



Legislation Text

File #: 22-0637, Version: 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Waive the first reading and pass the ordinance amending Section 3-3-11:1 of the Naperville Municipal Code to allow the service of spirits under the Class R - Legitimate Theater House liquor license and set a cap of three for Class R licenses (requires six positive votes)

DEPARTMENT: Legal Department

SUBMITTED BY: Michael DiSanto, City Attorney

BOARD/COMMISSION REVIEW:

On May 5, 2022, the Naperville Liquor Commission voted unanimously to recommend to the City Council that the Class R - Legitimate Theater license be amended to allow the service of spirits and be capped at three

BACKGROUND:

The Matrix intends to be a multi-purpose space primarily comprised of a restaurant area and an adjacent area that will function as a configurable banquet and event space as well as a space for live music and theatrical performances. The concept is unique in Naperville. Details regarding the concept are below and floor plans are attached.

1. Address:
808 S Route 59 (next to Mall of India in the old Sam's Club space)
2. Hours:
11:30a daily; Until 11p Mon - Thu, until 2a on Fri & Sat, and until 1a on Sun
3. Capacity:
At capacity, the restaurant and event space may accommodate more than 2,000 customers
4. Restaurant:
4,500 sq ft restaurant featuring international fusion cuisine, with a customer bar, live music lounge, and VIP areas
5. Event Space:
20,500 sq ft featuring configurable banquet and event rooms as well as a venue for live music, DJ, and theater performances. Includes multiple customer bars and full alcohol service, with or without the service of food
6. Anticipated opening:

ASAP

The restaurant and event space will be under separate ownerships and alcohol will not be allowed to be carried between the two.

Staff worked with The Matrix's representative (Madan Kulkarni) to address all on-site uses with appropriate liquor licensing. It was determined that a three-license structure (B, K, and R with two permits) was most appropriate. Accordingly, The Matrix applied to the Liquor Commissioner for the following:

1. Class B - Restaurant & Tavern liquor license with a late-night permit and an entertainment permit;
2. Class K - Catering liquor license; and
3. Class R - Legitimate Theater House liquor license

Class R Spirits - An amendment to the Liquor Code to permit the service of spirits under the Class R liquor license

DISCUSSION:

Class R Spirits

The Class R - Legitimate Theater House liquor license allows the retail sale and service of beer and wine "[n]ot more than one hour before the start of the live theater performance and no later than one-half hour before the end of a performance. Service allowed during events (e.g. live music, birthday parties) that occur onsite at the legitimate theater house."

The Matrix states it needs the Class R license to serve alcohol during live music and theater performances when a full kitchen and food service may not necessarily be available. The Matrix is comfortable operating within the time restrictions provided under the Class R license, however, believes it necessary to be allowed to serve spirits during live music and theatre performances. The Class R license only provides for the service of beer and wine by the glass. Therefore, The Matrix requested that the Liquor Commission recommend an amendment to the Class R license to include allowing the service of spirits.

There are currently two Class R - Legitimate Theater house liquor license holders, Center Stage and Wentz Hall. If the proposed ordinance is passed, both of those establishments will gain the ability to serve spirits, in addition to beer and wine.

Liquor Commission

At its April 7, 2022 meeting, the Liquor Commission asked the The Matrix representative questions regarding the proposed concept to ensure adequate protections were in place concerning alcohol service. The Commission voted to table to matter to its next meeting to allow Commissioners to visit the premises and The Matrix representative time to provide more information concerning security plans. The minutes from the April 7, 2022 Liquor Commission meeting are attached.

At its May 5, 2022 meeting, The Matrix appeared with the head of its security team present. The Matrix presented security plans and agreed to register its cameras with the Naperville Police

Department. The police department liaison to the Commission opined that he is comfortable with the proposed security plan. The Liquor Commission expressed support in favor of issuing The Matrix the requested licenses and permits.

The Commission also voted unanimously (8-0) to recommend to the City Council that the Naperville Municipal Code be amended to allow the service of spirits under the Class R - Legitimate Theater House liquor license and to set a cap of three Class R licenses. A copy of the draft minutes from the May 5, 2022 Liquor Commission meeting are attached.

Attached is a copy of the ordinance amending the municipal code to allow the service of spirits under the Class R - Legitimate Theater House liquor license and set a cap of three Class R licenses.

FISCAL IMPACT:

Corresponding increase in sales taxes related to sale of spirits under the Class R - Legitimate Theater House liquor license