

MINUTES OF THE CITY OF PEORIA
LIQUOR COMMISSION
June 7, 2010

A meeting of the City of Peoria Liquor Commission was held in Room 404, City Hall, Peoria, Illinois, on June 7, 2010, Chairman Frank McCabe presiding.

ROLL CALL:

Present: Chairman Frank McCabe; Commissioners Ted Arndt; Don Jackson;
Virginia White - 4
Absent: Drew Cassidy - 1.

Others present: Deputy Liquor Commissioner Eric Turner; Assistant Corporation Counsel Sonni Williams; City Clerk Mary Haynes; Fire Capt. Dan McGann; Building Inspector Jim Stevens; Debbie Pinkney, City Clerk's office; Kristin Cannaday-Stash, Secretary, and concerned citizens and media.

I. CALL TO ORDER

Chairman McCabe called the meeting to order at 3:30 p.m.

II. APPROVAL OF MINUTES

Commissioner Jackson moved to approve the Minutes of the May 3, 2010 Liquor Commission Meeting; seconded by Commissioner Arndt.

Approved by roll call vote:

Yeas: Arndt, Jackson, McCabe, White - 4;

Nays: 0

III. LIQUOR SITE APPLICATIONS

10-15 Connected, Inc.
d/b/a Connected
3214 N. Dries Lane
Requesting: Subclass 3A (moving site of sidewalk café)
Has: Class B (restaurant, full-service bar)
Subclass 2 (live entertainment)
Subclass 3A (sidewalk café)

Troy Ummel, manager of Connected, presented an application for a Class 3A (sidewalk café) license. The liquor license at 3214 N. Dries Lane already has an approved Class 3A license, but the Code requires that any time a site is moved, a new application be submitted.

In discussion with Chairman McCabe, Mr. Ummel stated there was minimal use of their sidewalk café area. He indicated when they did use the area, it was usually during the lunch hours.

Hearing no more questions, Chairman McCabe called for the vote.

A motion was made by Commissioner Arndt to approve the change of site of the Class 3A (sidewalk café) Liquor License at 3214 N. Dries Lane; seconded by Commissioner White.

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Yeas: Arndt, Jackson; McCabe, White – 4;
Nays: 0.

IV. UNFINISHED BUSINESS

No unfinished business was brought before the Commission.

V. NEW BUSINESS

Discuss possible amendment to the City Code to add a caterer's license to include taking food and alcohol off premise by a licensed restaurant.

Attorney Sonni Williams explained that she had been asked to bring forward a discussion to the Liquor Commissioners for a possible amendment to the City Code that would allow licensed restaurant establishments with Class B (restaurant, 50% food), Class B-1 (restaurant, 25% food) and Class G (beer & wine only) to be able to sell and service alcohol along with food off premises. She indicated that this would be a discussion only, no business would take place at this time.

Attorney Williams stated there are other municipalities, such as Champaign, that allow a caterer's license to be added to an establishment that currently holds a liquor license; however, they are limited to no more than three-day events with at least 40% of the revenue coming from the sale of food. She added that each catering event also requires a special event license from the city.

Commissioner Jackson stated that was probably used to accommodate the football tailgating parties.

Attorney Williams stated that Bloomington also has a catering license that allows for off-premises sale of alcohol and food, which is in addition to the restaurant's liquor license and is limited to a certain number of events.

Attorney Williams explained that currently, Peoria's Liquor Code allows off-premise sales of alcohol in conjunction with food to Class K license holders only. Class K licenses are rental halls that are presented to the public as a rental hall versus a restaurant. Rental halls are required to have a capacity for at least 250 and food and alcohol can be catered to events which have been rented on premise or catered off-premise for \$40 per event. She added that in Peoria, restaurants are not allowed to serve alcohol off premise.

