



# City of Chicago



O2016-670

Office of the City Clerk

## Document Tracking Sheet

<b>Meeting Date:</b>	2/10/2016
<b>Sponsor(s):</b>	Hopkins (2) Dowell (3) Moreno (1) Burnett (27) Mitts (37) Zalewski (23) Silverstein (50) Laurino (39) Ervin (28) Sposato (38)
<b>Type:</b>	Ordinance
<b>Title:</b>	Amendment of Municipal Code Titles 4 and 5 by establishing Legacy Business Program and by modifying various license fees
<b>Committee(s) Assignment:</b>	Committee on Finance

# **ORDINANCE ESTABLISHING LEGACY BUSINESS PROGRAM**

**SECTION 1.** The Municipal Code of the City of Chicago is hereby amended by inserting Chapter 5-28, by adding the language underscored, as follows:

## **SECTION 5-28. LEGACY BUSINESS PROGRAM.**

### **5-28-010. Legacy Business Registry.**

(a) The Department of Department of Planning and Development ("DPD") shall establish and maintain a registry of Legacy Businesses in Chicago ("Registry"). The purpose of the Registry is to recognize that longstanding, community-serving businesses can be valuable cultural assets of the City. In addition, the City intends that the Registry be a tool for providing educational and promotional assistance to Legacy Businesses to aid their continued viability and success.

(b) For purposes of this Chapter 5-28, "Legacy Business" means a business that has been nominated by an Alderman or the Mayor in accordance with subsection (c) below, and that DPD determines meets each of the following criteria:

1. The business has operated in Chicago for at least 30 years, with no break in Chicago operations exceeding 2 years. The business may have operated in more than one location or jurisdiction, but must have been founded or currently headquartered in Chicago; provided, however, that If the business has operated in Chicago for more than 20 years but less than 30 years, it will be deemed to have satisfied this requirement if DPD

concludes the business has contributed significantly to the history or identity of a particular neighborhood or community and if not included in the Registry the business would face a significant risk of displacement.

2. The business has contributed to the neighborhood's history and/or the identity of a particular neighborhood or community.

3. The business is committed to maintaining the physical features or traditions that define the business.

(c) Nominations for the Registry are limited to a total of 300 businesses per calendar year. The nominations for any year will be the first 300 received in that year. There is no limit on the number of nominations that may be made by the Mayor or an Alderman.

(d) Businesses nominated for inclusion in the Registry and that wish to be included in the Registry will have to pay a one-time fee to DPD to defray administrative costs. This fee will be \$50 per applicant business.

#### **5-28-020. Grants to Legacy Businesses.**

(a) Qualifications for Grant. DPD will award a Legacy Business an annual grant, provided that the Legacy Business: (1) annually files an application for the grant with DPD between January 1<sup>st</sup> and March 30<sup>th</sup>; (2) has no amounts owing to the City as a result of fines, penalties, interest, assessments, taxes, fees, or any other financial obligations to the City that were delinquent as of the date of application; and (3) meets all other requirements for the grant, including but not limited to a letter of support from

the Alderman for the ward in which the Legacy Business operates. A Legacy Business qualifying under this subsection will be referred to as a "Qualified Legacy Business".

(b) Grant Application. A Legacy Business seeking a grant must submit an application on a form prepared by DPD and certify: (1) the number of full-time equivalent employees employed in Chicago by the Legacy Business as of the immediately preceding December 31<sup>st</sup>; and (2) that the Legacy Business meets all of the requirements for the grant. For purposes of this subsection the number of full-time equivalent employees employed in Chicago by a Legacy Business in the preceding year is determined by adding for each employee employed as of that date, the employee's average weekly hours over the preceding year, dividing the result by 40, and rounding to the nearest whole number.

