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**DOWNERS GROVE LIQUOR COMMISSION  
VILLAGE HALL COUNCIL CHAMBERS  
801 BURLINGTON AVENUE**

July 8, 2004

**I. CALL TO ORDER**

Chairman Kubes called the meeting to order at 6:30 p.m.

**II. ROLL CALL**

**PRESENT:** Mr. Barnett, Ms. Dietrich, Mr. Durkin, Mr. McInerney,  
Chairman Kubes

**ABSENT:** Ms. Haider, Ms. King

**STAFF:** Staff Attorney Ann Marie Perez, Prosecuting Attorney Ms. Beth  
Janicki-Clark, Liaison to the Liquor Commission Carol Conforti, Recording  
Secretary Arlene Balicki

**OTHERS:** Brian Sweeney and Mr. Bradd O'Brien, shareholders of North  
Beach, Linda Ciosek-Court Reporter, Gordon Humbert-Doubletree Hotel,  
Gary Mori-Hamilton Partners, Ron Sandack-Commissioner, Barbara  
Wysocki- Downers Grove Chamber of Commerce, Ralph Basile-VFW Post  
503, Kasu Sista-Rotary Club of Hinsdale, Larry Bryant-American Legion,  
Bob Smallwood-Rotary Club of Hinsdale, Jim Nibeck-Rotary Club of  
Hinsdale, Warren Gnau-DuPage, Jim Madary-Rotary, Herman Stift-Moose  
Lodge, J. Lippert-Moose Lodge.

**III. APPROVAL OF MINUTES**

**MS. DIETRICH MOVED TO APPROVE THE MINUTES OF THE JUNE 3,  
2004 LIQUOR COMMISSION MEETING AS PRESENTED.**

**MR. McINERNEY SECONDED.**

**VOTE:** **Aye:** Ms. Dietrich, Mr. McInerney, Mr. Barnett, Chairman Kubes

**Nay:** None

**Abstain:** Mr. Durkin

**MOTION CARRIED:** 4:0:1

Chairman Kubes made the following statements:

"I would like to remind those present that this evening's meeting is being recorded on Village-owned equipment. Staff is present to keep minutes for the record and a court reporter is present to take the minutes verbatim."

#### **IV. CONSIDERATION OF APPLICATION FOR RENEWAL OF LIQUOR LICENSE**

"Section 3-16(d) of the Downers Grove Municipal Code provides that applications for liquor license renewal shall be considered by the Liquor Commissioner and either approved or denied based upon the standards and qualifications for issuance as set forth in the Downers Grove Liquor Control Ordinance and state laws. However, before reaching a final decision, the Liquor Commissioner may refer any renewal application, and shall refer all renewal applications for which renewal may be denied, to the Liquor Commission for a hearing. In such case, notice shall be given to the licensee and the Liquor Commission shall conduct a hearing making a recommendation to the Liquor Commissioner regarding the renewal or non-renewal of the liquor license."

"For the licensee before us tonight, North Beach, the Liquor Commissioner has referred their renewal application to us because of the issue of over service of alcohol at the establishment. This is based on the high number of DUI arrests made in Downers Grove where the offender stated that he or she had purchased and consumed the alcohol at North Beach. This is the only issue before us with respect to the renewal application."

"The liquor license of North Beach expired on June 30, 2004. However, pursuant to Section 3-16(e) of the Liquor Control Ordinance, the licensee is allowed to continue selling alcohol under the old license until the Liquor Commissioner makes a decision concerning the renewal of the license."

"The order of the license renewal hearing will be substantially as follows:

- A. Prosecution will present its case with the opportunity for the licensee to cross-examine any witnesses.
- B. Licensee may present any defense or mitigating evidence with right of prosecution to cross-examine any witnesses.
- C. Summary of case by prosecution and then the defense."

"The Commission will submit its recommendation to the Local Liquor Commissioner regarding the renewal of the liquor license. Upon receipt of the recommendation of the Commission, the Commissioner will render a decision and the licensee will be notified in writing."

"Witnesses shall be sworn."

"Strict rules of evidence will need not be adhered to although the Commission expects to exercise control over the hearing to ensure that irrelevant or repetitive testimony does not unduly prolong the hearing."

"A court reporter is present to take the proceedings verbatim. Staff is also present for the purpose of summarizing the proceedings."

"Since notice of this renewal hearing, staff has been in contact with the owners of the establishment to discuss possible steps that may be taken to address the over service of alcohol to their patrons without admitting any guilt as to violation of the ordinance."

Chairman Kubes asked any individuals in the audience who were here to represent the applicant, to please step forward and be seated. He asked that any individual giving testimony be sworn in by the Court Reporter.

