

**CITY OF BLOOMINGTON
CITY COUNCIL WORK SESSION
109 E. OLIVE ST.
MONDAY, AUGUST 26, 2013, 5:15 P.M.**

1. Downtown Nightlife Project Actionable Items List (*55 minutes*)
2. Adjourn at 6:10pm



FOR CITY COUNCIL WORK SESSION: August 26, 2013

SUBJECT: Actionable items related to the issues and concerns arising from the current downtown nightlife environment.

RECOMMENDATION/MOTION: Conceptual approval be provided to the listed items intended to address the concerns stemming from the current downtown nightlife.

STRATEGIC PLAN LINK: Goal 6 – Prosperous Downtown Bloomington

STRATEGIC PLAN SIGNIFICANCE: Objective b. Downtown Vision and Plan used to guide development, redevelopment and investments

BACKGROUND: Staff presented a draft Downtown Nightlife Report to Council August 12, 2013. The report included recommended actions to address issues and concerns stemming from the current downtown nightlife environment. The City Council directed staff to prepare and present a list of specific actionable items the City Council could consider in the near future. The following list was developed by staff to address some of the immediate concerns regarding downtown and is presented to Council for conceptual approval so that staff may immediately move forward to bring the pertinent item back to the City Council for formal approval.

1. *Alcohol Compliance Unit* - **It is recommended that the City of Bloomington create an Alcohol Compliance Unit that is responsible for the coordination and enforcement of city alcohol-related ordinances and state statutes, as well as coordinate with the Liquor Commissioner, Liquor Commission, Police, Fire, Legal, PACE, and City Clerk to create a comprehensive plan and uniform effort to address the policies set by the City Council.** This unit would also work with the retail alcohol businesses to create safe environments for their employees and patrons as well as define and assist in understanding the City's responsibility to regulate these businesses. The Alcohol Compliance Unit would be staffed by a Sergeant tasked with conducting liquor inspections at Bloomington licensed entities throughout the City. This Sergeant would ensure standardized reporting and consistent application of enforcement. The Sergeant would coordinate officers, on duty or hired back, with the inspection of liquor establishments on a regular basis and respond to complaints received from the general public regarding violations. The Unit would also coordinate periodic compliance sweeps in conjunction with other state and local enforcement agencies. During these sweeps, the combined forces check for violations above and beyond City and Illinois liquor laws.

In addition, the Unit would supervise underage purchasers during random ID checks. These checks, which would be performed throughout the City, test retail sales personnel on their duty to perform proper ID checks in the sale of alcohol and tobacco. The Unit would work with the City of Bloomington Liquor Commissioner and Liquor Commission to provide reports, details, and develop educational programs to assist businesses, the community, and students in the area of alcohol related issues.

This Unit will be unique to current efforts in the downtown as it will bring consistency in the City's efforts to enforce current ordinances and enhance public safety. Currently, the City relies mainly on Hireback details to be responsible for these efforts. Hirebacks are selected on a rotating schedule based on seniority and do not provide downtown tavern establishments and patrons with a dedicated consistent staff member to discuss issues, assist with problems, and enforce City ordinances.

Creation of this new position would formalize the City's efforts as it relates to downtown alcohol issues by providing the resources necessary to establish consistency with the patrons and taverns downtown. Staff estimates the total investment of this position to be approximately \$100,000 including salary, benefits, and a vehicle. Staff believes this new position could be filled within 30 days upon approval of the Council.

2. *License Fees* – The current liquor license fees have not been raised since 1983. The City collects approximately \$60,000 annually in liquor license fees in the downtown area while conservative estimates show the City invests \$178,000 annually in staff costs for policing the downtown alone (this does not include workers compensation claims). Another idea presented was for the City to invest in some new cleaning of the downtown (power washing areas, litter sweeps, etc.) which is estimated to be an investment of approximately \$22,000. This represents a total investment of approximately \$200,000 on behalf of all tax payers for issues arising from downtown nightlife activities. It is now paramount that Policy Leaders clearly define the purpose of the liquor license fee. Is it City policy that the fees assessed for liquor licenses serve to offset some of the costs for services generated due to the operation of the businesses requesting the license? Or should the established fees fully fund the City's costs for services? **Staff recommends adopting a cost recovery fee structure as it pertains to liquor licenses.** The following is a table representing the current fees collected from downtown liquor license holders:

