Bloomington Illinois

MINUTES PUBLISHED BY THE AUTHORITY OF THE LIQUOR COMMISSION OF THE CITY OF BLOOMINGTON, ILLINOIS TUESDAY, OCTOBER 8, 2019, 4:00 P.M.

The Liquor Commission convened in Regular Session in the Council Chambers, City Hall Building at 4:00 p.m., Tuesday, October 8, 2019.

Commissioner Renner directed the Deputy City Clerk to call the roll and the following answered present:

Commissioners: Tari Renner, Lindsey Powell, and Jim Jordan.

Staff present: George Boyle, Asst. Corporation Counsel; Greg Scott, Asst. Police Chief; Austin Grammer, Economic Development Coordinator; and Amanda Mohan, Deputy City Clerk.

Public Comment

Commissioner Renner opened the meeting to receive public comment. No public comments were received.

The following was presented:

Item 4. Consideration of approving the Liquor Commission minutes of September 10, 2019 Regular Liquor Commission Meeting.

Commissioner Powell made a motion, seconded by Commissioner Jordan, to approve.

Commissioner Renner directed the Clerk to call the roll, which resulted in the following:

Ayes: Commissioners Powell, Jordan, and Renner.

Nays: None.

Motion carried.

The following was presented:

Item 5. Public Hearing on the Application of Mala, LLC, d/b/a Lulu's Pizza and Gaming, requesting a Class RBS (Restaurant, Beer and Wine Only, and Sunday Sales) liquor license, to be located at 802 E. Washington St., which would allow the sale of beer and wine only by the glass for consumption on the premises seven (7) days a week, as requested by the City Clerk Department.

Commissioner Renner opened the Public Hearing at 4:01 p.m.

Mark Allen, co-owner of Mala, LLC, d/b/a Lulu's Pizza and Gaming, after being sworn in, provided background on the establishment. He noted that Mala, LLC owns all of the Speed Lubes in the Bloomington-Normal area and also owns the property where the proposed establishment will be built if approved. Mr. Allen stated that they currently own and operate four other businesses like the one proposed. Three are located in Decatur, IL and one is in Urbana, IL. Commissioner Renner inquired whether the businesses mentioned had ever received any liquor violations. Mr. Allen stated that they had received two at the Urbana, IL location for underage drinking, but none at the Decatur, IL locations.

Commissioner Renner inquired if their employees have been BASSET trained.

Greg Minor, co-owner of Mala, LLC, after being sworn in, addressed the Commission. Mr. Minor stated all employees are required to carry BASSET certification cards. He also noted the business provides the training for all staff and each establishment has a record of its staff's certifications.

Commissioner Jordan asked for clarification on the term 'video gaming.' Mr. Allen confirmed the gaming to be provided would consist of video gambling and that they intend to apply for a City video gaming license.

Mr. Allen stated they are working closely with Katie Simpson, City Planner, on the site plans that would be presented before the Bloomington Planning Commission on Wednesday, October 9, 2019.

Commissioner Jordan inquired if the owners also own the car wash property located next to the proposed location and asked about how parking would be accommodated on the proposed build site. Mr. Allen responded by stating that they do not own the car wash property, but that they have been working closely with Ms. Simpson regarding parking regulations. There are an additional seven parking spaces at their Speed Lube across the street, where they anticipate posting signs for additional parking, if needed. Commissioner Renner asked whether Ms. Simpson had expressed confidence in the parking issues being resolved. Mr. Allen responded affirmatively.

Commissioner Jordan inquired about hours of operation. Mr. Minor stated they anticipate the hours of operation mimicking their other locations' hours of 7:00 a.m. to 2:00 a.m. except they would close at 12:00 a.m. midnight or whatever the City of Bloomington would allow. Mr. Minor continued by stating they intend to open at 7:00 a.m. to begin preparing for service and have alcohol and other food items except pizza available while pizza would be available starting at 10:00 a.m.

