



# Office of the City Clerk

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## Legislation Details (With Text)

**File #:** O2013-2290  
**Type:** Ordinance  
**Status:** Passed  
**File created:** 3/13/2013  
**In control:** City Council  
**Final action:** 4/10/2013  
**Title:** Amendment of Municipal Code Chapters 4-60 and 4-156 regarding applicaion processes and issuance procedures for liquor licenses  
**Sponsors:** Emanuel, Rahm, Graham, Deborah L., Mitts, Emma, Reboyras, Ariel  
**Indexes:** Ch. 60 Liquor Dealers, Ch. 156 Amusements  
**Attachments:** 1. O2013-2290.pdf

Date	Ver.	Action By	Action	Result
4/10/2013		City Council	Passed	Pass
4/3/2013	1	Committee on License and Consumer Protection	Recommended to Pass	Pass
3/13/2013	1	City Council	Referred	

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

SECTION 1: Section 4-60-040 of the Municipal Code of Chicago is hereby amended by deleting the language stricken through and inserting the language underscored, as follows:

#### 4-60-040 License - Application and issuance procedures.

*(Omitted text is unaffected by this ordinance)*

(c)(1) ~~At the time an application is originally filed~~ During the application process for a liquor license or for an expanded establishment amended liquor license, the applicant shall pay the license fee as required by Section 4-5-010, and, no later than 30 days after payment of the license fee, shall submit to the department of business affairs and consumer protection all required documentation, as prescribed by the rules and regulations of the department, necessary to complete the liquor license application. If the applicant submits all required documentation in a timely manner, the local liquor control commissioner shall review the application materials and any written objections to the granting of the license and shall approve or deny the application within 60 days after all required documentation has been submitted. If the applicant fails to submit all required documentation in a timely manner, the commissioner of business affairs and consumer protection shall deem the application to be incomplete and shall suspend all further processing of the application unless the applicant reactivates the application within six months after payment of the license fee ~~the original application i s~~ filed by (i) submitting all required documentation necessary to complete the application process, and (ii) paying a \$500.00 license application reactivation fee which the commissioner of business affairs and consumer protection is authorized to assess. If the applicant reactivates the license application in accordance with the requirements of this subsection, the local liquor control commissioner shall review the application materials and any written objections to the granting of the license and shall approve or deny the application within 60 days after all required documentation has been submitted and the license application reactivation fee

paid. If the commissioner of business affairs and consumer protection deems the liquor license application to be incomplete and the applicant fails to reactivate the application in accordance with the requirements of this subsection, or, if the applicant withdraws the application, the application shall expire and the applicant shall forfeit the license fee and, if applicable, the license application reactivation fee. If the liquor license application expires or is withdrawn, a new application for a liquor license, accompanied by the license fee and all required documentation prescribed by the rules and regulations of the department of business affairs and consumer protection, shall be required to obtain a liquor license under this chapter.

(2) ~~At the time an application for a liquor license is originally filed or subsequently renewed,~~ the Prior to the approval or renewal of a liquor license, an applicant or licensee shall provide proof to the department of business affairs and consumer protection that the applicant or licensee has obtained liquor liability (dramshop) insurance for the operation of the premises described in such application or license in the aggregate amount of \$300,000.00, issued by an insurer authorized to insure in Illinois. The insurance policy required by this subsection shall be for a term of at least 12 months, and shall be co-extensive with the first 12 months of the

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applicable license period. Thereafter, the licensee shall continue to maintain such insurance policy in full force and effect for the duration of the two-year license period. The licensee shall keep proof of the required insurance on the licensed premises at all times and, upon demand, shall produce such proof for inspection by an authorized city official. Each policy of insurance required under this subsection shall include a provision requiring 30 days' advance notice to the local liquor control commissioner prior to termination or lapse of the policy. Failure to comply with the requirements of this subsection shall be grounds for the suspension or revocation of the license for a single offense in accordance with the requirements of Section 4-4-280 of this Code.

(3) No original or renewal license or expanded establishment amended liquor license shall be issued to any applicant or licensee if any person owning, either directly or indirectly, more than five percent of the interest in the applicant or licensee owes a debt within the meaning of Section 4-4-150(a) of this Code.

~~d) At the time of filing an initial application~~ Prior to the approval of fof a retailer's license for the sale of alcoholic liquor, each new applicant or manager of an applicant that is a corporation, limited liability company, partnership or club shall provide evidence to the local liquor control commissioner that such person has successfully completed a beverage alcohol sellers and servers education and training program (hereinafter "alcohol sellers training program") pursuant to the Illinois Alcoholism and Other Drug Dependency Act, as amended.

