MEETING MINUTES

Liquor Control Board
Wednesday, November 8, 2017 2:00 p.m.
Lorraine H. Morton Civic Center, 2100 Ridge Avenue, Room 2750

Members Present: Mayor Stephen H. Hagerty (/ Local Liquor Control Commissioner); Marion Macbeth; Dick Peach

Members Absent: None

Staff Present: Mario Treto, Theresa Whittington

Others Present: Ben Smylie (Smylie Bros); Heather Behm (Union Squared); Tony Compaglia (Beer Shop HQ); Peter O’Malley (Beer on Central); Sandeep Ghaey (Vinic Wine)

Presiding Member: Local Liquor Control Commissioner Stephen H. Hagerty/Mayor

CALL TO ORDER
The Local Liquor Control Commissioner Stephen Hagerty called the meeting to order at 2:03 p.m.

NEW BUSINESS

Smylie Brothers Brewing Company, LLC, dba Smylie Bros Restaurant and Brewery, 1615 Oak Avenue
Ben Smylie (BS), owner, requested an amendment to liquor license class J (brew pub) to change Sunday alcohol service hours from Noon to 1am to 11 am to 1 am. BS stated that offering service at 11 a.m. on Sunday will make Sunday hours consistent with service hours for rest of the week. It was discussed and noted that there is not currently a State law that requires alcohol service to begin at Noon or later on Sundays. Mayor Hagerty expressed his zero tolerance for underage drinking. He then asked if Smylie Bros has had any liquor violation, BS responded that they had one issue in the first year they opened that was a training issue that was rectified with the staff.

The Local Liquor Control Commissioner asked the members if there were any further questions or concerns over the request. None were voiced. The Board recommended the amendment be introduced at the City Council meeting on November 27, 2017.

E-Country, LLC, dba Union Squared Evanston, 1307 Chicago, Avenue
Heather Behm (HM), owner, requested a change in license class from Class D (restaurant/liquor) to class A (restaurant/beer shop) or Class I (restaurant/package store) and a discussion/consideration of delivery of packaged alcohol for off-site consumption. HM explained the carry-out portion of the business has been growing and she would like to expand upon the trend. Many customers ask if they may purchase alcohol as part of their carry out order. Theresa Whittington explained that license class A is a restaurant/packaged goods hybrid model that was designed around a “bake at home” pizza product. Currently no one holds that license class.
Mayor Hagerty asked HM what sort of alcohol and quantities she is interested in selling. HM responded that she does not anticipate anyone wanting a huge quantity of alcohol. HM envisions one cooler that contains the beer and wine offerings. Union Squared does sell canned cocktails for on-site consumption and ideally would also like to sell those. Marion Macbeth worried about whether or not there should be limits to how much one can buy for off-site consumption. It was noted that most of the packaged goods licenses do not have limits on how much can be sold at one time. HM responded that quantities available are naturally limited due to the size of cooler and the retail price of the alcohol. Mario Treto noted that the 20% square footage restriction for packaged goods addresses that issue. It was determined that a class A would be the most appropriate license class for Union Squared’s proposed business model. HM inquired about the possibility of offering alcohol for delivery with food. The logistics of checking ID’s were discussed. Mayor Hagerty expressed that he is not inclined to recommend alcohol delivery at this point in time. Dick Peach also expressed concern about delivery. He stated that he was concerned about too many people under 21 years of age ordering pizza and beer. HM stated that the people delivering the pizza would be employees of Union Squared and would be trained to check ID’s. Mario Treto inquired whether Union Squared currently uses third party food delivery services such as Grub Hub and Uber eats. HM said they have plans to expand the business and designate more room in the restaurant for carry-out and delivery service, at which point she plans to discontinue third party delivery service as she feels Union Squared can do a better job of it. Mayor Hagerty is not in favor of delivery.

The Local Liquor Control Commissioner asked the board members if there were any further questions or concerns over the request. None were voiced. The Board recommended an amendment to license class A to remove restriction to “bake at home” pizza and issuance of a class A liquor license to be introduced at the City Council meeting on November 27, 2017.

**Beer Shop HQ**

Tony Compaglia (TC) requested discussion and consideration of various amendments to the Class K license (specialty wine, beer and spirits shop). TC informed the Board that while he is here to discuss amendments to Class K he is open to discussing whether other license classes might be a better fit for his business model. In Oak Park his business is called Beer Shop but he would probably choose a different name for Evanston. Mayor Hagerty asked TC to explain to the board the business plan/concept as it currently operates in Oak Park. The business is located in downtown Oak Park next to the Metra tracks. They’ve been open 3 years and the store is about 1100 sq ft. He sells beer and wine. TC is considering 1615 Sherman or the new Albion development as locations in Evanston. His sales come from two primary sources: off-site sales and on-site consumption. TC estimated off-site and on-site sales to be 30% and 70%, respectively. Mayor Hagerty asked how TC’s business differs from Beer on Central (class K).

Dick Peach stated that 70% on-site sales sounds like he’s proposing opening a bar and those are not allowed in the City, especially in the core area. Dick Peach explained that on-site consumption in the core area is at businesses that are restaurants that offer full menus. TC said he understands that he may need to add a restaurant and menu to his business plan. It was suggested that TC consider a Class I license (restaurant/packaged goods hybrid). Marion Macbeth stated that having bars in the core
area, located so close to the college campus, is to be avoided. Dick Peach said that a business serving alcohol for onsite consumption in the core area requires a kitchen and a business that functions as a restaurant.

Mayor Hagerty stated that the request to amend K to allow it in the core area is not recommended and would be unlikely to pass City Council. There is not a champion for that type of amendment. TC concluded that there is no need to review the additional proposed amendments as they are all dependent upon a class K license in the core area. TC said he would circle back with staff and explore class A and class I, both of which will require a restaurant element to the business. Staff recommended TC reach out to the economic development, zoning and fire departments with questions regarding setting up a restaurant and kitchen. Mayor Hagerty said he does not want to discourage TC from coming to Evanston. TC was advised to continue exploring the other viable license class options with staff and find a solution for his business model.

No action was taken by the liquor board. TC will continue to explore other options.

**ADJOURNMENT**

The meeting was adjourned by the Local Liquor Control Commissioner Stephen H. Hagerty, Mayor at 2:57 p.m. November 8, 2017.

Respectfully Submitted,

Theresa Whittington
Liquor Licensing Manager, Legal Department