(c) Amount of Grant. After the March 30<sup>th</sup> application deadline, DPD will award a Qualified Legacy Business a grant equal to \$500 per full-time equivalent employee employed in Chicago by the Qualified Legacy Business as of the immediately preceding December 31<sup>st</sup>, up to a maximum of 100 full-time equivalent employees. The total combined grants paid to all Qualified Legacy Businesses in a calendar cannot exceed the appropriations into the Legacy Business Historic Preservation Fund. If in a calendar year the total grants requested by Qualified Legacy Businesses exceed the amount of the appropriations in the Legacy Business Historic Preservation Fund for grants to Qualified Legacy Businesses, DPD will allocate the grants to be paid to all Qualified Legacy Businesses proportionately based on the number of full-time equivalent employees employed in Chicago by each Qualified Legacy Business as of the immediately preceding December 31<sup>st</sup>.

## 5-28-030 Grants To Landlords.

(a) Qualifications for Grant. DPD will award an annual grant to a landlord that, on or after January 1, 2017, enters into a lease agreement with a Legacy Business which leases real property in Chicago for a term of at least 10 years or extends the term of the Legacy Business's existing lease at least an additional 10 years ("Landlord"), provided that: (1) the Landlord files an initial application for the grant with DPD after execution of the qualifying lease, and annually files an application for the grant prior to the anniversary date of the Landlord's first grant payment; (2) the lease meets all other criteria required by rules and regulations of DPD, including criteria tied to the amount of rent and other lease provisions that may impact the long-term stability of the Legacy Business; (3) the Landlord has no amounts owing to the City as a result of fines, penalties, interest, assessments, taxes, fees, or any other financial obligations to the City that were delinquent as of the date of application; (4) the Landlord is not related by ownership, either directly or indirectly, to the Legacy Business to which the Landlord leases the property; and (5) the Landlord meets all other requirements for the grant. A lease or lease extension between a Landlord and a Legacy Business will not be disqualified if there is a provision in the lease making it contingent on the Landlord receiving a grant from the City under this subsection. The amount of the grant will be equal to \$4.50 per square foot, up to a maximum of 5,000 square feet per location, of the real property in Chicago leased to the Legacy Business from which the Legacy Business operates its business. A Landlord qualifying under this subsection will be referred to as a "Qualified Landlord".

(b) Grant Application. A Landlord seeking a grant must submit an application on a form prepared by DPD and: (1) certify the total square footage of the real property in Chicago leased to the Legacy Business from which the Legacy Business operates its

business; (2) provide a copy of the lease with the Legacy Business; and (3) certify that the Landlord meets all requirements for the grant. The Landlord must submit any subsequent annual applications for grants by the anniversary date of their first payment on a form prepared by DPD which includes a certification that the Landlord continues to meet all of the requirements for the grant. Lease provisions will be kept confidential to the extent allowable by law.

(c) Amount of Grant. Following a Landlord's initial application and on the anniversary date of a Qualified Landlord's first grant payment thereafter, DPD will pay to a Qualified Landlord a grant equal to \$4.50 per square foot, up to a maximum of 5,000 square feet per location, of the real property in Chicago leased to the Legacy Business from which the Legacy Business operates its business, except that the total grants paid to all Qualified Landlords in a year cannot not exceed the appropriations into the Legacy Business Rent Stabilization Fund. DPD will allocate funds among Qualified Landlords as follows: (1) DPD will cover all grants made to Qualified Landlords from prior years that have years remaining on their leases for which the Qualified Landlords are entitled to grants. If sufficient funds do not exist for all these grants, DPD will allocate the money proportionately based on the square footage of the real property in Chicago leased to the Legacy Businesses from which the Legacy Businesses operate their businesses; and (2) If there are sufficient funds to pay all grants during the year to Qualified Landlords from prior years, grants to new Qualified Landlords will be made out of any amount remaining.

#### **5-28-0450. Funding.**

The fee provided for in § 5-28-020 shall be used to help fund the Legacy Business Program. In addition, there will be an increase in license fees imposed by Chapter 4 of the Municipal Code as set forth in this ordinance. This increase in the initial and subsequent years will be used to fund the Program. The City may appropriate additional money to the Legacy Business Program to the extent deemed appropriate.