A copy of the certificate of completion from an "alcohol sellers training program" shall be posted in a conspicuous place within the licensed establishment of a person newly licensed to sell alcoholic liquor. The certificate of completion from an "alcohol sellers training program" shall be valid for a period of three years from its date of issuance. Each such person required to obtain the certificate provided herein shall renew such certificate every three years.

~~e) When an application is received by the commissioner of business affairs and consumer protection~~ Upon payment of the license fee for a liquor license or for an expanded establishment amended liquor license, the commissioner of business affairs and consumer protection shall, within five days thereafter, cause to be published in a daily newspaper of general circulation in the city four times over a two-week period, a notice (i) stating that application has been made for a city retailer's license for the sale of alcoholic liquor; and (ii) specifying the type of license sought by the applicant, the date the license fee was paid ~~application was filed,~~ the applicant's name, and the street number and location of the premises covered by the application. The

notice shall also state that any objection to the granting of the license shall be made to the local liquor control commissioner, in writing, signed by the objector, within 49 35 days from the date the license application was filed fee was paid , and shall set forth the specific grounds of the objection. The publication may contain notice of more than one application for a license by different persons for different premises. The cost of publishing the notice shall be paid by the applicant. In addition to the required license fee, the comptroller shall require the applicant to pay, at the time the license fee application is paid fited, a sum sufficient to cover the cost of publication.

f) Within five days after filing an application payment of the license fee for a liquor license or for an expanded establishment amended liquor license, the applicant shall cause to be posted at the location of the premises described in the application, in a place clearly visible from the public way, a notice in the form prescribed by the commissioner of business affairs

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and consumer protection providing the information specified in subsection (e). The applicant shall maintain the notice in place until the local liquor control commissioner has made a decision on the application.

g) Within five days of receipt of an application after payment of the license fee for a liquor license or for an expanded establishment amended liquor license, the commissioner of business affairs and consumer protection shall cause a written notice to be issued to the alderman of the ward in which the premises described in the application is located, providing the information specified in subsection (e) and the applicant's current telephone number.

h) The local liquor control commissioner shall review the application materials and any written objections to the granting of the license. The review period for every type of license shall be no fewer than 45 35 days and no longer than 90 days after the date the license fee is paid, except that there shall be no time limit on review of an application for a late-hour license or for issuance of a license within an area described in Section 4-60-022 or Section 4-60-023. Notwithstanding the foregoing, there shall be no minimum time for review of an application for a license for a premises located within either O'Hare International Airport or Midway Airport. The local liquor control commissioner shall deny an application if the applicant fails to satisfy the requirements of this chapter, and may deny an application for a city liquor dealer's license if the issuance of such license would tend to create a law enforcement problem, result in or add to an undue concentration of licenses, or have a deleterious impact on the health, safety or welfare of the community in which the licensed premises is to be located. A deleterious impact is presumed to exist whenever there have been a substantial number of arrests within 500 feet of the applicant's premises (measured from the nearest exterior wall of the premises) within the previous two years, unless the applicant has adopted a plan of operation that will provide reasonable assurance that the issuance of the license will not have a deleterious impact.

If the applicant is seeking a liquor license for a premises and the local liquor control commissioner finds that, for the subject premises identified in the application within the previous two years, a license application has been denied under this subsection (h) because the local liquor control commissioner has determined that issuance of the license would have a deleterious impact on the health, safety or welfare of the community, the application must be denied unless the applicant can prove by clear and convincing evidence that he or she has devised a plan of operation that will provide reasonable assurance that the issuance of the license will not have a deleterious impact. In any case in which the local liquor control commissioner finds that an application must be denied under this paragraph, he or she shall notify the applicant of that finding and afford the applicant 20 days in which to submit a plan of operation, and the time for a final ruling on the application shall be stayed until 35 days after the period in which the plan may be submitted has expired. The plan may include conditions upon the applicant's operation of the premises that are useful or necessary to mitigate a deleterious impact, including but not limited to providing security personnel, restricted hours of

operation, providing outdoor lighting, the display of signs, providing trash pickup services, or any other reasonable restrictions on business practices. An applicant's failure to adhere to a written plan of operation approved by the commissioner pursuant to this section shall constitute a basis to impose a fine and to suspend or revoke any liquor license subsequently issued, as appropriate. Nothing in this subsection (h) authorizes the issuance of a license when such issuance is prohibited under Section 4-60-180.

- (i) No license of any type under this chapter shall be issued prior to the expiration of

45 35 days after the date the license fee is paid; provided, however, that this requirement shall not apply to a license for a premises located within either O'Hare International Airport or Midway Airport.

