose not for pecuniary gain and other than the sale or consumption of alcoholic liquors, (2) has been kept, used, and maintained by its members through the payment of annual dues, (3) owns, hires, or leases a building or space in a 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, and (4) that has maintained, for at least three years prior to applying for a liquor license, a membership policy requiring a minimum one-year membership and payment of membership dues of greater than a nominal amount.

GROCERY STORE: A full-service retail sales establishment, with a gross floor area of not less than 5,500 square feet, engaged primarily in the sale of canned goods; dry goods; fresh fruits and vegetables; fresh and prepared meats, fish, and poultry; and typical household goods, but not including any establishment commonly understood to be a drugstore or a convenience food mart and not including any establishment also in the business of selling gasoline.

GOURMET FOOD: Food products that appeal primarily to connoisseurs of the delicacies of the table, that is, fancy and elegant party-type food and drink.

LICENSED PREMISES: The place described in a liquor license where alcoholic liquor may be sold, served, or consumed in accordance with the license, which place may include outdoor space adjacent to the principal indoor place.

LICENSEE: The person or entity named in a liquor license to which the license has been issued.

LIQUOR CONTROL COMMISSION: The La Grange Liquor Control Commission. See Section 111.76 of this Code.

LIQUOR CONTROL COMMISSIONER: The President of the Village of La Grange. See Section 111.75 of this Code.

MEAL PREPARATION SERVICES STORE: A retail store with the principal use of providing services to customers for “make-your-own” meals for consumption not on the licensed premises.

NOT-FOR-PROFIT ORGANIZATION: An educational, civic, charitable, or other, similar not-for-profit organization organized, existing, and in good standing under State law. This definition does not include religious organizations.

ORIGINAL PACKAGE: A bottle, can, keg, or other container or receptacle that is capped, corked, or otherwise sealed in its original state by the manufacturer.

PRIVATE EVENT: See “Event, Private.”

PRIVATE MEMBERSHIP ORGANIZATION: A body of people associated and organized for a common object or purpose, such as recreational or athletic activity or a common civic or social interest and (1) that is not for pecuniary gain, (2) that has been in operation as a private membership organization for at least three years immediately prior to its application for a liquor license, (3) whose membership is recruited only through private invitation and is kept and maintained through dues of greater than a nominal amount paid at least annually, (4) that has maintained a membership policy requiring a minimum one-year membership, and (5) that owns, hires, or leases a building or space in a building other than a residential dwelling 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.

PUBLIC EVENT: See “Event, Public.”

RESTAURANT: A place open to the public that has kitchen and dining room equipment and furnishings and where meals are regularly sold, served, and consumed by paying customers. This definition of restaurant does not include a hotel, motel, or other places with sleeping accommodations.

RETAIL CABARET: A retail store with a small performance area that conducts Events comprised of short programs of live music or similar entertainment.

SALE or SELL: Any transfer, exchange, barter, sale, or selling.

SALE AT RETAIL or SELL AT RETAIL: The sale or selling for consumption and not for resale.

Amendment of Section 111.15

§ 111.15 LICENSE CLASSIFICATIONS

(A) Class A Restaurant Licenses.

(1) Class A-1 Restaurant License. A Class A-1 Restaurant License authorizes the licensee (a) to sell at retail, and serve, beer and wine only for consumption on the premises where sold, where food also is sold for consumption, subject to the conditions stated in Paragraph (A)(4)(a) below, (b) to allow consumption of Bring-Your-Own beer and wine in conjunction with a meal, subject to the conditions stated in Paragraphs (H)(1)(a) and (H)(2) below, and (c) to sell at retail its regularly stocked wine in its original packaging not for consumption on the premises where sold, subject to the conditions stated in Paragraph (A)(4)(c) below.

(2) Class A-2 Restaurant License. A Class A-2 Restaurant License authorizes the licensee (a) to sell at retail, and serve, alcoholic liquor (i) for consumption in the restaurant's dining area in conjunction with a meal and (ii) in a bar or lounge area of the licensed premises, subject to the conditions stated in Subsection (A)(4)(a) & (b) below, (b) to allow consumption of bring-your-own beer and wine in conjunction with a meal, subject to the conditions stated in Paragraphs (H)(1)(a) and (H)(2) below, and (c) to sell at retail its regularly stocked wine in its original packaging not for consumption on the premises where sold, subject to the conditions stated in Paragraph (A)(4)(c) below.

