

## MINUTES STREATOR CITY COUNCIL MEETING

### PROCEEDINGS OF THE STREATOR CITY COUNCIL COMMITTEE OF THE WHOLE MEETING OF JUNE 9, 2015 HELD AT THE CITY ADMINISTRATION BUILDING, CITY COUNCIL CHAMBERS AT 1:30 P.M.

**CALL TO ORDER:** Mayor Lansford called the meeting to order.

**TIME:** The Committee of the Whole (Workshop) began at 1:30 p.m.

**PRESENT:** Mayor Lansford, Councilwoman Tara Bedei, Councilman Ed Brozak, Councilman Brian Crouch and Councilman William Phelan.

**OTHERS PRESENT:** City Manager Scot Wrighton, Linda J. Underwood, City Clerk, Public Works Director, David Fussell, Kurt Pastirik, Chief of Police, and Gary Bird, Fire Chief.

**PUBLIC FORUM:** Mayor Lansford asked City Manager, Scot Wrighton to formally introduce the new Fire Chief, Gary Bird.

Toni Pettit, 206 LaSalle Street and owner of 204 East Kent Street, speaking on behalf of the Neighborhood Watch group, recapped some concerns and issues which happened in the city recently.

Tony Cravatta, 7 Old Orchard Lane, presented a petition from residents living in the Eastwood Avenue area regarding the condition of Eastwood Avenue and requesting that it be moved up on the street program. The clerk received the petition and placed it on file.

#### DISCUSSION ITEMS:

#### DISCUSSION RE: AMENDMENTS TO THE STREATOR ALCOHOLIC BEVERAGES CODE (TITLE 4)

Mayor Lansford commented that he was glad to see so many of the current liquor license holders in the audience and he would allow them to speak after being recognized.

City Manager Wrighton, gave a brief explanation of the eight options for amending the Alcoholic Beverage Code, stating that Council could choose from options listed. Decisions made by the Council would be drafted and be presented for final action at the regular July meeting.

Council began discussion and decided that they wished to move Item #3 (Number of liquor licenses) up to discuss it first.

Following discussion of the Council and audience, Council chose the following options to be incorporated into the ordinance. (Please reference the attached document for details of other options):

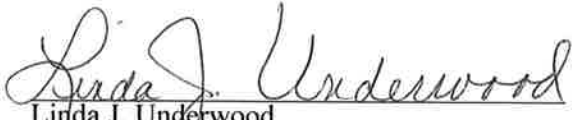
- Item #3- Option A=no change
- Item #1- Option A=no change.
- Item #2- Option A=no change
- Item #4- Option B
- Item #5- Option A=no change
- Item #6- Option B
- Item #7- Option B; plus clarification regarding temporary fencing
- Item #8- Option A=no change

**ADJOURNMENT:** Mayor Lansford adjourned the Committee of the Whole meeting.

**ROLL:** Ayes: Bedei, Brozak, Crouch, Phelan, and Mayor Lansford

**TIME ADJOURNED:** 3:35 p.m.

Respectfully Submitted,

  
Linda J. Underwood  
City Clerk

June 5, 2015

TO: Streator City Council

FROM: Jimmie Lansford, Mayor

RE: Amendments to the Streator Alcoholic Beverages Code (Title 4)

During the City Council's budget meetings in April it was proposed that the fee for annual liquor licenses be increased. This proposal was postponed by the City Council pending a study session to examine whether other changes should be made to the ordinances governing alcoholic beverage sales, licenses and enforcement. The June 9 Committee-of-the-Whole meeting will be given over entirely to this subject, in the hopes that the council can reach consensus on what, if any, changes should be made to Title 4. Changes agreed to tentatively by the City Council on June 9 will be added to a future regular meeting agenda for formal adoption, after which the applications will also be updated and revised. To facilitate next Tuesday's discussions, a complete copy of Title 4 of the Streator Municipal Code is attached.

