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Promoters Ordinance Briefings
January 6 and 7, 2009

Copy of Substitute Ordinance

Bullet Point Summary

Summary of Revisions since introduction of original Ordinance

Persons NOT required to obtain Promoter License

Collaboration with the Industry and other affected parties

SUBSTITUTE

ORDINANCE

AS

AMENDED

AND

REAMENDED

WHEREAS, The event promoter industry has been radically transformed within the last decade by the ease with which the Internet and other forms of electronic communication enable event promoters to reach masses of people and to draw ever-larger crowds to promoted events. As crowds have increased at promoted events, so too have complaints from neighborhood residents, from the venue operators presenting these events and from public safety officials; and

WHEREAS, The Chicago Independent Review Panel, which was appointed by Mayor Richard M. Daley to make public safety recommendations following the E-2 nightclub tragedy that claimed 21 lives, explicitly concluded that “promoters who produce events with attendance by more than 100 persons should be licensed;” and

WHEREAS, Promoted events at large, non-fixed seating venues pose unique public safety challenges. By their very nature, non-fixed seating venues lack the evacuation aisles necessary to funnel people out quickly in the event of an emergency; provide no assurance that persons in attendance will remain properly positioned in relationship to exit doors and stairs; are conducive to being “packed by people” in excess of the venue’s maximum occupancy; and make it very difficult for fire marshals and law enforcement personnel to determine the precise number of people inside the venue. The crowd in a non-fixed seating venue is fluid and, with little warning, can take on a life of its own. If the crowd panics or shoves in one direction, the probability of death by stampede is greatly increased; and

WHEREAS, Promoted events at large, non-fixed seating venues are frequently accompanied by public disturbances outside the venue. These public disturbances, which threaten the peace and good order of the surrounding community, are the direct result of large crowds of people waiting in line in the hope of gaining admission to the promoted event; and

WHEREAS, Event promoters and venue operators share mutual responsibility for the conduct of promoted events. Accountability is best assured under circumstances where both the event promoter and venue operator understand that their respective business licenses may be at stake if the common sense steps required by this ordinance are not taken to protect the public

health, safety and welfare at such events; and

WHEREAS, It is not unreasonable to expect persons who make a living out of promoting events in the City of Chicago, and who engage in the business of drawing large crowds to Chicago venues, to take the common sense steps required by this ordinance to ensure that the public safety and neighborhood tranquility are preserved at these events; and

WHEREAS, The common sense steps required by this ordinance include requiring event promoters:

- To enter into a written contract with the establishment hosting the promoted event so that there is no misunderstanding about the venue's maximum occupancy capacity, about how much security will be provided at the event and by whom, and about whether any potentially dangerous special effects, such as pyrotechnics, will be used;
- To carry at least a minimal amount of insurance to compensate persons who may be injured or suffer other losses at the promoted event;
- To designate an on-site representative to be physically present throughout the event in order to address any problems that may arise;
- To ensure, along with the venue operator, that the maximum occupancy of the venue is not exceeded; and
- To call the police to report any unlawful activity observed or reported during the promoted event, such as fights, drug sales, the display of weapons, locked stairwell doors, blocked exits, operations within an area of the premises subject to a closure order and other potentially dangerous activities or conditions; and

WHEREAS, The music and entertainment industry in Chicago will flourish if event promoters are licensed. Today, many venue operators are reluctant to host promoted events at their establishments because irresponsible event promoters, those whose promoted events have resulted in death, personal injury, property damage or public disturbances, have given the event promoter industry a bad name. Venue operators presently have no way of knowing, other than by word of mouth, whether an event promoter who approaches them with an offer to host a promoted event at their venue has a good record as an event promoter or not. Licensing of event promoters will work to allay such unfounded fears about event promoters and to encourage more Chicago venue operators to open their doors to promoted events; now, therefore,

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

SECTION 1. Title IV of the Municipal Code of the City of Chicago is hereby amended by inserting a new Chapter 4-157, titled "Event Promoters", as follows:

4-157-010 Definitions.

As used in this chapter:

“Amusement” has the meaning ascribed to the term in Section 4-156-010. This definition applies only to amusements occurring, or planned to occur, within the corporate limits of the City of Chicago.

“Any other license or permit” means: (1) a public place of amusement license or performing arts venue license issued under Chapter 4-156 or its equivalent in another jurisdiction; or (2) an outdoor special event permit issued under Section 10-8-335 or its equivalent in another jurisdiction; or (3) an indoor special event license issued under Article IV of Chapter 4-156 or its equivalent in another jurisdiction; or (4) a liquor license of any type issued under Chapter 4-60 or its equivalent in another jurisdiction; or (5) any license or permit other than those identified in items (1) through (4) of this definition required by law to sponsor, promote, host or serve liquor at an amusement or event; or (6) any combination thereof.

“Commissioner” means the commissioner of business affairs and consumer protection.

“Controlling person” means any person who: (1) is an officer, director, manager, managing member, partner, general partner or limited partner of an entity seeking or holding a license under this chapter; or (2) owns, directly or indirectly through one or more intermediate ownership entities, 10 per cent or more of the interest in an entity seeking or holding a license under this chapter.

“Department” means the department of business affairs and consumer protection.

“Establishment” or “site” means any building, or any indoor or outdoor premises, or any part thereof, used or intended to be used to present an amusement or event.

“Event” means: (1) any activity requiring a special event liquor license under Chapter 4-60 of this code; or (2) any activity requiring city approval of a special event liquor license under the Illinois Liquor Control Act; or (3) any outdoor special event as defined in Section 10-8-335; or (4) any indoor special event as defined in Section 4-156-530. This definition applies only to events occurring, or planned to occur, within the corporate limits of the City of Chicago.

“Event promoter” or “promoter” means any person who: (1) is directly or indirectly responsible for the organization of an amusement or event, as evidenced by activities such as contracting with the principals, selecting entertainment, advertising or otherwise holding out an amusement or event to members of the general public, inviting participants to an amusement or

event, or renting or controlling the site of an amusement or event; and (2) directly or indirectly receives or shares in any of the following: (a) admission or entrance fees paid by participants or spectators at the amusement or event; or (b) compensation, consideration or other revenue from sponsors of or private donors to the amusement or event; or (c) revenues from concessions or other sales at the amusement or event. Except as otherwise provided in Section 4-157-020(B)(14), the term “event promoter” includes nonresident event promoters who do business within the City of Chicago.

“Fireworks” has the meaning ascribed to the term in the Fireworks Use Act, as amended, codified at 425 ILCS 35/0.01 et seq.

“Fixed seating” or “fixed seats” means seats securely fastened to the floor.

“Licensee” means any person licensed or required to be licensed under this chapter.

“Maximum capacity” means the number of persons that may legally occupy a building, premises, room, floor or other area or space as indicated on a capacity sign furnished by the department of buildings pursuant to the requirements of Section 13-84-410.