Number in Downtown	License Type	License Code (Description)	Fee	Revenue to City
1	Club	CA (all types of alcohol) or CB (beer and wine only)	\$1,760	\$1,760
1	Packaged	PAS (all types of alcohol, Sunday sales)	\$1,410	\$1,410
11	Restaurant	RAS (all types of alcohol, Sunday sales)	\$2,210	\$24,310
1	Restaurant	RA (all types of alcohol)	\$1,760	\$1,760
15	Tavern	TAS (all types of alcohol, Sunday sales)	\$2,210	\$33,150
1	Tavern	TA (all types of alcohol)	\$1,760	\$1,760
Total Revenue to City				\$64,150

One option for a cost recovery fee structure would be to raise the liquor license fees on the tavern establishments located in the downtown area. Currently there are 16 Taverns downtown. Raising the license fee to account for \$200,000 would place the tavern license fee for downtown at \$12,500 ($\$12,500 \times 16 = \$200,000$). This option would place the financial onus of the demands for service due to the downtown nightlife directly on tavern establishments in the downtown.

Another option would be to increase the liquor license fee for all of the taverns in the City which would spread the costs amongst the 30 taverns located citywide. This would equate to a \$6,666 fee for tavern liquor licenses.

A third option would be to include restaurants citywide, of which there are a total of 84, in sharing the responsibility. This would result in the liquor license fee being \$1,755 per establishment ($30 \text{ tavern} + 84 \text{ restaurants} = 114 \text{ establishments}$; $\$1,755 \times 114 = \$200,070$).

It is clear that tavern operations in the downtown require more services than fees currently cover. **It is staff's recommendation that the City Council adopt a fee recovery system as it pertains to liquor license fees specific to the downtown.**

3. *Vehicles for Hire* – An observable number of Vehicles for Hire (VFH) license holders are currently allowing passengers to consume alcohol while riding to and from their destinations. This is a major

concern amongst City staff as local law enforcement officers have increasingly witnessed VFH passengers arriving downtown inebriated before entering tavern establishments. Under *state statute (625 ILCS 5/11-502) Transportation or Possession of Alcoholic Liquor in a Motor Vehicle* typical motorists and taxi cab drivers are explicitly prohibited from transporting, carrying, possessing, or having any alcoholic liquor within the passenger area except in the original container and with the seal unbroken. Subsection “c” of the statute, however; states *“This Section shall not apply to the passengers in a limousine when it is being used for purposes for which a limousine is ordinarily used, the passengers on a chartered bus when it is being used for purposes for which chartered buses are ordinarily used or on a motor home or mini motor home as defined in Section 1-145.01 of this Code. However, the driver of any such vehicle is prohibited from consuming or having any alcoholic liquor in or about the driver's area. Any evidence of alcoholic consumption by the driver shall be prima facie evidence of such driver's failure to obey this Section. For the purposes of this Section, a limousine is a motor vehicle of the first division with the passenger compartment enclosed by a partition or dividing window used in the for-hire transportation of passengers and operated by an individual in possession of a valid Illinois driver's license of the appropriate classification pursuant to Section 6-104 of this Code.”*

The City has never stated that VFH drivers have permission to allow alcohol on the busses. City staff members have simply directed VFH license holders to the state statute. Interpretation of the law has been the decision of the individual license holders. The City currently does not have an ordinance specifically addressing this issue. **It is staff’s recommendation that the City Council adopt an ordinance prohibiting the consumption of alcohol and open containers on Vehicles for Hire.**

4. *Camera Surveillance Network* - The current camera system is used to passively monitor high crime locations, outdoor events, traffic issues and pedestrian public safety in the 300, 400, 500 and 600 blocks of N. Main. The camera system allows the department to; identify, apprehend and prosecute offenders, assist in gathering evidence of crimes, monitor pedestrian and vehicle traffic activity and improve the general environment in the downtown corridor.

