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AN ORDINANCE AMENDING TITLE VII (BUSINESS AND LICENSE), CHAPTER 4 (RETAIL LIQUOR ESTABLISHMENTS), SECTIONS 7-4-2, 7-4-6, and 7-4-31 OF THE MUNICIPAL CODE

..Body

WHEREAS, the Village of Orland Park, Cook and Will Counties, Illinois (the “**Village**”) a home rule municipality as contemplated under Article VII, Section 6, of the Constitution of the State of Illinois, and the passage of this Ordinance constitutes an exercise of the Village’s home rule powers and functions as granted in the Constitution of the State of Illinois; and

WHEREAS, on March 15, 2021, the Corporate Authorities adopted Ordinance No. 5598 regulating the sale of tobacco and alternative nicotine products in the Village; and

WHEREAS, the Corporate Authorities desire to amend Chapter 15 of Title VII of the Municipal Code to incorporate regulations liquor licenses when applied to smoking lounges in a manner consistent with the Village’s regulations pertaining to liquor, tobacco products, alternative nicotine products; and

WHEREAS, the Corporate Authorities desire to modernize and clarify its liquor licensing regulations to address emerging business models, such as smoking lounges, while maintaining appropriate safeguards; and

WHEREAS, the combination of smoking lounge operations with the service, consumption or possession of alcoholic beverages on the premises creates unique public health and safety considerations, and clear operational standards are necessary to mitigate the risks inherent in these operations; and

WHEREAS, appropriate regulations and limitations on the number of available licenses are reasonable measures to protect against adverse effects on surrounding land uses and neighborhood concerns; and

WHEREAS, the adoption of local licensing classifications allows the Village to ensure that any smoking lounge operates only in compliance with both state and local requirements; and

WHEREAS, the Corporate Authorities find that it is desirable and in the best interests of the Village and its residents to approve this Ordinance incorporating a liquor license classification for smoking lounges and amend the other relevant sections to incorporate and update the enforcement of these new licenses.

NOW, THEREFORE, BE IT ORDAINED by the Village President and Board of Trustees of the Village of Orland Park, Cook and Will Counties, Illinois:

SECTION 1

Recitals. The above recitals and legislative findings are found to be true and correct and are hereby incorporated herein and made a part hereof, as if fully set forth in this Section 1.

SECTION 2

Title 7 (Business and License) Chapter 4 (Retail Liquor Establishments) Sections 2 (Definitions), 6 (Licenses, Classes and Fees, Limitation on Number of Licenses) and 31 (Penalties) shall hereby be amended in part (additional language marked in **bold and underline** and deletions marked with ~~striethrough~~) as reflected and attached hereto as **EXHIBIT "A"**.

SECTION 3

Repeal and Saving Clause. All ordinances, resolutions, motions or other actions in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 4

Severability. If any part of this Ordinance is found or determined to be invalid, the invalid portion shall be stricken here from and the remainder shall be in full force and effect.

SECTION 5

Effective Date. This Ordinance shall be in full force and effect from and after its passage and approval as required by law.

SECTION 6

The Village Clerk be and herby is authorized and directed to publish this Ordinance in pamphlet form.

EXHIBIT A

Section 7-4-2: DEFINITIONS: shall be deleted in its entirety to alphabetize the current section and then add the following language marked in **bold and underline**.

Unless specifically defined otherwise in this Chapter, the words and phrases herein designated are defined for purposes of this Chapter as follows:

ALCOHOL: The product of distillation of any fermented liquid, whether rectified or diluted, whatever may be the origin thereof, and includes synthetic ethyl alcohol. It does not include denatured alcohol or wood alcohol.

ALCOHOLIC LIQUOR: Includes alcohol, spirits, wine and beer and every liquid or solid, patented or not, containing alcohol, spirits, wine or beer and capable of being consumed as a beverage by a human being.

APPURTENANT: Operationally and physically connected to, and dependent upon, a designated smoking lounge such that any liquor privilege exists only while the identified smoking lounge is operating and is limited to service within that lounge.

BEER: A beverage obtained by alcoholic fermentation of an infusion or concoction of barley or other grain, malt and hops in water, and includes, among other things, beer, ale, stout, lager beer, porter and the like.