“Not-for-profit corporation” means any not-for-profit organization which: (1) has been registered with the State of Illinois as a not-for-profit corporation for at least three years prior to the presentation of a promoted amusement or event, or (2) qualifies for tax exempt status under Section 501(c)(3), 501(c)(4), 501(c)(6) or 527 of the United States Internal Revenue Code of 1986, as amended.

“On-site representative” means any person designated pursuant to the requirements of Section 4-157-140 as a licensee’s on-site representative.

“Promoted amusement or event” means any amusement or event promoted by a licensee under this chapter.

“Pyrotechnic display” has the meaning ascribed to the term in the Pyrotechnic Operator Licensing Act, as amended, codified at 225 ILCS 227/1 et seq.

“Throughout the duration” means at least one hour before the promoted amusement or event, during the promoted amusement or event, and until all persons attending or in any way connected with the promoted amusement or event have left the establishment presenting such amusement or event.

4-157-020 License—When required—Exclusions.

(A) No person shall engage in the business of event promoter without first having

obtained an event promoter license under this chapter.

(B) The following persons are not event promoters within the meaning of this chapter:

- (1) any print or broadcast media who are paid for page space or broadcast time to advertise an amusement or event but exercise no other financial or operational responsibility in connection therewith; and
- (2) any off-premises ticket seller who sells admission tickets to an amusement or event in advance of such amusement or event but exercises no other financial or operational responsibility in connection therewith; and
- (3) any performer who is paid for his performance at an amusement or event but exercises no other financial or non-performance-related operational responsibility in connection therewith; and
- (4) any agent of an athlete or performer who is compensated for negotiating his client's contract to perform at an amusement or event but exercises no other financial or operational responsibility in connection therewith; and
- (5) any licensee under Chapter 4-156 of this code, to the extent that the licensee personally plans, prepares or executes an amusement or event in the course of such licensed business; and
- (6) any full-time employee of a licensee under Chapter 4-156 or under this chapter, to the extent that the employee plans, prepares or executes an amusement or event in the course of such employment; and
- (7) the City of Chicago or its sister agencies; and
- (8) any employee of the City of Chicago or its sister agencies, to the extent that the employee plans, prepares or executes an amusement or event in the course of such employment; and
- (9) any not-for-profit corporation, to the extent that the not-for-profit corporation personally plans, prepares or executes an amusement or event on its own behalf; and
- (10) any bona fide member or employee of a not-for-profit corporation, to the extent that such member or employee plans, prepares or executes an amusement or event in the course of such membership or employment on behalf of the not-for-profit

corporation; and

- (11) any person who exclusively promotes amusements or events at establishments or venues meeting all of the following requirements: (1) the owner or operator of the establishment or venue at which the promoted amusement or event is presented holds a valid public place of amusement license or valid performing arts venue license issued under Chapter 4-156 of this code, and (2) the establishment or venue at which the promoted event is presented: (i) has fixed seating only and all patrons attending any promoted amusement or event at such establishment or venue are seated in such fixed seats; or (ii) has a fixed seating capacity of 500 or more persons; and/or
- (12) any person who exclusively promotes any amusement set forth in items (a) through (i) of Section 4-156-305 at establishments or venues that do not require a public place of amusement license under Section 4-156-305;
- (13) for a specific amusement or event, any person who is hired or otherwise retained by an event promoter licensed under this chapter, as evidenced by a contract, to provide services to the licensed event promoter related to such amusement or event, including, but not limited to, advertising services;
- (14) for a specific amusement or event, any non-resident event promoter who enters into a joint venture with an event promoter licensed under this chapter, as evidenced by a contract, to promote such amusement or event within the corporate limits of the City of Chicago.

4-157-025 License classification.

(A) Event promoter licenses shall be divided into the classifications which follow. The holders of such licenses shall be entitled to engage in the business of event promoter within the City of Chicago subject to the following limitations:

Class A license: The holder of a Class A license is subject to no limitation as to the maximum capacity of the building, premises, room, floor or other area where a promoted amusement or event is presented.

Class B license: The holder of a Class B license is entitled to promote an amusement or event at an establishment, if the maximum capacity of the building, premises, room, floor or other area where a promoted amusement or event is presented is 2000 persons or less.

Class C license: The holder of a Class C license is entitled to promote an amusement or event at an establishment, if the maximum capacity of the building, premises, room, floor or

other area where a promoted amusement or event is presented is 500 persons or less.

Class D license: The holder of a Class D license is entitled to promote an amusement or event at an establishment, if the maximum capacity of the building, premises, room, floor or other area where a promoted amusement or event is presented is 99 persons or less. A Class D license shall be required to promote an amusement or event at such an establishment if an admission fee, minimum purchase requirement, membership fee or other fee or charge is imposed for the privilege of entering the establishment or the portion of the premises where the promoted amusement or event is presented. Provided, however, that if the maximum capacity of the building, premises, room, floor or other area where a promoted amusement or event is presented is 99 persons or less and no admission fee, minimum purchase requirement, membership fee or other fee or charge is imposed for the privilege of entering the establishment or the portion of the premises where the promoted amusement or event is presented, an event promoter license under this chapter is not required to promote such an amusement or event, even in cases where the event promoter is directly or indirectly compensated for promoting such event.

(B) If the licensee or any controlling person is between the ages of 18 and 21, the applicable class of license set forth in subsection (A) of this section shall be stamped to indicate that the sale, service, possession or consumption of alcoholic liquor is strictly prohibited at the promoted amusement or event.

4-157-030 License–Posting–Nontransferability.

Each license issued pursuant to this chapter shall be posted in a conspicuous place near the entrance of the licensee’s chief place of business. On the date(s) that a promoted amusement or event is presented at an establishment, a photocopy of the event promoter license shall be posted in a conspicuous place at such establishment. No transfer of ownership shall be allowed on any license issued under this chapter.

4-157-040 License–Application.

An application for a license under this chapter shall be made in writing to the commissioner, on a form provided by the department, and shall be accompanied by the following:

- (A) If the applicant is an individual:
 - (1) the applicant’s full name, residence address, business address, business e-mail address, business telephone number and cell phone number;
 - (2) proof that the applicant is at least 18 years of age;

- (B) If the applicant is a corporation:
 - (1) the corporate name, address, e-mail address and telephone number of the

