



City of Naperville

400 S. Eagle Street
Naperville, IL 60540

Meeting Minutes

Liquor Commission

Thursday, June 7, 2018

3:00 PM

Council Chambers

A. CALL TO ORDER:

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

B. ROLL CALL:

Present 9 - Mayor Steve Chirico, Pam Davis, Charles Maher, Paul O'Toole, Whitney Robbins, Mitch Stauffer, Joe Vozar, Scott Wehri, and Kimberly White

Absent 1 - Marc Blackman

C. PUBLIC FORUM:

There was no one to speak under Public Forum.

D. OLD BUSINESS:

Receive staff report on Dispenser Permit.

Jennifer Lutzke, Senior Assistant City Attorney, stated that the revised dispenser permit that was circulated before this meeting addressed the concerns that were raised at the February meeting. Added to the permit was a requirement of having a Basset trained server around the tap mechanism, requiring one Basset certified employee for every thirty five customers who are operating the dispenser, and requiring that the attendant be stationed within a reasonable distance in sighting of the customer operating the device. Also added was the permit holder must keep recorded footage from the video monitoring for at least ninety (90) days and must provide the footage, upon request, to any agent of the Local Liquor and Tobacco Control Commissioner or other authorized law enforcement agent. The violation would be the manager's responsibility. And there is the ability to cut off the card. The revised Dispenser Permit was circulated to Wine 64 and RedArrow Tap. They had no additional comments. The Naperville Area Chamber of Commerce had concerns about replacing the card language in the dispenser permit with device. Providing additional information on cider and meade. We could do that by changing the definition portion of the ordinance and having wine include meade and have beer include cider.

Commissioner Maher would like the businesses to come back to the Liquor Commission if they would ever want to change any technology with their businesses.

Commissioner Vozar moved to approve the dispenser permit as presented with

the clarifications regarding cider and meade as presented and advance this to City Council, seconded by Commissioner Maher

Aye: 8 - Davis, Maher, O'Toole, Robbins, Stauffer, Vozar, Wehrli, and White

Excused: 1 - Mayor Chirico

Absent: 1 - Blackman

E. NEW BUSINESS:

Discussion related to the retail sale of CBD (Cannabidiol) & Kratom in Downtown Naperville

David Palatnik, owner of CBD/Kratom, spoke regarding a store he would like to open in downtown Naperville. He owns three shops in Chicago, one in St. Louis and two stores in Dallas. CBD is extracted from Hemp. You can buy CBD at Walmart, Walgreens and Amazon. Those stores don't specialize in CBD. His shop specializes in CBD.

Kratom is a natural plant from South East Asia. It is used as tea, coffee and used in smoothies. It is also used as a pain reliever.

His shop is 21 and over. The State of Illinois has an age restriction of 18 for Kratom.

You cannot smoke Kratom or vape it.

Commissioner Maher Googled Kratom and it has a lot of side affects. He would need more research before he would approve this.

Commissioner O'Toole asked if he has gotten any complaints in his other stores. Most people question where the Kratom is coming from. They have never been sued or had any major complaints.

Commissioner Robbins asked about state regulations and are all states different. To be legal it depends on the amount of THC. The Federal level of THC is 0.3. His products have zero THC. Walgreens sell the same products that he sells.

Commissioner Stauffer asked if this had been through the Illinois Legislature. It did in 2014.

Jennifer Lutzke, Senior Assistant City Attorney, clarified that there is the Kratom Control Act that prohibits the sale of Kratom to minors. There was a House Bill introduced but was referred to Rules Committee that attempted to ban the sale of Kratom to adults in Illinois. Kratom is banned in 5 states and two Illinois Cities, Alton and Jerseyville, have banned the sale of Kratom. Currently there is nothing in Naperville's ordinance relating to the regulation of Kratom but it is something we could implement under Home Rule.

Commissioner Vozar stated that non of these products have been approved by

FDA. Where you are selling, have those Cities required any restrictions? Dallas did come to his shop once and tested samples of his products.

Commissioner Maher stated that the FDA is warning people not to use these products. He cannot support this business.

Commissioner Stauffer believes there's a stigma. He would be receptive to proceed cautiously with more information. He would proceed even if he couldn't sell Kratom.

Commissioner Robbins asked if doctors are recommending Kratom to their patients. Yes, doctor's do recomment Kratom.

Commissioner Wehrli stated that he feels we should get feedback from community organizations.

Mayor Chirico agreed and stated that 360 Youth Services was invited to this meeting and will be giving the commission feed back at a later date.