*(Omitted text is unaffected by this ordinance)*

#### **4-60-050 Notice and license issuance conditions.**

(a) Within five days after the license fee was paid receiving an application under this chapter for a liquor license, the department of business affairs and consumer protection shall serve written notice by first class, registered or certified mail on all legal voters residing within 250 feet of the location for which the license is sought. The measurement of such area shall be made from the boundaries of the premises described in the application for which the license is sought, to a radius of 250 feet away. The notice shall state the name of the applicant, the street number and location of the premises for which the license is sought, the type of license sought by the applicant and the date on which the application was filed license fee was paid. The notice shall also state that any objection to the granting of the license sought shall be made to the local liquor control commissioner, in writing, signed by the objector and delivered to the local liquor control commissioner within 40 35 days after the date of filing the application license fee was paid, as indicated on the notice, and shall set forth the specific grounds for the objection. The department of business affairs and consumer protection shall also serve such written notice in the manner and within such time limits as herein provided, upon the alderman of the ward in which the premises described in the notice is located.

*(Omitted text is unaffected by this ordinance)*

SECTION 2: Chapter 4-156 of the Municipal Code of Chicago is hereby amended by adding a new Section 4-156-321, deleting the language stricken through and inserting the language underscored, as follows:

#### **4-156-300 License - Required - Special requirements for establishments catering to minors.**

(a) Unless specifically exempted in Section 4-156-305 or subsection (f) of this section, it shall be unlawful for the owner, lessee or manager of any property, or for any other person, to produce, present or conduct thereon, ~~for gain or profit~~, any amusement unless the owner, lessee or manager of such property has first obtained a public place of amusement license. If an amusement is produced, presented or conducted ~~for gain or profit~~ on any property without a valid public place of amusement license first having been obtained, and unless Section 4-156-305 or subsection (f) of this section applies, all of the following persons shall be in violation of this subsection: (1) the owner of the property, (2) the lessee of the property, (3) the manager of the property, (4) the producer of the amusement, (5) the presenter of the amusement and (6) the person conducting the amusement. Each person found in violation of this subsection (a) shall be subject to a fine of up to \$10,000.00.

*(Omitted text is unaffected by this ordinance)*

#### **4-156-311 Notice requirements; objections.**

(a) Within five days of receipt of an application after payment of the license fee for a public place of

amusement license, the department of business affairs and consumer protection

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shall cause a written notice to be sent to the alderman of the ward in which the premises described in the application is located, providing the information specified in Section 4-156-310 and the current telephone number of the applicant.

b) Within five days of receiving an application after payment of the license fee, the department of business affairs and consumer protection shall serve written notice by first class, registered or certified mail on all legal voters residing within 250 feet of the location for which the license is sought. The measurement of such area shall be made from the boundaries of the premises described in the application for which the license is sought, to a radius of 250 feet away. The notice shall: identify the license being sought and shall state the name of the applicant, the street number and location of the premises for which the license is sought and the date on which the application will be filed. The notice shall include the language of subsection (d)(1) of this section.

1) identify the license being sought and state the name of the applicant;  
2) identify the address of the premises for which the license is sought;  
3) identify the date on which the license fee was paid; and  
4) advise the recipient that any legal voter residing within 250 feet of the location for which the license is sought may file an objection with the commissioner no later than 35 days after the date the license fee was paid, requesting the commissioner to deny the application on the grounds that the license would have an adverse effect on: (i) the value of the property in the surrounding area; (ii) other commercial or industrial enterprises in the surrounding area; (iii) traffic-flow or parking within the surrounding area; (iv) the character of the surrounding area because of the hours of operation or use; or (v) the health, safety or welfare of the surrounding area. The objection shall be in writing signed by the objector and include the objector's name and address and set forth the grounds for the objection.

c) Within five days after filing an application payment of the license fee, the applicant shall cause to be posted at the location of the premises for which the license is sought, in a place clearly visible from the public way, a notice stating that an application has been made for a public place of amusement license, the date the application the license fee was paid, the name of the applicant and the street number and location of the premises covered by the application. The notice shall also include the language of required by subsection (d)(1) (b)(1)-(4) of this section.

d) (1) Within 30 days of the filing of an application for a public place of amusement license, no less than a majority of the legal voters residing within 250 feet of the location for which the license is sought may file a petition with the department of business affairs and consumer protection requesting the department to deny the license on the grounds that: (i) the license would cause substantial injury to the value of the property in the neighborhood in which it is to be located; (ii) the license would have an adverse effect on other commercial or industrial enterprises in the surrounding area; (iii) the license would have an adverse effect on traffic-flow or parking within the surrounding area; or (iv) the license would have an adverse effect on the character of the surrounding neighborhood because of the hours of operation or use. To be considered the petition shall be delivered no later than 30 days after the date on which the application for the license was filed and shall include the residence address of each person whose signature appears on the petition.