- applicant's principal office or place of business;
 - (2) the date and state of incorporation;
 - (3) the name, residence address and residence telephone number of all controlling persons and registered agents;
 - (4) proof that all controlling persons are at least 18 years of age;
 - (5) proof that the corporation is in good standing under the laws of the State of Illinois;
- (C) If the applicant is a partnership or limited liability company:
- (1) the name, address, e-mail address and telephone number of the applicant's principal office or place of business;
 - (2) the name, residence address and residence telephone number of all partners, if a general partnership; of all general and limited partners, if a limited partnership; of all managers, managing members and members, if a limited liability company; and of all controlling persons and registered agents;
 - (3) proof that all controlling persons are at least 18 years of age;
- (D) If the applicant seeks to do business under an assumed name, proof of compliance with the Illinois Assumed Business Name Act, as amended;
- (E) A list of every jurisdiction and name under which the applicant, within the last 5 years, has done business as an event promoter;
- (F) A statement as to whether, within the last five years, the applicant or any controlling person has ever had an event promoter's license or any other equivalent license or permit, regardless of nomenclature or characterization, revoked or suspended in any jurisdiction and if so, the details surrounding each such suspension or revocation;
- (G) A statement as to whether the applicant or any controlling person has ever been convicted, in custody, under parole or under any other non-custodial supervision resulting from a conviction in a court of any jurisdiction for the commission of a felony of any kind, or of a criminal offense of whatever degree involving theft, fraud, perjury or dishonesty and if so, the details surrounding each such conviction;
- (H) A statement as to whether the applicant or any controlling person has ever been convicted or found liable of knowingly making a false statement of material fact or a knowing and material misrepresentation or omission on or in connection with any license application submitted under this chapter and if so, the details

surrounding each such conviction or finding of liability;

- (I) The date of birth, and social security number, of each natural person named in the license application;
- (J) The license fee, as required by Section 4-157-060;
- (K) Fingerprints, as required by Section 4-157-090;
- (L) An indemnification agreement, as required by Section 4-157-110; and
- (M) Any other information that the commissioner may require.

It is a condition of the license that all information in the license application be kept current. Any change in required information shall be reported to the commissioner, on a form prepared by the department, no later than ten days after the change has occurred, excluding Saturdays, Sundays and legal holidays.

4-157-050 License issuance—Prohibited when.

- (A) No license under this chapter shall be issued to the following persons:
 - (1) Any person who is under the age of 18;
 - (2) Any person who, within the last five years, has had a license under this chapter revoked for cause;
 - (3) Any person who, within the last five years, has had an event promoter's license or any other equivalent license or permit, regardless of nomenclature or characterization, revoked in any jurisdiction other than the City of Chicago for any cause other than failure to renew the license or permit, or suspended for more than 30 days in any jurisdiction for any cause other than failure to file a timely license or permit renewal, unless, upon request of such person, the commissioner determines that such person has been sufficiently rehabilitated to warrant the public trust. The burden of proof of sufficient rehabilitation shall be on the person seeking such rehabilitation;
 - (4) Any person who has ever been convicted, in custody, under parole or under any other non-custodial supervision resulting from a conviction in a court of any jurisdiction for the commission of a felony of any kind, or of a criminal offense of whatever degree involving theft, fraud, perjury or dishonesty, unless, upon request

of such person, the commissioner determines that such person has been sufficiently rehabilitated to warrant the public trust. The burden of proof of sufficient rehabilitation shall be on the person seeking such rehabilitation;

(5) Any person who has been convicted or found liable of knowingly making a false statement of material fact or a knowing and material misrepresentation or omission on or in connection with any license application submitted under this chapter, unless, upon request of such person, the commissioner determines that such person has been sufficiently rehabilitated to warrant the public trust. The burden of proof of sufficient rehabilitation shall be on the person seeking such rehabilitation; and

(6) Any person who fails to submit to fingerprinting.

(B) The prohibitions and requirements set forth in subsection (A) of this section shall apply to the licensee and to all controlling persons.

(C) No license shall be issued under this chapter if the commissioner determines that the applicant or any controlling person is concealing the actual or beneficial ownership of the business identified in the license application or is otherwise evading by subterfuge, disguise or indirection any of the licensing requirements of this chapter.

(D) Eligibility for issuance of a license under this section shall be a continuing requirement for maintaining a license under this chapter. Failure to maintain eligibility for issuance of a license under this chapter may result in license suspension or revocation in accordance with the requirements of Section 4-4-280 of this code.

4-157-060 License-Fee.

The event promoter license fee, payable every two years, shall be as set forth in Section 4-5-010 of this code.

4-157-070 License-Term.

The event promoter license shall expire on the date indicated in Section 4-4-021.

4-157-080 License number to be printed where.

Licensees shall print their event promoter license number legibly in all of the following places: (1) on the front page of every estimate, contract and subcontract provided by or entered into by the licensee or his agent in connection with any promoted amusement or event; (2) in all advertisements of the licensee's services as an event promoter; and (3) in all advertisements of

any promoted amusement or event. In addition to any other penalty provided by law, any person who violates any of the requirements of this section shall be fined not less than \$200.00 nor more than \$500.00 for each offense. Each day that a violation continues shall constitute a separate and distinct offense to which a separate fine shall apply.

4-157-090 Fingerprinting–Required.

Each applicant for an event promoter license and each controlling person shall be required to submit to fingerprinting in accordance with procedures and regulations prescribed by the commissioner.

4-157-100 Insurance–Required.

(A) Each licensee under this chapter shall furnish a certificate of insurance, evidencing commercial general liability insurance, with limits of not less than \$300,000.00 per occurrence for bodily injury and property damage arising in any way from the issuance of the license. The commercial general liability insurance required by this section may take any one of the following forms or combination thereof: (1) an annual commercial general liability insurance policy issued to the licensee to cover all or a pre-determined number of amusements or events promoted by such licensee within the policy period; or (2) a special event commercial general liability insurance policy issued to the licensee on a per event basis to cover the duration of a specific promoted amusement or event; or (3) an annual commercial general liability insurance policy issued to the licensee of the venue at which the promoted amusement or event will be held, if such insurance policy explicitly names the licensee under this chapter as an additional insured; or (4) any other form of commercial general liability insurance or combination thereof deemed by the commissioner in duly promulgated rules to meet the requirements of this section.

(B) Each policy of insurance required under this section, regardless of its form, shall: (1) be issued by an insurer authorized to insure in Illinois; (2) name the City of Chicago as additional insured; and (3) include a provision requiring 30 days' advance notice to the commissioner prior to cancellation or lapse of the policy. The licensee shall maintain the insurance required under this section in full force and effect throughout the duration of any amusement or event promoted within the license period.

(C) Each licensee under this chapter shall furnish a copy of the certificate of insurance required by this section to the licensee or operator of the venue at which the promoted amusement or event will be held. Upon request of any authorized city official, a copy of such certificate of insurance shall be made available for inspection by such city official.

4-157-110 Indemnification agreement–Required.

Each applicant for an event promoter license shall agree, in writing, to indemnify, defend

and hold harmless the City of Chicago for any loss that results, directly or indirectly, from the issuance or use of such license.

4-157-120 Event promoter's contract--Required.