(3) Class A-3 Restaurant License. A Class A-3 Restaurant License authorizes the licensee (a) to sell at retail, and serve, alcoholic liquor for consumption in the restaurant's dining area in conjunction with a meal through the use of a service bar (but not a bar or lounge used for service directly to customers), subject to the conditions stated in Subsection (A)(4)(a) & (b) below, (b) to allow consumption of Bring-Your-Own beer and wine in conjunction with a meal, subject to the conditions stated in Paragraphs (H)(1)(a) and (H)(2) below, and (c) to sell at retail its regularly stocked wine in its original packaging not for consumption on the premises where sold, subject to the conditions stated in Paragraph (A)(4)(c) below.

(4) General Conditions on Class A Restaurant Licenses.

(a) Each restaurant license may be issued and held only for a business that generates more than 60 percent of its gross annual revenue from the sale of food within the licensed premises. The licensee must provide, at the time of license application, license renewal, and when otherwise requested by the Village, proof of compliance with that 60 percent sales requirement, and the licensee must maintain compliance with that sales requirement at all times.

(b) A restaurant holding a Class A-2 or A-3 License may provide a small locker or similar small space within the licensed premises for storage of wine purchased by patrons from that restaurant for later consumption within that restaurant.

(c) A sale of regularly stocked wine in its original packaging not for consumption on the premises may be made only to a customer that has consumed a meal on the licensed premises immediately prior to the sale.

(B) Class B General Retail Sales License. A Class B Retail Sales License authorizes a grocery store, gourmet food or wine store, or convenience mart to sell at retail beer and wine in their original packaging for consumption off the licensed premises, if those sales are merely incidental to other sales or businesses conducted by the licensee on the same premises.

(C) Class C Specialty Retail Licenses.

(1) Class C-1 Food Boutique License. A Class C-1 Food Boutique License authorizes a gourmet food store (a) to sell wine in its original packaging for consumption off the licensed premises and (b) to sell and serve wine by the glass for consumption within the licensed premises, subject to the conditions stated in Subsection (C)(5) below and the following conditions:

(a) The licensed premises may be not be more than 2,000 square feet in total area.

(b) The licensed premises may include outdoor seating, so long as the outside seating does not pose a threat to public health or safety and otherwise complies with Village regulations related to use of public right-of-way.

(c) A Class C-1 License is not available to a grocery store.

(2) Class C-2 Wine Boutique License. A Class C-2 Wine Boutique License authorizes a wine boutique (a) to sell wine and beer in their original packaging for consumption off the licensed premises, (b) to sell and serve wine by the glass for consumption within the licensed premises subject to the conditions stated in Subsection (C)(5) below and the condition that the licensed premises may not exceed a total area of 3,000 square feet, and (c) to offer to customers the limited tasting of bottled wines and beers subject to the conditions stated in Subsection (D)(3) of this of this Section 111.15.

(3) Class C-3 Retail Cabaret License. A Class C-3 Retail Cabaret License authorizes the sale and service of wine and beer for consumption in a retail store that includes a cabaret during an Event, subject to the conditions stated in Subsection (C)(5) below and the following condition:

(a) Not more than four Events at which wine or beer is served may be conducted within any 30-day period.

(4) Class C-4 Movie Theater License. A Class C-4 Movie Theater License authorizes the sale and service within the licensed premises of alcoholic liquor by the drink during an Event, subject to the following conditions:

(a) A Class C-4 License may be issued to and held only for a movie theater with one or more movie screens or stages that include a total of at least 300 seats.

(b) A Class C-4 License authorizes the sale and service of alcoholic liquor by the licensee or a properly licensed caterer only at (i) a Private Event consisting of a private showing of a movie, stage show, or other live event program or (ii) a Public Event at which food also is sold or served for immediate consumption within the licensed premises.