#### **5-28-050. Reports.**

By the first business day of February of each year beginning with 2017, the Commissioner of DPD ("Commissioner") must file a written report with the City Council Committee on Finance on the implementation of this Chapter 5-28. The report must include a list of: (A) each Qualified Legacy Business and the amount of the grant paid to each Qualified Legacy Business for the prior year; and (B) each Qualified Landlord, the Legacy Business to which the Qualified Landlord leased the real property, and the amount of the grant paid to each Qualified Landlord for the prior year. The report should include recommendations for improving the program may include other relevant information at the discretion of the Commissioner.

Beginning in 2021, the Commissioner will perform an assessment and review of the effect of this Chapter 5-28 on the stability of Legacy Businesses for the prior five years. Based on this assessment and review, the Commissioner will file a written analysis with the City Council Committee on Finance no later than the first business day of March and at five-year intervals thereafter.

**5-28-060. Dollar Amount Adjustments.**

For calendar 2019 and every other year thereafter, DPD will increase the amount per full-time equivalent employee (rounded to the nearest dollar) and the amount per square foot (rounded to the nearest cent) in Sections 5-28-020 and 5-28-030, respectively, to reflect increases in the Consumer Price Index: All Urban Consumers for the Chicago Metropolitan Area for All Items as reported by the United States Bureau of Labor Statistics, or any other index that, in the discretion of the Commissioner, better reflects increases in commercial rents. These revised figures will be used prospectively to calculate grants under Chapter 5-28.

**5-28-070. Rules and Regulations.**

The Commissioner is authorized to issue rules and regulations regarding the Legacy Business Program.

**SECTION 2.** Section 4-5-010 of the Municipal Code of the City of Chicago is hereby amended by inserting the language underscored and deleting the language struck through, as follows:

**4-5-010 Establishment of license fees.**

This chapter shall establish fees for various licenses created by this title unless otherwise provided. The following fees shall apply for the specified licenses.

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*(Omitted text is not affected by this ordinance)*

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(1)	Limited business (4-4)	\$250.00 <u>\$255.00</u>
(2)	Regulated Business License (4-6) – Other than Hotels	\$250.00 <u>\$255.00</u>
(3)	Regulated Business License (4-6) – Hotels	\$250.00 <u>\$255.00</u> plus \$2.20 <u>\$2.25</u> per room
(4)	Ambulance (4-68) per year	\$600.00 \$610.00
(5)	Drain layers (4-28)	\$125.00 <u>\$130.00</u>
(6)	Public places of amusement (4-156)	
	Public place of amusement license	
	The fee for each public place of amusement license shall be graded according to the licensed establishment's capacity in accordance with the following schedule:	
	<i>Maximum Capacity</i>	<i>Fee</i>
	1 - 350	\$770.00 <u>\$785.00</u>
	351 – 500	\$1,000.00 <u>\$1,020.00</u>
	501– 750	\$1,650.00 <u>\$1,680.00</u>
	751– 1000	\$2,200.00 <u>\$2,250.00</u>
	1,001 – 2,000	\$3,300.00 <u>\$3,400.00</u>
	2,001 – 3,000	\$4,400.00 <u>\$4,500.00</u>
	3,001 – 4,000	\$6,600.00 <u>\$6,700.00</u>
	Over 4,000	\$13,200.00 <u>\$13,400.00</u>
	When computing the capacity of a public place of amusement, other than a	

	performing arts venue, the total occupancy of all rooms or other occupancy areas of the premises of the business operating the amusement shall be calculated.	
	<i>Performing Arts Venue</i>	
	01 – 499 person capacity	<del>\$110.00</del> <u>\$115.00</u>
	500 plus person capacity	<del>\$2.00/</del> <u>\$2.05</u> person
(7)	Animal care (4-384)	<del>\$275.00</del> <u>\$280.00</u>

