

## Chapter 6 ALCOHOLIC BEVERAGES

### ARTICLE I. IN GENERAL

#### Sec. 6-2. Definitions.

The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

*Alcohol* means 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 the four varieties of liquor defined herein: alcohol, spirits, wine and beer, and every liquid or solid, patented or not, containing alcohol, spirits, wine or beer and capable of being consumed by a person. The provisions of this chapter shall not apply to alcohol used in the manufacture of denatured alcohol produced in accordance with Acts of Congress and regulations promulgated thereunder, nor to any liquid or solid containing one-half of one percent or less of alcohol, by volume. None of the provisions of this chapter shall apply to wine intended for use by any church or religious organization for sacramental purposes, provided that such wine shall be purchased from a licensed manufacturer or importing distributor under the Illinois Liquor Control Act, 235 ILCS 5/1-1 et seq.

*Arts and entertainment studio* means a licensed business establishment where a person(s) utilizes a space for teaching art and/or makes their own art, including but not limited to painting, pottery, or another common art medium.

*Bar* means a counter from which alcoholic beverages are served.

*Bar area* means the room or place in which a bar is located.

*Beer* means 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* means a corporation organized under the laws of the 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 owning, 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 ~~servants and~~ 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 the Illinois Liquor Control Act, 235 ILCS 5/1-1 et seq., two copies of a list of names and residences of its members, and similarly files within ten days of the election of any additional member his name and address; provided, that the affairs and management of such club are conducted by a board of directors, executive committee or similar body chosen by the members at their annual meeting; and provided further 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 its guests introduced by members, beyond the amount of such salary as may be

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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* means the sale or offering for sale at retail of any alcoholic liquor for consumption on the premises where sold.

*Distributor* means any person, other than a manufacturer or nonresident dealer licensed under the Illinois Liquor Control Act, 235 ILCS 5/1-1 et seq., who is engaged in the purchasing, storing, possessing or warehousing any alcoholic liquors for resale or reselling at wholesale, within or without this city.

*Gas station* and *filling station* mean a place where gasoline, gasoline products, oil and oil products are sold at retail for motor vehicles.

*Hotel* means 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 25 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 in connection therewith and such building or buildings, structure or structures being provided with adequate and sanitary kitchen and dining room equipment and capacity.

*Illinois Liquor Control Act* means an act passed by the 58th Illinois General Assembly entitled "An Act relating to alcoholic liquors," approved January 31, 1934, as amended, 235 ILCS 5/1-1 et seq.

*Illinois Liquor Control Commission* and *state commission* mean the commission created by the Illinois Liquor Control Act, 235 ILCS 5/1-1 et seq.

*Importing distributor* means any person other than a nonresident dealer licensed under the Illinois Liquor Control Act, 235 ILCS 5/1-1 et seq., who imports into this state, from any point in the United States outside this state, whether for himself or for another, any alcoholic liquors for sale or resale, or for use in the manufacture, preparation or compounding of products other than alcoholic liquors, or who imports into this state, from any point in the United States outside this state, for consumption in any one calendar year, more than one gallon of such liquors.

*Initial application* means any application that is not an application seeking renewal of a liquor license held by the applicant at the time such application is submitted.

*Licensed premises* means the premises described in the application for the license or in the license as the place where the business to be covered or covered by the license is to be or is carried on.

*Licensed truck stop establishment* means a facility (i) that is at least a three-acre facility with a convenience store, (ii) with separate diesel islands for fueling commercial motor vehicles, (iii) that sells at retail more than 10,000 gallons of diesel or biodiesel fuel per month, and (iv) with parking spaces for commercial motor vehicles. "Commercial motor vehicles" has the same meaning as defined in Section 18b-101 of the Illinois Vehicle Code. The requirement of item (ii) of this paragraph may be met by showing that estimated future sales or past sales average at least 10,000 gallons per month.