Mr. Bradd O'Brien introduced himself as a shareholder of North Beach. Mr. Brian Sweeney introduced himself as a shareholder of North Beach. They were sworn in by the court reporter.

Ms. Clark stated that North Beach, located at 1211 B Butterfield Road had submitted a liquor license renewal application to the Village. The Liquor Commissioner has referred their renewal application to the Liquor Commission for review in light of the high number of DUI notification letters sent by the Village to North Beach dated July 1, 2003 through June 30, 2004. There is a stipulation in this case, which details the DUI notification program.

Ms. Clark stated that when a traffic stop is made, the officer asks the offender if they have been drinking, where they have been drinking, what they have been drinking, and how much they had to drink. Since July 1, 2003, in 17 separate DUI arrests, North Beach has been named by the person arrested for DUI as the place where he or she had consumed the alcohol. For each of the 17 incidents, the police department has informed North Beach of the arrest.

Ms. Clark stated that both Section 3-25(a) of the Liquor Control Ordinance and Chapter 235 ILCS 5/6-16 of state law, prohibit the service of alcohol to any intoxicated person.

Ms. Clark stated that the parties to this hearing before the Liquor Commission of the Village of Downers Grove, by and through their attorneys, if any, hereby stipulate as follows:

1. That North Beach Downers Grove, LLC d/b/a North Beach (Licensee), 1211 B Butterfield Road, Downers Grove, Illinois, is the holder of a Class G-2/O Liquor License #19-00529, issued by the Village of Downers Grove. That said Licensee has

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held a liquor license for this location from the Village of Downers Grove since January 10, 1997.

2. That on or about May 17, 2004, the Licensee filed an application for renewal of its liquor license for the term beginning July 1, 2004, and extending through June 30, 2005.

3. That notice of this hearing was served upon the Licensee by certified mail to its registered agent and by personal delivery to the manager of the licensed premises.

4. That the Village of Downers Grove operates a program whereby liquor licensees are notified of any arrests for driving under the influence of alcohol where the offender alleges that the alcohol was purchased and consumed at their establishment. The program was started in January of 1995 and operates as follows:

It is standard procedure during arrests for driving under the influence of alcohol for the police officer to conduct an interview of the offender after the offender has been read his or her rights. During this interview, the offender is asked have they been drinking, what they have been drinking, how much they drank, where they were drinking and during what time period they had been drinking. The responses to the interview questions are set forth in writing to an Alcoholic Influence Report Form.

All Alcoholic Influence Report Forms are forwarded to Lieutenant Tim Gunn of the Downers Grove Police Department. He identifies any liquor establishment where the offender claims to have been drinking prior to the arrest and forwards a DUI notification letter to the establishment informing them of the arrest, advising them the blood alcohol content of the person arrested, and reminding them to be more cautious in the service of alcohol by identifying intoxicated patrons.

In 17 DUI arrests made in Downers Grove since July 1, 2003, the offender stated that he or she consumed alcohol at North Beach, 1211 B Butterfield Road.

That pursuant to his normal and customary practice in connection with the Downers Grove DUI Notification Program, Lieutenant Tim Gunn sent Brian Sweeney, liquor manager of North Beach, a DUI notification letter after each of the 17 DUI arrests described above.

That true and correct copies of the 17 DUI Notification letters sent to and received by Brian Sweeney are attached hereto and made a part hereof.

5. While not admitting that any violation to the Downers Grove Municipal Code occurred with respect to the sale of alcohol to intoxicated persons, the Licensee has agreed to take certain steps to prevent the service of alcohol to intoxicated persons. Those steps are outlined below:

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- a. Discontinue all outside advertisements, including but not limited to, radio, print ads, billboards, mailers and flyers relating to Thursday night drink specials;
- b. Actively promote a Designated Driver Program;
- c. Require employees to view a Victim Impact Panel videotape from the Alliance Against Intoxicated Motorists as part of their established training program;
- d. Designate a "spotter" trained in recognizing signs of intoxication who will be present on Thursday evenings from 8:00 p.m. until close and discontinue liquor service to those patrons appearing to be or becoming intoxicated.

Ms. Clark requested that the signed Stipulation of Facts with attachments be admitted as Village's Exhibit #1.

Chairman Kubes stated that the signed Stipulation of Facts be accepted as Village's Exhibit #1.

Chairman Kubes asked that representatives of the Licensee proceed and present any defense or mitigating evidence.

Mr. O'Brien said that he is not very experienced at this type of hearing. He said that he discussed the DUI problem with Ms. Conforti on several occasions in order to exchange ideas of what might help to curb the problem. He said that North Beach has been in existence in Downers Grove since 1997 and in Chicago since 1992. He added that the business has been consistent and successful.

Mr. Sweeney said that a lot of time was spent with Ms. Conforti in order to formulate the four points to help impact the over consumption of alcohol. He added that he's anxious to start implementation.