Jennifer Lutzke stated that we need more information. We do have an ordinance that prohibits the portion of a plant that relates to cannabis. We would need to know what type of plant the product is coming from. We may need to go to City Council to amend this ordinance.

This will need to come back to the next meeting. Commissioner Vozar would like more research. Commissioner White would like to get feedback from the schools. Commissioner O' Toole would like to know if they have some independent testing.

Commissioner Maher moved to table this until the August 9, 2018 meeting amd direct staff to provide additional research, seconded by Commissioner O'Toole

Aye: 8 - Davis, Maher, O'Toole, Robbins, Stauffer, Vozar, Wehrli, and White

Excused: 1 - Mayor Chirico

Absent: 1 - Blackman

Pride Class G License Request (Beer and Wine Package Sale)

Jennifer Lutzke, Assistant City Attorney, stated that Pride is requesting a Class G liquor license. After looking at the amendments that were done to the liquor

code, the prohibition of the sale of alcohol on any premises from which motor vehicle fuel is sold or dispensed was removed from the code. Pride contacted us to see if they qualified for a Class G liquor license. Their location is 60,000 sq ft and they meet the requirements for a Class G liquor license.

Mayor Chirico stated that there are two other locations that would meet this requirement.

Pride has a restaurant, Urban Counter.

Commissioner Vozar asked if they would be requesting a Class A liquor license. They will not be requesting a Class A liquor license.

Commissioner O'Toole asked if it is wine, beer and spirits. This license is only wine and beer.

Commissioner Maher asked if there were any licenses available. Yes, there are.

Commissioner Vozar stated that Class G has a cap of 6. Currently there are only 2 Class G licenses.

Commissioner Stauffer doesn't want to impede on them getting a liquor license, but he would like to look at the qualifications for this license and make possible changes.

Commissioner Maher moved to allow Pride to apply for a Class G Liquor License, seconded by Pam Davis.

Aye: 8 - Davis, Maher, O'Toole, Robbins, Stauffer, Vozar, Wehrli, and White

Excused: 1 - Mayor Chirico

Absent: 1 - Blackman

Commissioner Vozar moved to direct staff to come back with recommendations related to the Class G license regarding the 60,000 square footage, a recommendation of lowering the cap on the Class G to 3 or 4 and looking at the requirements of the Class G as a whole, seconded by Commissioner Maher.

Aye: 8 - Davis, Maher, O'Toole, Robbins, Stauffer, Vozar, Wehrli, and White

Excused: 1 - Mayor Chirico

Absent: 1 - Blackman

Craft Distillery Concept

Scott Wehrli left the meeting at 3:58pm.

Derek Krause and Joe Rehbein presented their concept for a Craft Distillery. It will be a small distillery.

They presented at a Liquor Concept Meeting. They are requesting a modification to the Class P liquor license.

It is primarily a production facility. They will have a tasting room. Retail hours 11am - 9pm Thursday thru Saturday and Sunday 11am - 4pm.

Commissioner Vozar asked if he would be able to purchase bottles. Yes, they will be selling package goods. They are fine with the three drink limit.

Commissioner O'Toole asked if they had a location. They have looked at Old Nichols Library and other light industrial areas. They would like to be in downtown. They would like a walking destination.

Commissioner Stauffer asked if they would only sell their product. Yes, only their product.

Mayor Chirico stated that we currently have two breweries, Solemn Oath and Two Fools. We did have a Brewery/Restaurant at Fifth Avenue Station year's ago.

Commissioner Vozar feels this reminds him of Vom Fass. He'd like to look at the S1 license.

Commissioner O'Toole wants to make sure that it is a manufacturing facility rather than a bar.

Commissioner Robbins agrees that this is a phenomenal plan and likes the hours.

Commissioner White asked how many people would be on a tour. There would be a minimal fee for 12 people.

Commissioner Maher discussed adding wine to the ordinance.

Wine is already included in the code.

Commissioner Davis made a motion to recommend changing the language in the Class P to include distilleries and look at modifying the ordinance, seconded by Commissioner Robbins.

Aye: 7 - Davis, Maher, O'Toole, Robbins, Stauffer, Vozar, and White

Excused: 1 - Mayor Chirico

Absent: 2 - Blackman, and Wehrli

Discussion related to the delivery of alcohol

Mayor Chirico reported to the commission members that he sent them all a copy of an order he placed on line to deliver alcohol.

