

**AMENDING CHAPTER 38 "INTOXICATING LIQUORS" AS IT RELATES TO THE CREATION OF LIQUOR PRODUCTION FACILITIES.**

**WHEREAS**, the City of DeKalb is a home rule municipality with the power and authority conferred thereupon by the Illinois Constitution of 1970, the Illinois Municipal Code, the Illinois Liquor Control Act, and the City of DeKalb City Code; and

**WHEREAS**, the City permits the sale and consumption of alcoholic beverages within its corporate limits by virtue of the provisions of Chapter 38 of the City Code, pertaining to Intoxicating Liquors; and

**WHEREAS**, the City Council has determined that it is necessary and advantageous to amend Chapter 38 to provide for the creation of a Liquor Production Liquor License.

**THEREFORE BE IT ORDAINED** by the Mayor and City Council of the City of DeKalb, DeKalb County, Illinois, as follows:

**Section 1. Revisions to Chapter 38 Adopted:**

The City Council hereby adopts the following revisions to Chapter 38 of the City Code of the City of DeKalb:

A. 38.01 Amended.

Section 38.01 of the City Code shall be amended with the inclusion of a definition for Liquor Production, as described below:

"Liquor Production: The on-site production, whether by a brewery, distillery, winery or other alcoholic beverage production facility, of alcoholic beverages including but not limited to beers, ciders, wines, distilled liquors, or any other alcoholic beverages whatsoever."

B. 38.07 Amended.

Section 38.07 of the City Code shall be amended with the addition of a subsection (i), as described below.

(i) Liquor Production.

1. Liquor Production liquor licenses are available for facilities within the City of DeKalb that engage in Liquor Production as defined herein, and which also engage in any retail sale of alcoholic beverages.

2. A Liquor Production liquor license shall only be available for a Premises that includes at least 1,000 square feet of dedicated floor space utilized on a continuous or nearly continuous basis for the commercial production of alcoholic beverages produced for commercial sale. Such area shall be required to comply with all applicable code and hygiene requirements of the City of DeKalb or any other agency having jurisdiction, and shall be required to be equipped with commercial equipment designed and permanently installed for the purpose of Liquor Production.
  
3. A Liquor Production licensee may produce alcoholic beverages within the facility. A Liquor Production licensee may also utilize portions of the premises as described in this subsection (3). The purposes outlined herein shall be permitted uses which shall not require any supplemental licensure. The floor plan for the Premises shall accurately describe the use of each area therein, and shall be subject to the imposition of age limits and signage requirements in form and content acceptable to the Liquor Commissioner with the advice and recommendation of the Chief of Police. The Permitted Area for each type of activity shall be as defined on the approved floor plan for the Premises. More than one use may occur within given areas, in accordance with the following restrictions.
  - a. A portion of the Premises shall be required to be utilized for the on-site production of alcoholic beverages, as described above.
  
  - b. A portion of the Premises may be utilized for the on-site consumption of alcoholic beverages (indoors or outdoors), with or without a corresponding sale of Real Food.
  
  - c. A portion of the Premises may be utilized for Banquet liquor sales, and the licensee may designate an area either for permanent use as a Banquet facility or for temporary/convertible use. The Banquet Area may be an area that is used for on-site consumption of alcoholic beverage

purposes when not in use as a Banquet Facility. However, it must be capable of being physically separated (by a wall, half-wall, stairs/grade separation or other separation acceptable to the Liquor Commissioner) from the other areas of the Building when in use for Banquet purposes. Unless an area is expressly reserved for Banquet use at all times and is used for no other purpose, the Licensee shall give the City not less than 72 hours written notice of its intent to use the Banquet Area for Banquet purposes (and shall describe the nature and duration of the Banquet event contemplated). No separate City approval shall be required for Banquet use of the facility, provided that timely notice has been provided. Banquet liquor sales shall be as provided for in Section 38.13.