Commissioner Jordan expressed concern about the hours of operation and the availability of video gaming during extended hours without substantial food being available as well as the proximity to a prominently residential area.

Commissioner Powell had no concerns.

Commissioner Renner asked George Boyle, Assistant Corporation Counsel, for any additional comments or questions. Mr. Boyle stated he spoke with Ms. Simpson that afternoon who expressed no reservations, only suggestions, for Lulu's Pizza and Gaming and she confirmed the applicant would appear at the Bloomington Planning Commission on Wednesday, October 9, 2019 for a site plan review of the proposed property. Mr. Boyle also reminded the Commission that any positive recommendation made by the Liquor Commission to the City Council would be contingent on the compliance with all building codes, site plan review, and health and safety regulations. He acknowledged the process from site plan approval to opening for business is a lengthy process and bringing the applicant before the Liquor Commission early was a way to begin the process. Commissioner Renner confirmed with the applicant that they understood the contingencies. Mr. Allen responded positively.

Commissioner Renner asked if there was anyone who would like to speak for or against the application.

Jan Lancaster, after being sworn in, addressed the Commission. Ms. Lancaster stated the applicants were great and she had no issues with them. She stated she is concerned the proposed establishment will become a gaming café and having dealt with a few applicants with a similar type of proposed establishment in the past, she was concerned the City would open itself up to allow gaming parlors similar to Emma's in Normal. Ms. Lancaster also pointed out that she believes a restaurant in the area would be welcome.

Commissioner Renner asked the Liquor Commission if they had questions for Ms. Lancaster. Commissioner Jordan agreed with Ms. Lancaster's concerns that the establishment could turn into a gaming parlor with the area being mostly residential.

Surena Fish, after being sworn in, addressed the Commission. Ms. Fish stated she was also concerned about the gaming in a predominately residential area especially with the amount of renovation and upgrades of the historic homes in the area. Ms. Fish stated she believed the hours of operation should be restricted further, similar to the restrictions placed on liquor stores in residential areas. Commissioner Renner asked the Liquor Commission if they had questions for Ms. Fish, but there were none.

Commissioner Renner questioned Mr. Allen on why it was critical to the business to open at 7:00 a.m. rather than 10:00 a.m. Mr. Allen addressed the Commission stating staff would be in the building preparing for service and the preparation typically will take approximately three hours due to the high volume of pizzas sold. He stated there is staff in the building and it would be beneficial to have the building open for business. Mr. Allen finished by noting the Decatur location receives twice as much revenue from food than video gaming.

Commissioner Jordan inquired as to the number of terminals the other establishments have and how the revenue compares to food and beverage sales. Mr. Allen stated the locations each have five terminals with two-thirds of the revenue generated from food and beverage sales.

Commissioner Powell confirmed the hours of operation and establishment classification of the other locations with the applicants. Mr. Allen stated in Decatur, one location is a bar and two are gaming parlors, and the location in Urbana is a gaming parlor. Mr. Allen confirmed that all establishments open at 7:00 a.m. and close at midnight.

Commissioner Renner asked George Boyle, Assistant Corporation Counsel, for any additional comments or questions. Mr. Boyle reminded the Commission that the liquor license application and video gaming application are reviewed separately. He also stated under the new Ordinance, all video gaming license applications are examined by staff for approval and documentation must be submitted when replicating a business in order to review to ensure the replicated establishment does not exceed the 50/50 gaming revenue rule.

Commissioner Renner closed the Public Hearing at 4:20 p.m.

Commissioner Renner opened the discussion to the Commission on the potential to restrict the opening hours of the establishment to 10:00 a.m. instead of the proposed 7:00 a.m. Commissioner Powell stated the original hours of operation could appeal to second and third shift workers and was not concerned with the proposed opening hours. Commissioner Jordan expressed concern with the proposed hours of operation and the amount of time the establishment would be open without the availability of substantial food. He also expressed concern this establishment could potentially turn into a gaming café as well as the proximity to the residential area.

