

ORDINANCE

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

SECTION 1. Section 4-5-010 of the Municipal Code of Chicago is hereby amended by inserting the language underscored, as follows:

4-5-010 Establishment of license fees.

(Omitted text is unaffected by this ordinance)

(45) Accessory Event License (Article VII of Chapter 4-156) \$500

(Omitted text is unaffected by this ordinance)

SECTION 2. Section 4-156-305 of the Municipal Code of Chicago is hereby amended by deleting the language struck through, and by inserting the language underscored, as follows:

4-156-305 License – Exceptions.

No public place of amusement license under this Article III shall be required, if the only amusement to be produced, presented, or conducted is one or more of the following:

(Omitted text is unaffected by this ordinance)

(j) an indoor special event licensed under Article IV; ~~or~~

(k) an industrial venue event conducted at an establishment licensed as an industrial private event venue under Article VI; ~~or~~

(l) an accessory event produced, presented, conducted, or hosted at an establishment licensed under Article VIII.

SECTION 3. Chapter 4-156 of the Municipal Code of Chicago is hereby amended by a new Article VIII, as follows:

**ARTICLE VIII. ALCOHOL MANUFACTURER
ACCESSORY EVENT LICENSE**

4-156-1000 Definitions.

As used in this article, the following definitions apply:

"Alcohol manufacturer" means the holder of any of the following State-issued licenses, regardless of class: brewer, brew pub, brewer warehouse, distiller, craft distiller, distilling pub, craft distiller warehouse, wine manufacturer, or wine maker.

"Accessory event" means an event, exhibition, performance, presentation, show, entertainment, or other, similar recreational activity for entertainment purposes offered for public participation with no more than 150 people in attendance that is conducted solely within the applicable establishment and when the admission fees or sale of tickets for such event is not the primary source of the alcohol manufacturer's revenue. The term does not include private events: (1) where no admission fee, minimum purchase requirement, membership fee, or any form of donation or other fee or charge is imposed for the privilege of entering the premises or the portion of the premises where the event is held, (2) that are not advertised to the public; or (3) activities requiring adult use registration and certification under Chapter 16-16 of this Code.

"Accessory event license" means a license issued to an alcohol manufacturer under this article granting the additional privilege of hosting accessory events in accordance with this article.

"Amusement" shall have the meaning ascribed to the term in Section 4-156-010.

"Commissioner" means the Commissioner of Business Affairs and Consumer Protection.

"Department" means the Department of Business Affairs and Consumer Protection.

"Establishment" means any building or part of a building used or intended to be used to host an accessory event.

4-156-1010 License – Required, Fee.

(a) It shall be unlawful for an alcohol manufacturer to produce, present, conduct, or host an accessory event at the establishment without first having obtained an accessory event license issued under this article, unless such event has been specifically exempted or the alcohol manufacturer has obtained a public place of amusement license issued under Article III of this Chapter 4-156.

(b) An accessory event license issued under this article authorizes the production, presentation, conducting, or hosting of accessory events at establishments. An accessory event license issued under this article does not authorize the production, presentation, conducting, or hosting of any amusement that is not an accessory event, including any amusement device.

(c) An accessory event license shall be in addition to any other licenses and permits required by law. The license fee for an accessory event license shall be as set forth in Section 4-5-010 of this Code.

4-156-1020 – Issuance of license – Prohibited when.

No license shall be issued under this article unless all of the following requirements are met:

(a) the applicant is an alcohol manufacturer;

(b) the applicable establishment has not had any of the following licenses or permits revoked for cause at any time during the last four years: (i) a public place of amusement license issued under Chapter 4-156; (ii) an indoor special event license; (iii) a liquor license issued under Chapter 4-60; (iv) an outdoor special event permit issued under Section 10-8-335; (v) an industrial private event venue license; or (vi) an accessory event license;

(c) if food is to be sold or otherwise provided at any accessory event, the establishment holds a valid retail food establishment license issued under Chapter 4-8 of this Code, or the applicant has made arrangements for food service by a caterer holding a valid retail food establishment license issued under Chapter 4-8 of this Code; and

(d) either the Department of Buildings or the Fire Department, pursuant to a coordinated inspection schedule, have inspected the establishment at least once during the 12-month period preceding the event and have determined that the establishment complies with all applicable life safety requirements of this Code necessary to ensure the safety of public assembly units. If, within the preceding 12-month period, the establishment was inspected either by the Department of Buildings or the Fire Department in connection with a permit inspection, periodic inspection, code compliance inspection, or certificate of occupancy, such inspection shall be deemed to meet the inspection requirement herein. The Department of Buildings and the Fire Department are authorized to conduct such additional inspections as they deem necessary to maintain health and safety.

For any applicant other than a natural person, the above requirements shall apply to every principal officer and to any person owning, directly or indirectly, 25 percent or more of the interest in the applicant.

4-156-1030 License – Term.

Each accessory event license issued under this article shall be valid from the date of issuance and shall expire on the date indicated on the face of the alcohol manufacturer's underlying State-issued license.

4-156-1040 License - Posting – Transferability – Notice of changes.

Every accessory event license shall be posted in a conspicuous place in the establishment. No transfer of ownership shall be allowed on any accessory event license. It is a condition of the accessory event license that information in the application be kept current. Any change in required information shall be reported to the Commissioner without delay.

4-156-1050 License – Application.

