

LIQUOR LICENSE QUESTIONS COUNCIL BROUGHT UP

University Related Organizations

Members of the Council expressed a concern as to why the URO licenses are drafted in a manner that is tailored to University Related Organizations, that is to say – why not have a “generic not-for-profit” liquor license that is similar to the existing Class A license but restricts package sales.

Perhaps the Council will want to change it, but presently Section 3-43 of the Urbana City Code expresses an approach that limits the number of liquor licenses available in the City to population thresholds. For example, presently there can only be one Class A liquor license for every 1500 in population. Thus, to answer the concern of the Council as to why this proposal is tailored to University Related Organizations, one has to consider the implications of creating a new generic class of licenses that would allow not-for-profit corporations to have what amounts to a “full tavern” licenses (but without package sales). The first question is how many such new licenses should be created in this new category? Recognize that in essence such a new category of licenses would be very much like the existing A license.

Another concern would be the possibility of diminished control over such a new class of licensees. Part of our control over licensees rests on the fact that those whose primary business is the sale of alcoholic beverages are usually careful not to do anything that would jeopardize their license, but if the licensee is a not-for-profit organization, sale of alcoholic beverages is more likely to be a mere offshoot of their primary activity and if it is a mere offshoot, it seems more likely that it would be less concerned about loss of liquor license.

Since the Alumni Association represented a unique request for liquor licenses, I felt it was not necessary to get into the implications outlined above but just create a liquor license that would fit the Alumni Association’s circumstances. Limiting the license to University Related Organizations does not materially affect our present system of limiting liquor licenses to population thresholds and since a University Related Organization is tightly financially controlled by the State Auditor General’s Office, that gives the City the assurance that it will be a responsible licensee.

This Ordinance:
AMENDS the Code of Ordinances.

ORDINANCE NO. 2007-05-043

**AN ORDINANCE ESTABLISHING A UNIVERSITY-RELATED ORGANIZATION LIQUOR
LICENSE**

WHEREAS, the University of Illinois Alumni Association has constructed the Alice Campbell Alumni Center on the University of Illinois campus, and;

WHEREAS, one of the functions of the Alumni Association is to host alumni events and banquets, for which they need a liquor license tailored to their unique location and function,

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, as follows:

Section 1. That Section 3-41 of the Code of Ordinances of the City of Urbana is amended to create a new license classification to sell alcoholic beverages styled the "URO License". Section 3-41 of the Urbana City Code, is hereby amended to add a Subsection (l) to read as follows:

(l) *Class URO License* (University-Related Organization) shall permit the licensee to sell at retail, alcoholic beverages by the drink for consumption on the premises. To qualify for a URO License, the applicant must be a 501(c)(3) Corporation and a University-Related Organization as defined in the University Guidelines 1982, as amended, adopted by the Legislative Audit Commission pursuant to the Legislative Audit Commission Act (25ILCS 150/0.01 et. seq.). A URO License is not required to own the licensed premises, nor have a valid lease if the licensed premises are located on property owned by the University of Illinois.

Section 2. The City Clerk is directed to publish this Ordinance in pamphlet form by authority of the corporate authorities, and this Ordinance shall be in full force and effect from and after its passage and publication in accordance with Section 1-2-4 of the Illinois Municipal Code.

This Ordinance is hereby passed by the affirmative vote, the "ayes" and "nays" being called, of a majority of the members of the Council of the City of Urbana, Illinois, at a meeting of said Council.

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

AYES:

NAYS:

ABSTAINED:

Phyllis D. Clark, City Clerk

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

Laurel L. Prussing, Mayor

CERTIFICATE OF PUBLICATION IN PAMPHLET FORM

I, Phyllis Clark, certify that I am the duly elected and acting Municipal Clerk of the City of Urbana, Champaign County, Illinois.

I certify that on the _____ day of _____, _____, the corporate authorities of the City of Urbana passed and approved Ordinance No. _____, entitled **AN ORDINANCE ESTABLISHING A UNIVERSITY-RELATED ORGANIZATION LIQUOR LICENSE** _____, which provided by its terms that it should be published in pamphlet form.

The pamphlet form of the Ordinance was prepared, and a copy of such Ordinance was posted in the Urbana City Building commencing on the _____ day of _____, _____, and continuing for at least ten (10) days thereafter. Copies of such Ordinance were also available for public inspection upon request at the Office of the City Clerk.

DATED at Urbana, Illinois, this _____ day of _____, _____.

(SEAL)

Phyllis Clark, CITY CLERK