Mr. O'Brien noted his concern regarding the results of their efforts in solving the DUI problem. He said that the number of DUI's in the Village of Downers Grove have gone up overall. He added that this is a difficult issue and he will proceed with internal efforts to better identify alcohol abuse by their patrons.

Mr. Barnett thanked Messrs. O'Brien and Sweeney for taking the time to appear before the Liquor Commission. He said that he's sympathetic to their plight. Upon review of DUI records, North Beach produced a similar amount of DUI arrests on a yearly basis. This year, the number is up to 17, however, it remains at less than 1/3 of DUI arrests. He noted that enforcement efforts most likely have increased. He said the Liquor Commission is charged with enforcement of the Liquor Ordinance which is designed to prevent DUI's. He asked Mr. O'Brien and Mr. Sweeney to reflect on the challenges of their operation.

Mr. O'Brien said that you can't look at someone and know his or her blood alcohol level. Also, he said that some people have a higher tolerance to alcohol. He then discussed the idea of hiring a spotter who will specifically look for people who constantly go to the bar. He added that it is difficult, however, to tell when someone is approaching a level which is against the law. He said the spotter may apply an armband to a patron who needs to be monitored.

Mr. Barnett asked if the spotter program is an original idea and asked about the training involved. Mr. Sweeney replied that it is an original idea. They currently have a number of security personnel throughout the facility. The spotter will focus on consumption throughout the facility. They have a mature individual in mind who is 45 years of age, Bassett trained and through the State's Attorneys office. Mr. Sweeney said that he has *carte blanche* to go behind the bar and talk to bartenders, etc. He will document the evenings' happenings. He will also encourage people to take advantage of the taxi program. Mr. Barnett asked if there has been any thought to curb the *last call*. Mr. O'Brien said they recently experimented with not having a last call.

Mr. Barnett commented that if establishments were singled out, North Beach and one other location would be a big part of DUI frequency. He requested them to be forward with the Village insofar as helping them. Mr. Barnett said that he is impressed by their ideas and efforts and hopes they work.

Mr. O'Brien said they have a good record as far as sting operations are concerned.

Mr. Durkin said he agrees with their efforts and commended the four bullet points. He said that the Village sent out 19 DUI notifications last year. This year, there were 64. He said that reflected a 344% increase. He asked how many customers are served on Thursday night because four out of nine DUI's occurred on Thursday evening. Mr. Sweeney replied that approximately 800 people stop at their facility on Thursday nights. Mr. Durkin commended them on their efforts to address the problem.

Mr. McInerney asked what had been done throughout the year as the notification letters were received. Mr. Sweeney said that first they meet with management. They discuss the issues and see what improvements can be made. They also met with Ms. Conforti about 6 months ago. Staff is required to be certified. They also will get a cab for patrons or call the police, if needed. Signs are placed throughout the facility noting the consequences of a DUI. Also, the DJ announces that there is alternative transportation.

Mr. Sweeney noted a flaw in the DUI notification program in that the letters are received several weeks after the incident. He said it's difficult to retrace the history of that evening to find out who the bartender was, security guards and so on. Mr. McInerney asked if their employees understand their role in terms of their participation in controlling overservice. Mr. Sweeney said that they understand the consequences and are sincere about trying to solve the problem. Mr. O'Brien said that first, they are focused on the cash they will take home. Also, bartending is basically a temporary situation. He said

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that he takes liquor handling seriously and so does his management team. Mr. McInerney said he may want to consider an incentive program to recognize proactive employees.

Mr. McInerney asked for the volume of food service in correlation to the volume of alcohol sales. Mr. O'Brien said that it varies and that food is always available. However, not everyone is eating as they would at a restaurant.

Ms. Dietrich asked how many hours a week they work at North Beach. Mr. Sweeney said that he's there about 50 hours per week. Mr. O'Brien said that he is usually in the Chicago facility. She said the 4 steps are a great idea. She suggested revisiting with staff in about 6 months to see if they are beneficial.

She asked for specifics about the taxi program. Mr. Sweeney said a few cars are available at all times and also the cab company phone number is posted. Ms. Dietrich asked if patrons are ever forced into a cab or if police are called if patrons are intoxicated. Mr. Sweeney said it occurs once every two or three weeks. Ms. Dietrich asked how the spotter will handle an intoxicated individual besides the armband. Mr. Sweeney said that it's a new program and the spotter will be responsible for its implementation. He added that the wristband will be one way to identify a person that shouldn't be served. Mr. O'Brien said at this point, the reaction of the patron isn't important. Ms. Dietrich suggested utilizing a breathalyzer. She asked if the Thursday night drink specials would still be offered even though they are not advertised. Mr. Sweeney replied that they would be offered.