In no particular order, I have listed below the topics that I believe should be examined, and possibly amended. I have suggested options for each item and referenced each to the appropriate section of Title 4, where applicable.

1. There are currently 58 liquor licenses in four categories. However, in the past persons have obtained liquor licenses without using them in a timely fashion. Section 4.08.020 (C.6) currently allows the liquor commissioner to "suspend or revoke" licenses where "the licensee fails to engage in the regular sale of alcoholic liquor," but also provides the discretion to grant additional time to "engage" in liquor sales for up to a full year in separate 90-day increments.
  - a. Option A: Make no change to the ordinance, as it provides sufficient authority for the mayor to revoke or suspend dormant licenses, as written.
  - b. Option B: Provide for the automatic reversion of licenses that have not been used for more than 90 days, without liquor commissioner discretion to extend dormant licenses every 3 months for up to one year.
  - c. Option C: Same as option B (above), except that language is added to allow the liquor commissioner the discretion to issue a license in anticipation of construction of a building or other facility where alcohol will be sold, and that the licensee will be required to "engage in the regular sale of alcoholic liquor" within 30 days of having obtained an occupancy permit from the city of Streator.
2. Section 4.12.030 provides that in addition to the annual fee for a liquor license, a one-time fee must be paid to the city upon initial application for

a license. This fee covers the city's costs for administering a new application, performing background checks and other first time reviews. The one-time fee is \$50 for all categories except temporary licenses. For temporary licenses the one-time fee is \$25. These fees have not been changed in nearly 50 years.

- a. Option A: Make no change to the initial first time fee.
- b. Option B: Increase the initial first time fee by 50%.
- c. Option C: Increase the initial first time fee by 100%.

3. The number of licenses available in the city of Streator has varied during the city's history. There are currently 58 licenses (Section 4.12.020), distributed as follows: A) Tavern licenses, 25; B) Club licenses, 7; C) package sales licenses, 15; D) Restaurant licenses where 51% or more of revenue must come from the sale of food and non-alcoholic beverages, 11; E) Temporary liquor licenses issued to non-profit and benevolent organizations for no more than 2 days at a time, no limit in the number. There are no tavern licenses currently available for issuance. There are one or two unused licenses currently available in categories B, C & D.

- a. Option A: Keep the authorized number of licenses at 58, distributed as it is currently, without change.
- b. Option B: Remove the limitation on all categories, allowing issuance of licenses whenever they are approved by the liquor commissioner and the applicant meets all requirements of the Code and State Law.
- c. Option C: Annually update the Code by providing that at the start of each new fiscal year, the number of available licenses shall be two (2) in each category, and that these licenses shall be issued during the course of the ensuing fiscal year at the discretion of the liquor commissioner in accordance with the Code and State Law, but no fiscal year shall start with more than two (2) unused and available licenses in each category, no matter how many licenses may have been returned, suspended or revoked during the previous fiscal year.
- d. Option D: Cap the number of tavern licenses at 25. Then, annually update the Code providing that at the start of each new fiscal year, the number of available licenses shall be two (2) in each of categories B, C & D, and that these licenses shall be issued during the course of the ensuing fiscal year at the discretion of the liquor commissioner in accordance with the Code and State Law, but no fiscal year shall start with more than two (2) unused and available licenses in each of categories B, C & D, no matter how many licenses may have been returned, suspended or revoked during the previous fiscal year.

4. There is a waiting list only for tavern licenses, but the Code provides no real guidance on how this waiting list is to be administered.
  - a. Option A: Leave things as they are. The liquor commissioner is free to develop and maintain waiting lists for tavern licenses as he/she sees fit.