*Manufacturer* means every brewer, fermenter, distiller, rectifier, winemaker, blender, processor, bottler or person who fills or refills an original package, and any other person engaged in brewing, fermenting, distilling, rectifying or bottling alcoholic liquors as defined in this section.

*Meals* means salads, sandwiches, pizza and dinners containing pasta, fish, meat or poultry, together with similar foods prepared or cooked on the premises and ordered by the patrons from a full service menu for consumption on the premises. The term "meals" does not include popcorn, potato chips, pretzels, peanuts and other food considered as snacks.

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*Not-for-profit means a charitable organization that has received a 501(c)(3), or similar not-for-profit tax designation by the IRS. Not-for-profit groups shall provide proof of their IRS tax status in order to receive the reduced Class C license rate.*

*Original package* means any unopened 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.

*Owner and proprietor* include all persons who are owners or are in control of any place where the sale or distribution of alcoholic liquor is carried on, whether they be individuals, partners, corporations, joint stock companies, fiduciaries or officers, directors, stockholders of corporations or otherwise.

*Package retail sales* means the sale or offering for sale at retail of alcoholic liquor, in the original package, and not to be consumed, in whole or in part, on the premises where sold; provided, however, that the terms "package sales" or "package retail sales" shall not include original packages containing less than one-half pint of alcoholic liquor.

*Resort* means an establishment designed to attract and accommodate tourists and visitors to resort area or the community, with lodging facilities with at least 25 motel rooms located on the premises, and the primary business of the establishment is not the sale of alcoholic beverages.

*Restaurant* means:

- (1) Any public place kept, used, maintained, advertised and held out to the public as a place where meals are served having a complete menu service at least during the hours of 5:00 to 9:00 p.m. each day the premises are open to the public. A dining area must be maintained as separate and apart from the kitchen and bar area. The kitchen shall contain at a minimum the following facilities:
  - a. A utility service sink.
  - b. A three-compartment sink or a mechanical dishwasher.
  - c. Separate handwashing facilities in the kitchen for employees.
  - d. Commercial cooking equipment including a grease duct, exhaust equipment, and a fire suppression system meeting the requirements of Sections 506, 507 and 509 of the 1996 International Mechanical Code.

The restaurant must be licensed and inspected by the county health department as a commercial food service establishment.

- (2) A facility which has all the facilities of a restaurant together with separate facilities such as bowling lanes, billiards, miniature golf, simulated or actual golfing and similar types of activities, and at least 51 percent of the gross revenues, as determined by the close of the licensee's most recent past fiscal or calendar year of operation, must be obtained from the sale of meals and recreation activities.

*Retailer* means a person who sells, or offers for sale, alcoholic liquor for use or consumption and not for resale in any form.

*Sale* means 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, and includes all sales, whether direct or indirect, made by any person, whether principal, proprietor, agent, servant or employee. The term "sale" includes any transfer of alcoholic liquor from a foreign importer's license to an importing distributor's license even if both licenses are held by the same person.

*Sell at retail* and *sale at retail* refer to and mean sales for use or consumption and not for resale in any form.

*Snacks* means popcorn, potato chips, peanuts, pretzels, breadsticks, relishes, hors d'oeuvres and similar foods not ordinarily consumed as a meal.

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*Spirits* means any beverage which contains alcohol obtained by distillation, mixed with water or other substance 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.

*To sell* includes to keep or expose for sale, and to keep with intent to sell.

*Wine* means any alcoholic beverage obtained by the fermentation of the natural contents of fruits or vegetables containing sugar, including such beverages when fortified by the addition of alcohol or spirits as defined in this section.