Chairman Kubes thanked them for appearing before the Liquor Commission and by taking a proactive approach. He said that he doesn't want to micromanage, although some helpful ideas might be useful. He also added that the Commission is not trying to chase North Beach out of the Village. He commended their ideas, but noted that since 1995, they have been on the DUI notification list every year. He said the majority of the DUI's that occurred last year at North Beach occurred after midnight. He said one of the blood alcohol contents was 2 ½ times over the legal limit, which indicates over service. He added that individuals vary greatly insofar as alcohol tolerance. Chairman Kubes said that 18 of the 64 licensees were notified for DUI notification. Out of the establishments notified, North Beach had the vast majority of them. He said they were brought before the Liquor Commission in order to raise awareness. He noted that they met with Ms. Conforti a few times in the past few years and asked what changes occurred since those meetings.

Mr. O'Brien replied that the business has grown and noted that a lot more attention has been paid to his establishment. He noted the high volume of customers who frequent their establishment to approximately 150,000/year. He said the Police are in their parking lot every night on the weekends and do eight to ten drive-bys each night. Mr. Sweeney reiterated the importance for him to receive notification of DUI's sooner. He said there is a false sense of security and 6 weeks later, they receive a letter that 4 DUI's occurred. He noted the difficulty of retracing the evening of the DUI.

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Chairman Kubes thanked Messrs. O'Brien and Sweeney for taking a pro-active approach. He said that this is the first time this establishment has appeared before the Liquor Commission for this problem. He added that he wishes North Beach continued success; however, he said that the Commission desires to help stop the problem. He said that part of the problem stems from the atmosphere of North Beach. That being, the higher sale of alcohol versus food, outside of the catering business. He also questioned the need for the last call.

Chairman Kubes suggested the following:

- 1) Napkins or coasters printed with a designated driver program, in order to raise awareness.
- 2) Servers to push food.
- 3) Reward to servers who find underage drinkers, or intoxicated customers.
- 4) Designated driver program (offer free soda or food).

He said their liquor-handling manual is very basic and perhaps it could be more comprehensive. He noted, for example, a lack of notation that the server will be fined for a violation. Chairman Kubes said that his intent is not to micromanage, only to offer helpful suggestions.

Mr. Barnett questioned the ease to identify employees if notification of DUI's was received earlier. Mr. Sweeney replied that it would definitely help. Mr. Barnett said the DUI problem is not limited to North Beach. He said that actually, the percentage dropped from 32% to 27% this year. He noted that the reported number of DUI's has increased which is most likely due to increased enforcement. He added that anything North Beach does to curb the problem will be helpful to the community as a whole. He said the fact is that there will be a point when the DUI problem is severe enough to warrant the Liquor Commission and Liquor Commissioner to feel obligated to do something which may adversely affect all the license holders. He said the idea is to avoid that situation by taking adequate measures now. He asked if they would e-mail Ms.Conforti with an editorial on the suggested ideas.

Mr. Sweeney stated that he does take liquor handling seriously. He is excited to put some of the suggestions in place. He said that he would do everything in his power to keep the number of DUI's down.

Ms. Clark summarized as follows by stating that North Beach, while not admitting any guilt for violation of the Liquor Control Ordinance with respect to the over service of alcohol, has agreed to discontinue all outside advertisements, including but not limited to, radio, print ads, billboards, mailers and flyers relating to Thursday night drink specials; promote a Designated Driver Program; require employees to view a Victim Impact Panel videotape from the Alliance Against Intoxicated Motorists as part of their established training program; and designate a "spotter" trained in recognizing signs of intoxication who will be present on Thursday evenings from 8:00 p.m. until close and discontinue liquor service to those patrons appearing to be or becoming intoxicated. She

recommended that the 2004/05 liquor license be renewed in light of the fact of the licensee's willingness to address the over service of alcohol and take measures in an effort to reduce the number of DUI notifications attributable to the establishment.

Mr. Durkin said that he would like to see outside advertising related to drink specials abolished. Ms. Clark clarified that is included in the stipulation.

Chairman Kubes requested a recommendation from the Commission concerning its finding with respect to the renewal application with regard to the Class G-2/O liquor license.