- d. A portion of the Premises may be utilized for the retail sale of package liquors, either produced on-site or produced elsewhere. For purposes of this Code, package liquors may be dispensed in the original container, or may be dispensed in sealed containers filled at the premises or elsewhere (e.g. bottles or growlers). If a portion of the Premises is used exclusively for the sale of package liquors, such area shall be restricted to permit access only by those who are 21 years of age or older, or in the company of their parent or legal guardian. If a portion of the Premises is used for on-site consumption of alcoholic beverages either at tables or at a bar, the licensee may engage in carryout package liquor sales of sealed containers to patrons who are seated in such areas as a component of their purchase from the licensee (provided that items sold as carryout package liquors shall not be consumed on-premises). The licensee shall not be required to comply with the provisions of Section 38.10 or any conflicting provision of Section 38.21(a).

- e. A portion of the Premises may be utilized for tasting or sampling of alcoholic beverages, either for charge or not for charge. Such area may be utilized in conjunction with other purposes (e.g. package liquor sales and tasting or sampling). All service of alcoholic beverages as a component of tasting or sampling shall be done only by an Alcohol Server, and only after verification of the recipient's age. The licensee shall not be required to comply with the provisions of Section 38.20 and shall not be required to obtain supplemental licensure for tasting and sampling.
  - f. Given the unique nature of Liquor Production facilities and the large variety of operational models therefor, the City Council reserves the right to amend, modify, limit or waive any provision of this Chapter 38 through the Resolution approving of or amending an individual liquor license, as may be required to fully authorize or regulate an individual Premises or licensee. This Code specifically recognizes that such Resolution approving of a liquor license or conditions of operation may conflict with and/or supersede provisions of this Code.
- 4. Liquor Production licensees shall not be permitted to have Video Gaming Terminals, unless specifically approved by the City Council by Resolution, and then only in accordance with the conditions of approval.
  - 5. Liquor Production licensees shall be permitted to apply for supplemental licensure for Live Entertainment, Outdoor Special Events or Catering. For an existing Liquor Production licensee, approval of a supplemental license shall only require the authorization of the Liquor Commissioner.

C. 38.08 Amended.

Section 38.08 shall be amended such that Section 2(a) thereof shall list Liquor Production licensees as having a liquor license term

coterminous with the calendar year.

D. Schedule of Liquor License Fees Amended:

The City of DeKalb schedule of liquor licensee fees shall be amended to reflect that there is no initial issuance fee for a Liquor Production liquor license, and shall be amended to reflect that there is a \$1,500 annual renewal fee for Liquor Production liquor licenses (subject to CPI increases in accordance with other liquor licenses).

E. 38.25 Amended.

Section 38.25(a) shall be amended to reflect that Liquor Production facilities hours of sale shall be coterminous with Bar, Golf Course, Package Liquor, PENP and Hospitality licenses.

**Section 2.** All ordinances or portions thereof in conflict with this ordinance, including the prior versions of the ordinances included above, are hereby repealed.

**Section 3.** Should any provision of this Ordinance be declared invalid by a court of competent jurisdiction, the remaining provisions will remain in full force and affect the same as if the invalid provision had not been a part of this Ordinance.

**Section 4.** This Ordinance shall be in full force and effect after passage and publication pursuant to law. Publication date: March 28, 2017. Effective date: April 6, 2017.

**PASSED BY THE CITY COUNCIL** of the City of DeKalb, Illinois at a Regular meeting thereof held on the 27<sup>th</sup> day of March, 2017, and approved by me as Mayor on the same day. Passed on First Reading by an 8-0 roll call vote. Aye: Jacobson, Finucane, Marquardt, Snow, Noreiko, Baker, Faivre. Rey. Second Reading waived by an 8-0 roll call vote. Aye: Jacobson, Finucane, Marquardt, Snow, Noreiko, Baker, Faivre. Rey.

**ATTEST:**

  
JENNIFER JEEP JOHNSON, City Clerk

  
The seal is circular with a double border. The outer border contains the text "CITY OF DE KALB" at the top and "STATE OF ILLINOIS" at the bottom. The inner border contains the text "1836" at the bottom. In the center is a shield featuring a plow, a sheaf of wheat, and a bundle of cotton, with a rising sun in the background.

  
JOHN A. REY, Mayor