(c) For a Private Event, alcoholic liquor may be sold and served only in areas of the licensed premises that are not at the same time accessible to persons who are not attending that Private Event.

(5) General Conditions on Class C Specialty Retail Licenses. All Class C licenses are subject to the following conditions:

(a) Except for a Class-C-2 Wine Boutique License, a Class C License may be issued and held only for a business that generates more than 50 percent of its gross annual revenue from the sale of goods other than alcoholic liquor. The licensee must provide, at the time of license application, license renewal, and when otherwise requested by the Village, proof of compliance with that 50 percent sales requirement, and the licensee must maintain compliance with that sales requirement at all times.

(b) Except for a movie theater holding a Class C-4 License, the number of customers currently drinking an alcoholic beverage within a Class C licensed premises may not exceed, at any time, the number of then-available chairs within the licensed premises on which the customers may be seated. Seating within the licensed premises is limited to the number of chairs specified in the particular Class C license, which number may not exceed 16 chairs except for a movie theater.

(c) Except for a cabaret holding a C-3 Cabaret License and a movie theater holding a Class C-4 License, not more than two glasses of wine may be served to any customer within the licensed premises on any one day.

(D) Class D Tasting Licenses.

(1) Class D-1 Grocery Store Tasting License. A Class D-1 Grocery Store Tasting License authorizes the limited tasting of bottled wines and beers at a grocery store that maintains a business facility within the Village for which a business license has been issued and to which a Class B General Retail Sales License has been issued, subject to the conditions stated in Subsection (D)(3) below.

(2) Class D-2 Retail Store Tasting License. A Class D-2 Retail Store Tasting License authorizes the limited tasting of bottled wines and beers at a retail store that maintains a business facility within the Village for which a business license has been issued and to which a Class B General Retail Sales License or Class C Specialty Retail License has been issued, subject to the conditions stated in Subsection (D)(3) below.

(3) General Conditions on Class D Tasting Licenses.

(a) Each tasting must be attended by and supervised by a person 21 years old or older, who must be a full time or part time employee of the store or a wine or beer distributor representative.

(b) A tasting may occur only in the same area of the licensed premises as the display of the wines or beers being tasted.

(c) The amount being tasted by one customer may not exceed the following: (i) for wine, one ounce per serving, total 8 ounces and (ii) for beer, three ounces per serving, total 12 ounces.

(d) No charge, cost, fee, or other consideration may be levied for any tasting.

(e) A tasting may be conducted only between the hours of 12:00 p.m. and 8:00 p.m.

(E) Class E Business Single Event License. A Class E Business Single Event License authorizes the service of alcoholic liquor at a single Event by a retail, service, or other business establishment, subject to the following conditions:

(1) The service of alcoholic liquor is permitted only incidental to the business purpose of the retail, service, or other business establishment for which the license is issued, such as a grand opening, a special promotion of a particular goods or service, or the like.

(2) No more than four Class E Licenses may be issued to a business in any 12-month period.

(3) Service of alcoholic liquor is for consumption at the licensed Event only.

(4) Alcoholic liquor may be served only in containers not intended or allowed to be removed from the licensed premises.

(5) The license is valid only for the particular Event stated in the license.

(6) The license authorizes service of alcoholic liquor only within the area of the establishment designated in the license. Alcoholic liquor may be served to and consumed by patrons only while they are within the designated area.

(7) No separate charge, cost, fee, or other consideration may be imposed for the alcoholic liquor.

(8) The license is valid only for an Event on a single calendar day and, if a specific time period is stated in the license, only for that time period.

(9) A caterer that serves alcoholic liquor at the Event must have a caterer's license issued by the Village pursuant to this Chapter.

(10) The availability of alcoholic liquor at the Event held pursuant to a Class E License may not be advertised through any public medium, including without limitation newspapers, radio, television, posters, and similar means of communication.

(11) The holder of a Class E License must provide to the Village evidence of all required State licenses, if any.

(F) Class F Fraternal Club and Private Membership Organization Licenses.