Commissioner Renner confirmed with the Clerk that notices were mailed to properties within 500 feet of the proposed establishment and then confirmed with Mr. Boyle that this is the standard for new a business. Both staff members responded affirmatively. Commissioner Renner also expressed concern that even with the standard mailed notices, and with the exception of a few neighborhood activists, there was no neighborhood representation for or against the applicant. Commissioner Renner proposed a compromise by conditioning the opening hours of operation from 7:00 a.m. to 10:00 a.m. with the option for the applicant to request the condition be removed after six months' time, where the applicant would appear again before the Liquor Commission.

Commissioner Powell made a motion, seconded by Commissioner Renner, to recommend approval of the item with the condition that the hours the establishment can be open will be from 10:00 a.m. to 12:00 (midnight), the applicant would be permitted to return in six months from the issuance of the license to request removal of the condition, and the license be issued contingent upon compliance with all health and safety codes.

Commissioner Jordan made a motion to amend the pending motion to add a condition that the licensee be required to provide invoices as well as receipts and documentation of revenue from the State of Illinois. The motion died for a lack of a second.

Discussion was had by the Commission. Commissioner Powell stated she believed putting additional restrictions on this applicant was unfair when the Commission has not made it a requirement of other businesses. Commissioner Renner reiterated the process the applicant would go through should they wish to request the hours be adjusted. Commissioner Jordan requested the names of the other establishments the applicants own be provided if or when a request is made to remove the condition.

Commissioner Renner directed the Clerk to call the roll, which resulted in the following:

Ayes: Commissioners Powell and Renner.

Nays: Commissioner Jordan.

Motion carried.

The following was presented:

Item 6. Public Hearing on the Application of Amazing Space Venue, LLC, d/b/a Pure Sterling, requesting a Class EAS (Entertainment, All Types of Alcohol, and Sunday Sales) liquor license, located at 11 Currency Drive, which would allow the sale of all types of alcohol by the glass for consumption on the premises seven (7) days a week, as requested by the City Clerk Department.

Commissioner Renner opened the Public Hearing at 4:33 p.m.

Billie Jo Scott, representative and bar manager of Amazing Space Venue, LLC, d/b/a Pure Sterling, after being sworn, addressed the Commission and explained Amazing Space is a new venue space in Bloomington and Pure Sterling would supply the bar service for events.

Commissioner Jordan inquired if the bar service would be available during non-event times. Ms. Scott confirmed it would only be available during events and explained that Pure Sterling would be the primary bar service for Amazing Space, but event coordinators would have the option to outsource if they wish.

Commissioner Jordan inquired if they intended to apply for video gaming. Ms. Scott advised they would not seek a video gaming license at this time.

Commissioner Powell inquired about the closing hours and if the staff was BASSET trained. Ms. Scott stated they would only operate until 12:00 a.m. midnight and Amazing Space has had events, and none have gone past midnight. She also confirmed that all staff is BASSET trained and that bar services will be available in a six-hour package.

Commissioner Jordan questioned how liquor would be controlled with a crowd of all ages at an event. Ms. Scott stated they intended to use a wristband system and check IDs each time before serving alcohol.

Commissioner Renner asked George Boyle, Assistant Corporation Counsel, for any additional comments or questions. Mr. Boyle asked for clarification if the space itself is leased and if she had ownership interest in the business. Ms. Scott stated she rents a room where the alcohol and portable bars are stored, and she does not have ownership in the business.

Mr. Boyle continued by inquiring how the DRAM Shop Insurance is listed. Ms. Scott stated the DRAM Shop Insurance is under the name of Amazing Space. Mr. Boyle followed up by explaining the City's Ordinances state the licensee must have a lease for the space or have ownership interest in the space. Ms. Scott responded she does have a lease with the event space and it was provided with the application.