(A) No promoted amusement or event shall be presented at an establishment except pursuant to a written contract between the licensee and the owner, lessee or manager of the establishment presenting such promoted amusement or event. Such contract shall include the following information:

- (1) the licensee's license number;
- (2) if any other license or permit is required for the promoted amusement or event, the applicable license or permit number;
- (3) the maximum capacity of the building, premises, room, floor or other area where the promoted amusement or event will be presented;
- (4) the name and cell phone number of the licensee's on-site representative(s);
- (5) the number of security personnel that will be present, if any, during the promoted amusement or event and the name of the employer of such security personnel;
- (6) the respective responsibilities, functions, duties and rights of the parties to the contract required by this section;
- (7) the date or dates, and location and hours of operation, of the promoted amusement or event;
- (8) whether any fireworks or pyrotechnic display, as defined in Section 4-157-010, will be used during the course of the promoted amusement or event and if so, proof of compliance with Section 15-4-550 and 15-4-560, as applicable;
- (9) whether any special effects involving the installation or alteration of electrical equipment will be used during the course of the amusement or event and if so, proof of compliance with Section 13-12-360; and
- (10) whether any special effects other than those identified in items (8) and (9) of this subsection or equipment of a type posing a danger to the public health, safety or welfare will be used during the course of the promoted amusement or event, including, but not limited to, sound concussions, lasers, animals, flying objects,

people with rigging or electrical hazards associated with computer-generated effects or water effects and if so, the precautions that will be taken by the respective parties to the contract to address the public safety threat posed by such special effects or equipment, including, but not limited to, proof of compliance with any applicable permitting requirement or other provision of this code.

(B) A copy of the contract required by this section shall be: (1) kept at the site of the promoted amusement or event throughout the duration of such amusement or event; and (2) in the possession of the licensee's on-site representative at all times that any equipment, supplies or materials to be used in presenting the promoted amusement or event are present at the site of such amusement or event. If the establishment presenting the amusement or event requires any other license or permit as defined in Section 4-157-010, a copy of the contract shall also be kept, for a period of not less than 7 days before and 30 days after the amusement or event is presented, in the possession of the holder of such required license or permit and in the possession of any person managing or directing the day-to-day operations of the establishment. Upon request, a copy of the contract required by this section shall be made available for inspection by any authorized city official.

4-157-130 Record keeping--Required.

The licensee shall maintain on file, for a period of three years, complete and accurate records of all business activities and transactions governing or in any way connected to a promoted amusement or event. Such records shall include, but are not limited to, the following: (1) the event promoter contract required by Section 4-157-120; (2) all other applicable contracts; (3) all advance ticket sales; (4) all tickets sold at the door; and (5) all admission and entrance fees paid by participants or spectators at the promoted amusement or event. Such three-year period shall be measured from the last day of operation of the promoted amusement or event as set forth in the contract required by Section 4-157-120. Upon request, the records required by this section shall be made available, during regular business hours or in case of emergency, for inspection by any authorized city official.

4-157-140 On-site representative--Designation required--Duties.

(A) The licensee shall designate an on-site representative(s) for each promoted amusement or event. Such on-site representative(s) shall be:

- (1) at least 18 years of age. Provided, however, that if alcoholic liquor is sold, served, dispensed, consumed or otherwise possessed or delivered at the promoted event or if the promoted event is held at a tavern, the on-site representative shall be at least 21 years of age;

- (5) To adhere strictly to all conditions imposed on the licensee pursuant to the requirements of this chapter and any other license or permit required for the promoted amusement or event;
- (6) To carry on his or her person throughout the duration of the promoted amusement or event: (i) photographic identification; and (ii) a cell phone having the telephone number identified in the contract required by Section 4-157-120;
- (7) To produce, upon request by any authorized city official, the photographic identification and cell phone required under item (6) of this subsection for inspection by such official;
- (8) To produce, upon request by any authorized city official, a copy of the certificate of insurance required under Section 4-157-100 for inspection by such official;
- (9) To adhere strictly to the terms of the contract required by Section 4-157-120;
- (10) To comply with any reasonable request made by any authorized city official necessary or appropriate to implement the requirements of this chapter;
- (11) To cooperate fully with any authorized city official in any inquiry, inspection or investigation necessary or appropriate to implement the requirements of this chapter;
- (12) To ensure that the maximum capacity is not exceeded of the building, premises, room, floor or other area where the promoted amusement or event is presented;
- (13) To promptly notify the police department via the city's 9-1-1 emergency telephone system of any illegal activity reported to or observed by the on-site representative at the promoted amusement or event; and
- (14) To enter into a log book all incidents of illegal activity reported to or required to be reported to the police department under item (13) of this subsection, including the date and time the incident was reported to the police department; a brief summary of the incident; the name of the person reporting the incident; and, if a cell phone was used to report the incident, the cell phone's telephone number. Upon request, the log book required by this item (14) shall be made available for inspection by any authorized city official.

4-157-150 Exceeding maximum capacity—Unlawful.

It shall be unlawful for any licensee or controlling person or on-site representative to

exceed the maximum capacity of the building, premises, room, floor or other area where a promoted amusement or event is presented.

4-157-155 Licensees and controlling persons under the age of 18—Liquor-related prohibition.

If a licensee or any controlling person is between the ages of 18 and 21, it shall be unlawful for such licensee or controlling person to promote any amusement or event: (1) at which alcoholic liquor will be sold, served, dispensed, consumed or otherwise possessed or delivered; or (2) at any tavern in violation of the requirements of Section 4-60-140.

4-157-160 Other legal duties—Joint and several liability.

(A) Each licensee and controlling person shall have the following duties:

- (1) To comply with the requirements of this chapter and with all other applicable laws and ordinances governing or in any way connected with a promoted amusement or event;
- (2) To adhere strictly to all conditions imposed on the licensee pursuant to the requirements of this chapter and any other license or permit required for a promoted amusement or event;
- (3) To adhere strictly to the terms of the contract required by Section 4-157-120;
- (4) To promptly notify the police department via the city's 9-1-1 emergency telephone system of any illegal activity reported to or observed by the licensee or any controlling person at the promoted amusement or event.
- (5) To enter into a log book all incidents of illegal activity reported to or required to be reported to the police department under item (4) of this subsection, including the date and time the incident was reported to the police department; a brief summary of the incident; the name of the person reporting the incident; and, if a cell phone was used to report the incident, the cell phone's telephone number. Upon request, the log book required by this item (5) shall be made available for inspection by any authorized city official.

(B) The licensee and all controlling persons shall be jointly and severally liable for any violation of the requirements of this chapter.

4-157-170 License–Suspension or Revocation.

The violation of any provision of this chapter may result in license suspension or revocation in accordance with the requirements of Section 4-4-280 of this code.

4-157-180 License revocation–Five year wait for new license.

No person whose license under this chapter is revoked for any cause shall be granted another event promoter license, under the same or different name, for a period of five years from the date of revocation.

4-157-190 Violation–Penalty.

Except as otherwise provided in this chapter, any person violating any of the provisions of this chapter shall be subject to a fine of up to \$10,000.00 for each offense. Each day that a violation continues shall constitute a separate and distinct offense to which a separate fine shall apply.

4-157-200 Regulations.

The commissioner shall have the authority to promulgate rules and regulations necessary to implement the requirements of this chapter.

