

A. CALL TO ORDER:

Mayor Chirico called the meeting to order at 3:00 PM.

B. ROLL CALL:

Present	7 -	Mayor Steve Chirico, Karyn Charvat, Kelly Douglas, John Koranda, Anthony
		Signorella, Mitch Stauffer, and Joe Vozar

- Excused 1 Scott Wehrli
- Absent 2 Charles Maher, and Kimberly White

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

Also Present: Christine Jeffries, President of Naperville Development Partnership

C. PUBLIC FORUM:

None

D. OLD BUSINESS:

None

E. NEW BUSINESS:

Consider H.H. Shufeldt's request to raise the cap on the Class P - Manufacturer license and increase the amount of spirits patrons are allowed to consume on the premise

Attachments: HH Shufeldt Whiskey Complete

hhshufeldt_overview 070722 WEHRLI HH SHUFELDT RECUSAL

Bob Many, owner of H.H. Shufeldt Whiskey Co., presented his concept for a Class 1 Craft Distillery, including a tasting room and work area at 1665 Quincy Ave., Unit 111. He will not be distilling spirits on site, but rather operate as a non-distilling producer. All products will be sourced from third party distilleries and then blended and bottled by his company. Mayor Chirico asked if his concept fits under the definition of a Manufacturer for the Class P license. Lutzke confirmed that the company will be a "rectifier," which is included under the definition of a Manufacturer in both Naperville and Illinois liquor code. Many went on to say that H.H. Shufeldt will be allowed to manufacture and sell 5,000 gallons of spirits per year, sell direct to retail or consumers, and will have a tasting room that can only sell cocktails containing the spirits manufactured by the company, vermouth and other non-alcoholic mixers. Many is the sole proprietor and only employee for the establishment.

Many requested that the Liquor Commission raise the Class P-Manufacturer license cap from 4 to 5 and questioned the 1.5 oz. limit listed in the container requirements for the license class. Mayor Chirico clarified that the container requirements refer to the size for each drink and not the total amount of alcohol or number of drinks that can be consumed on-premise. There was previously a limit on the number of drinks allowed for on-site consumption under the Class P, but it was removed several years ago. The rules will be the same as they are for any other on-premise consumption licensee in Naperville. Naperville BASSET training will be required for all staff and specifies that you cannot serve an intoxicated patron.

Commissioners asked why he was originally planning to locate in Montgomery and why he didn't pursue the liquor license issued there. Many stated that he originally chose to locate in Montgomery in partnership with Gray's Mill Estate, however, when he applied for his state license, he learned that Illinois law does not allow two different owners of liquor licenses at the same address. The Village of Montgomery issued him a separate address for his location, which was an outbuilding of Gray's Mill, however, Illinois liquor code also prohibits a liquor licensee from leasing a property from another entity with a liquor license. Purchasing the building was not financially feasible for him.

Commissioners asked how he will operate the establishment with only one employee, whether he will have food for his tasting room, what his security plans are and if placing a limit on the number of drinks allowed for consumption on-premise would affect his business model. Many replied that he will limit capacity for the small tasting room to 20 and have very limited hours. Food is not allowed under a Class 1 Distillery Illinois license. He went on to say that he does not plan to have security staff, but he will have security cameras, an alarm system and locked inventory. Many stated he will personally impose a 3 drink limit for patrons and that limit will not affect his business plan. If he sells 4,000 bottles annually, he will break even, which is his aspiration, as a retiree.

Commissioners asked if he considered moving his tasting room to the back of the unit to capitalize on the proximity to Solemn Oath and 2 Fools Cider. Many replied that federal law requires a physical wall between the tasting area and the work area and retrofitting the space to change the configuration is cost-prohibitive. Visitors will have to enter and exit from the front door on Quincy. Mayor Chirico asked if he is Naperville BASSET trained and Many reported that he will be trained as part of the liquor license application process.

Mayor Chirico reported that the property is partially owned by Commissioner Wehrli. Commissioner Wehrli has filed a recusal for the agenda item and was not in attendance for the meeting.