(a) An application for an accessory event license shall be made to the Commissioner, on a form supplied by the Department. In addition to the requirements in Section 4-4-050, an application for an accessory event license under this article shall be accompanied by the following:

(1) the name, address and telephone number of the person authorized by the applicant to accept all notices of violation and of license suspension or revocation and closure orders;

(2) the name, address and telephone number of the person authorized by the applicant to schedule all required inspections of the establishment;

- (3) a certificate of insurance, as required by this article;
- (4) an indemnification agreement, as required by this article;
- (5) the establishment's certificate of occupancy and all other applicable certificates required by Chapter 14A-7;
- (6) exit diagrams required by this article;
- (7) the license fee;
- (8) if food is to be sold or otherwise provided at the event, proof that the establishment hosting the event holds a valid retail food establishment license issued under Chapter 4-8 of this Code or that the applicant has made arrangements for food service by a caterer holding a valid retail food establishment license issued under Chapter 4-8 of this Code; and
- (9) any other information that the Commissioner may reasonably require.

(b) An application for a renewal of an accessory event license shall be accompanied by any information that the Commissioner may reasonably require.

(c) Within five days after receiving payment of the license fee for an accessory event license under this Article VIII, the Department shall cause a written notice to be sent to the alderman of the ward in which the premises described in the application is located.

(d) The Commissioner shall deny an application for a license, or a renewal of a license, if the applicant fails to satisfy the requirements of this article. The Commissioner may deny an application for a license, or a renewal of a license, if the issuance of such a 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 establishment is located.

4-156-1060 Insurance – Required.

(a) Prior to the issuance of any accessory event license, each applicant shall furnish proof of insurance, issued by an insurer authorized to insure in Illinois, evidencing commercial general liability insurance, with limits of not less than \$1,000,000 per occurrence for bodily injury, personal injury and property damage arising in any way from the issuance of the license or activities conducted pursuant to the license. Each policy of insurance required under this section shall: (i) include a provision requiring 30 days' advance notice to the Commissioner prior to cancellation or lapse of the policy; (ii) be issued by an insurer authorized to insure in the State of Illinois; and (iii) name the City as additional insured on a primary, noncontributory basis for any liability arising directly or indirectly from the licensee's operations. The licensee shall maintain the insurance required under this subsection in full force and effect throughout the duration of the license period. Proof of insurance shall be kept on the licensed premises, and, upon request by any authorized City official, shall be made available for inspection by such authorized City official.

(b) The insurance required under this section is in addition to any other insurance required under this Code or other applicable law, and shall remain in full force and effect for the duration

of the license period. The license shall be rendered void and of no effect if at any time the insurance required by this section is not in force

4-156-1070 Indemnification Agreement.

Each applicant for an accessory event license shall agree in writing to indemnify, defend and hold harmless the City for any loss that results directly or indirectly from the issuance of the license.

4-156-1080 Legal Duties.

(a) A licensee and any person requiring an accessory event license under this article shall have the following duties:

(1) to designate a person who shall be present at all times during the accessory event and who shall be responsible for ensuring compliance with all applicable rules and regulations and for accepting all notices of violation and of license suspension or revocation and closure orders;

(2) to post exit diagrams, drawn to scale, in a conspicuous place at all entrances to and exits from the establishment identifying all means of egress from the establishment, including the location of all available exits and, if applicable, all floor-by-floor corridors, stairways, evacuation routes, areas of rescue assistance and elevator lobbies. Each diagram shall measure not less than 11 inches in width by 17 inches in height, and shall be (i) made of durable material; (ii) illuminated; and (iii) substantially secured to a wall or partition;

(3) to post occupancy placards, reflecting the current floor plan for the premises, in accordance with the requirements of Section 14A-8-802;

(4) to ensure that any person or business participating in the accessory event has and posts all licenses required by law; and

(5) to comply with all applicable health, sanitary, and inspection requirements under this Code or other applicable law, including, as applicable, the health, sanitary, and inspection requirements imposed under Chapters 4-8, 4-60, 7-28, 7-38, 7-40, and 7-42 if this Code.

(b) Any person or business participating in the accessory event shall obtain and post all licenses required by law.

The requirements set forth in this section shall apply to every principal officer of the applicant.

4-156-1090 Unlawful Acts.

It shall be unlawful for any licensee or for any person requiring a license under this article to do the following:

(a) To exceed the establishment's occupancy, as set forth on the posted occupancy placards, or admit more than 150 attendees to any accessory event;

(b) To conduct any activity at an event requiring adult use registration and certification under Chapter 16-16 of this Code;

(c) To sell or serve alcoholic liquor outside of the hours the licensee is permitted to sell or serve under this Code or other applicable law;

(d) To sell alcoholic liquor or produce, present, conduct, or host an accessory event outside of the establishment.

The prohibitions set forth in this section apply to every principal officer of the applicant.

4-156-1100 License – Suspension – Revocation.

The Commissioner may at any time suspend or revoke any accessory event license issued under this article if the licensee is operating in violation of this Code or any other applicable law, or if such suspension or revocation is necessary to preserve the health or safety of the public. At the time of the suspension or revocation, notice of the suspension or revocation with the reasons therefor shall be mailed to or served upon the licensee or any person designated by the licensee pursuant to this article. Unless the license will expire by its own terms before a hearing can be reasonably scheduled, no such suspension or revocation shall take effect until the licensee has been given notice and an opportunity to be heard in accordance with rules and regulations promulgated by the Department. If necessary to prevent an immediate threat to the health or safety of the public, the Commissioner shall order the licensee to cease operation of any accessory events pending the outcome of the hearing. Any action of the Commissioner in denying or revoking a license under this article shall be subject to judicial review as provided by law.

4-156-1110 Regulations.

The Commissioner may promulgate rules and regulations necessary to implement this article.

4-156-1120 Violation – Penalty.

Except as otherwise provided in this article, any person violating any of the requirements of this article shall be subject to a fine of not more than \$5,000 for each offense. Each day that a violation continues shall constitute a separate and distinct offense to which a separate fine shall apply.

SECTION 4. This ordinance takes effect 90 days after passage.


MATTHEW J. MARTIN
Alderman, 47th Ward