

City of Naperville

*400 S. Eagle Street
Naperville, IL 60540*



Naperville

Meeting Minutes - Final

Thursday, January 6, 2022

3:00 PM

Council Chambers

Liquor Commission

A. CALL TO ORDER:

Mayor Chirico called the meeting to order at 3:04 PM.

B. ROLL CALL:

- Present** 7 - Mayor Steve Chirico, Dana Davenport, John Koranda, Charles Maher, Joe Vozar, Scott Wehrli, and Kimberly White
- Absent** 3 - Karyn Charvat, Anthony Signorella, and Mitch Stauffer

Commissioner Koranda joined the meeting at 3:09 PM.

Staff Present: Miranda Barfuss, Assistant to City Council; Jennifer Lutzke, Senior Assistant City Attorney; Dan Riggs, Police Detective; Marty Creighton, Police Officer

C. PUBLIC FORUM:

None

Mayor Chirico welcomed Officer Marty Creighton for his first official meeting as the Liquor & Tobacco Liaison from the Naperville Police Department.

D. OLD BUSINESS:

Consider Cheap Cheap Liquors request for a Class D - Package Store license

Attachments: [Class D Map 010322 2](#)
[Class D List - Addresses 122921](#)

Mayor Chirico reviewed that the previous Peterson's Wine & Spirits locations the petitioner is seeking to lease were grandfathered when there was no prohibition on having more than one Class D licensee per shopping center. One location has been dropped. In the other location Butera Market was contacted to see if they would be interested in changing their liquor license from a Class D to a Class G-1 if modifications to the license class were made. They have not yet replied and they are not required to change their license. If they will change their license, the Liquor Commission can vote for a text amendment allowing the necessary changes and then it will have to be approved by City Council.

Mayor Chirico told the petitioner, Mantaj Singh, owner of Cheap Cheap Liquors, that he could ask the City Council directly to approve the location, but he would not personally be in support of that action. Singh confirmed that he would pursue City Council approval only if the Liquor Commission was in support of the recommendation. Mayor Chirico confirmed that without the participation of Butera the Commission does not see a path forward and encouraged Singh to investigate other locations in the City.

Consider revisions to the Special Event Permit

Attachments: [Rules Updated 2021 \(MD\) \(002\)](#)

Mayor Chirico noted that a recommended revision to the liquor rules was submitted with the agenda packet and invited speakers on the item to the podium.

Josh Seago, President & CEO of Lou Dog Events, thanked the Mayor and Commission and reported that his company has held more than 50 large-scale food and beverage festivals in the area, 25 of them in Naperville. During the past 9 years his events in Naperville have attracted more than 80,000 people, with 60% residing outside of Naperville. Over that time period, Lou Dog Events has donated more than \$90,000 to non-profit organizations, including Naper Settlement, Naperville Humane Society and West Suburban Irish. He commended the Commission for working on the issue of securing the safety of festivals where liquor is involved. He stated that the draft of the new rule is a good first step, however, he requests that the Commission does not vote on it for 60-90 days to invite other event organizers and members of the community to participate in drafting the rule revision or ordinance so that it is a win-win for festival organizers and the City.

Commissioners asked what his concerns are with the rule revision. Seago replied that donating a percentage of alcohol revenue is impossible for his Ale Fest events because the liquor is part of the admission ticket price and he feels that donating 50% of the alcohol revenue is untenable because most festivals are not profitable for their first years and an event company cannot take on all the financial responsibility, management and risk for the event and give 50% of the alcohol profits to the license-holding charity. He stated that it is not economically feasible, even for established events.

Mayor Chirico explained that special event permits were not intended for event companies to produce events and acquire a charity license holder out of necessity, but rather for charities to hold events and hire an event

management company to assist, if desired. Commissioners discussed the 50% donation of alcohol proceeds and how to ensure licensing for event companies that holds the business to the same standards as restaurants and bars, including requiring background checks, fingerprinting and insurance. Seago reported that he is operating within the current liquor rules and there is not currently a liquor license that a for-profit event company can get in Naperville, though he believes there is a for-profit license in Lisle and Oswego.

Commissioner Koranda complimented Lou Dog Events on being a responsible operator and stated that the 50% is too aggressive. Commissioners discussed the merits of ensuring the new pre-meeting with the Liquor Commissioner occurs and seeing how this year's event season goes. They also discussed how much involvement in a non-profit's decision to partner with an event company is appropriate. Commissioner White stated that non-profits would benefit from having a consistent number or percentage of proceeds donated and from having clarity on what their responsibility is for the special event, as well as how to determine who is a good event operator. Lutzke shared that she spoke to Mary Lou Wehrli of the Naperville Parks Foundation Board; she has concerns about liability and who is responsible for compliance with liquor rules, noting that rules have not been followed at past Ale Fest events. Seago replied that his events have donated between \$4,000 and \$9,000 annually to the Naperville Parks Foundation for the last seven years and they name the charity as additional insured on their liquor liability insurance.