Attorney Williams stated that Normal also allowed catering license for their events which is also very limited. She cautioned about having bars traveling from event to event. She stated that Peoria is unique because we require site approval along with the licensing because we want to make sure that the location is appropriate for the retail sale of alcohol. She said that this would be loosening some of the strict requirements regarding site approval, but she added that under any liquor license, when there is a violation, the license holder is held responsible and subject to a fine, suspension or revocation of that license.

Chairman McCabe stated that a caterer should be primarily food and 40% is too low a percentage. He suggested 60% to 75% of food sales per event and indicated three-day events seem to be too long.

Steve Shaw, from Mercedes Restaurants, stated this had come up because they had been asked to cater some events and had told their customers they could cater the food, but not the alcohol; however, the customer could buy the alcohol from them, take it home and then hire their own bartender to dispense it. He said that this seemed to be a very convoluted way to handle this. He added they handled a catered event last year at the Zoo for the Boy Scouts who wanted them to cater the food and the alcohol. Because they could cater only the food, the Park District said they would handle the alcohol but all of Mercedes employees had to fill out a job application for the Park District and be approved so they could serve the alcohol.

In discussion with Chairman McCabe, Mr. Shaw stated that the event was about 70% food and 30% alcohol.

Attorney Williams stated this was not the first time a licensee has requested the possibility of a restaurant catering both food and alcohol off premise.

Mr. Shaw stated that Famous Dave's is getting ready to open soon and one-third of their business is catered events. He stated that the customers want the caterers to be full service.

City Clerk Mary Haynes stated that the current catering license does not have per-glass sales and alcohol must be sold in "bulk" where the customer pays one price and the caterer dispenses the food and alcohol.

Attorney Williams stated that a cash bar is not allowed at a catered event, but the food and alcohol are sold at a contracted per event price. She indicated there are off-premise events that do have alcohol per glass but those are limited to charitable organizations that submit an application and receive approval by the City Council.

Ron Helms, representing Mercedes Restaurants, stated they have been asked to cater weddings and other events at the Gateway, but they can only cater the food and their employees have to apply to become a Park District employee in order to serve alcohol at the event.

As a response to the question on the original purpose of prohibiting the catering of food and alcohol, Attorney Williams stated that the City is working with a Code that was codified in 1957 and unless there is a specific request or movement to amend that Code, those are the regulations that are in the book.

City Clerk Mary Haynes stated that, at the request of the Mayor, they had sent letters to all the B, G and K license holders so that they could have input into this discussion.

Commissioner Jackson stated he would like to defer this until there was more information about what other cities have.

Attorney Williams explained this was an initial discussion to provide the Commissioners an opportunity to have input on this subject. She stated that there were no directions from the City Council and no proposed amendment to be presented at this time.

Chairman McCabe agreed with Mr. Shaw that there is no reason to have such a convoluted way to cater events and stated there seemed to be a legitimate need for a change. He also said there would be revenue generated from this change.

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Commissioner Jackson requested that this be deferred until the July 6 meeting and asked that information be provided with ordinances from other jurisdictions, as well as a copy of the current Class K provision so he could make an informed decision.

Commissioner Arndt expressed concern about the transportation of open liquor back to the restaurant after the event by a busboy or someone else who is not 21.

Attorney Williams stated that transportation of open alcohol on the public way is illegal. She stated that the only exception to the illegal transportation of open alcohol is for restaurants where an open bottle of wine can be placed in a one-time use sealed bag for the customer to take home. She explained that if the restaurant would transport open alcohol, they are subject to a fine, suspension or revocation of their license and it is a State offense.

In discussion with Commissioner Arndt regarding left-over alcohol whether in a bottle or a keg, Attorney Williams stated they would have to use it at the event or dump it according to State law.

City Clerk Haynes stated that the Class K licensees sell in bulk. She said they determine how many bottles of liquor and how much food and then the customer owns that sale.

Mr. Shaw stated catering is an area that is expanding. He indicated that in the past 5 years, the requests have almost doubled. He stated they just cater the food now because they are not allowed to cater the alcohol but added that if they were allowed to cater alcohol, they are professionals and would not allow an 18-year-old busboy transport alcohol, just like they would not allow an 18-year-old serve as a bartender. He indicated they accept that responsibility and have Dram Shop insurance to cover any liability.