(1) A Class F-1 Fraternal Club License authorizes the sale, service, and consumption of alcoholic liquor, including Bring-Your-Own beer and wine, at a Club for consumption on the premises where sold, subject to the following condition:

(a) The sale and service to, and consumption of, alcoholic liquor is restricted to (i) Club members and their guests and (ii) guests at a Private Event for which the licensed premises has been rented or otherwise reserved.

(2) A Class F-2 Private Membership Organization License authorizes the sale, service, and consumption of alcoholic liquor, including Bring-Your-Own beer and wine, subject to the following conditions:

(a) The sale or service of alcoholic liquor is authorized only at four Private Events in any calendar year. The four Private Events authorized by a Class F-2 License must be sponsored by the organization and conducted for the organization's members and guests only. The four-Event limitation does not apply to Bring-Your-Own beer and wine.

(b) A caterer that serves alcoholic liquor within the licensed premises must have a caterer's license issued by the Village pursuant to this Chapter.

(G) Class G Caterer Licenses.

(1) Class G-1 General Caterer License. A Class G-1 General Caterer License authorizes the service of alcoholic liquor for catered functions conducted off the premises of the licensee, subject to the conditions stated in Subsection (G)(2) and Subsection (G)(4) below.

(2) Conditions on Class G-1 License. Every Class G-1 License is subject to the following conditions:

(a) A Class G-1 License may be issued only to a catering business that maintains a business facility within the Village for which a business license has been issued by the Village.

(b) A Class G-1 License is not a restaurant license and does not authorize the sale at retail, or service, of alcoholic liquor within the licensed premises, whether or not in conjunction with a meal. No alcoholic liquor may be sold or served except only if the licensee has secured a separate license authorizing sales or service.

(c) The licensee must operate its offices and distribution points in compliance with all Village zoning and health regulations.

(3) Class G-2 Temporary Caterer License. A Class G-2 Temporary Caterer License authorizes the licensee to sell alcoholic liquor by the drink at one function conducted off the premises of the licensee, subject to the conditions stated in Subsection (G)(4) below and the following conditions:

(a) A Class G-2 License may be issued only to a restaurant, food caterer, grocery store, food boutique, wine boutique, or similar business that maintains its principal business facility within the Village for which a business license has been issued by the Village.

(b) No more than one Class G-2 License may be issued to a business in any 12-month period.

(4) General Conditions on all Class G Caterer Licenses.

(a) A Class G License may be issued and held only for a business that generates more than 60 percent of its gross annual revenue from the sale of products other than alcoholic liquor. The licensee must provide, at the time of license application, license renewal, and when otherwise requested by the Village, proof of compliance with that 60 percent sales requirement, and the licensee must maintain compliance with that sales requirement at all times.

(b) The licensee must comply with all codes and ordinances of the State of Illinois and the Village applicable to the catering business.

(H) Class H Bring-Your-Own License. A Class H Bring-Your-Own License authorizes the licensee to allow customers to carry their own beer and wine into a "BYO-Authorized Establishment" as defined in Subsection H(1) below for consumption within that establishment, subject to the conditions stated in Subsection H(2) below.

(1) Authorized Establishments: Conditions. The following establishments ("BYO-Authorized Establishments") are authorized to allow Bring-Your-Own beer and wine and limited other service and sale of wine, subject to the specific conditions stated in this Subsection (1) and the general conditions stated in Subsection H(2) of this Section below:

(a) Restaurants. A restaurant may allow Bring-Your-Own beer and wine to be consumed within the licensed premises, but only in conjunction with the service of a meal. A restaurant holding a valid Class A License is not required to have a Class H License in order to allow Bring-Your-Own beer and wine.

(b) Meal Preparation Services Stores. A meal preparation services store may allow Bring-Your-Own beer and wine to be consumed within the licensed premises (i) during the time customers (whether individuals or a group) actually are engaged in make-your-own meal activities for consumption away from the store

and (ii) during a Private Event or a group class or other function attended only by invited guests and not open to individual customers or to the public.