SECTION 2. Section 4-5-010 of the Municipal Code of the City of Chicago is hereby amended by deleting the language stricken through and by inserting the language underscored, 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. The chapter in which each fee requirement is created is also provided. Unless otherwise stated, fees shall be assessed every two years.

* * * * *

*(Subsections (1) through (66) are not affected by this ordinance,
and are not shown here for editorial convenience)*

(67) Reserved: <u>Event Promoter (4-157)</u>	
<u>Class A</u>	\$2,000.00
<u>Class B</u>	1,500.00
<u>Class C</u>	1,000.00
<u>Class D</u>	500.00

* * * * *

*(The remainder of this section is not affected by this ordinance,
and is not shown here for editorial convenience)*

SECTION 3. Chapter 4-60 of the Municipal Code of the City of Chicago is hereby amended by inserting a new Section 4-60-065, as follows:

4-60-065 Promoted amusements or events—Unlawful acts.

(A) It shall be unlawful for any licensee under this chapter to use, hire, employ or otherwise avail oneself of the services of an event promoter to promote any amusement or event at the licensed establishment, if the event promoter is required to hold but does not hold a valid event promoter license or the proper class of such license issued under Chapter 4-157 of this code.

(B) If a not-for-profit corporation promotes an amusement or event at an establishment licensed or required to be licensed under this chapter, and such amusement or event is open to members of the general public, and an admission fee, minimum purchase requirement, membership fee or any form of donation or other fee is imposed for the privilege of attending such amusement or event, and the person promoting such amusement or event on behalf of the not-for-profit corporation does not hold a valid event promoter license or the proper class of such license issued under Chapter 4-157 of this code, it shall be unlawful for a licensee under this chapter to present such amusement or event at the licensed establishment unless the not-for-profit corporation provides the licensee with: (1) acceptable documentation establishing its not-for-profit status, and (2) a dated letter, on its letterhead and signed by its authorizing official (i) stating that the not-for-profit corporation or a bona fide member(s) or employee(s) thereof is promoting the identified amusement or event at the licensed establishment on behalf of such not-for-profit corporation, and (ii) confirming that the not-for-profit corporation has not used, hired, employed or otherwise availed itself of the services of an event promoter licensed or required to be licensed under Chapter 4-157 to promote such amusement or event. Such documentation and letter shall be kept on site by the licensee throughout the duration of the promoted amusement or event, and thereafter shall be maintained on file by the licensee for a period of three years. Upon request, such documentation shall be made available for inspection

by any authorized city official.

(C) The requirements of this section shall not apply if the establishment presenting a promoted amusement or event: (i) has fixed seating only and all patrons attending such promoted amusement or event are seated in fixed seats; or (ii) has a fixed seating capacity of 500 or more persons.

(D) As used in this section:

“Acceptable documentation” means: (1) for most not-for-profit corporations, a current copy of the not-for-profit organization’s: (i) “Corporation File Detail Report” available online from the Illinois Secretary of State, or (ii) “Domestic/Foreign Corporation Annual Report” submitted to the Illinois Secretary of State, or (iii) cancelled check (front and back) that accompanied the current “Domestic/Foreign Corporation Annual Report” submitted to the Secretary of State; or (2) for not-for-profit corporations incorporated prior to 1943, a current certificate of good standing from the Illinois Secretary of State; or (3) for branches of government, a copy of the enabling legislation or letter from the appropriate government body on its letterhead stating that the organization is an official agency or branch of government; or (4) for charitable trusts, a current Charitable Organization Supplement (Form AG990-IL) or letter from the Attorney General verifying current good standing; or (5) if the not-for-profit corporation is a public school or religious organization, a letter claiming tax exempt status under the United States Internal Revenue Code and signed, as applicable, by the school principal or authorizing official on the public school’s or religious organization’s letterhead; or (6) if the not-for-profit corporation is a school affiliate organization, such as a PTO or PTA group, a letter from the affiliated school on school letterhead acknowledging the affiliation and signed by the school principal or authorizing official; or (7) if the not-for-profit corporation is a political organization, such as a political party committee or Federal, State or local candidate committee or political action committee or other political committee, a letter claiming tax exempt status under Section 527 of the United States Internal Revenue Code.

“Amusement” has the meaning ascribed to the term in Section 4-157-010.

“Event” has the meaning ascribed to the term in Section 4-157-010.

“Licensee” means: (1) any person licensed or required to be licensed under this chapter and such person’s representative or agent; (2) any officer, director, manager, managing member, partner, general partner or limited partner of an entity seeking or holding a license under this chapter, (3) any person owning, directly or indirectly through any intermediate ownership entity, 5 percent or more of the interest in the licensee, and (4) regardless of title or ownership interest, any person who directs the day-to-day operations of any person holding or requiring a license under this chapter.

“Not-for-profit corporation” means any not-for-profit organization which: (1) has been registered with the State of Illinois as a not-for-profit corporation for at least three years prior to the presentation of an amusement or event within the meaning of subsection (B) of this section, or (2) qualifies for tax exempt status under Section 501(c)(3), 501(c)(4), 501(c)(6) or 527 of the United States Internal Revenue Code of 1986, as amended.

“Throughout the duration of the promoted amusement or event” means at least one hour before the promoted amusement or event, during the promoted amusement or event, and until all persons attending or in any way connected with the promoted amusement or event have left the establishment presenting such amusement or event.

SECTION 4. Chapter 4-156 of the Municipal Code of the City of Chicago is hereby amended by inserting a new Section 4-156-465, as follows:

4-156-465 Promoted amusements or events—Unlawful acts—Duties.

(A) It shall be unlawful for any licensee under this chapter to use, hire, employ or otherwise avail oneself of the services of an event promoter to promote any amusement or event at the licensed establishment, if the event promoter is required to hold but does not hold a valid event promoter license or the proper class of such license issued under Chapter 4-157 of this code.

(B) If a not-for-profit corporation promotes an amusement or event at an establishment licensed or required to be licensed under this chapter, and such amusement or event is open to members of the general public, and an admission fee, minimum purchase requirement, membership fee or any form of donation or other fee is imposed for the privilege of attending such amusement or event, and the person promoting such amusement or event on behalf of the not-for-profit corporation does not hold a valid event promoter license or the proper class of such license issued under Chapter 4-157 of this code, it shall be unlawful for a licensee under this chapter to present such amusement or event at the licensed establishment unless the not-for-profit corporation provides the licensee with: (1) acceptable documentation establishing its not-for-profit status, and (2) a dated letter, on its letterhead and signed by its authorizing official (i) stating that the not-for-profit corporation or a bona fide member(s) or employee(s) thereof is promoting the identified amusement or event at the licensed establishment on behalf of such not-for-profit corporation, and (ii) confirming that the not-for-profit corporation has not used, hired, employed or otherwise availed itself of the services of an event promoter licensed or required to be licensed under Chapter 4-157 to promote such amusement or event. Such documentation and letter shall be kept on site by the licensee throughout the duration of the promoted amusement or event, and thereafter shall be maintained on file by the licensee for a period of three years. Upon request, such documentation shall be made available for inspection

by any authorized city official.