(Code 1996, § 5.15.020; Ord. No. 12-4131, § 1(Exh. A), 1-9-2012); Ord. No. 12-4169, 4-23-12; Ord. No. 12-4191, 6-11-2012; Ord. No. 18-4906, § 2, 9-10-2018; Ord. No. 19-5083, § 2, 12-9-2019; Ord. No. 22-5348, § 2, 5-23-2022)

### **Sec. 6-3. License classifications.**

It is unlawful to sell, distribute or give away alcoholic liquor, beer or wine to the general public without first having obtained a license from the city. It is also unlawful to allow the consumption of alcoholic liquor, beer or wine at an unlicensed business when the business is open to the general public. The license classifications are as follows:

- (1) *Class B licenses.* Class B licenses shall authorize the retail sale on the premises specified of alcoholic liquor for consumption on the premises as well as other packaged retail sale of such liquor.
- (2) *Class P licenses.* Class P licenses shall authorize package retail sales as follows:
  - a. *Class P-1 licenses.* Class P-1 licenses shall authorize the retail sale of packaged beer and wine but not for consumption on the premises where sold. The holder of a class P-1 license may arrange for beer and wine taste testing and consumption within the area of the licensed premises used for display of package beer and wine. The numbers and size of such samples distributed shall not exceed the maximums set forth in 235 ILCS 5/6-31, as amended from time to time.
  - b. *Class P-2 licenses.* Class P-2 licenses shall authorize the retail sale of packaged alcoholic liquor but not for consumption on the premises where sold. The holder of a class P-2 license may arrange for alcoholic liquor taste testing and consumption within the area of the licensed premises used for display of package alcoholic liquor. The numbers and size of such samples distributed shall not exceed the maximums set forth in 235 ILCS 5/6-31, as amended from time to time.
- (3) *Class C licenses.* Class C licenses shall authorize the retail sale on the premises specified of alcoholic liquor for consumption on or off the premises by duly authorized clubs and not-for-profit organizations as defined in section 6-2.
- (4) *Class R licenses.* Class R licenses shall authorize retail sales as follows:
  - a. *Class R-1 licenses.* Class R-1 licenses shall authorize the retail sale of beer and wine by restaurants for consumption on the premises in connection with the sale of meals. No bar is permitted on the premises.
  - b. *Class R-2 licenses.* Class R-2 licenses shall authorize the retail sale of alcoholic liquor for consumption on the premises by restaurants with no bar. Further, the class R-2 license shall provide for the retail sale of packaged alcoholic liquor providing that said retail sales of such liquor shall not exceed ten percent of the total sales of all alcoholic beverages.
  - c. *Class R-3 licenses.* Class R-3 licenses shall authorize the retail sale of alcoholic liquor by restaurants, with a bar, for consumption on the premises, Further, the class R-3 license shall

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provide for the retail sale of packaged alcoholic liquor providing that said retail sales of such liquor shall not exceed ten percent of the total sales of all alcoholic beverages.