(c) **Crafts-Making Stores.** A crafts-making store may allow Bring-Your-Own beer and wine to be consumed within the licensed premises at the following times:

- (i) During the time customers (whether individuals or a group) actually are engaged in designing and creating craft goods such as pottery, ceramics, jewelry, sculpture, painting, or similar do-it-yourself projects.
- (ii) During a Private Event or a group class or other function attended only by invited guests and not open to individual customers or to the public.
- (iii) To celebrate the opening of a public art show, art exhibition, or similar event, but on not more than 12 days in any 12-month period. At these events, beer and wine may be provided and served by the licensee, without compensation to the licensee, in conjunction with the service of food.

(d) **Other Retail Stores.** A retail store may allow Bring-Your-Own beer and wine to be consumed within the licensed premises during (i) a Private Event, (ii) a structured instructional class such as a cooking class, crafts class, or similar class, or (iii) a similar structured activity attended only by invited guests and not open to the general public. Beer and wine may be consumed within a retail store only during the time customers (whether individuals or a group) actually are engaged in the Private Event, structured instructional class, or similar structured activity.

(2) General Conditions on Bring-Your-Own Services. The following conditions apply generally to Bring-Your-Own services:

(a) Bring-Your-Own service and consumption is limited to beer and wine only.

(b) A Class H Bring-Your-Own License does not authorize the sale of alcoholic liquor by the Licensee.

(c) An establishment that allows Bring-Your-Own for its customers must secure, maintain, and provide evidence to the Village that it has insurance coverage as provided in Section 111.30 of this Chapter.

(d) No BYO-Authorized Establishment may permit any customer to leave the establishment with any open beer container or any open wine container except only a single wine bottle that has been sealed in compliance with the requirements of Section 6-33 of the Illinois Liquor Code.

Amendment of Section 111.16

§ 111.16 NUMBER OF LICENSES, OTHER RESTRICTIONS

(A) Number Of Licenses Generally. The number of licenses for each license class is established by the Board of Trustees, except as provided in Subsection (B) of this Section. A current record of the number of licenses for each license class will be kept in the office of the Village Clerk. The Board of Trustees may increase or decrease the number of licenses in a class by ordinance.

(B) Number Of Class E and G-2 Licenses. The numbers of Class E and G-2 Licenses are established by the La Grange Liquor Control Commissioner from time to time.

(C) Automatic Reductions. The number of licenses in a license class will be reduced automatically if:

- (1) a license within that class is terminated; or
- (2) a license within that class expires without renewal; or
- (3) a licensed establishment within that class is sold or the ownership of that licensed establishment otherwise changes without the prior written approval of the Village; or
- (4) a licensed establishment within that class changes location without the prior written approval of the Village; or
- (5) a licensed establishment within that class is discontinued for 30 consecutive days or longer without the prior written approval of the Village or otherwise ceases to operate.

(D) Licenses are Personal Privilege; No Property Right. Each liquor license is purely a personal privilege and is not property of or in any form. No license is or may be subject to attachment, garnishment, or execution. No license is alienable or transferable, whether voluntarily or involuntarily, or is subject to being encumbered or hypothecated. No license may descend by the laws of testate or intestate succession. Every license ceases on the death, bankruptcy, or insolvency of the licensee; except only that executors or administrators of the estate of any deceased licensee and the trustee of the estate of any bankrupt or insolvent licensee, when such estate consists in part of alcoholic liquor, may continue the business of the sale of alcoholic liquor under order of the appropriate court and may exercise the privileges of the deceased, bankrupt, or insolvent licensee until the original expiration date of that licensee's license but no longer than six months after the death, bankruptcy, or insolvency of that licensee.

Amendment of Section 111.17

§ 111.17 LICENSE REQUIRED; EXCEPTIONS

(A) License Required. It is unlawful for any person, himself or through or as an agent, to sell, offer for sale, or serve alcoholic liquor at retail, or to provide or serve alcoholic liquor, within the Village, with first having obtained a license to do so as provided in this Chapter. It also is unlawful for any person, himself or herself, or through or as an agent, to sell or offer any alcoholic liquor for sale at retail, or to serve alcoholic liquor, in the Village in violation of the terms and conditions of this Chapter.

(B) Consumption in Unlicensed Premises Prohibited. It is unlawful for any establishment not having a liquor license to permit or allow the consumption of alcoholic liquor within the premises of that establishment except as provided in this Chapter.