Any objection filed pursuant to subsection (b) shall be delivered to the department no

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later than 35 days after the date on which the license was paid and shall set forth the grounds for the objection.

~~2) After the petition signatures have been validated, the director of business affairs and consumer protection shall set a hearing date and shall provide notice of the hearing to the license applicant, to the voters listed on the petition and to the alderman of the ward in which the premises sought to be licensed is located. Notice shall be sent by first class, registered or certified mail. The commissioner of business affairs and consumer protection shall cause to be published, in a daily newspaper of general circulation in the city, a notice stating that a public hearing has been scheduled regarding the application for a public place of amusement license setting forth the address of the premises sought to be licensed and the date, time and location of the hearing. The hearing shall be commenced no later than 30 days after validated signatures have been received by the department of business affairs and consumer protection. The commissioner of business affairs and consumer protection or his designee may deny the license, upon a showing of due cause, for any of the grounds listed in paragraph (1) of this subsection (d). A decision denying a public place of amusement license application pursuant to a hearing conducted under this subsection shall be a final decision subject in appeal in the manner provided by law.~~

The commissioner shall review the application materials, including any objections. The review period for the application shall be no less than 35 days and no more than 90 days after the date the license fee was paid.

3) (A) The commissioner shall deny an application if the commissioner finds that the approval of the application would give rise to any of the adverse effects set forth in subsection (b). When an application is denied under this subsection (d)(3)(A), the commissioner shall send a written notice to the applicant of the findings which are the basis of the denial and advise the applicant that the applicant may submit a plan of operation within 20 days of the notice. If the applicant submits a plan of operation within the 20-day period, the time for a final ruling on the application shall be extended until 35 days after the date the plan of operation was submitted. A plan of operation may include conditions upon the applicant's operation of the premises that are useful or necessary to mitigate the adverse effects, including but not limited to providing security personnel, restricted hours of operation, providing outdoor lighting, the display of signs, providing trash pickup services, or any other reasonable restrictions on business practices. It shall be a violation if a licensee fails to comply with all requirements of the approved written plan of operation and subject the licensee to a fine pursuant to section 4-156-700, or license suspension or revocation.

(B) For any application for which the license fee is paid on or after March 13, 2013, in addition to any other grounds for denial of an application set forth in this section, the commissioner shall deny an application if the commissioner finds that within the two-year period prior to the date of the application, the premises identified in the application was identified in a prior application for a substantially similar business and the prior application was denied for a finding of an adverse effect on the surrounding area under this section or another similar provision; provided that the commissioner may approve an application if an applicant can prove by clear and convincing evidence that the issuance of the license will not have an adverse effect on the surrounding area. The commissioner shall send a written notice to the applicant of the findings which are the basis of the denial under this subsection and advise the applicant that the applicant may submit evidence that the issuance of the license will not have an adverse

effect on the surrounding area within 20 days of the notice. The evidence may include, but is not limited to:

- i) a petition with the written support of a majority of the legal voters registered within a radius of 250 feet from the boundaries of the premises for which a license is sought;
- ii) a traffic study or traffic management plan which sets forth methods to mitigate any potential adverse effect on traffic flow or parking in the surrounding area; or
- iii) a plan of operation to mitigate any of the adverse effects on the surrounding area which the commissioner found was a basis for a denial pursuant to this section.

If the applicant submits the evidence that the issuance of the license will not have an adverse effect on the surrounding area within the 20-day period, the time for a final ruling on the application shall be extended until 35 days after the date the evidence was submitted.

(34) This section shall not limit the authority of the city or a department or agency of the city to seek denial of an application on the basis of other applicable law.

#### **4-156-320 License - Application - Approval conditions.**

(a) Each application and all information required to be furnished in connection therewith or a copy thereof shall be referred for approval to the buildings commissioner, the zoning administrator, and the director in charge of the bureau of fire prevention. The commissioner of business affairs and consumer protection shall require the following individuals to submit to fingerprinting in order to determine whether the issuance of the license is prohibited pursuant to Section 4-156-355: the individual applicant; all officers of an applicant corporation; the three members who own the highest percentage interests of an applicant partnership; the general partners of an applicant limited partnership; the three members who own the highest percentage interests and, in the case of a member-managed limited liability company, the manager of an applicant limited liability company, unless the above listed individuals are already named on a valid liquor license or are named in a liquor license application that has been filed and is being processed for the same premises for which the public place of amusement license is sought.