(8)	Animal Exhibition Permit (30 days or less)	<del>\$275.00</del> <u>\$280.00</u>
(9)	Bicycle messenger (4-168) per year	<del>\$70.00</del> <u>\$75.00</u>
(10)	Children's Services Facility (4-75)	<del>\$165.00</del> <u>\$170.00</u>
(11)	Emerging Business Permit (Section 4-4-022)	<del>\$250.00</del> <u>\$255.00</u>
(12)	Excavator (Chapter 4-196)	<del>\$250.00</del> <u>\$255.00</u>
(13)	General contractor (4-36)	
	Class A	<del>\$2,000.00</del> <u>\$2,050.00</u>
	Class B	<del>\$1,000.00</del> <u>\$1,025.00</u>
	Class C	<del>\$750.00</del> <u>\$765.00</u>
	Class D	<del>\$500.00</del> <u>\$510.00</u>
	Class E	<del>\$300.00</del> <u>\$305.00</u>
(14)	Filling Station (4-108)	

	Per establishment	<del>\$220.00</del> <u>\$225.00</u>
	Per portable tank	<del>\$110.00</del> <u>\$115.00</u>
	Per gallon of capacity for containers or tanks	\$0.12
	In determining the total capacity of containers or tanks under this section, any container or tank used exclusively for the storage of kerosene but not exceeding a total capacity of 100 gallons shall be excluded.	

(15)	Food – Retail Food Establishment (4-8)	
	0 – 4,500 square feet	<del>\$660.00</del> <u>\$670.00</u>
	4,500 – 10,000 square feet	<del>\$880.00</del> <u>\$900.00</u>
	10,000 plus square feet	<del>\$1,100.00</del> <u>\$1,125.00</u>
	Food – Seasonal Lakefront Food Establishment	\$125.00/ season
	Food – Special Event Food Licenses	
	5-day single special event food license	\$75.00
	10-day multiple special events food license	\$125.00
	180-day multiple special events food license	<del>\$250.00</del> <u>\$255.00</u>
	1-year multiple special events food license	<del>\$500.00</del> <u>\$510.00</u>
	Food – Wholesale Food Establishment (4-8)	<del>\$660.00</del> <u>\$675.00</u>
	Food – Shared Kitchen	<del>\$660.00</del> <u>\$675.00</u>
	Food – Shared Kitchen-Supplemental	<del>\$330.00</del> <u>\$335.00</u>
	Food – Shared Kitchen Long-Term User	<del>\$330.00</del> <u>\$335.00</u>
	Food – Shared Kitchen Short-Term User	\$75.00

	Food – Mobile Food Vendor – Produce Merchant (4-8)	<del>\$275.00</del> <u>\$280.00</u>
	Food – Mobile Food Vendor – Mobile Desserts Vendor	<del>\$275.00</del> <u>\$280.00</u>
	Food – Mobile Food Vendor – Mobile Food Dispenser	<del>\$700.00</del> <u>\$710.00</u>
	Food – Mobile Food Vendor – Mobile Food Preparer	<del>\$1,000.00</del> <u>\$1,020.00</u>
	Food – Mobile Food Vendor – Mobile Prepared Food Vendor	<del>\$350.00</del> <u>\$355.00</u>
(16)	Explosives	<del>\$500.00</del> <u>\$510.00</u>
(17)	Certificate of Fitness – Explosives	\$100.00/ per person

(18)	Garage – Public (4-232)	\$19.80/ 300 sq. ft.
(19)	Garage – Accessory (4-232)	\$19.80/ 300 sq. ft.
(20)	Itinerant merchant (4-212)	
	Per participating merchant, payable at the time of application:	
	For a 14-day license	\$25.00
	For a 30-day license	\$50.00
	For a 90-day license	\$150.00
(21)	Indoor special event (4-156):	
	Class A license	<del>\$6,000.00</del> <u>\$6,100.00</u>
	Class B license	\$100.00/ day