Bryan Werschulz, owner of Miss Kitty's and Walker's Charhouse, was present to discuss the delivery of alcohol. He would like to start a delivery service from Miss Kitty's where it is allowed to sell package liquor. He would like to have an employee who is already BASSET trained deliver the alcohol.

Mayor Chirico asked Detective Riggs what he thinks about delivering alcohol. Detective Riggs first thought was to make sure that all of the delivery people were BASSET trained. Using his employees would be easier since we know that they are BASSET trained.

Downers Grove has a local ordinance on delivering alcohol. The State requires that payment must be taken in advance of the delivery.

The City could put a limit on delivery radius.

Commissioner Davis doesn't think it is necessary for the driver to be BASSET trained.

Commissioner Vozar stated that the lesson on checking ID's and what a valid ID is would be worth being BASSET trained.

Commissioner Maher is comfortable with Downers Grove's ordinance regarding the delivery of alcohol.

Mayor Chirico told Bryan to go ahead and use his BASSET trained employees and the commission will continue to develop structure regarding this service.

Bryan asked about selling cigarettes for delivery. Jennifer Lutzke wasn't prepared to answer that question.

The only license allowed to deliver alcohol is the ones allowed to sell alcoholic package goods.

Commissioner Vozar moved to direct staff to bring back to the next meeting information on the sale and delivery of alcohol, seconded by Commissioner Maher.

Aye: 7 - Davis, Maher, O'Toole, Robbins, Stauffer, Vozar, and White

Excused: 1 - Mayor Chirico

Absent: 2 - Blackman, and Wehrli

F. REPORTS:

Approval of April 5, 2018 Liquor Commission Meeting Minutes

Commissioner Stauffer moved to approve the minutes of the April 5, 2018 meeting, seconded by Commissioner White.

Aye: 7 - Davis, Maher, O'Toole, Robbins, Stauffer, Vozar, and White

Excused: 1 - Mayor Chirico

Absent: 2 - Blackman, and Wehrli

1. Restaurant Association Report - Jeffries

No report.

2. BASSET- Employee Training Statistics - Riggs

Detective Riggs reported that in April there were 166 people signed up with 20 no shows and at the May class there were 134 signed up with 32 no shows. There have been 54 on line classes as well.

3. Tobacco Enforcement Review - Riggs

Detective Riggs reported he completed the tobacco compliance checks with three violations. They are in process of submitting the new grants for compliance checks. The violations were two stores selling cigarettes to a sixteen year old and one vape shop also selling to her.

Mayor Chirico introduced Joe Solon, the new City Prosecutor.

4. Liquor Report - Riggs

Detective Riggs reported that in April 2017 there were 14 DUI's and in April 2018 there were 25 DUI's. In May 2017 there were 17 DUI's and in May 2018 there were 23 DUI's.

During the summer, the school resource officers will be in the downtown until mid August.

Commissioner Stauffer stated for the record that we had lively discussions on many topics and we started with a full room and now it is empty.

Commissioner Stauffer asked that on the DUI report there is a column on

establishment. When a person is arrested for a DUI, if possible, the officer will list the establishment where they were drinking.

Commissioner Stauffer asked if it would be easy to track locals versus out of towners on DUIs. He would like a ratio of locals versus out of towners.

Joe Vozar stated that at some point we look at ratios of the number of DUIs versus the number of liquor establishments.

Mayor Chirico informed the commission that when a licensee has several DUI's, they come in and meet with him.

5. Liquor Concept Committee Update - Trotz

Trotz reported the following Liquor Concepts:

April 19th

Ale Fest - Settlement holds the license. Josh Sego is the producer. He requested a 3oz cocktail, that was not approved but 3 1/4 oz tastes was approved.

Naper Nights - Naperville Heritage Society - was approved.

Laughing Lincoln - Century Walk - at the Municipal Band Shell and will be catered by Belgio's.

May 17th

Wine Festival - Humane Society - approved

Indian Day Festival - approved

Malloy's Wine Tasting - requested a wine tasting at their establishment. This was approved after discussions with the Mayor.

Shree - existing restaurant on Rt. 59 & Pebblewood- approved to add alcohol

Craft Distillery - previously presented.

Two new restaurants that are getting licenses that did not come to concept.

Allegory - Heaven on Seven location - Class B

Vai's - Jimmy CharHouse location - Class B with Late Night and Outdoor Seating

G. EXECUTIVE SESSION:

H. ADJOURNMENT:

Commissioner Maher moved to adjourn the meeting at 5:02pm, seconded by Commissioner O'Toole.

/S/ Emy Trotz
Emy Trotz
Executive Assistant/Mayor