

**VILLAGE OF LOMBARD
REQUEST FOR BOARD OF TRUSTEES ACTION**


 X Resolution or Ordinance (Blue) *Waiver of First requested*
 Recommendations of Boards, Commissions & Committees (Green)
 Other Business (Pink)

TO: PRESIDENT AND BOARD OF TRUSTEES

FROM: William T. Lichter, Village Manager

DATE: February 6, 2008 (B of T) Date: February 21, 2008

TITLE: Liquor License Amendment
 Ownership Changes

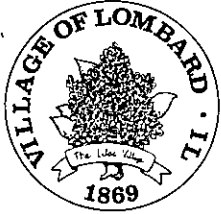
SUBMITTED BY: William J. Mueller, Village President
 Local Liquor Control Commissioner 

BACKGROUND/POLICY IMPLICATIONS:

Please see attached memorandum.

FISCAL IMPACT/FUNDING SOURCE:

Village Attorney _____ Date _____
Finance Director _____ Date _____
Village Manager W. T. Lichter Date 2/8/08



TO: Village Board of Trustees

FROM: William J. Mueller
Local Liquor Control Commissioner
Village President

DATE: February 6, 2008

SUBJECT: Liquor Code Amendment – Ownership Changes

Please find attached an Ordinance Amending Title 11, Chapter 112, Section 112.20 of the Alcoholic Liquor Code in regard to liquor licenses and business ownership changes. This Ordinance addresses the reporting of ownership changes for partnerships, limited liability companies and corporations whose stock is not publicly traded on a recognized stock exchange, and when such ownership changes will cause the need for a new liquor license.

Should you have any questions, please feel free to contact me.

WJM/dk

ORDINANCE NO. _____

**AN ORDINANCE AMENDING TITLE 11, CHAPTER 112,
SECTION 112.20 OF THE VILLAGE OF LOMBARD VILLAGE CODE IN
REGARD TO LIQUOR LICENSES AND BUSINESS OWNERSHIP CHANGES**

BE IT ORDAINED by the President and Board of Trustees of the Village of Lombard, DuPage County, Illinois, as follows:

SECTION 1: That Title 11, Chapter 112, Section 112.20 of the Lombard Village Code is amended by adding new subsections (D), (E) and (F) thereto, which shall read in their entirety as follows:

- “(D) When the licensee is a partnership, limited liability company or a corporation whose stock is not publicly traded on a recognized stock exchange, the license shall terminate whenever fifty percent (50%) or more of the ownership interest therein changes from that shown on the original license application. In such event, the partnership, limited liability company or corporation, through its partners, managers or officers, must make application for the issuance of a new license as provided herein; provided, however, that the provisions of this subsection shall not apply where the transfer of an ownership interest is made to an owner shown on the original license application who owned fifty percent (50%) or more of the ownership interest of such partnership, limited liability company or corporation at the time the original license application was filed with the Village

- (E) When the licensee is a partnership, limited liability company or corporation, whose stock is not publicly traded on a recognized stock exchange, no change in ownership from that shown on the original application involving the addition of a new partner(s) of such partnership, a new member(s) of such limited liability company who will own in the aggregate a five percent (5%) or more ownership interest in said limited liability company, or a new shareholder(s) of such corporation who will own in the aggregate more than five percent (5%) of the stock of such corporation, shall be effective until such proposed change in ownership has first been reported in writing to the Local Liquor Commissioner and said Local Liquor Commissioner finds that the proposed new partner(s),

member(s) or shareholder(s) is/are not ineligible under the provisions of Section 112.11 of this Chapter and so advises the licensee in writing. Any change in ownership without complying with the terms hereof shall constitute grounds for a fine and/or the suspension or revocation of the liquor license issued to such partnership, limited liability company or corporation.

- (F) When the licensee is a partnership, limited liability company or corporation whose stock is not publicly traded on a recognized stock exchange, no change in ownership from that shown on the original application involving the withdrawal of any partner(s), member(s) or shareholder(s) shall be made without reporting such change in ownership in writing to the Local Liquor Commissioner within ten (10) days of any such change in ownership. Said report to the Local Liquor Commissioner shall also indicate how the ownership interest of the withdrawing partner(s), member(s) or shareholder(s) will be reallocated. Any such change in ownership made without complying with the terms hereof shall constitute grounds for a fine and/or the suspension or revocation of the liquor license issued to such partnership, limited liability company or corporation."

SECTION 2: That this Ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form as provided by law.

Passed on first reading this ___ day of _____, 2008.

First reading waived by action of the Board of Trustees this ___ day of _____, 2008.

Passed on second reading this ___ day of _____, 2008, pursuant to a roll call vote as follows:

AYES: _____

NAYS: _____

ABSENT: _____

APPROVED by me this _____ day of _____, 2008.

William J. Mueller, Village President

ATTEST:

Brigitte O'Brien, Village Clerk

Published by me in pamphlet form this ____ day of _____, 2008.

Brigitte O'Brien, Village Clerk