(C) It shall be the duty of a licensee under this chapter to notify in writing, at least 7 calendar days in advance of the presentation of a promoted amusement or event, the local alderman of the ward and the local police commander of the district where the promoted amusement or event will be held of the fact of such promoted amusement or event, if all of the following requirements are met: (1) the amusement or event is being promoted by an event promoter licensed or required to be licensed under Chapter 4-157 of this code; and (2) liquor will be served at the promoted amusement or event; and (3) the establishment presenting the promoted amusement or event has a maximum capacity of 100 or more persons. Provided, however, that if a promoted amusement or event is not booked or scheduled until within 7 calendar days of the presentation of such amusement or event, it shall be the duty of the licensee to notify the local alderman and local police commander of the fact of such promoted amusement or event immediately upon booking or scheduling such promoted amusement or event, and under no circumstances, fewer than 24 hours before the presentation of such amusement or event.

The written notification required by this subsection (C) shall contain the following information: (a) the date, time and location of the promoted amusement or event; (b) the estimated attendance at the promoted amusement or event; (c) the name and license number of the event promoter; and (d) a statement by the licensee verifying that the event promoter has provided such licensee with proof of general commercial liability insurance meeting the requirements of Section 4-157-100. Upon request of any authorized city official, the licensee shall make a copy of such certificate of insurance available for inspection by such city official.

In addition to any other penalty provided by law, any person who violates the requirements of this subsection (C) shall be: (i) fined not less than \$500.00 nor more than \$1,000.00 for each offense, and (ii) prohibited from using an event promoter to promote or present any amusement or event at the establishment for a period of six months, as measured from the date of conviction of such person by a court of competent jurisdiction or a final determination of liability by an administrative law officer within the meaning of Section 2-14-076(l).

(D) It shall be unlawful for any person who is prohibited from using an event promoter under item (ii) of subsection (C) of this section to engage in such conduct. Any person who violates this subsection shall be fined not less than \$1,000.00 nor more than \$10,000.00 for each offense. Each day that a violation continues shall constitute a separate and distinct offense to which a separate fine shall apply. A single violation of this subsection may result in license suspension or revocation in accordance with the requirements of Section 4-4-280 of this code. In addition to any other penalty provided by law, if a license issued under this chapter is revoked for any violation of this subsection (D), no license under this chapter shall be granted to any person, for a period of one year from the date of such revocation, for the operation of an establishment requiring a license under this chapter at the premises identified in the revocation

order.

(E) The requirements of this section shall not apply if the establishment presenting a promoted amusement or event: (i) has fixed seating only and all patrons attending such promoted amusement or event are seated in fixed seats; or (ii) has a fixed seating capacity of 500 or more persons.

(F) As used in this section:

“Acceptable documentation” means: (1) for most not-for-profit corporations, a current copy of the not-for-profit organization’s: (i) “Corporation File Detail Report” available online from the Illinois Secretary of State, or (ii) “Domestic/Foreign Corporation Annual Report” submitted to the Illinois Secretary of State, or (iii) cancelled check (front and back) that accompanied the current “Domestic/Foreign Corporation Annual Report” submitted to the Secretary of State; or (2) for not-for-profit corporations incorporated prior to 1943, a current certificate of good standing from the Illinois Secretary of State; or (3) for branches of government, a copy of the enabling legislation or letter from the appropriate government body on its letterhead stating that the organization is an official agency or branch of government; or (4) for charitable trusts, a current Charitable Organization Supplement (Form AG990-IL) or letter from the Attorney General verifying current good standing; or (5) if the not-for-profit corporation is a public school or religious organization, a letter claiming tax exempt status under the United States Internal Revenue Code and signed, as applicable, by the school principal or authorizing official on the public school’s or religious organization’s letterhead; or (6) if the not-for-profit corporation is a school affiliate organization, such as a PTO or PTA group, a letter from the affiliated school on school letterhead acknowledging the affiliation and signed by the school principal or authorizing official; or (7) if the not-for-profit corporation is a political organization, such as a political party committee or Federal, State or local candidate committee or political action committee or other political committee, a letter claiming tax exempt status under Section 527 of the United States Internal Revenue Code.

“Amusement” has the meaning ascribed to the term in Section 4-157-010.

“Event” has the meaning ascribed to the term in Section 4-157-010.

“Event promoter” has the meaning ascribed to the term in Section 4-157-010.

“Licensee” means: (1) any person licensed or required to be licensed under this chapter and such person’s representative or agent; (2) any officer, director, manager, managing member, partner, general partner or limited partner of an entity seeking or holding a license under this chapter, (3) any person owning, directly or indirectly through any intermediate ownership entity, 25 percent or more of the interest in the licensee, and (4) regardless of title or ownership interest, any person who directs the day-to-day operations of any person that holds or is required to hold a

license under this chapter.

“Not-for-profit corporation” means any not-for-profit organization which: (1) has been registered with the State of Illinois as a not-for-profit corporation for at least three years prior to the presentation of an amusement or event within the meaning of subsection (B) of this section, or (2) qualifies for tax exempt status under Section 501(c)(3), 501(c)(4), 501(c)(6) or 527 of the United States Internal Revenue Code of 1986, as amended.

“Promoted amusement or event” means any amusement or event promoted by an event promoter as defined in Section 4-157-010.

“Throughout the duration” means at least one hour before the promoted amusement or event, during the promoted amusement or event, and until all persons attending or in any way connected with the promoted amusement or event have left the establishment presenting such amusement or event.

SECTION 5. Chapter 4-156 of the Municipal Code of the City of Chicago is hereby amended by inserting a new Section 4-156-651, as follows:

4-156-651 Promoted indoor special events–Unlawful acts.

(A) It shall be unlawful for the sponsor of any indoor special event to use, hire, employ or otherwise avail oneself of the services of an event promoter to promote any indoor special event, if the event promoter is required to hold but does not hold a valid event promoter license or the proper class of such license issued under Chapter 4-157. Provided, however, that this requirement shall not apply if: (a) the sponsor of the indoor special event is a not-for-profit corporation, to the extent that such not-for-profit corporation or any bona fide member or employee thereof personally plans, prepares or executes the outdoor special event on behalf of such not-for-profit corporation; and (b) such sponsor maintains on site throughout the duration of the indoor special event: (i) acceptable documentation establishing its not-for-profit status, and (ii) a dated letter, on its letterhead and signed by its authorizing official, stating that the not-for-profit corporation or a bona fide member(s) or employee(s) thereof is promoting the indoor special event on behalf of such not-for-profit corporation and confirming that the not-for-profit corporation has not used, hired, employed or otherwise availed itself of the services of an event promoter licensed or required to be licensed under Chapter 4-157 to promote such indoor special event. Such documentation and letter shall be kept on site by the sponsor of such outdoor special event throughout the duration of the outdoor special event. Upon request, such documentation shall be made available for inspection by any authorized city official.