Commissioner Stauffer made a motion to approve the request to raise the cap on the Class P license from 4 to 5 and recommend it for approval by City Council, seconded by Koranda. The motion was approved and carried by the following vote:

- Aye: 6 Charvat, Douglas, Koranda, Signorella, Stauffer, and Vozar
- Excused: 2 Mayor Chirico, and Wehrli
- Absent: 2 Maher, and White

F. REPORTS:

Approve the regular Liquor Commission meeting minutes of June 9, 2022

Attachments: Liquor Commission Meeting Minutes 060922 DRAFT

Commissioner Stauffer made a motion to approve the regular Liquor Commission meeting minutes of June 9, 2022, seconded by Vozar. The motion was approved by unanimous vote.

1. Restaurant Association Report - Jeffries

Christine Jeffries thanked the commission for the recommendation on H.H. Shufeldt. Restaurant sales are up, and many establishments are having record years.

2. BASSET- Employee Training Statistics - Creighton

Creighton reported that 27 renewing individuals completed the online training this month. The next in-person BASSET class is scheduled for August 10, 2022.

3. Tobacco Enforcement Review - Creighton

Creighton reported that the first round of tobacco compliance checks for the new fiscal year will be in November/December. The 2 most recent tobacco violations are in the process of being adjudicated.

4. Liquor Report - Creighton

Creighton reported that there were 16 DUIs in June 2022, compared to 16 DUIs in June 2021. The average remains slightly higher than 2021. Commissioners asked what the "N/A" under Naperville Establishment means. Creighton stated that every officer who completes a DUI arrest asks where the individual is coming from, however, individuals who do not identify the establishment are marked as N/A.

Mayor Chirico asked if spot checks for on-premise consumption licensees can be conducted with the main issues of concern being adherence to capacity limits, ensuring there is no patron re-entry one hour prior to close, and no shots served one hour prior to close. Creighton confirmed that the police department will plan to conduct spot checks.

5. Liquor Concept Committee Update - Barfuss

Barfuss reported that since the last Liquor Commission Meeting, the Liquor Concept Committee had one meeting on June 16, 2022.

The following concepts were discussed:

H.H. Shufeldt Whiskey Co, discussed today

Davanti Enoteca, locating at 47 E. Chicago Ave. Suite 144 (currently Fat Rosie's)

New business seeking a Class B Liquor License with Downtown Outdoor Seating. Their request was approved, and their application is in process. Mayor Chirico noted that he would like to review the downtown outdoor seating layout for the business when it is submitted.

Festa Italiana, event scheduled for August 5th - 7th at Naper Settlement The 3rd party organizer is Star Events. The charity license holder is the Amici Naperville Area Italian American Club. They will be serving beer, wine and an Italian spirit spritzer. Their request was approved, and their application is in process.

Old Naperville Day, event scheduled for August 21st on Chicago Ave. (Washington to Main)

There is no 3rd party organizer. The charity license holder is DuPage PADS. They will be serving beer, wine and seltzer. Their request was approved, and their application is in process.

Last Fling, event scheduled for September 2nd - 5th on Jackson Ave.

There is no 3rd party organizer. The charity license holder is the Naperville Jaycees. They will be serving beer, wine, seltzer and canned cocktails. Their request was approved, and their application is in process.

Commissioners discussed pedestrians crossing Chicago Ave. where there is no crosswalk. Mayor Chirico noted that the issue is not in the purview of the Liquor Commission.

Commissioners asked why a cap is in place for the Class P license. Mayor Chirico stated that the cap is in place so that the requests are reviewed by the Liquor Commission and Commissioners can assess if the petitioner is a quality business before agreeing to issue a license. He went on to say that the cap on the Class P license was originally put in place with the approval of Solemn Oath Brewery by the City Council. Lutzke added that if there is a business the City does not want to approve for a liquor license, we cannot say no without a valid legal reason, so the cap both supports review and control of the issuance of a license by the Liquor Commission and City Council for certain license classes of concern and provides legal protection for the City.

G. EXECUTIVE SESSION:

None

H. ADJOURNMENT:

Commissioner Vozar made a motion to adjourn the Liquor Commission meeting of July 7, 2022 at 3:52 PM, seconded by Signorella. The motion was approved by unanimous vote.

/S/ Miranda Barfuss Miranda Barfuss Assistant to City Council