**MR. DURKIN MOVED TO RECOMMEND THAT THE CLASS G2/O LIQUOR LICENSE FOR NORTH BEACH LOCATED AT 1211 B BUTTERFIELD ROAD BE RENEWED FOR 2004/2005 WITH THE RECOMMENDATION THAT THE LICENSEE:**

- \* **Discontinue Outside Advertising related to Thursday night drink specials**
- \* **Promote a Designated Driver Program**
- \* **Require all employees to view a Victim Impact Panel Video**
- \* **Designate a "spotter" trained in recognizing signs of intoxication Thursday evenings 8pm to close**

**MR. BARNETT SECONDED.**

**VOTE: Aye:** Mr. Durkin, Mr. Barnett, Ms. Dietrich, Mr. McInerney, Chairman Kubes

**Nay:** None

**MOTION CARRIED: 5:0:0**

## **V. OLD BUSINESS**

### **Ordinance re: Extension of Liquor Serving Hours**

Ms. Conforti said that last month she approached the Commission about requests for the extension of liquor serving hours. Based on the results of their discussions, she is now providing a revised Ordinance, which was included in their packets. It increases the number of times a licensee may request for the extension of liquor service hours from 2 to 8. A fee of \$25.00 shall be required for each liquor extension. Each extension shall be forwarded to the Village, in writing, no later than two weeks prior to the date of the request. This extension will allow licensees on holidays and special occasions to request additional serving hours from the Mayor. Ms. Conforti said the revised Ordinance will be presented to the Council either in late July or early August. She will e-mail the Liquor Commission Members as to the final date.

### **Ordinance re: Brunch License**

Ms. Conforti said that at a previous Liquor Commission meeting, a Brunch License was discussed. Licensees could apply for this additional license, which would be structured similar to the Class "O" license. This would allow licensees to begin serving alcohol either at 9:00 a.m. or 10:00 a.m. on Sundays. She has spoken to a few licensees with the potential to serve brunch. Such a representative is present. She has not officially received a request for the creation of this license. She said the only other community with a Brunch License is Lisle where the license is limited to hotels. She said that she feels it would be unfair not to offer it to all licensees.

Mr. Gordon Humbert of the Doubletree Hotel introduced himself as the General Manager. He said that the Doubletree Hotel does not currently do a regular Sunday brunch, only on Mother's Day and Easter. He said that unfortunately, he's been limited to starting at noon, while most brunches begin at 10:00 a.m. He said that in order to be competitive, he has to offer non-alcoholic champagne or lower his price. He said that it makes it difficult to compete. Chairman Kubes asked Mr. Humbert if he was aware of extension requests. He said that he is aware of it, but has never applied for it. Ms. Conforti noted that revision to the Ordinance concerning liquor service extensions from 2 to 8 times per year would be beneficial.

Ms. Dietrich asked Mr. Humbert if he feels there's a need for brunch service more than 8 times a year. He said that he would prefer to have the option to serve early whenever he wants.

Mr. Durkin asked how far in advance a licensee could request a special liquor license. Ms. Conforti replied "at least 2 weeks prior to the event". Mr. Durkin said this may cause problems for licensees, for instance because of advance advertisement. Chairman Kubes clarified that the 2-week notice is a minimum timeframe to receive the request. Ms. Conforti stated that it might be beneficial for a hotel, such as the Doubletree to obtain a brunch license as opposed to being limited to 8 extensions of hours. She suggested a \$200 fee for this type of license. She added that they will have to go through the hearing process.

### **Sign Ordinance**

Ms. Conforti said the Village Attorneys are still working on a draft ordinance. The deadline for the moratorium is August 3<sup>rd</sup>.

Mr. Barnett said that the reference to signs should be removed from the Liquor Ordinance. However, he believes the Village Attorneys are reluctant to do so until the new Sign Ordinance is completed. He suggested that the Liquor Commission reach a consensus as to their concerns and the types of things they either wish to prevent or promote. Chairman Kubes asked Ms. Conforti if she had forwarded the minutes of previous Liquor Commission meetings to the Plan Commission. She replied that she has not.

Ms. Clark said that there are two draft ordinances. One is a complete revision to the Sign Ordinance and will require more committee work. Another draft would be a quick fix. She believes a committee will be appointed to address issues in the complete overhaul ordinance. She suggested that any recommendations be done quickly so that they can be forwarded to the committee.

Mr. Barnett asked if the quick fix touches on liquor related issues. Ms. Clark replied that it is specific to the Zoning Ordinance. Chairman Kubes asked Ms. Conforti to highlight some of the important items from the minutes from previous meetings of concern and forward them. Ms. Clark asked how the Liquor Commission members feel about exterior signs.

Ms. Dietrich said that she is opposed to neon sign for aesthetic reasons and because it promotes liquor. She said that insofar as marquees, they are not attractive. However, from a business standpoint, it is easy to utilize them.

Mr. Barnett said there should be a distinction between on-premises licensees and off-premise licensees. He said the Liquor Ordinance is quite specific in regards to on premise consumption being secondary to the sale of food. He added that anyone advertising alcohol does so with the hopes of selling alcohol. He feels that on premise consumption should not be advertising for the consumption of alcohol.

Mr. McInerney said that he agrees with Mr. Barnett regarding on-premises alcohol consumption advertising. He said if the Village chooses to allow advertising for alcohol, he would support similar language in the ordinance in terms of prohibiting brand advertisement.