(C) Exceptions.

(1) This Chapter does not prohibit (a) the possession and transportation of alcoholic liquor for the personal use of the possessor or the possessor's family or guests or (b) the making of wine, cider, or other alcoholic liquor by any person from fruits, vegetables, or grain, or the products thereof, by simple fermentation and without distillation, if that alcoholic liquor is made solely for the use of the maker and the maker's family or guests.

(2) No liquor license is required for charitable organizations or businesses hosting charitable events, but only as specifically provided in Sections 111.100 and 111.101 of this Chapter.

(3) This Chapter does not prohibit (a) a duly licensed practicing physician or dentist from possessing or using alcoholic liquor in the practice of her or his profession or (b) any hospital or other health care institution from possessing alcoholic liquor for the treatment of *bona fide* patients of that institution.

(4) Any drugstore employing a licensed pharmacist may possess and use alcoholic liquor in the concoction of prescriptions of duly licensed physicians.

Amendment of Subsections 111.19(A)(6) and 111.19(A)(19)

§ 111.19 APPLICATION FOR LICENSE; FILING; CONTENTS.

* * *

(A) Contents of Application:

* * *

(6) That the proposed location of the licensed premises is in compliance with the location restrictions set forth in Section 111.61 of this Code of Ordinances.

* * *

(19) The initial application and all subsequent renewal applications for all classes of alcoholic liquor dealer licenses must be accompanied by proof of completion of sellers and servers training as required by Section 111.65 of this Code of Ordinances.

Amendment of Subsection 111.20(A)

§ 111.20 INVESTIGATION OF APPLICANT.

After the Village has received a properly completed application for a liquor license, the Chief of Police must cause an investigation to be undertaken into the fitness and character of the applicant, and no license may be issued until that investigation has been completed, the results of that investigation have been forwarded to the La Grange Liquor Control Commissioner, and the Liquor Control Commissioner has determined that the applicant qualifies for the liquor license. Notwithstanding the previous sentence, no investigation is required for an applicant applying for a license authorizing only a Class E Business Single Event License, a Class F-1 Fraternal Club License, a Class F-2 Private Membership Organization License, a Class G-2 Temporary Caterer License, a Class H Bring-Your-Own License for an establishment other than a restaurant, or any license for which no liquor license fee is required.

Amendment of Section 111.24

§ 111.24 INITIAL APPLICATION FEE

An initial application fee of \$500, payable in advance, is required for any liquor license in the following license classes: Class A, Class B, Class C, Class F-1, and Class G-1. An initial application fee of \$50, payable in advance, is required for any liquor license for which (a) no \$500 initial application fee is required and (b) the license fee is \$500 or less. The initial application fee is not refundable and is in addition to the annual liquor license fee. This fee does not apply to a renewal of a liquor license.

Amendment of Section 111.25

§ 111.25 LICENSE FEES

The fees for liquor licenses are as stated in this section. Every fee must be paid in advance of issuance of a license or of any renewal of a license. Every fee must be paid on or before May 1 of each year. No fee is required for a license not listed in this section.

- (1) Class A-1 Restaurant License: \$500
- (2) Class A-2 Restaurant License: \$2,000

(3)	Class A-3 Restaurant License:	\$1,250
(4)	Class B General Retail Sales License:	\$500
(5)	Class C-1 Food Boutique License:	\$1,000
(6)	Class C-2 Wine Boutique License:	\$1,000
(7)	Class C-3 Retail Cabaret License:	\$500
(8)	Class C-4 Movie Theater License:	\$500
(9)	Class D-1 Grocery Store Tasting License:	\$150
(10)	Class D-2 Retail Store Tasting License:	\$150
(11)	Class F-1 Fraternal Club License:	\$500
(12)	Class F-2 Private Membership Club License:	\$100
(13)	Class G-1 Caterer License:	\$500
(14)	Class H Bring-Your-Own License:	
	Restaurant (without Class A License):	\$250
	All Other:	\$100

Amendment of Section 111.30

§ 111.30 INSURANCE REQUIREMENTS

(A) General Insurance Coverage Requirement. Except as provided in Subsection (B) of this Section for Bring-Your-Own establishments, no license will be granted to an applicant until the applicant has filed with the La Grange Liquor Control Commissioner a certificate of insurance reflecting liquor liability insurance coverage with coverage limits of not less than \$1,000,000 per person and \$1,000,000 per occurrence.