Mr. Boyle mentioned the application noted a public dancing license would not be applied for and inquired if there would be dancing at the events. Ms. Scott responded stating she believed the license was already approved for the banquet facility. Mr. Boyle questioned how the banquet facility is different from the applicant. Ms. Scott responded stating Amazing Space owns Pure Sterling which would provide the bar service. She continued by stating the event space was already approved and has hosted events where alcohol was served.

Mr. Boyle stated he did not see a single defined spaced owned by one owner. He asked Ms. Scott if they were a subsidiary of the banquet hall. Ms. Scott asked for clarification. Mr. Boyle asked for confirmation if the company she was representing was Amazing Space. Ms. Scott confirmed affirmatively and added they were doing business as Pure Sterling. Mr. Boyle asked for confirmation on the owner of the banquet hall. Ms. Scott stated John and Kathy Morgan are the owners as submitted in the application, that she was only the representative, and that she would be managing Pure Sterling. Mr. Boyle acknowledged he and the applicant spoke previously regarding clarification on the ownership, but that he still did not see a single defined spaced owned by one owner or provider in a unified ownership.

Commissioner Renner asked for clarification from Mr. Boyle who confirmed that in order to have a liquor license, there must be an owner or lessor of the space where alcohol will be served. Commissioner Renner asked Ms. Scott for confirmation of a lease. Ms. Scott stated they have a lease for a room where the alcohol and portable bars will be stored. Mr. Boyle explained that lease would only be for the storage of alcohol and a liquor license must be for the area where alcohol would be served. Commissioner Renner asked for confirmation from Ms. Scott that she provides the alcohol service in the space, but that area is not the space she rents. Ms. Scott stated she does not rent it.

Mr. Boyle stated an Entertainment liquor license would allow for service on the premises and the premises shall be defined as the space where the alcohol is drawn, poured and served, not the place where it is stored. Commissioner Renner confirmed with Mr. Boyle the leased space is where the alcohol would be drawn, poured and served. Mr. Boyle responded affirmatively. Commissioner Renner inquired how businesses serve liquor at places such as the Davis Lodge. Mr. Boyle responded, explaining those businesses would serve pursuant to a Class

W Catering License or pursuant to another type of license, but those businesses cannot serve alcohol pursuant to an on-premise liquor license.

Ms. Scott stated they initially submitted the application under Pure Sterling with herself as the primary applicant but were instructed to make modifications by the City Clerk Department. She continued, explaining John and Kathy Morgan own the space and are the applicant.

Commissioner Powell stated the application listed John Morgan as applicant and owner of Amazing Space. She continued, explaining she believed he would be the one to receive the liquor license. Commissioner Renner confirmed with Ms. Scott that she is simply the spokesperson attending the meeting in their place.

Commissioner Renner asked Mr. Boyle if he had any additional questions or comments. Mr. Boyle confirmed with the Commission Amazing Space, LLC, which is a Limited Liability Company and not an individual, doing business as Pure Sterling, represented by Ms. Scott, was requesting a Class EAS liquor license. The Commission responded affirmatively. Mr. Boyle asked for confirmation of the owners of the LLC. Ms. Scott stated John Morgan is the primary owner with his wife, Kathy Morgan.

Commissioner Jordan asked Amanda Mohan, Deputy Clerk, for comments on the application. Ms. Mohan responded explaining as she understood, John Morgan was the owner of the building, which is Amazing Space, LLC, and that he also owns Pure Sterling. Ms. Mohan explained the application was initially submitted as Pure Sterling with Billie Jo Scott as the owner, which was inaccurate since John Morgan owns Amazing Space, LLC. Ms. Mohan continued, stating Ms. Scott is the manager of Pure Sterling which was the DBA and from her understanding, Ms. Scott attended the meeting as a representative in place of the owner.