Commissioners asked for clarification on Oswego and Lisle's liquor licensing. Seago reported that years ago Oswego had a temporary license for for-profit entities and went on to say that while it did mean his purchase of alcohol was not exempt from sales tax, it did put the liquor license in his event company's name, rather than a charity license holder.

Commissioners discussed the complexity of designating a portion of proceeds or a minimum donation amount to be made to the charity license holder, because all events are different. Commissioners discussed creating a registration list of preferred event management companies, creating a licensing process for event management companies and the timing of this decision in relation to the upcoming special event festival season. Lutzke cautioned that a list of preferred companies could not be created, and the process of registering businesses may be problematic since the City does not have currently license businesses.

Commissioner Wehrli asked if it can be similar to the City's electrical contractor registration process that sets a standard for quality but is not a preferred list. He asked if it would be possible to direct staff to create a rule that requires event companies to be registered with the City, carry the

insurance that covers the non-profit, and require Naperville BASSET training, in order to take action before the upcoming event season. Lutzke reported on her conversation with the Illinois Liquor Control Commission and stated that the rationale for the 50% of alcohol revenue being donated is because the ILCC said that the primary beneficiary from alcohol sales should be the non-profit. In addition, the Special Event Retailers Liquor License is only available for a non-profit at the State level.

Commissioner Maher made a motion to table the agenda item until the next meeting, seconded by White. The motion was approved and carried by the following vote:

Aye: 6 - Davenport, Koranda, Maher, Vozar, Wehrli, and White

Excused: 1 - Mayor Chirico

Absent: 3 - Charvat, Signorella, and Stauffer

E. NEW BUSINESS:

F. REPORTS:

Approve the regular Liquor Commission meeting minutes of December 9, 2021

Attachments: [Liquor Commission Meeting Minutes DRAFT 120921](#)

Commissioner Maher made a motion to approve the regular Liquor Commission meeting minutes of December 9, 2021, seconded by Koranda. The motion was approved and carried by the following vote:

Aye: 6 - Davenport, Koranda, Maher, Vozar, Wehrli, and White

Excused: 1 - Mayor Chirico

Absent: 3 - Charvat, Signorella, and Stauffer

1. Restaurant Association Report - Jeffries

Christine Jeffries reported that many restaurants are opening and reopening including La Borra Café, Front Street Cantina, Zade's Lounge, Bev's, Schlotzky's Deli, First Watch, Go Brewing, Chez Francois Pouterie and new restaurants in the Mall of India. The industry is strong and expanding with international flavors. Jeffries encouraged Commissioners to take advantage of Restaurant Week Jan 15 - Feb 6th. Dine Naperville will be advertising.

2. BASSET- Employee Training Statistics - Riggs

Riggs reported that approximately 40 individuals are currently enrolled in the online training and there are about 20 rotating through each week.

Officer Creighton is a certified BASSET instructor now and live classes are still on hold.

3. Tobacco Enforcement Review - Riggs

Riggs reported that compliance checks were completed in December. They had one violation out of the total 77 licensees. The citation is issued and will be adjudicated.

4. Liquor Report - Riggs

Riggs reported that there were 6 DUIs in December 2021, compared to 14 in December 2020. There were 143 DUIs total in 2021, compared to 157 in 2020. Mayor Chirico asked if DUIs from cannabis and other drugs are represented in the DUI report. Riggs replied that they are all combined currently, but he is working with IT to see if the information can be broken out.

5. Liquor Concept Committee Update - Barfuss

Barfuss reported that since the last Liquor Commission Meeting, the Liquor Concept Committee had one meeting on December 16th. One concept was discussed:

Shuckin Shack Oyster Bar, located at 8 W. Gartner Road, Suite 140 (the Walker's Charhouse location)

New business seeking a Class B - Liquor License. Their request was approved and their application is in process.

G. EXECUTIVE SESSION:

None

H. ADJOURNMENT:

Commissioner Davenport made a motion to adjourn the Liquor Commission meeting of January 6, 2022 at 4:02 PM, seconded by Koranda. The motion was approved and carried by the following vote:

Aye: 6 - Davenport, Koranda, Maher, Vozar, Wehrli, and White

Excused: 1 - Mayor Chirico

Absent: 3 - Charvat, Signorella, and Stauffer

/S/ Miranda Barfuss

Miranda Barfuss
Assistant to City Council