CLUB: A corporation organized under the laws of this State, not for pecuniary profit, solely for the promotion of some common object other than the sale or consumption of alcoholic liquors kept, used and maintained by its members through the payment of annual dues, and owing, hiring or leasing a building or space in a building, of such extent and character as may be suitable and adequate for the reasonable and comfortable use and accommodation of its members and their guests and provided with suitable and adequate kitchen and dining room space and equipment and maintaining a sufficient number of employees for cooking, preparing and serving food and meals for its members and their guests; provided, that such club files with the Local Liquor Control Commissioner at the time of its application for a license under this Chapter two (2) copies of a list of names and residences of its members, and similarly files within ten (10) days of the election of any additional member his name and address; and, provided further, that its affairs and management are conducted by a board of directors, executive committee, or similar body chosen by the members at their annual meeting and that no member or any officer, agent or employee of the club is paid, or directly or indirectly receives, in the form of salary or other compensation any profits from the distribution or sale of alcoholic liquor to the club or the members of the club or its guests introduced by members beyond the amount of such salary as may be fixed and voted at any annual meeting by the members or by its board of directors or other governing body out of the general revenue of the club.

CONSUMPTION SALES: The sale or offering for sale of retail of any alcoholic liquor for consumption on the premises where sold.

CORKAGE: A fee charged by a smoking lounge to patrons who bring alcoholic beverages onto the licensed premises for on premises consumption, as authorized under a Class SL-1 (BYOB) license.

COUNTER SERVICE RESTAURANT: Any public place kept, used, maintained, advertised and held out to the public as a place where meals are served at the counter, without sleeping accommodations, such space being provided with adequate and sanitary kitchen and dining room equipment and capacity, and having employed therein a sufficient number and kind of employees to prepare, cook and serve suitable food for its guests.

EMPLOYEE: Any person working on the licensed premises, whether full-time, part-time, paid, or volunteer.

HOTEL: Every building or other structure kept, used, maintained, advertised and held out to the public to be a place where food is actually served and consumed and sleeping accommodations are offered for adequate pay to travelers and guests, whether transient, permanent or residential, in which five (5) or more rooms are used for the sleeping accommodations of such guests and having one or more public dining rooms where meals are served to such guests, such sleeping accommodations and dining rooms being conducted in the same building or buildings, structure or structures being provided with adequate and sanitary kitchen and dining room equipment and capacity.

LICENSED PREMISES: The areas delineated in the license application's premises diagram approved by the Village, including storage, preparation, back-of-house, and any service points, together with the appurtenant smoking lounge service area. Public access to liquor storage/prep/back-of-house areas is prohibited.

MOVIE THEATER: Any building to which the public is invited and pays consideration for the purpose of viewing motion pictures.

ORIGINAL PACKAGE: Any bottle, flask, jug, can, cask, barrel, keg, hogshead or other receptacle or container whatsoever used, corked or capped, sealed and labeled by the manufacturer of alcoholic liquor, to contain and to convey any alcoholic liquor.

PACKAGE SALES: The sale or offering for sale at retail of alcoholic liquor in the original package and not to be consumed or in fact consumed in whole or in part on the premises where sold.

PERSON: Any person, firm, partnership, club, association or corporation.

RETAILER: A person who sells, or offers for sale, alcoholic liquor for use or consumption and not for resale in any form.

SALE: Any transfer, exchange or barter in any manner, or by any means whatsoever, including the transfer of alcoholic liquors by and through the transfer or negotiation of warehouse receipts or certificates, for a consideration, and includes and means all sales made by any person, whether principal, proprietor, agent, servant or employee.

SELL or SALE AT RETAIL: "Sell at retail" and "sale at retail" refer to and mean sales for use or consumption and not for resale in any form.

SERVICE OF FOOD: The service of meals for consumption only on the premises in an adequate and sanitary kitchen as defined in any appropriate health or food service ordinance of the Village. The meals must consist of more than the service or sale of packaged foods such as potato chips, pretzels, peanuts, cheese and crackers, or frozen or premade foods, such as pizza, hamburgers or sandwiches which can be prepared by being heated or warmed in an oven. The meals must be actually and regularly served at either tables or a counter, and provide for eating at tables, including small individual tables accompanying theater seats.

SMOKING LOUNGE: An establishment in which the use of tobacco products, non-tobacco products or other similar legal substances is permitted or intended to be permitted on the premises, whether by patrons, members, or employees, as defined and through application process in Chapter 15.

SPIRITS: Any beverage which contains alcohol obtained by distillation, mixed with water or other substances in solution, and includes brandy, rum, whiskey, gin or other spirituous liquors, and such liquors when rectified, blended or otherwise mixed with alcohol or other substances.