- d. *Class R-4 licenses.* Class R-4 licenses shall authorize the retail sale of alcoholic liquor by restaurants, with a bar, for consumption on the premises and on public golf course property commonly known as Fairways Golf Course. Further, the class R-4 license shall provide for and allow the retail sale of packaged alcoholic liquor for consumption on public golf course property commonly known as Fairways Golf Course. Only alcoholic liquor purchased or obtained from the holder of a valid R-4 license may be possessed or consumed on public golf course property. The holder of a class R-4 license shall be exempt from the provisions of section 6-7 (possession or consumption in public) and article III (outdoor liquor sales) of this chapter.
- (5) *Class S licenses.* Class S licenses shall authorize the retail sale of packaged beer and wine only, not for consumption on the premises where sold, for businesses known as fueling/gas stations/convenience stores.
- (6) *Class E temporary licenses.* Class E temporary licenses shall authorize the retail sale of alcoholic liquor on a one-day basis, renewable upon approval of the local liquor commissioner, and not to exceed four days per event. An applicant for such temporary license, or renewal, shall comply with all state and city ordinances. Fees for said licenses shall be \$25.00 per day for not-for-profit organizations and/or other groups. Applicants shall supply the city with a certificate of liquor liability for said event and shall add the city as certificate holder. Applicants shall also supply the city, as required, proof of the not-for-profit status of the applicant's organization. Hours for the daily or temporary license shall be set by the local liquor commissioner or city council. Requests for such license shall be made to the local liquor commissioner. Final approval can be made by the mayor as local liquor commissioner or city council.
- (7) *Class L (Recreational) licenses.* Class L licenses shall only be for the sale of beer and wine by a "recreational" facility, as defined in section 6-2. A L license shall entitle the licensee to sell beer and wine by the glass, within the clearly marked indoor on-site consumption area. Beer by the glass shall not exceed 12 fluid ounces; wine by the glass shall not exceed 6 fluid ounces. Licensee must ensure responsible operations through employee supervision and proper training in alcohol service. Alcohol may not leave the clearly marked designated areas, and service must be offered only when patrons are actively engaged in the facility's core recreation activity.
- (8) *Class M licenses.* Class M licenses shall refer to microbreweries, distilleries and the manufacturing of wine.
- a. *Class M-1 license: Microbrewery.* A class M-1 license shall authorize the manufacture of beer products on the licensed premises and the sale at retail of alcoholic liquor, including the manufactured beer products, for consumption on the licensed premises. A class M-1 license shall entitle the licensee, a microbrewery, to permit consumption of wine brought onto the premises by a patron 21 years of age or older for personal consumption or for personal consumption of other patrons who are 21 years of age or older. The consumption of wine is restricted to the licensed premises. No more than one 750-milliliter bottle of wine per patron (unopened) shall be permitted to be brought into the premises. A class M-1 license shall authorize the retail sale for off premises consumption of the manufactured beer products only in packaged form. Class M-1 licensees may, during authorized hours of business, offer samples of the beer permitted to be produced and sold pursuant to this classification. Class M-1 licensees shall not provide more than three free samples, each of which shall not exceed 0.25 fluid ounce, to any person in a day. Class M-1 licensees may sell samples, but the volume of any sample sold shall not exceed one fluid ounce and the total volume of all samples sold to a person in a day shall not exceed 2.5 fluid ounces. Class M-1 licensees shall not provide and/or sell more than 2.5 fluid ounces of samples to any person in a day. Class M-1 licensees offering samples, as specified herein, shall provide at least limited food service such as cheese, crackers, snack food or other similar deli-style items to

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customers who are sampling craft beer. Nothing in the issuance of a class M-1 license pursuant to this section shall be considered to relieve the licensee of any responsibility for complying with all applicable state and federal regulations relating to the manufacture and/or sale of beer products. Class M-1 licensees must have at least one BASSET certified site manager on premises whenever offering tasting samples of beer.

