

## ROCHELLE CITY COUNCIL AGENDA ITEM MEMO REGULAR MEETING

**SUBJECT:** Approving Ordinance Amending Ch. 6 Article I, Sec. 6-2. Definitions.

**Staff Contact:** Rose Huéramo, City Clerk

**Summary:** To help support community organizations and inclusive access to liquor licensing, we are proposing that the current definition and fee for Class C licenses be amended to include both clubs and not-for-profit organizations, remove the language of kitchen requirements, and offer flexible licensing options non-for-profit entities.

The Proposed Changes:

**1. Including Not-for-Profit Organizations**

The updated definition would specifically include not-for-profit entities. These organizations often serve the public and should be recognized as eligible for Club licenses.

**2. Verifying Tax-Exempt Status**

Not-for-profits would need to submit a copy of their IRS Determination Letter. This document proves they are officially recognized as tax-exempt. This step helps confirm they qualify for the reduced license fee.

**3. Removing the Kitchen Requirement**

The current definition requires Clubs to have full kitchen and dining room facilities, along with staff to prepare and serve meals. This requirement would be removed. Many modern not-for-profit organizations do not need or use full kitchens, so this change makes the definition more flexible.

**4. Following All Other Licensing Rules**

Not-for-profit must still meet all other requirements that apply to any license holder. Best practices like age verification, and staff BASSET certification are strongly encouraged to ensure ongoing compliance and to prioritize public safety. This ensures fairness and keeps standards high for everyone.

**5. Annual Fee Change**

The current Club license fee is \$1,200. The new fee for not-for-profit organizations would be \$250 per year. This lower fee reflects the limited budgets of many not-for-profit organizations.

**Strategic Plan Goal Application:** Building community engagement, supporting local business growth, and promoting safe, enjoyable spaces.

**Recommendation:** Approving Ordinance Amending Ch. 6 Article I, Sec. 6-2. Definitions.