The camera system has been very effective in aiding post-incident investigations. Arrests have been made in multiple cases where we lacked eye witness evidence. These cases include; Assaults, Batteries, Robbery, Driving Under the Influence of Alcohol, and Theft. The camera system has also been utilized in the production of evidence in vehicular incidents including Accidents, Hit and Run (fatal and property damage), Vehicle Burglary and Vandalism. The cameras have also proven to be very effective in the identification of subjects involved in street level altercations when video footage is shown to the victim(s) and witness(es) in crimes. Overall, the use of the downtown corridor public safety camera system has increased investigation efficiencies by identifying additional suspects and in some instances, detecting crimes that were not previously reported to the department.

Staff recommends expanding this camera network in the downtown area by investing in 15 – 20 additional cameras. Conservative estimates for 15 surveillance cameras is \$200,000 while more probable estimates would have the \$200,000 investment covering the costs for approximately 20 cameras. The estimates for the cameras are location specific with many different variables affecting the final unit price. Staff is currently analyzing the most effective locations for the expanded network

contingent upon approval. Additional server space would be required for the expanded network, the costs of which would be insignificant to the initial capital investment.

5. *Downtown Vision* – As a recent Pantagraph editorial depicted, there appears to be two emerging and competing visions for the downtown¹. The first vision would be to accept the status quo and continue to devote resources toward managing the issues related to a tavern themed downtown in late night hours. The alternative would be to reduce the number of taverns or to eliminate the definition of tavern all together and require all establishments to conform to restaurant requirements including a full kitchen; much like the Town of Normal.

Without this clear direction, the evolution of the downtown will continue to be driven by the conflicting interests of a large college age population and an increased downtown residential population; requiring City services to manage and balance. The future of the downtown may be decided by the City Council with the input of local stakeholders. In order to accomplish this, however; certain questions need to be explored: Should the City mirror the Town of Normal's position on tavern establishments²? Or is the status quo acceptable? **This final recommendation is for Council to begin to discuss the future of the downtown and actively work toward the development of a vision to ensure City resources are most effectively guided toward its fruition.**

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Downtown Business Owners Association, Downtown Bar Owners Association, Vehicles for Hire

FINANCIAL IMPACT: Financial Impact analysis not ready at this time.

Respectfully submitted for Council consideration.

Prepared by: Alex McElroy, Assistant to the City Manager

Recommended by: David A. Hales, City Manager

¹ See Attachment 1 – “Attachment 1 - Pantagraph Article DTNL”

² See Attachment 2 – “Town of Normal's Liquor Code”



Editorial: Bloomington needs vision, goals on 'nightlife' issue

AUGUST 15, 2013 7:00 AM

Bloomington City Manager David Hales and Ward 4 Alderwoman Judy Stearns both are right.

The City Council is considering recommendations to address safety problems and crime related to downtown nightlife that will kick into high gear this weekend with the return of students to Illinois State University. There are no quick and clear fixes, partly because the city has failed to set clear goals.

Stearns wants a quick fix. Hales wants the council to "first set your vision" so revisions actually move the city forward rather than in circles. The majority of aldermen seem to agree.

Simply put, there appear to be two choices: Accept the downtown bar scene for what it is and continue to fine-tune "managing" that reality. Or, decide to change the bar scene and take long-range actions to ban or restrict bars.

Even if the city decides on the second option, it may need to accept the first in the short term.

Everything — fees, financing, licensing, zoning, transportation — will hinge on that initial decision. More specific changes (alcohol sales, surveillance cameras, occupancy numbers) will come later.

We question the need for the report's recommended "alcohol compliance unit" led by a full-time police sergeant, especially given the city already has officers assigned to weekend downtown patrols and is working with both ISU and Illinois Wesleyan University.

Instead, we suggest the "unit" be led by the two aldermen whose ward encompasses downtown, as well as city lawyers and stakeholders representing business, residents, tourism and entertainment.

This problem arose over time and through the help of changes in zoning and liquor license rules. The city wanted to be friendly to business, and it was easier to say yes than to say no.