Pat Sullivan, representing Kelleher's, requested information about how other cities handle the open liquor transportation. He stated he could not believe they dump all the alcohol that is left. He indicated that wine salesmen come in with open bottles.

Attorney Williams stated that she would request information about this with the State Liquor Commission.

City Clerk Haynes stated there may not be urgency about this subject, but the times for most catering seems to be in the summer.

In answer to Commissioner Jackson, Deputy Liquor Commissioner Turner stated this is not scheduled for Council discussion, but the consensus he had of the Council was that if the Liquor Commission recommends this change, the Council would approve the amendment.

Attorney Williams suggested that if the ability to cater is allowed for the restaurants, it should become a subclass license with regulations as to how many events, the charge for each event and the percentage of food and alcohol at an event.

In discussion with Mr. Shaw regarding the transportation of left-over open alcohol, Attorney Williams stated that the State statute specifically limits one bottle of open wine per patron who purchased that wine in a one-time sealed bag. It does not provide for multiple bottles of open wine, she added.

Commissioner Arndt suggested that information be gathered from cities without a college or university, such as Springfield.

In response to City Clerk Haynes regarding the majority of catering requests, Mr. Helms stated that the majority were events at peoples' homes where they call in and say "here, you handle it" such as graduations or birthdays. He added they do have special large events that are handled once a year, such as Wine on the Prairie or the event at the Zoo.

Mr. Shaw stated the customers want a "one stop shop" and for it to be as simple as possible.

Mr. Sullivan agreed that it would be to the City's advantage to have the restaurants handle everything because they are the professionals. Their bartenders would be doing everything, even carding, and their Dram Shop insurance would cover any liabilities, instead of the patron having to hire some college kid who was not a professional and would not card their friends. He stressed that it becomes a professionally catered responsible event that way.

Commissioner Arndt suggested that the packaged liquor stores also may be affected by this change.

Commissioner White clarified that the caterers had been notified but no one had showed up at the meeting.

City Clerk Haynes stated that Childers had a Class B so he could cater food to her house, but she would have to go somewhere else to get the alcohol. She stated he wanted to be able to cater both.

Ian Cranston, representing Chevy's, stated they cater one to three events a week and have three to five To Go pick-ups a week, which go under the catering tab. He agreed that if they were able to add alcohol, their revenues would increase. He indicated his alcohol sales were around 35% of his revenues for the restaurant. He said they now offer soda with all of the To-Go and pick-up orders and they would be happy to offer a 6-pack of Corona instead.

Attorney Williams stated that any of the Class A, B or G licensees have the ability to sell at retail, which means that they can sell a bottle of wine to a consumer, they just cannot deliver it to them off premise.

In answer to Commissioner Jackson, City Clerk Haynes stated that the Commissioners had not heard about these requests because the applicants had always been told they could not cater alcohol off premise unless they had a Class K caterer license. She added that as the economy changes and lifestyles change, people are busy working and are looking for an easier "one stop shop" type of entertainment.

Mr. Shaw stated that the groups at parties and events are also getting larger and people do not know how to cook and serve large groups, so there is a big population that can be captured for new business.

Attorney Williams stated that the Commissioners would be provided with a proposal for an ordinance amendment, with Police Department input also, as well as information regarding what some of the surrounding municipalities provide as far as catering licenses and regulations are concerned.

VI. NEXT SCHEDULED MEETING

The next scheduled regular meeting of the Liquor Commission is Tuesday, July 6, 2010 (Monday is a holiday).

VII. ADJOURNMENT

Commissioner Jackson moved to adjourn the meeting; seconded by Commissioner White.

Approved by *viva voce* vote.

The Liquor Commission Meeting adjourned at 4:09 p.m.

Kristin Cannaday-Stash, Secretary