Mr. Durkin asked if Oak Brook's ordinance has been reviewed. He said that their community does not allow any advertisement of liquor. He added that they probably have the best sign ordinance besides Darien and Willowbrook in the county. He suggested borrowing from them. He agreed with his colleagues insofar as prohibiting advertising for on premise consumption of liquor.

Chairman Kubes said that he has mixed feelings on this subject. He feels that it's the business's right to promote what they're selling. For example, he doesn't see a problem with a restaurant stating that they have pasta, beer and margaritas. He's opposed to 4'x8' banners saying "we sell margaritas 1/2 price". He's opposed to neon signs and drink specials. He said that he favors promoting businesses, but not the wrong type of atmosphere.

Ms. Clark said it might help to limit the amount of signage per business. This can be accomplished by limiting the amount of signs by total square footage. She added that there currently are no restrictions on window promotional signs.

Chairman Kubes asked if the intent is to try to eliminate signage from the Liquor Ordinance altogether. Ms. Conforti said the way the ordinance reads now, it only applies

to liquor license holders. She said that the sign ordinance has to be looked at in its entirety. Mr. Durkin again recommended looking into Oak Brook's ordinance. Mr. Barnett suggested removing the liquor sign portion from the Liquor Ordinance as soon as the work of the Sign Review Committee is completed. Ms. Clark said that it would be premature to do it now. She also recommended waiting until completion of the sign ordinance.

**MR. DURKIN MOVED TO FORWARD ALL MINUTES REGARDING DISCUSSION OF SIGNAGE TO THE STRATEGIC PLANNING COMMITTEE. MR. McINERNEY SECONDED.**

**VOTE: Aye:** Mr. Durkin, Mr. McInerney, Mr. Barnett, Ms. Dietrich, Chairman Kubes

**Nay:** None

**MOTION CARRIED: 5:0:0**

## **VI. NEW BUSINESS**

### **Gambling; Bingo/Pulltabs**

Ms. Conforti said that during a recent review of a request for a bingo license, it was realized that there are provisions in the Liquor Code that restrict gambling. She said that there are three liquor license holders in the Village who may conduct bingo on premises; those being the VFW, American Legion and Downers Grove Moose. Pursuant to the gambling definition, bingo and pull-tabs are not allowed. After discussion with the Mayor, Ms. Conforti proposed easing the restriction for bingo and pull-tabs and allowing it at Class "C" liquor license establishments. The condition being that the licensee has to hold a valid license from the Illinois Department of Revenue proceeds gained from these not-for-profit organizations must benefit charities. She said that two of the three organizations currently hold valid licenses from the State. She said the purpose of an amendment to the Ordinance is to close the loophole between Section 3.33 and Section 15.13 and allow Class "C" establishments to conduct bingo and pull tab activities. She proposed a draft ordinance be presented to the Village Council sometime in either late July or August.

Mr. Herman Stift introduced himself as a trustee for the Moose Lodge. He said that his members believe in contributing to the community and are a charitable organization for children. He said that all contributions from lodge members benefit children in Moose Heart. Also, a Moose Haven exists in Florida for the retirement of Moose members. He added that bingo and pull-tabs are methods of generating donations for charity while providing entertainment and some fun.

Mr. Larry Bryant introduced himself as a representative of the American Legion. An Act of Congress created the American Legion in 1919 and his post became a Charter member at that point in time. He said that they have both a bingo and pull tab license with the

State of Illinois. He added that they've had this license for approximately 50 years. The proceeds from bingo are nil. He said they hold bingo on Tuesday of every week at 6:30 p.m. The net from the income goes to two scholarships and a school lunch program. He said that they participate quite actively in the community and most of their money stays within Downers Grove and the surrounding suburbs. He said that their Post is open to the public on bingo nights and receptions for private individuals. He said the income from bingo and pull tabs represents about 40% of their total gross income for the fiscal year.

Mr. Ralph Basile introduced himself as Commander of Post 503. He said that they don't have too much exposure to bingo. Their only opportunity is at Heritage Festival, which is a huge success. Their monies are used for a national home for foster children in Michigan. He also gives money to a group called Sharing Connections, which is a not-for-profit organization. He said they donate dry goods and food to them. They have donated money to the Police Department to purchase vests and to the Fire Department for the purchase of defibrillators. A scholarship is given through the Voice of Democracy Award.

Ms. Dietrich asked if they need to obtain the Illinois State License. Ms. Conforti said they can apply to the Illinois Department of Revenue for either an annual bingo/pull tab license or one based on the number of activities per year.

