

**AN ORDINANCE AMENDING CHAPTER 3, "ALCOHOLIC BEVERAGES",
OF THE CITY OF URBANA CODE OF ORDINANCES**

(RESTAURANT CLASSIFICATION)

WHEREAS, the City of Urbana ("the City") has a population of more than 25,000 and is, therefore, a home rule unit under subsection (a) of Section 6 of Article VII of the Illinois Constitution of 1970; and

WHEREAS, the City is empowered by the State of Illinois to regulate the sale of alcoholic beverages within its corporate limits; and

WHEREAS, the City seeks to maintain a fair system of licensing and regulating alcoholic beverage vendors; and

WHEREAS, there are a certain number of restaurants, which sell alcoholic beverages, but such sales do not constitute the majority of said restaurants' revenue; and

WHEREAS, from time to time, it is in the best interests of the business community and the community for the City to amend its liquor ordinances, creating new categories of licenses;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, that Chapter 3 of the Urbana Code of Ordinances shall be, and hereby is, amended as follows:

Section 1.

§3-41 of the Code of Ordinances shall be amended as follows:

Sec. 3-41. Classification.

Licenses issued pursuant to this article shall be divided into the following classes and shall be subject to the limitations set forth:

(a) Class A licenses shall permit the licensee to sell at retail alcoholic liquors in package for consumption on or off the premises where sold, or by drink for consumption on the premises.

(b) Class AA licenses (hotel-motel licensee) may be issued to regularly established hotels and motels and shall authorize the sale of alcoholic liquors in package form or by drinks for consumption on or off the premises where sold, from one permanent location in such hotel or motel building or complexes of buildings which together constitute a single hotel or motel operation and from other temporary locations for special occasions or functions actually occurring in such hotel or motel and which are not open to the general public, but are limited to special groups of persons, for such periods prior to, during and after such function, as might be reasonable, whether such hotel or motel operates its business from one (1) or more buildings. The words "hotel" and "motel" mean every building, structure or group of complexes of buildings kept, used, maintained, advertised and held out to the public to be a place where food is actually served and consumed and sleeping accommodations for guests, and having one or more public dining rooms where meals are served to such guests and the general public, such sleeping accommodations and dining rooms being conducted in the same building or complex or group of buildings in connection therewith so as to constitute a single hotel or motel operations, and such building, complex or group of buildings being provided with an adequate and sanitary kitchen, dining room equipment and capacity.

(c) Additional location permits.

(1) Class AA license holders have the option of being issued an additional location permit which shall authorize the sale of alcoholic liquors at an additional permanent location in the hotel or motel on the same terms and conditions as authorized in the Class AA license. However, no more than two (2) such location permits shall be issued to any Class AA license holder. The charge for such Class AA location permits shall be as set forth in the schedule of fees.

(2) Class BW (sidewalk cafe) licenses shall permit the retail sale of alcoholic liquor by any person holding a Class A, AA, B, or BB license in that area for which such licensee holds a valid sidewalk cafe permit issued by the director of public works. The holder of the BW license shall be strictly responsible that no customer, employee, or other person, be permitted to remove alcoholic liquor from the area designated in the outdoor cafe

permit. Prior to the issuance of the Class BW license, the licensee shall provide proof of dram shop insurance which names the City of Urbana as an additional insured, and will indemnify and hold the city harmless from any action, proceeding of claim of liability asserted against the city as the result of the operation of an outdoor cafe. Failure by the licensee to continue to maintain such insurance shall result in the revocation of the BW license.

(d) Class B licenses (beer only license), shall permit the retail sale of beer only, to be consumed on or off the premises where sold.

(e) Class BB licenses (beer and wine only), shall permit the retail sale of beer and wine only, to be consumed on or off the premises where sold.

(f) Class BBB licenses (off premises only - beer and wine), shall permit the retail sale of beer and wine only, to be consumed off-premises only.

(g) Class C licenses (package store) shall permit the licensee to sell at retail alcoholic liquors in package only. No on-premises consumption shall be allowed.