- b. Option B: If tavern licenses remain capped, to be on the waiting list, applicants must formally file a request with the office of the liquor commissioner, and pay an annual fee of \$25. In exchange, they will receive a written notice of their place on the waiting list, and they will be notified in writing if their status or their position on the waiting list changes. Every year in May when all liquor licenses are renewed, persons wishing to remain on the waiting list shall file a new request to be on the waiting list and pay an additional \$25. In this way the list is refreshed every year.
    - c. Option C: Same as option 'B' above, but without fees.
- 5. The local Code lists what kinds of violations can result in suspension or revocation of a license, but it refers/defers to the Illinois Liquor Control Act for more specifics. State Law allows license suspensions for up to 30 days, and for the assessment of financial penalties as well, but does not provide guidance about the even and consistent application of these penalties, such as amounts of monetary fines, or number of days of mandated closure, how penalties could vary for different types of offenses, mitigating circumstances, first time offenses, etc. While the liquor commissioner cannot issue penalties outside the parameters established by State Law, he has considerable discretion.
  - a. Option A: There is no need to repeat the provisions of State Law in the Streator Municipal Code, the existing referral to state statutes provides sufficient guidance on penalties. Mayor should have broad discretion to impose penalties suited to the offense.
  - b. Option B: Establish a system of ranges of penalties based on whether it is a first, second or more than second offense, and the type of violation, and require that the liquor commissioner use such a template in levying fines and other penalties.
- 6. Because the number of tavern licenses is capped, if a license holder who does not own the premises where his license is sited desires to go out of business, the license would be returned to the city and would not be available to someone wanting to buy the same building or continue the business. This is generally not a problem where the building owner also owns the business, because he can make sale of the building contingent upon the city's approval of a transfer of a license to a new owner.
  - a. Option A: Liquor license holders should be required to own their building if they also want the privilege of asking the liquor commissioner to transfer their license to a new owner. Leave things the way they are.
  - b. Option B: If the number of tavern licenses remains capped, establish a provision whereby a tavern license holder could ask the liquor commissioner that his license be transferred to another party so long as this party obtains title to the same business premises within 30 days and meets all other requirements of the Code and State Law. Otherwise, if 30 days passes without acquisition of the building, then the license lapses back to the city.

7. Section 4.16.020 prohibits consumption of alcoholic beverages on a public way, and defines 'public ways' as streets, alleys, sidewalks and parking lots. Section 4.08.050 allows owners of private parking lots to designate their parking lots as 'public ways' if they wish—implying that if they do not, then a private parking lot is not a 'public way' where alcohol consumption is not permitted. Section 4.16.070 allows possession of alcohol in certain city parks with restrictions, but does not clarify whether it is not allowed on the parking lots, streets and sidewalks in the parks. This can lead to confusion, especially if it is the intention to the City Council to periodically and occasionally allow consumption of alcoholic beverages on certain public sidewalks and parking lots (and quasi-public parking lots) as a part of a festival or community celebration where the area for alcoholic beverage consumption is delineated and fenced.
  - a. Option A: Prohibit all alcohol on 'public ways,' as defined in the Code.
  - b. Option B: Allow alcoholic beverages to be served (but not sold) on certain public ways, but only as a part of an approved celebration or festival where the area for consumption is fenced and enclosed.
  
8. Action on increases in liquor license fees was postponed in April. Currently, all licenses cost \$1000 annually, except for temporary Class 'E' licenses. Staff recommended that the annual fee be increased by 50% because some categories of license holder generated a considerable expense on the part of the city in law enforcement activity, and because the city was seeking ways of slowly diverting its revenue requirements away from property taxes.
  - a. Option A: Make no changes in liquor license fees.
  - b. Option B: Increase only categories A, B & D by 50% (or 25% alternatively), since only these categories have the option of having video gaming equipment to augment their income.
  - c. Option C: Increase only categories A & D by 50% (or 25% alternatively), since category B includes non-profit clubs, and category C establishments cannot augment their income with video gaming.
  - d. Option D: Increase all categories by 50% (or 25% alternatively), in the interests of uniformity and fairness.