### **Gambling & Casino Nights**

Ms. Perez said that recently, the Village has received inquiries into the ability to host casino nights to raise money for charity. She said that two ordinances are in conflict with the general casino night. She further stated that most often people want alcohol served on casino night.

Ms. Perez stated that the intent is to change Ordinance No. 3-33(A) to allow bingo, pull tabs and jar games a Class "C" liquor license establishment. Currently, the Village of Downers Grove specifically prohibits gambling on any liquor-licensed premises. She said the Village of Downers Grove specifically prohibits gambling within the Village although we do allow bingo, pull-tabs and jar games, lotteries and charitable games when conducted in accordance with the corresponding state statutes. (Ordinance No. 15-13.) She said that in order to obtain a state license for any of the allowable types of gambling (bingo, charitable games, etc.) an organization must be a not-for-profit organization defined as: "An organization or institution organized and conducted on a not-for-profit basis with no personal profit inuring to any one as a result of the operation."

Ms. Perez said that an establishment with a liquor license could not hold a casino night themselves. A not-for-profit organization would have to request a casino night at a licensed establishment if an amendment to the liquor ordinance is permitted.

She said that she pulled the ordinances for St. Charles, Glen Ellyn, Oak Brook, Oakbrook Terrace, Woodridge, Schaumburg, Hinsdale, Carol Stream and even Aurora. None of

these towns allow alcohol and gambling together. For Aurora, gambling (with alcohol) on a riverboat is allowed since it is not on land.

She has had conversations with the Mayor who indicated he attended a casino night in Oak Brook. She then contacted the Oak Brook Village Clerk and the Clerk confirmed that they, indeed, do have an ordinance similar to ours that prohibits alcohol and gambling in the same establishment. Apparently, the organization that held the casino night did not notify the Village of their event. If the organization conducting the event does not contact the municipality, the event proceeds. This, however, does not make it right or legal.

She said that about 10 years ago, there were requests for casino nights. If the municipality submitted their ordinance that does not allow alcohol and gambling to the Department of Revenue (the state entity who issues licenses), they will not issue a license to that entity for that specific event. Downers Grove is one of only a few municipalities who have actually submitted their ordinance regarding this ban. This may be another loophole that allows a casino night events to occur. If the Department of Revenue is not aware of the ordinance, they cannot control the issue.

It was requested that the Liquor Commission consider whether or not the Village should allow such events to occur, effectively, requesting a change in the ordinance. She noted that Downers Grove may be one of the only communities to allow gambling and alcohol together.

Mr. Madary introduced himself as the fund raising chairman for the Rotary Club of Hinsdale/Oak Brook. He said that an alliance was formed between the Rotary Club and the Women's Community Service Organization called Kids in Need. He is planning to hold a casino night. They are anticipating 500 attendees and charging \$100/ticket. They will have a sit-down dinner, gaming tables and dancing. They would like to have it in Downers Grove at Esplanade Lakes. They are working with a consultant who does 150 casino nights a year. He said that he is unsure that a casino night is gambling because all the money is donated. All of the profits are donated to children with special needs. He requested a variance for the evening. He said it's a popular way for non-profit organizations to raise money for children.

Chairman Kubes asked for the date of the event. Mr. Madary replied September 11<sup>th</sup>. Chairman Kubes asked staff if the casino night is considered gambling. Ms. Conforti said that according to Section 15.13 of the Ordinance, "No person shall, upon any premises or within any building within the Village occupied or controlled by him, set up, keep, maintain or operate or permit to be set up, kept, maintained or operated any card game or instrument, device or thing for the purpose of gambling or with which money or property, or anything representing money or property or anything of value shall in any manner be lost or won." Ms. Perez said that this could be done in accordance with the Illinois Charitable Games Act, but it is against the Liquor Code. Ms. Conforti said that Mr. Madary would have to apply for the license in order to conduct the activity. She said

the problem is that gambling is not allowed, even if they receive the license on any licensed establishment, for example, the Esplanade.

Ms. Dietrich asked what the concerns are for this activity. Ms. Perez replied that if gambling is allowed with liquor, the door might open to gentlemen's clubs, poker nights, etc. which might attract undesirable activities.

Mr. Barnett asked if the group conducting the event could obtain a Special Event License, similar to Oktoberfest. He clarified that if the only way gambling can coincide with alcohol is by getting a Special Event License, and then anyone can get it. He said that if an out of town group wants to hold an event in town, then the in town establishment has to get a license. Ms. Conforti said that regardless, the wording in the Ordinance would have to be eliminated, such as "gambling is not permitted on any licensed establishment". She said that a licensed establishment must submit application for a Special Event License.

Mr. McInerney said that he agrees with the suggestion of modeling the ordinance after the brunch license. He added that having the ordinance based upon existing license holders allows a control over licensed establishments versus an entirely new educational process for people who serve alcohol in the community. He said it ties into the Liquor Commission's mission.