(B) Coverage for Business Single Event Licenses and Bring-Your-Own Establishments. Businesses holding only a single event license and Bring-Your-Own establishments other than restaurants that do not sell or serve alcoholic liquor but only allow consumption under a Bring-Your-Own License under Subsection 111.15(H) of this Chapter 111 may provide “host liability” insurance coverage with the same coverage limits stated in Subsection (A) of this Section. If “host liability” or similar coverage is not available to an establishment because of the scope of that establishment’s operations or other reason, then that establishment must provide liquor liability insurance coverage as required by Subsection (A).

(C) Annual Filing; Cancellation. A liquor licensee must file an updated certificate of insurance annually with the La Grange Liquor Control Commissioner. If at any time for any reason the liquor licensee’s insurance is canceled, then the

licensee must immediately notify the Village Manager and the La Grange Liquor Control Commissioner of that cancellation.

(D) Suspension or Revocation if Violation. The failure of a liquor licensee to secure the required insurance, or to maintain the required insurance at all times, or to notify the Village Manager or La Grange Liquor Control Commissioner of any cancellation of the required insurance is grounds for immediate suspension of a liquor license and all activities related to that license and for revocation of that license.

Amendment of Section 111.60

§ 111.60 HOURS

(A) General Hours. Unless otherwise specifically stated in this Chapter 111 for a particular license classification, and subject to the hours for certain licenses stated in Subsection B of this Section, the hours during which alcoholic liquor may be sold, served, or consumed by or within a licensed establishment are as follows:

(1) Sunday through Thursday: From 11:00 a.m. to 1:00 a.m. the following day; and

(2) Friday and Saturday: From 11:00 a.m. to 2:00 a.m. the following day.

(B) Classes B, C-1, C-2, D, and E Licenses and Class H Bring-Your-Own Licenses other than for Restaurants. Unless otherwise specifically stated in this Chapter 111 for a particular license classification, the hours during which alcoholic liquor may be sold, served, or consumed by or within a licensed establishment under Class B, C-1, C-2, D, and E Licenses, and under Class H Bring-Your-Own Licenses for all establishments other than a restaurant, are from 8:00 a.m. to 11:00 p.m. each day.

(C) Liquor Control Commissioner Authority to Extend Hours. The Liquor Control Commissioner, by written order, may grant extended hours for the sale, service, or consumption of alcoholic liquor for holidays and special events. A written application for extended hours must be submitted to the Liquor Control Commissioner not less than five days prior to the required date for extended hours, unless the five-day deadline is waived by the Liquor Control Commissioner for good cause shown.

Amendment of Section 111.61

§ 111.61 LOCATION RESTRICTIONS

(A) Distances from Certain Establishments. No license may be issued for the sale at retail of any alcoholic liquor within 100 feet of any church, school, hospital, home for aged or indigent persons or for veterans and their spouses and children, or any military or naval station except as provided in Section 6-11 of the

Illinois Liquor Control Act. The 100-foot prohibition does not apply to a restaurant, food shop, or other place where the sale of alcoholic liquors is not the principal business of the establishment. In the case of a church, the distance of 100 feet will be measured from the center of the proposed licensed premises to the nearest part of any building used for worship services or educational programs and not to the churches property boundaries. In the case of a school, hospital, home for aged or indigent persons or for veterans and their spouses and children, or any military or naval station, the distance of 100 feet will be measured from the center of the proposed licensed premises to the center of the institution.

(B) Residential Districts. A liquor license may not be issued to a premises located within any residential district except a license for a caterer or for sale or service of alcoholic liquor at an Event as defined in the particular license class regulations.

