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City Council Document Tracking Sheet

Meeting Date: 7/28/2011

Sponsor(s): Graham, Deborah L. (29)

Type: Ordinance

Title: Amendment of Chapters 4-4 and 4-60 of **Municipal Code** regarding suspension or revocation of business license due to illegal activities on premises

Committee(s) Assignment: Committee on License and Consumer Protection

ORDINANCE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION I. Chapter 4-4 and 4-60 of the Municipal Code of Chicago is hereby amended by deleting the language struck through and by inserting the language underscored, as follows:

(Omitted text is unaffected by this ordinance)

4-4-282 License suspension or revocation – Illegal activities on premises.

(a) The license of any person may be suspended or revoked pursuant to Section 4-4-280 if the mayor determines that the person or his agent or employee has violated any provisions of Chapter 8 of this Code on any premises for which the license was issued.

(b) A licensee whose business license is revoked pursuant to subsection (a) of this section shall be ineligible for any license under this Code for a period of one year from the effective date of the revocation.

(c) Any person who owns 25 percent or more of the shares of any corporation, or any partner or officer of any legal entity, whose license is revoked shall be ineligible for any license under this Code for a period of one year from the effective date of the revocation

(Omitted text is unaffected by this ordinance)

4-60-142 Responsibilities of licensee.

A licensee is responsible to the community surrounding the licensed premises. A city liquor dealer's license issued or renewed after the effective date of this section shall be subject to suspension or revocation if the licensee's business becomes or creates a nuisance under this section or if it causes a public nuisance under Section 4-60-195. A licensed business is or creates a nuisance under this section if within any consecutive 12 months not less than two separate incidents occur on the licensed premises or on adjacent property, while the business establishment is open for business or within one hour of the time the establishment is opened or closed for business, involving acts that violate Chapter 8 of this Code, any federal or state law regulating narcotics, controlled substances or weapons. It is not a defense to a charge of violating this section that the licensee or the licensee's employees or agents were not personally involved in the

commission of the illegal acts. For purposes of this section, the term "adjacent property" shall have the same meaning set forth in Section 4-60-190(c).

(Omitted text is unaffected by this ordinance)

4-60-195 Public nuisance.

Whenever any of the complaint procedures described in subsection (b) of Section 4-60-190 have been initiated against a business licensed under this chapter, and, in the opinion of the Local Liquor Control Commission, those complaint procedures have not resulted in a successful outcome, the Local Liquor Control Commission or its designee may initiate a hearing on the question of whether the liquor license shall be revoked because the sale of liquor at the licensee's place of business is a public nuisance. The burden of proof shall be on the residents to show that the sale of liquor at the licensee's place of business is a public nuisance. Such proof shall include that the licensee has failed to take reasonable steps to correct objectionable conditions occurring on the licensed premises or on adjacent property while the premise is open for business and within one hour of the time the establishment is opened or closed for business. Notice of the hearing shall be given to the licensee by first class mail. A public nuisance hearing may also be convened at the request of the Local liquor Control Commissioner based upon his or her reasonable belief that the sale of liquor at the particular location has caused a public nuisance. Notice of a hearing scheduled under this section shall be given to the alderman of the ward in which the licensed premises is located.

The hearing shall be held before a hearing officer designated by the mayor in accordance with Section 4-4-280. If the hearing has been convened all interested parties as defined by rules and regulations shall have the right to testify. At the conclusion of the hearing, if the hearing officer finds by a preponderance of the evidence that the licensee's sale of liquor at the licensed premises is a public nuisance, because a licensee has failed to take reasonable steps to correct objectionable conditions on the licensed premises or on adjacent property during business hours and within one hour before and one hour after such business hours, the local liquor control commissioner shall enter an order suspending or revoking the license.

Notwithstanding any other provision of this section, if a licensee has provided satisfactory proof to the local liquor control commissioner that the licensee has devised a plan of operation that will provide reasonable assurance that operation of the business at which liquor is sold will not cause a public nuisance, the local liquor control commissioner may suspend the effectiveness of the suspension or revocation order for a period of six months while that plan is in effect. Such a plan must be submitted within 20 days after a suspension or revocation order is issued under this section, and such an order shall be stayed for 35 days from the date the plan is submitted. If no plan is submitted within 20 days after the issuance of a suspension or revocation order under


this section, or if the local liquor control commissioner rejects the plan, the suspension or revocation order shall become final. If the local liquor control commissioner approves the plan, he or she shall continue the hearing to a specified date prior to the expiration of the six month period. The plan may include conditions upon the licensee's operation of the premises that are useful or necessary to mitigate a public nuisance, including but not limited to: providing security personnel, restricted hours of operation, providing outdoor lighting, the display of sign, providing trash pickup services, or any other reasonable restrictions on business practices. After a continued hearing at which interested persons shall have the opportunity to be heard, the local liquor control commissioner may: (1) reimpose the suspension or revocation order if the local liquor control commissioner determines that the licensee has failed to adhere to the written plan of operation; (2) order the modification of the plan of operation, including the addition or removal of conditions on the operation of the premises; (3) vacate the suspension or revocation order if the local liquor control commissioner determines that the order is no longer necessary to prevent a public nuisance; and/or (4) continue the hearing for an additional six months, during which the effectiveness of the suspension or revocation order may continue to be suspended pending further evaluation of the licensee's efforts to correct objectionable conditions.

Any order issued under this section, other than a final order imposing a suspension or revocation or vacating such sanction, shall not be considered a final order. 4-60-200 Violation – Penalty.

Any person violating any of the provisions of this chapter shall be fined not less than \$300.00 nor more than \$5,000.00 for each offense, except where otherwise specifically provided. A separate and distinct offense shall be held to have been committed each day any person continues to violate any of the provisions hereof.

Deleted: i

SECTION II. This ordinance shall take full force and effect 90 days after passage and approval.


Deborah Graham
Alderman, 29th Ward