Mr. Durkin said that Oktoberfest and the Library events are non-licensees doing a one-time event with no particular training structure. He asked if gambling is included in the activities of the Special Event, should there be a difference. He stated that he doesn't believe there should. After further discussion, both Ms. Clark and Ms. Perez agreed that a Special Event License could be issued both to an existing licensee and not-for-profit organizations.

Mr. Jim Nibeck said that he is a member of the Rotary Club of Hinsdale/Oak Brook. He said that he's concerned about the reference to a licensed establishment receiving a Special Use only 3 times a year. He said that Rotarians are business people and if Downers Grove is the only community where a casino night could be legally held, the Village's hotel facilities will be overwhelmed with organizations that do it. He knows that there are several hundred casino nights held each year in northern Illinois by charitable organizations. He said that placing a limit of a few times a year is counterproductive.

Ms. Dietrich commented that the intent is not to have Downers Grove noted as a gambling community.

Mr. Nibeck said that Rotary events are \$100/person as a minimum. He said that price includes the meal and drinks for the evening, not the gambling. He said it's not like going to a riverboat to gamble.

Ms. Conforti explained the Special Event Liquor License. She said that an applicant is limited to 3-events/calendar year. She said if a license holder, for example, the Esplanade wanted to do a special event involving gambling, they could apply for 3 events per year. She added that this is a way to bring business into Downers Grove, but not make it a regular activity.

Mr. McInerney agreed that he is concerned about casino nights becoming regular events.

Mr. Barnett asked if the Class "C" license could be segregated and only issued for not-for-profit organizations. Ms. Conforti said that a Class "C" license is a very particular license, which is only issued to not-for-profit charter clubs. Ms. Perez clarified that the proposal was to allow bingo and pull tabs, not charitable games. Chairman Kubes asked if the "C" license is limited to only 3 licenses in the Village. Ms. Conforti replied no. The bingo and pull-tabs can be conducted on a regular basis. She said that the distinction is that they're a club and not open to the general public, like the Esplanade.

Mr. Nibeck commented that he is unable to receive a gaming permit from the State without the Village's ordinance allowing it.

Ms. Conforti said the Mayor asked for guidance from the Liquor Commission as to allowing gaming activities on licensed premises.

Chairman Kubes said that he is in favor of club licenses to continue bingo. Ms. Conforti said that she would provide a draft ordinance to the Liquor Commission for their perusal. He asked for separate motions.

**MR. BARNETT MOVED TO ALLOW CLASS "C-1" LIQUOR LICENSE HOLDERS TO OPERATE BINGO AND PULL TAB ACTIVITIES IN ACCORDANCE WITH THE STATE ACT. MR. DURKIN SECONDED.**

**VOTE: Aye:** Mr. Barnett, Mr. Durkin, Mr. McInerney, Ms. Dietrich, Chairman Kubes

**Nay:** None

**MOTION CARRIED: 5:0:0**

Chairman Kubes said that he would like to continue discussion to allow gaming activities.

Mr. Nibeck asked if the Commission would allow a special opportunity to hold a casino night within the next six to eight months. Chairman Kubes replied that the Commission does not have the authority. He said that the minutes will be forwarded to the Village Council. He suggested Mr. Nibeck attend the Council meeting when the issue will be discussed and also to attend the next Liquor Commission meeting. Mr. Barnett agreed that only the Village Council has the authority to change the ordinance.

Mr. Nibeck commented that the irony is that this is similar to prohibition. He said that he could go to several major facilities in the Oak Brook area and have a casino night. He'd said that they would like to hold the event in Downers Grove. Chairman Kubes said that the ordinance cannot be changed in one evening but recommended forwarding the minutes to the Village Council and for legal counsel to draft an ordinance.

**MR. DURKIN MOVED TO DRAFT A REVISION TO SECTION 3-33A TO ALLOW GAMING ACTIVITIES FOR LIQUOR LICENSE HOLDERS. MR. BARNETT SECONDED.**

**VOTE: Aye:** Mr. Durkin, Mr. Barnett, Mr. McInerney, Ms. Dietrich, Chairman Kubes

**Nay:** None

**MOTION CARRIED: 5:0:0**

Ms. Conforti said that Mangiate Ent. Ltd. d/b/a Big Dogs & More requested a name change to Gina's Belmont Grill. She said the next meeting is scheduled for August 5<sup>th</sup> and the group will further discuss the draft ordinance at their next meeting.

#### **VII. COMMENTS FROM THE PUBLIC**

There were none.

#### **VIII. ADJOURNMENT**

**MS. DIETRICH MOVED TO ADJOURN THE JULY 8, 2004 MEETING.**

The meeting was adjourned by acclamation at 9:30 p.m.