TABLE SERVICE RESTAURANT: Any public place kept, used, maintained, advertised and held out to the public as a place where meals are served, and where meals are actually and regularly served at tables (as opposed to counter service), without sleeping accommodations, such space being provided with adequate and sanitary kitchen and dining room equipment and capacity, and having employed therein a sufficient number and kind of employees to prepare, cook and serve suitable food for its guests.

TO SELL: Includes to keep or expose for sale and to keep with intent to sell.

WINE: Any alcoholic beverage obtained by fermentation of the natural contents of fruits or vegetables containing sugar, including such beverages when fortified by the addition of alcohol or spirits, as above defined.

Section 7-7-6: LICENSES, CLASSES AND FEES, LIMITATION ON NUMBER OF LICENSES: shall be amended by adding the following license classes and fees marked in **bold and underline**.

16. Class SL-1 License; Smoking Lounge (BYOB) License: A Class SL-1 license shall entitle the licensee to authorize patrons 25 years of age or older of a smoking lounge establishment to bring alcoholic beverages in their original packaging into a smoking lounge for on-premises personal consumption, subject to §7-15-1 through 7-15-18 and subject to the conditions in this Subsection. Licensees shall implement and maintain an electronic age-verification procedure (government-issued photo identification) at entry. The sale and service of beer, wine, spirits and all other types of alcoholic liquor to patrons of the licensed premises shall be prohibited. No package sales shall be permitted. Patrons are prohibited from taking any opened alcoholic liquor outside of the premises. The employees, although not selling or serving alcohol, shall be trained in responsible alcohol practices (BASSET or equivalent). The licensed premises may charge a corkage fee to the patron where glasses or other dishes are provided to patrons. All licensees must comply

with all applicable state and local liquor laws, ordinances, and regulations. The licensed premises shall permit patrons to bring in—or cause delivery of—food for immediate consumption on the premises. Licensees shall maintain general liability insurance meeting Village Code requirements. The license fee for a Class SL-1 shall be two hundred seventy dollars (\$270.00) per annum. No more than zero (0) license of this class shall be issued and in force at any one time but the license cap may be changed by ordinance upon Village Board findings that an applicant has demonstrated full compliance with application.

17. Class SL-2 License; Appurtenant Liquor Sales License: A Class SL-2 license shall entitle the licensee to authorize the sale of alcoholic beverages to patrons 25 years of age or older for on-premises consumption within an appurtenant smoking lounge, subject to §7-15-1 through 7-15-18 and subject to the conditions in this Subsection. Licensees shall implement and maintain an electronic age-verification procedure (government-issued photo identification) at entry. Licensee must designate the specific smoking lounge to which the license is appurtenant and shall not sell alcoholic beverages to or for any lounge other than the one identified on the application. The liquor sales operation may not be open to the general public independent of the lounge and is conditioned on the continued operation of the appurtenant smoking lounge. Only employees of the liquor sales licensee may enter liquor storage/prep/back-of-house areas; service to patrons occurs within the appurtenant smoking lounge. Alcoholic beverages purchased may not be removed from the appurtenant smoking lounge except as authorized by state law. 235 ILCS 5/6-33 and 235 ILCS 5/6-28.8 where applicable and only for qualifying retailers subject to packaging rules by State law. All employees shall be trained in responsible alcohol practices (BASSET or equivalent). All licensees must comply with all applicable state and local liquor laws, ordinances, and regulations. Licensees shall maintain general liability insurance meeting Village Code requirements. Each license application shall include a clear premises diagram showing boundaries of liquor storage, prep, back-of-house areas and the appurtenant smoking lounge service area. The diagram must be updated and resubmitted prior to any material change. The license fee for a Class SL-2 shall be one thousand three hundred twenty dollars (\$1,320.00). No more than zero (0) license of this class shall be issued and in force at any one time but the license cap may be changed by ordinance upon Village Board findings that an applicant has demonstrated full compliance with application.

§ 7-4-31. PENALTIES: shall be amended by adding the following language marked in **bold and underline**.

Any person, firm, corporation, association, establishment, or entity violating any of the provisions of this Section shall be according to the fine schedule located in [Appendix B](#) for each offense of which such person shall be convicted; and each day such violation shall continue shall be regarded as a separate offense. In addition, any violation hereof may result in having the violator's business and/or liquor license subject to suspension or revocation.