(22)	Liquor – Retail (4-60)	
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	Fees for the whole or any portion of the license period for which the application is made shall be as set forth below:	
	Expanded Establishment Amended Liquor License: additional fee for the remaining portion of the license period to be charged during the first year of operation only	\$1,000.00 <u>\$1,020.00</u>
	Liquor – Tavern	\$4,400.00 <u>\$4,500.00</u>
	Liquor – Special	\$150.00
	Liquor – Music and Dancing	\$1,100.00 <u>\$1,125.00</u>
	Liquor – Package Goods	\$4,400.00 <u>\$4,500.00</u>
	Liquor – Consumption on premises – incidental activity	\$4,400.00 <u>\$4,500.00</u>
	Liquor – Caterer's Liquor License	\$4,400.00 <u>\$4,500.00</u>
	Liquor – Caterer's Liquor License, with incidental activity	\$2,200.00 <u>\$2,225.00</u>
	Liquor – Caterer's Registration	\$6,600.00 <u>\$6,700.00</u>
	Liquor – Not-for-Profit Club	\$1,100.00 <u>\$1,125.00</u>
	Liquor – Outdoor Patio	\$1,760.00 <u>\$1,850.00</u>
	Liquor – Late Hour	\$6,000.00 <u>\$6,100.00</u>
	Liquor – Special Event	\$150.00/ event
	Liquor – Navy Pier Mobile	\$4,400.00 <u>\$4,500.00</u>
	Liquor – Wrigley Field	\$600.00 <u>\$610.00</u>
	Airport Pushcart License	\$600.00 <u>\$610.00</u>
(23)	Manufacturing establishment (4-224)	\$275.00 <u>\$280.00</u>

(24)	Massage establishment (4-92)	\$550.00
		<u>\$560.00</u>
(25)	Motor vehicle repair shop (4-228)	\$240.00
		<u>\$245.00</u>

(26)	Pawnbroker (4-240) per year	\$5,280.00
		<u>\$5,400.00</u>
	Per year	\$5,280.00
		<u>\$5,400.00</u>
(27)	Street Peddler and Street Performers	\$100.00
	Provided, however, that the fee shall be \$50.00 if the licensee is: 65 or more years of age at the time of application; or a veteran of the armed forces of the United States, whose discharge from military or naval service was other than dishonorable; or a person with a physical or mental disability, as certified by a medical doctor.	
(28)	Raffles (4-156) per year	\$100.00
(29)	Secondhand dealer (4-264)	\$1,100.00
		<u>\$1,125.00</u>

(30)	Tobacco dealer – Retail	
	Per location	\$500.00
		<u>\$510.00</u>
	Plus, per cash register	\$330.00
		<u>\$335.00</u>
	Tobacco Product Sampler	\$660.00
		<u>\$675.00</u>
(31)	Weapons dealer (4-144) (unless otherwise specified)	\$1,100.00
		<u>\$1,125.00</u>
	Firearms Dealers	\$3,800.00
		<u>\$3,900.00</u>
	Professional Theatrical Armorers	\$2,350.00
		<u>\$2,400.00</u>
	Professional Firearm Curators	\$2,350.00

		<u>\$2,400.00</u>
(32)	Shooting range facility (4-151)	<del>\$2,000.00</del> <u>2,050.00</u>
(33)	Valet Parking Operator (4-232)	<del>\$600.00</del> <u>\$610.00</u>
(34)	Heliport (4-83)	<del>\$400.00</del> <u>\$405.00</u>
(35)	Navy Pier Kiosk (4-360) per year	\$125.00

**SECTION 3. SEVERABILITY.** If any section, subsection, sentence, clause, phrase, or word of this ordinance, or any application thereof to any person or circumstance, is held to be invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions or applications of the ordinance.

**SECTION 4. NO CONFLICT WITH FEDERAL OR STATE LAW.** Nothing in this ordinance shall be interpreted or applied so as to create any requirement, power, or duty in conflict with any federal or state law.

**SECTION 5. EFFECTIVE DATE.** The effective date of this ordinance shall be ninety days after passage and publication.

Brian Hopkins 2

Brian Hopkins

Alderman, 2<sup>nd</sup> Ward

Pat Howell, 3<sup>rd</sup>

Michael Seale 23

Joe Mero / 8<sup>th</sup>

Michael Sibley 43

Walter R...

Emma Hill 27 37

Mont Lawrence

ACR 28

Nickal Peck 38<sup>th</sup>