New Section 111.65

§ 111.65 SELLERS AND SERVERS TRAINING

(A) Required Training. Except as provided in Subsection (B) of this Section for certain licensees, each person who (a) manages a licensed premises, or (b) is responsible for the sale of alcoholic liquor at a licensed premises, or (c) operates a cash register in the sale of alcoholic liquor, or (d) is responsible for determining the age of persons within the licensed premises, or (e) is responsible for determining whether a person has been over-served alcoholic liquor must complete a Beverage Alcohol Sellers and Servers Education and Training (BASSET) program or a Training for Intervention Procedures (TIPS) program or their equivalent. That training must take place before the person engages in the activity for which training is required. In addition to every other penalty provided by this Code of Ordinances, any failure to comply with this Section 111.65 will be cause for the denial, suspension, or revocation of a liquor license.

(B) Exceptions for Certain License Classes. Sellers and servers training is not required for an establishment holding only a Class E Business Single Event License, or a Class F-1 Fraternal Club License, or a Class F-2 Private Membership Organization License, or for an establishment other than a restaurant holding only a Class H Bring-Your-Own License.

(C) Recommended Training. The Village strongly recommends sellers and servers training consistent with Subsection A of this Section for every establishment that permits the consumption of alcoholic liquor within that establishment.

New Section 111.66

§ 111.66 AMENDMENTS; CONTINUITY

(A) Amendments. When the Board of Trustees amends a regulation affecting a license class, then each licensee holding a license of that class must

comply with the amended regulation within 30 days after it becomes effective, except only if the Board of Trustees has established a different compliance date in the ordinance enacting the amendment.

(B) Continuity. When the Board of Trustees amends the name of a license class or the type of license applicable to a licensee, then the Village Clerk will cause a new license to be issued to each affected licensee. Each new license will be valid for the remainder of the term of the superseded license. No new license may be renewed or otherwise reissued except only if the licensee complies with all regulations applicable to that new license.

New Sections 111.100 and 111.101

LIMITED ALCOHOLIC LIQUOR SERVICE WITHOUT LICENSE

§ 111.100 NOT-FOR-PROFIT ORGANIZATIONS

(A) No Liquor License Required. No liquor license is required for a not-for-profit organization to sell or serve alcoholic liquor at its own charitable Events, so long as the organization complies with all of the conditions in Subsection (B) of this Section.

(B) Conditions. A not-for-profit organization that sells or serves alcoholic liquor at its own charitable Events must comply with all of the following conditions:

(1) The organization must give written notice to the Village of an Event at which any alcoholic liquor will be sold or served not less than five business days before the scheduled date of the Event.

(2) Alcoholic liquor may be sold or served only to patrons while they are within the organization's premises and only for consumption at the Event.

(3) Alcoholic liquor may be sold or served only in containers not intended or allowed to be removed from the Event.

(4) Alcoholic liquor may be sold or served only in conjunction with the service of food.

(5) If an Event is held at a location other than a location owned or rented by the organization, then that location must be in compliance with any applicable regulations of this Chapter.

(6) A caterer that sells or serves alcoholic liquor at an Event must have a caterer's license issued by the Village pursuant to this Chapter.

(7) The organization must provide to the Village evidence of all required State licenses, if any.

§ 111.101 BUSINESSES HOSTING CHARITABLE EVENTS

(A) No Liquor License Required. No liquor license is required for a business to sell or serve alcoholic liquor at a private, charitable Event hosted by that business within that business's premises, so long as the business complies with all of the conditions in Subsection (B) of this Section.

(B) Conditions. A business that hosts a private, charitable Event within the business's premises must comply with all of the following conditions:

(1) The business must give written notice to the Village of an Event at which any alcoholic liquor will be sold or served not less than five business days before the scheduled date of the Event.

(2) The sale and service of alcoholic liquor is permitted only incidental to the charitable Event.

(3) Alcoholic liquor is permitted at the same business at no more than four charitable Events in any 12-month period.

(4) Sale and service of alcoholic liquor is for consumption at the Event only.

(5) Alcoholic liquor may be sold and served only in containers not intended or allowed to be removed from the Event.

(6) A caterer that sales or serves alcoholic liquor at the Event must have a caterer's license issued by the Village pursuant to this Chapter.

(7) The business holding the Event must provide to the Village evidence of all required State licenses, if any.