~~Within 21 days after receipt of the application or copy thereof, and all other information requested of the applicant by any department whose approval is necessary, each department shall certify to the mayor whether or not the place and the applicant complies in every respect with the applicable provisions of this Code relating to that department. No license shall be issued without approval by the mayor.~~

~~The mayor shall review the application and the reports of the departments and shall determine within 14 days after receipt thereof whether or not the subject property complies with the applicable provision of the code; provided, however, that the mayor may extend the period of such review for an additional 15 days to allow completion of the review, if necessary. If the mayor finds that either subject property or the applicant does not comply with applicable provisions of the municipal code, he shall disapprove the application, and the requirements of Chapter 4-4 of this Code relating to disapproval of license applications shall apply.~~

(b) After receiving zoning approval, an applicant for a public place of amusement license

shall pay the license fee at the time of filing the application. No later than 30 days after payment of the license fee, the applicant shall submit to the department all required documentation, as prescribed in the rules and regulations, necessary to complete the application. If the applicant submits all the required documentation within the 30-day period, the commissioner shall review the application and documentation and any written objections to granting the license and shall approve or deny the application within 60 days after all required documentation has been submitted. If the applicant fails to submit all the required documentation within the 30-day period, the application shall be deemed to be incomplete and the commissioner shall suspend all further

action on the application unless the applicant reactivates the application within six months after the original application was filed by (1) submitting all required documentation necessary to complete the application, and (2) payment of a reactivation fee of \$500.00.

If the applicant reactivates the license application in accordance with this subsection, the commissioner shall review the application and documentation and any written objections to granting the license and shall approve or deny the application within 60 days after all required documentation has been submitted and the license application reactivation fee is paid.

If the commissioner determines the application to be incomplete and the applicant fails to reactivate the application in accordance with this subsection, or if the applicant withdraws the application, the application shall expire and the applicant shall forfeit the license fee and any license application reactivation fee paid by the applicant.

If the license application expires or is withdrawn, a new application for a public place of amusement license, accompanied by the appropriate license fee, and all required documentation shall be required to obtain a license.

(c) The procedures for the denial of a license set forth in Chapter 4-4 shall apply to the denial of an application for a public place of amusement license.

#### **4-156-321 Contingent approval.**

The commissioner is authorized to approve on a contingent basis a public place of amusement license for any application that requires the approval of additional city departments. Upon receipt of a license application, the department shall forward the information to the commissioner and to appropriate departments for review. Upon completion of the commissioner's review, which shall be concluded within 90 days of the date the license fee was paid, the commissioner shall notify the applicant whether the applicant is approved to receive the described license for the subject premises contingent upon the applicant receiving the approval of other necessary departments, such as, but not limited to, the fire department, the department of health and the department of buildings. The contingent approval shall be valid for six months from the date of issuance, but the license shall not issue until all necessary approvals have been received. Nothing in this section shall be construed as authorizing the applicant to produce, present or conduct any amusement until a public place of amusement license is issued.

SECTION 2. This ordinance shall be in full force and effect after its passage and publication; provided that Section 4-156-311(d)(3)(B) shall apply to any application for which a license fee was paid on or after March 13, 2013 and shall apply retroactively to March 13, 2013 and thereafter.

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#### **OFFICE OF THE MAYOR**

CITY OF CHICAGO

RAHM EMANUEL  
MAYOR

March 13, 2013



TO THE HONORABLE, THE CITY COUNCIL OF THE  
CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Business Affairs and Consumer Protection and the Local Liquor Control Commissioner, I transmit herewith, together with Alderman Graham and Alderman Mitts, an ordinance amending Chapters 4-60 and 4-156 of the Municipal Code conforming processes and other requirements.

Your favorable consideration of this ordinance will be appreciated.

Mayor

Very truly yours,

**02013-2290**

Chicago, April 10, 2013

To the President and Members of the City Council:

Your Committee on License and Consumer Protection, having under consideration an ordinance introduced by Mayor Emanuel and Aldermen Graham, Mitts and Reboyras (which was referred on March 13, 2013), to amend the Municipal Code of Chicago conforming processes and other requirements regarding liquor licenses, begs leave to recommend that Your Honorable Body pass the ordinance which is transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee on April 3, 2013.

Respectfully submitted,

EMMA MITTS  
CHAIRMAN, COMMITTEE ON LICENSE AND  
CONSUMER PROTECTION