- b. *Class M-2 license: Distillery.* A class M-2 license shall authorize the on-site production and storage of alcoholic liquor, specifically including spirits. Nothing in the issuance of a class M-2 license pursuant to this section shall be considered to relieve the licensee of any responsibility for complying with all applicable state and federal regulations relating to the manufacture, production and/or sale of alcoholic liquor or spirits, as well as alcoholic liquor or spirits related products. Sale by the bottle for off premises consumption or by the glass for consumption in an accessory tasting room or retail outlet is permitted. A tasting room or retail outlet allows patrons to taste samples of products manufactured on-site, and to purchase products by the glass or bottle for either on-site or off premises consumption, and to purchase related sales items. Class M-2 licensees shall not provide more than three free samples, each of which shall not exceed 0.25 fluid ounce, to any person in a day. Class M-2 licensees may sell samples, but the volume of any sample sold shall not exceed one fluid ounce and the total volume of all samples sold to a person in a day shall not exceed 2.5 fluid ounces. Class M-2 licensees shall not provide and/or sell more than 2.5 fluid ounces of samples to any person in a day. Sales of alcohol manufactured outside the site are prohibited. A class M-2 license shall entitle the licensee, a distillery, to permit consumption of wine brought onto the premises by a patron 21 years of age or older for personal consumption or for personal consumption of other patrons who are 21 years of age or older. The consumption of wine is restricted to the licensed premises. No more than one 750-milliliter bottle of wine per patron (unopened) shall be permitted to be brought into the premises. Class M-2 licensees must have at least one BASSET certified site manager on premises whenever offering tasting samples of alcoholic liquor, including spirits. Every class M-2 licensee must have a valid distiller license from the state. Sales of food and nonalcoholic beverages are permitted.
- c. *Class M-3 license: Manufacture of wine.* A class M-3 license shall authorize the manufacturing and sale of wine and wine products on the licensed premises, as well as the sale of retail alcoholic liquor, including the manufactured wine products, for consumption on the licensed premises. A class M-3 license shall entitle the licensee, a manufacturer of wine, to permit consumption of wine brought onto the premises by a patron 21 years of age or older for personal consumption or for personal consumption of other patrons who are 21 years of age or older. The consumption of wine is restricted to the licensed premises. No more than one 750-milliliter bottle of wine per patron (unopened) shall be permitted to be brought into the premises. No more than 50,000 gallons of wine per year can be produced. Class M-3 licensees may sell wine they manufacture to wholesalers, licensed retailers and directly to consumers for off premises consumption. Class M-3 licensees may also purchase bulk wine for blending purposes from licensed out of state wine sellers. Wine must be manufactured and labeled in accordance with federal wine regulations from TTB (formally BATF). Class M-3 licensees must obtain a wine producers permit from TTB, all federal permits as required, and an Ogle County health department license when applicable. Further, class M-3 licensees shall be permitted to offer samples of wine products that are manufactured and sold under this license, from the licensed premises to consumers. M-3 licensees shall not provide more than three free samples, each of which shall not exceed one fluid ounce, to any person in a day. However, no person under the age of 21 shall be allowed on the premises during samplings, unless a parent or guardian is present. Nothing in the issuance of a class M-3 license, pursuant to this section, shall be considered to relieve the licensee of any responsibility for complying with all applicable state and federal regulations relating to the manufacture and/or sale of wine or wine products. Class M-3 licensees must have at least one BASSET certified site manager on premises whenever offering tasting samples of wine

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(9) *Class T licenses.* A Class T license shall authorize the following for licensed truck stop establishments:

a. A "licensed truck stop establishment" means a licensed truck stop establishment as defined by Illinois Video Gaming Act (ILCS ch. 230, Act 40, § 5). Alcoholic liquor sold at licensed truck stop establishments must be sold in the original package as defined in 235 Illinois Compiled Statutes 5/1-3.06, and such alcoholic liquor shall at the time it leaves the premises be sealed in its original container. No alcoholic liquor, except in the original package, shall be sold upon any premises licensed as a licensed truck stop establishment. There shall be no consumption whatsoever of alcoholic liquor on the premises of a licensed truck stop establishment.

(10) *Class U licenses.* Class U licenses shall authorize a licensee of an arts and entertainment studio to permit consumption of beer and wine only, brought onto the premises of an arts and entertainment studio by a patron 21 years of age or older for personal consumption or for personal consumption of other patrons who are 21 years of age or older. The consumption of beer and wine is restricted to licensed premises. Such consumption shall be limited to members of a group assembled on the premises for the purpose of attending arts and crafts classes offered by an arts and entertainment studio.

No more than one 750-milliliter bottle of wine per patron or no more than 36 ounces of beer per patron (unopened) shall be permitted to be brought into the premises. The sale of beer, wine, spirits, and all other types of alcohol to patrons of the licensed premises shall be prohibited. No package sales are permitted. No holder of a class U license shall allow service or consumption of any alcoholic liquor on the premises between the hours of 12:00 midnight and 10:00 a.m. on any day.