(h) Class D licenses (club licenses), shall permit the licensee to sell at retail alcoholic liquors by clubs and to members only to be consumed in the clubrooms only.

(i) Class HL license, to be known as the Hotel-Motel Limited license, shall permit the licensee to sell at retail alcoholic liquor under the conditions set forth in this subsection. Any person or corporation who is not ineligible to be licensed to sell alcoholic liquor at retail under the provisions of Illinois State Statutes and who is the operator of a hotel or motel which is subject to the Urbana Hotel/Motel Tax, may be granted a Class HL license. A Class HL license shall permit the sale of alcoholic liquor in the area specifically designated in the application for the four-hour time period between 4:00 p.m. and 8:00 p.m. each day. The licensee need not have a manager on the premises, but a person of the minimum age of twenty-one (21) years must be present in the designated area at all times while the liquor is available to the public. The licensee shall provide proof of dram shop insurance coverage. The Class HL license shall also permit the sale of alcoholic liquor in a sealed container at retail by means of a locked liquor cabinet in a guest room wherein the key to such cabinet is made available by the licensee only to persons of the minimum age of twenty-one (21).

Banquet option. If the additional fee for this option set forth in section 14-7 of the Urbana City Code is paid to the city, the HL license shall also permit the sale of alcoholic liquor by the licensee for any continuous six-hour period between the hours of 6:00 a.m. and following 1:00 a.m. in conjunction with the banquet food function held on the licensee's premises for which banquet the licensee gave notice to the mayor's office twenty-four (24) hours in advance. Sales of alcoholic liquor under this option shall be restricted to those persons attending the banquet only; no service shall be available to the general public by the licensee who is selling liquor pursuant to this option.

(j) Class T license (temporary licenses), shall permit the licensee to sell at retail alcoholic liquor under the terms and conditions set forth in section 3-42.

(k) Class GC license, to be known as the "Golf Course License" can be issued only to the operator of a clubhouse located on a golf course, which golf course is comprised of 50 acres or more. A GC license shall permit the licensee to sell at retail alcoholic liquor for consumption within the clubhouse and any defined area adjacent thereto (as described in the application) or pavilion and to sell alcoholic liquor from mobile carts with the number of such mobile carts to be operated on the golf course limited to not more than four (4). In addition to such mobile carts, the licensee may sell alcoholic liquor at fixed refreshment stands at locations approved by the mayor. The sale of alcoholic liquor on the golf course outside of the clubhouse and adjacent enclosed areas or pavilion shall be subject to any further conditions and regulations required by the mayor to promote public safety and welfare.

(l) Class R licenses (Restaurants) shall permit the retail sale of alcoholic liquor by restaurants for consumption on the premises, where sold, and not for resale in any form. No part of this subsection shall be construed as forbidding patrons of a restaurant, who have ordered a bottle of wine with their meal but have only partially consumed the contents, from exiting the restaurant with said bottle, corked or sealed, as may be allowed by law.

(a) At Class R licensed restaurants, the total sales of alcoholic liquor may not exceed 40% of the total combined sales of food and alcoholic liquor.

(b) For purposes of this classification, a "restaurant" shall be defined as a public place having, or contained in, all of the following:

(1) Space kept, used, maintained, advertised, and held out to the public as a place where meals are served;

(2) Space where meals are actually regularly served;

(3) Space without sleeping accommodations;

(4) Space that has an adequate, and sanitary, kitchen and has dining room equipment/furnishings and capacity; and

(5) A sufficient number and kind of employees to prepare, cook, and serve suitable food for its guests.

Section Two.

Upon passage of this Ordinance, restaurants, as defined by the above amendments and without regard to their current liquor license classification, shall no longer be issued "Class A" licenses but instead shall be issued "Class R". This requirement shall include license renewals, as well as new license applicants.

Section Three.

This Ordinance shall be effective immediately upon its passage.

PASSED by the City Council this _____ day of _____, 2008.

AYES:

NAYS:

ABSTAINS:

Phyllis D. Clark, City Clerk

APPROVED by the Mayor this _____ day of _____, 2008.

Laurel Lunt Prussing, Mayor