(B) The requirements of this section shall not apply if the establishment presenting a

promoted amusement or event: (i) has fixed seating only and all patrons attending such promoted amusement or event are seated in fixed seats; or (ii) has a fixed seating capacity of 500 or more persons.

(C) As used in this section:

“Acceptable documentation” has the meaning ascribed to the term in Section 4-156-465.

“Event promoter” has the meaning ascribed to the term in Section 4-157-010.

“Promoted indoor special event” means any indoor special event promoted by an event promoter as defined in Section 4-157-010.

“Throughout the duration” has the meaning ascribed to the term in Section 4-156-465.

SECTION 6. Section 10-8-335 of the Municipal Code of the City of Chicago is hereby amended by inserting the language underscored, as follows:

10-8-335 Outdoor special events.

(a) As used in this section unless the context requires otherwise:

* * * * *

(The remainder of this subsection (a) and of subsections (b) through (r) are not affected by this ordinance, and are not shown here for editorial convenience)

(r)(1) It shall be unlawful for the sponsor of any outdoor special event to use, hire, employ or otherwise avail oneself of the services of an event promoter to promote any outdoor special event, if the event promoter is required to hold but does not hold a valid event promoter license or the proper class of such license issued under Chapter 4-157. Provided, however, that this requirement shall not apply if: (a) the sponsor of the promoted outdoor special event is a not-for-profit corporation, to the extent that such not-for-profit corporation or any bona fide member or employee thereof personally plans, prepares or executes the outdoor special event on behalf of such not-for-profit corporation; and (b) such sponsor maintains on site throughout the duration of the outdoor special event: (i) acceptable documentation establishing its not-for-profit status, and (ii) a dated letter, on its letterhead and signed by its authorizing official, (1) stating that the

not-for-profit corporation or a bona fide member(s) or employee(s) thereof is promoting the outdoor special event on behalf of such not-for-profit corporation and (2) confirming that the not-for-profit corporation has not used, hired, employed or otherwise availed itself of the services of an event promoter licensed or required to be licensed under Chapter 4-157 to promote such outdoor special event. Such documentation and letter shall be kept on site by the sponsor of the outdoor special event throughout the duration of such event. Upon request, such documentation shall be made available for inspection by any authorized city official. Provided further, that the requirements of this section shall not apply if the establishment or venue at which a promoted amusement or event is presented: (i) has fixed seating only and all patrons attending such promoted amusement or event are seated in fixed seats; or (ii) has a fixed seating capacity of 500 or more persons.

As used in this subsection (r)(1):

“Acceptable documentation” means: (1) for most not-for-profit corporations, a current copy of the not-for-profit organization’s: (i) “Corporation File Detail Report” available online from the Illinois Secretary of State, or (ii) “Domestic/Foreign Corporation Annual Report” submitted to the Illinois Secretary of State, or (iii) cancelled check (front and back) that accompanied the current “Domestic/Foreign Corporation Annual Report” submitted to the Secretary of State; or (2) for not-for-profit corporations incorporated prior to 1943, a current certificate of good standing from the Illinois Secretary of State; or (3) for branches of government, a copy of the enabling legislation or letter from the appropriate government body on its letterhead stating that the organization is an official agency or branch of government; or (4) for charitable trusts, a current Charitable Organization Supplement (Form AG990-IL) or letter from the Attorney General verifying current good standing; or (5) if the not-for-profit corporation is a public school or religious organization, a letter claiming tax exempt status under the United States Internal Revenue Code and signed, as applicable, by the school principal or authorizing official on the public school’s or religious organization’s letterhead; or (6) if the not-for-profit corporation is a school affiliate organization, such as a PTO or PTA group, a letter from the affiliated school on school letterhead acknowledging the affiliation and signed by the school principal or authorizing official; or (7) if the not-for-profit corporation is a political organization, such as a political party committee or Federal, State or local candidate committee or political action committee or other political committee, a letter claiming tax exempt status under Section 527 of the United States Internal Revenue Code.

“Event promoter” has the meaning ascribed to the term in Section

BULLET POINT SUMMARY

- **Purpose:** To license event promoters
 - **Definition of “event promoter”:** Any person who: (1) engages in the business of promoting amusements or events, and (2) is directly or indirectly compensated for providing that service. Includes non-resident event promoters who promote their own events within the city and do not otherwise qualify for an exemption. (See definition of “event promoter” in Section 4-157-010)
 - **Excluded from definition:**
 - Print and broadcast media advertising an event (Section 4-157-020(B)(1))
 - Off-premises ticket sellers dealing in advance admission to an event (Section 4-157-020(B)(2))
 - Performers at an event (Section 4-157-020(B)(3))
 - Agents of performers at an event (Section 4-157-020(B)(4))
 - PPA licensees (promoting their own event) and PPA employees (acting within the scope of employment)(Section 4-157-020(B)(5) and (6))
 - Employees of a licensed event promoter (acting within the scope of employment) (Section 4-157-020(B)(6))
 - The City of Chicago and any sister agency (promoting their own event) and employees thereof (acting within scope of employment)(Section 4-157-020(B)(7) and (8))
 - Not-for-profit corporations (promoting their own event) and bona fide members and employees thereof (acting within the scope of membership or employment)(Section 4-157-020(B)(9) and (10));
 - Persons who *exclusively* promote events at PPA-venues or performing arts venues with (i) fixed seating only, if all patrons are seated in such fixed seats; or (ii) a fixed seating capacity of 500 or more persons (Section 4-157-020(B)(11); and/or
 - Persons who *exclusively* promote amusements at venues that do not require a PPA license. This includes small venues (99 or less capacity), if no cover charge or admission fee is assessed. (Section 4-157-020(B)(12) and Section 4-157-025(A), Class D License)
 - For a specific amusement or event, any person who is hired or otherwise retained by a licensed event promoter to provide services to the licensed event promoter related to such amusement or event, such as advertising services (Section 4-157-020(B)(13))
 - For a specific amusement of event, any non-resident event promoter who enters into a joint venture with a licensed event promoter to promote such amusement or event within the city (Section 4-157-020(B)(14))
 - **License application:** Standard data to be provided by applicant and all controlling persons. Controlling persons include all principals and persons with 10%+ ownership interest in the licensee (Section 4-157-040)
 - **License classifications:** Creates four license classifications to reflect the size of venue where promoted events are presented: 1-99; 1-500; 1-2000; 2000+. If the licensee or any controlling person is under the age of 21, the license is stamped to indicate that the sale, service or consumption of alcohol at the promoted event is strictly prohibited. (Section
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BULLET POINT SUMMARY

4-157-025(B)). Ordinance explicitly states that no event promoter license is required to promote an amusement or event at a small venue (1-99 person maximum capacity) unless an admission fee, minimum purchase requirement, membership fee or other fee or charge is imposed for the privilege of entering the establishment or attending the event. (Section 4-157-025(A), Class D License)

