

ORDINANCE NUMBER 18-34

AN Ordinance Of The Village Of East Dundee, Cook  
And Kane Counties, Illinois Amending The  
Requirements For Transfer Of A Liquor License

**WHEREAS**, the Village of East Dundee ("Village") is a home rule unit of local government pursuant to Section 6 of Article VII of the Constitution of the State of Illinois, and has the authority to exercise any power and perform any function pertaining to its government and affairs; and

**WHEREAS**, the President and Board of Trustees of the Village have deemed it to be in the best interest of the Village that the Village of East Dundee Village Code ("Village Code") provisions regarding the transfer of liquor licenses be amended with regard to the prorated refund of liquor license fees paid upon transfer of more than 50% ownership of a licensee;

**NOW THEREFORE BE IT ORDAINED BY THE VILLAGE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF EAST DUNDEE, COOK AND KANE COUNTIES, ILLINOIS, AS FOLLOWS:**

**SECTION 1: Incorporation.** That each Whereas paragraph above is incorporated by reference into this Section 1 and made a part hereof as material and operative provisions of this Ordinance.

**SECTION 2: Village Code Amendments.** That the Village Code is hereby amended as follows, with additions underlined and deletions struck through:

**Amendment 1:**

Section 116.06 of the Village Code, entitled "Transfer of License," is hereby amended and shall read as follows:

(A) A license shall be purely a personal privilege good for, but not to exceed, one year after issuance unless sooner revoked as in this chapter provided and shall not constitute property, nor shall it be alienable or transferrable, voluntarily or involuntarily, or subject to being encumbered or hypothecated.

(B) The license shall not descend by the laws of testate or intestate devolution, but it shall cease upon the death of the licensee; provided that, executors or administrators of estate of any deceased licensee and the trustee of any insolvent or bankrupt licensee, when the estate consists of part of alcoholic liquor, may continue the business of the sale of alcoholic liquor under the order of the appropriate court, and may exercise the privileges of the deceased or insolvent or bankrupt licensee

after the death of the decedent or insolvency or bankruptcy, until expiration of the license, but not longer than six months after the death, insolvency or bankruptcy of the licensee.

(C) Any transfer of ownership of 5% or more of the applicant business entity, whether that be in the individual, corporate or partnership form, shall require the submission of new information to the village updating the application of the licensee then on file. Any transfer of the legal or beneficial ownership of more than 50% of the voting securities or legal or equitable interest of the licensee, whether that licensee be an individual, corporation or partnership, shall be a transfer of ownership as defined in this section and shall be deemed to be a transfer of the license of licensee requiring that the transferee reapply for a license as otherwise provided in this chapter and pay the appropriate license fee. The transferor of the legal or beneficial ownership of more than 50% of the voting securities or legal or equitable interest of the licensee shall receive a prorated refund of the fees it paid the Village for its liquor license(s), in the amount set forth in Section 37.01(U)(7) of the Village Code.

(D) Except as provided for in the Village Code, there There shall be no proration of license fee irrespective of when the application for license is received by the Local Control Commissioner. Any licensee may renew his or her license at the expiration thereof; provided, he or she is then qualified to receive a license and the premises for which the renewal license is sought are suitable for such purpose; and provided that, he or she has made application for renewal; and provided further, that the renewal privilege herein provided for shall not be construed as a vested right which shall, in any case, prevent the President and Board of Trustees from decreasing the number of licenses to be issued within its jurisdiction.

#### **Amendment 2:**

Section 37.01(U) of the Village Code, entitled "Alcoholic beverages (Chapter 116)," is hereby amended by the addition a new Subsection 37.01(U)(7), entitled "Liquor license fees refunds," which shall read as follows:

(7) Liquor license fees refunds. The transferor of the legal or beneficial ownership of more than 50% of the voting securities or legal or equitable interest of a liquor licensee shall receive a prorated refund of the fees it paid the Village for its liquor license(s), in the following amount, based on the date of transfer:

(a) July 1 through September 30: refund of 100% of the fees paid;

(b) October 1 through December 31: refund of 75% of the fees paid;

(c) January 1 through March 31: refund of 50% of the fees paid; and

(d) April 1 through June 30: refund of 25% of the fees paid.

**SECTION 3: Continuation.** That all provisions of the Village Code not amended herein shall remain in full force and effect.

**SECTION 4: Severability.** That if any Section, paragraph or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such Section, paragraph or provision shall not affect any of the remaining provisions of this Ordinance.

**SECTION 5: Repeal.** That all ordinances, resolutions, motions or parts thereof in conflict herewith shall be and the same are hereby repealed.

**SECTION 6: Effect.** That this Ordinance shall be in full force and effect forthwith upon its adoption, approval and publication in pamphlet form as provided by law.

**ADOPTED** this 15th day of October, 2018 pursuant to a roll call vote as follows:

AYES: Trustees Lynam, Selep, Wood, Hall and Andresen

NAYES: Ø

ABSENT: Trustee Mahony

**APPROVED** by me this 15th day of October, 2018.

  
\_\_\_\_\_  
Lael Miller, Village President

**ATTEST:**

  
\_\_\_\_\_  
Katherine Holt, Village Clerk

Published in pamphlet form this 17<sup>th</sup> day of October, 2018, under the authority of the Village President and Board of Trustees.

Recorded in the Village records on October 17, 2018.