(11) *Resort.* A resort license shall be a license for the sale of alcoholic liquor by a resort, as defined in section 6-2. A resort license shall entitle the licensee to sell alcoholic liquor for consumption on or off the premises in the original package during the hours as specified in section 6-4. The holder of the Class Resort license shall also be allowed to sell alcoholic beverages in the original container to persons who are of the age of 21 years or older who have registered renting a room in the hotel or motel for the purpose of consuming such alcoholic beverages within the hotel or motel room. Further, it is the responsibility of the hotel or motel operator to obtain a written statement from the person who is renting the room that no persons under the age of 21 will consume any alcoholic beverages within the room. Said sales may be made indirectly by the placement of alcoholic beverages within rooms to be occupied by persons over the age of 21 years, with directions that the consumption of such beverage will be charged to the person renting that particular room.

(Ord. No. 18-4887, § 2, 8-13-2018; Ord. No. 18-4906, § 3, 9-10-2018; Ord. No. 19-5035, § 2, 7-22-2019; Ord. No. 19-5053, § 2, 9-9-2019; Ord. No. 19-5083, § 3, 12-9-2019; Ord. No. 22-5348, § 3, 5-23-2022)

## ARTICLE II. LICENSE

### Chapter 26 - BUSINESSES AND BUSINESS REGULATIONS

#### ARTICLE II. - LICENSING GENERALLY

##### Sec. 26-44. Schedule of license, permit or registration fees.

- (a) All businesses, trades and occupations set forth in this section are required to obtain a license, permit or registration certificate prior to operation in the city.
- (b) The amount and the period covered required by this section shall be as follows:

Classification	Amount	Period
Alcoholic beverages:		
Initial fee (all licenses)	\$500.00	One time (covers all fingerprinting for initial application)
Class B	\$1,000.00	Annual
Class C	\$1,200.00 <i>(\$250 for not-for-profits)</i>	Annual
Class E	\$25.00	Per day
Class L	\$750.00	Annual
Class M-1	\$1,800.00	Annual
Class M-2	\$1,800.00	Annual
Class M-3	\$1,800.00	Annual
Class P-1	\$550.00	Annual
Class P-2	\$650.00	Annual
Class R-1	\$700.00	Annual
Class R-2	\$900.00	Annual
Class R-3	\$1,200.00	Annual
Class Resort	\$700.00	Annual
Class S	\$550.00	Annual
Class T	\$2,500.00	Annual
Class U	\$200.00	Annual
Fingerprinting	\$50.00	For each person fingerprinted after initial application
Peddlers/itinerant merchants	\$25.00	Five days
Industrial peddlers	\$100.00	Three months
Solicitors and canvassers	\$25.00	Five days
Peddler/solicitors badge	\$15.00	Week
Industrial peddlers badge	\$15.00	Three months
Fingerprints	\$50.00	Annual
Street performers	\$10.00	Annual
Taxicabs and limousines	\$50.00 plus \$5.00 per driver	Annual



Video gaming terminal fee	\$100.00 per terminal, effective 1/1/23; \$150.00 per terminal, effective 1/1/24; and \$250.00 per terminal, effective 1/1/25	Annual
All other businesses	None	Initial registration (see section 26-33 for inspection/ re-inspection fees)

(Ord. No. 07-3538, 4-9-2007; Ord. No. 08-3677, § 3, 5-12-2008; Ord. No. 08-3767, 12-8-2008; Ord. No. 08-3767, 12-8-2008; Ord. No. 10-3905, § 2(Exh. A), 3-22-2010; Ord. No. 12-4131, § 1(Exh. B), 1-9-2012; Ord. No. 12-4169, 4-23-2012; Ord. No. 12-4208, 7-23-2012; Ord. No. 18-4827, § 2, 4-9-2018; Ord. No. 18-4888, § 1, 8-13-2018; Ord. No. 18-4907, § 2, 9-10-2018; Ord. No. 19-5083, § 4, 12-9-2019; Ord. No. 22-5348, § 5, 5-23-2022; Ord. No. 22-5361, § 2, 8-22-2022)