Commissioner Jordan asked if the City Clerk Department considers the owner as the applicant for the liquor license. Ms. Mohan responded affirmatively.

Commissioner Renner asked if there was anyone who would like to speak for or against the application, and no one came forward.

Commissioner Renner closed the Public Hearing at 4:47 p.m.

Commissioner Powell made a motion, seconded by Commissioner Jordan, to recommend approval of the item contingent upon compliance with all health and safety codes.

Commissioner Renner directed the Clerk to call the roll, which resulted in the following:

Ayes: Commissioners Renner, Powell, and Jordan.

Nays: None.

Motion carried.

The following was presented:

Item 7. Consideration and action on the continuation for Complaint and Citation of Grand Café, LLC, d/b/a Grand Café - Oakland Avenue, located at 2205 E. Oakland, Suite A2, for violating Chapter 6, Section 37(e)(12) of the Bloomington City Code for failure to pay City of Bloomington Food and Beverage taxes for the months of April through June, 2019, as requested by the Legal Department.

Commissioner Renner asked George Boyle, Assistant Corporation Counsel, for an update on the violation. Mr. Boyle informed the Commission the matter was settled. An agreed order has been signed where the licensee agreed to pay all owed taxes and a \$600.00 fine in installments.

Old Business

The following was presented:

Item 8A. Discussion on video gaming licensing and enforcement, as requested by Commissioner Jordan.

Commissioner Renner asked George Boyle, Assistant Corporation Counsel, for an update on this matter. Mr. Boyle provided the most recent Video Gaming Ordinance to the Commissioners and provided an overview of important dates and key information for video gaming. He also discussed how the City staff and the City Clerk Department have enforcement authority and are responsible for the primary monitoring of video gaming licenses. Mr. Boyle continued, explaining if a violation of the video gaming license ordinance occurred, it could result in a fine to the establishment or licensee and/or suspension or revocation of the establishment's video gaming license. He also explained if a violation occurred at a liquor establishment, the licensee would also have the potential to be fined and/or have their liquor license suspended or revoked. Mr. Boyle asked the Commission if they had any additional questions.

Commissioner Jordan asked Mr. Boyle who would initiate the complaint and who would be responsible for the compliance check when a complaint is made. Mr. Boyle stated City staff would compare the revenue documentation from the establishment with the information provided on the State of Illinois website.

Commissioner Jordan expressed preference of invoice receipts verses sales receipts as the documentation that would be provided for a violation complaint. Mr. Boyle informed the Commission that the Ordinance states documentation for gross revenues, however, if there was reason to doubt the provided documentation or if additional documentation is needed, staff could ask for additional documentation under the Ordinance.

Commissioner Powell confirmed with Mr. Boyle the 50/50 rule was created so establishments cannot have more than 50% revenue from video gaming and must have at least 50% of revenue deriving from food and beverage sales. Mr. Boyle confirmed affirmatively. Commissioner Powell continued, stating invoice receipts could produce inaccurate numbers compared to sales receipts where gross revenue is concerned. She explained invoices would detail the amount of product in inventory, whereas sales receipts would detail the total sold.

Commissioner Jordan expressed concern the Ordinance did not explicitly require inventory receipts and explained the reason the State requires this documentation. Mr. Boyle confirmed with Commissioner Jordan the State requires inventory receipts to track for under reporting of sales. Mr. Boyle continued, stating the City is concerned about revenue inaccuracies. Commissioner Powell added most liquor ordinances are concerned with sale of alcohol instead of inventory on site. Commissioner Renner confirmed liquor invoice receipts could be requested in addition to sales receipts.

Item 8B. Other Old Business

No other old business was brought forward.

New Business

No new business was brought forward.

Adjournment

Commissioner Jordan made a motion, seconded by Commissioner Powell, to adjourn.

Motion carried unanimously (viva voce).

The meeting adjourned at 5:02 p.m.

Respectfully submitted,

Amanda Mohan, Deputy City Clerk