No solution will bring unanimous support. City leaders need to make sure information is gathered quickly and accurately, that it is studied and then they can make their call.

If they're unwilling to make that sacrifice, they should drop the topic and move onto something else.

Memorandum

To: Alex McElroy, Asst. to the City Manager
From: Tracey Covert, City Clerk
Date: 7/30/2013
Re: Town of Normal – Liquor License Classifications

The following is a listing of the Town of Normal's Classifications & Fees:

Class A – Off premise consumption: 1,000 sq. ft. interior space; Annual fee - \$3,000; Sale hours: Sunday – Thursday 7:00 a.m. until 1:00 a.m., Friday – Saturday 7:00 a.m. until 1:45 a.m.

Class B – On premise consumption, beer only: Restaurants (R) and Clubs (C); Annual fee – R with occupancy 100 or less \$750; R with occupancy over 100 \$1,000 and C \$500; Sale hours: Sunday – Thursday 11:00 a.m. until 1:00 a.m., Friday – Saturday 11:00 a.m. until 2:00 a.m.

Class C – On premise, beer & wine only: R, C and golf courses; Annual fee – R with occupancy 100 or less \$1,500, R with occupancy over 100 \$2,000, C \$500 and golf courses \$100; Sale hours: R & C Sunday – Thursday 11:00 a.m. until 1:00 a.m., Friday and Saturday 11:00 a.m. until 2:00 a.m.; and golf courses Sunday – Thursday 7:00 a.m. until 1:00, Friday and Saturday 7:00 a.m. until 2:00 a.m.

Class D – On Premise, all types of alcohol: R & C; Annual fee – R with occupancy 100 or less \$2,500; R with occupancy over 100 \$3,000 and C \$600; Sale hours: Sunday – Thursday 11:00 a.m. until 1:00, Friday and Saturday 11:00 a.m. until 2:00 a.m.

Class E - Hotels: includes in room mini bars, catering on premise, cash bars – private rentals, room service, restaurants; Annual fee \$3,000; Sale hours: Sunday – Thursday 11:00 a.m. until 1:00 a.m., Friday and Saturday 11:00 a.m. until 2:00 a.m.

Class F – Catering: Annual fee \$100, if holds another class liquor license \$25, Permit required for each catered event – fee \$10; Sale hours: Sunday – Thursday 11:00 a.m. until 1:00 a.m., Friday and Saturday 11:00 a.m. until 2:00 a.m.

Class G – Secondary must hold Class A, B, C, D, E or M; three days or less, nonresidential area, cash bar; Fees \$100 for the first day and \$50 for each additional day.

Class H – Outdoor gardens/sidewalk café must hold Class B, C, D, E or M, property must be immediately adjacent; Annual fee \$250.

Class I – Wine tasting must hold Class A, B, C, D, E or M; Annual fee \$50; tasting held off premise fee \$50 per day; Sale hours: 11:00 a.m. until 1:00 a.m.

Class J – One day extend premise must hold Class B, C, D, E or M; Fee \$25 per day.

Class K – One day license for charitable, civic, benevolent or humane purposes; Fee \$100; Sale hours 11:00 a.m. until 1:00 a.m.

In reviewing Normal's liquor code, there was no class M.

Please note that the Normal liquor code does not contain the word tavern. Normal's liquor code defines Restaurant as "Any public place which is kept, used, maintained, advertised, and held out to the public as a place where meals are sold and served, and where meals are actually and regularly served to the public. The sale of liquor at a restaurant shall be considered incidental to the principal purpose of the sale of food. A restaurant shall have seating available for patrons as well as adequate and sanitary kitchen and dining room equipment. A restaurant must have employed therein a sufficient number and kinds of employees to prepare, cook, and serve full meals for its guests. A restaurant must keep its kitchen open and be serving meals from 5:00 p.m. to 9:00 p.m. on any day the restaurant is open for business and at all time between 11:00 a.m. and 5:00 p.m. when alcohol is served. Restaurants must keep a record of all food items sold such that a determination that the restaurant is serving meals regularly can be made."