- **License issuance and renewal prohibited if:**

- The applicant or any controlling person is under the age of 18 (Section 4-157-050(A)(2), (B)(4) and (C)(3))
- Within the last five years, the applicant or any controlling person has had an event promoter license under Chapter 4-157 revoked for cause (Section 4-157-050(A)(2))
- Within the last five years, the applicant or any controlling person has had an event promoter license in a jurisdiction other than the City of Chicago revoked for cause or suspended for more than 30 days, unless rehabilitated by the commissioner (Section 4-157-050(A)(3))
- The applicant or any controlling person has been convicted of any felony or certain misdemeanors (theft, fraud, perjury, dishonesty), unless rehabilitated by the commissioner (Section 4-157-050(A)(4))
- The applicant or any controlling person has been convicted or found liable of knowingly making a false statement of material fact or a knowing or material omission or misrepresentation in connection with an event promoter license application, unless rehabilitated by the commissioner (Section 4-157-050(A)(5))
- The applicant or any controlling person fails to submit to fingerprinting (Section 4-157-050(A)(6))
- The applicant or any controlling person is engaging in subterfuge (i.e. DBA ascertains that the named licensee or controlling person is not the true actual or beneficial owner of the licensed business) (Section 4-157-050(C))

- **Duties imposed on licensee and controlling persons:**

- To post the license at business office and at each site of a promoted event (Section 4-157-030)
- To keep all information in the license application current (Section 4-157-040)
- To print the license number on all estimates, contracts, subcontracts, advertisements of services and advertisements of promoted events (Section 4-157-080)
- To maintain some type of commercial general liability insurance (\$300,000 minimum) (Section 4-157-100(A))
- To furnish proof of insurance to the licensee or operator of the venue where the promoted event will be held (Section 4-157-100(C))
- To furnish proof of insurance to authorized city officials requesting such proof (Section 4-157-100(C))
- To enter into an indemnification agreement with the City (Section 4-157-110)
- To promote events only pursuant to a written contract with the establishment presenting the promoted event. (Section 4-157-120) Contract to include the following provisions:

BULLET POINT SUMMARY

- Promoter's license number (*Section 4-157-120(A)(1)*)
- Other required license or permit numbers (P. P.A., Liquor, Indoor Special Event Outdoor Special Event), if applicable (*Section 4-157-120(A)(2)*)
- Maximum legal occupancy limit of each room/floor/area where a promoted event will be held (*Section 4-157-120(A)(3)*)
- Name and cell phone number of the event promoter's on-site representative (*Section 4-157-120(A)(4)*)
- Number of security personnel to be present at the promoted event and their employer (*Section 4-157-120(A)(5)*)
- List of the rights and duties of the parties to the contract (*Section 5-157-120(A)(6)*)
- Date, location, and hours of operation of the event (*Section 4-157-120(A)(7)*)
- All fireworks, pyrotechnics, newly-installed/altered electrical and other potentially dangerous equipment to be used at event (*Section 4-157-120(A)(8), (9) & (10)*)
- To keep a copy of contract at site of event and produce a copy for inspection (*Section 4-157-120(B)*)
- To maintain records of event for 3 years and to produce records for inspection (*Section 4-157-130*)
- To designate an on-site representative for each event (*Section 4-157-140*). Duties of on-site representative to include:
 - To have a copy of the required contract in his or her possession during the event and, upon request by an authorized city official, to produce the contract for inspection (*Section 4-157-140(C)(1)*)
 - To be present on-site at all times during the event (*Section 4-157-140(C)(2)*)
 - To accept notices of violations and closure orders (*Section 4-157-140(C)(3)*)
 - To ensure compliance with all applicable laws and ordinances (*Section 4-157-140(C)(4)*)
 - To adhere strictly to the conditions of any permits or licenses issued in conjunction with event (*Section 4-157-140(C)(5)*)
 - To carry photographic identification and a cell phone (*Section 4-157-140(C)(6)*)
 - To produce, upon request, a copy of the event promoter's certificate of insurance (*Section 4-157-140(C)(7)*)
 - To produce, upon request by an authorized city official, the required photographic identification and cell phone (*Section 4-157-140(C)(8)*)
 - To adhere strictly to the terms of the required contract (*Section 4-157-40(C)(9)*)
 - To comply with all reasonable requests by authorized city officials and to cooperate with authorities conducting any investigation (*Section 4-157-040(C)(10) and (11)*)
 - To ensure that the establishment's maximum occupancy is not exceeded (*Section 4-157-140(C)(12)*)
 - To report to the police department any illegal activity observed by or reported to the on-site representative; to maintain a log book documenting such incidents; and to make such log book available for inspection by city officials (*Section 4-157-*

BULLET POINT SUMMARY

140(C)(13) and (14)

Unlawful Acts:

- To transfer ownership of the license (*Section 4-157-030*)
- To promote an event without having entered into a written contract with the establishment presenting the event (*Section 4-157-120(A)*)
- To designate as an on-site representative any person under the age of 18. If liquor is available at the promoted event or if the promoted event is held at a tavern, the on-site representative must be at least age 21. (*Section 4-157-140(A)(1)*)
- To designate as an on-site representative any person who has been convicted within the last 5 years of any felony offense or misdemeanor offense involving theft, fraud, perjury or dishonesty. (This prohibition does not apply if the on-site representative is the licensee or a controlling person of the licensee and such licensee or controlling person has been rehabilitated by the commissioner). (*Section 4-157-120(B)*)
- To exceed maximum legal occupancy limit of the establishment presenting the promoted event (*Section 4-157-150*)
- To fail report to the police department any illegal activity observed by or reported to the licensee or any controlling person at the amusement or event; to fail to maintain a log book documenting such incidents; and to fail to make such log book available for inspection by city officials (*Section 4-157-160(A)(4) and (5)*)
- If the licensee or any controlling person is under the age of 21, to promote any event at which alcohol will be sold, served or consumed or at any tavern in violation of Section 4-60-140 (*Section 4-157-155*)

License renewal: Every two years (*Section 4-157-060*)

License fee: \$500 to \$2,000 depending on license classification (payable every two years)(*Section 4-157-060 and 4-5-010*)

Enforcement:

- License suspension or revocation authorized (*Section 4-157-170*)
- If license revoked, five year prohibition on obtaining another license under same or different name (*Section 4-157-180*)
- DBA authorized to promulgate rules and regulations (*Section 4-157-200*)

Fines:

- Generally: up to \$10,000 (*Section 4-157-190*)
- On-site representative with criminal background: \$500-\$1,000 (*Section 4-157-140(B)*)
- Failure to print license number on required documents: \$200-\$500 (*Section 4-157-080*)

Amendments to other code sections:

- Makes it unlawful for any Liquor Licensee, PPA Licensee, and Outdoor Special Event Permittee to use an unlicensed event promoter (*Section 4-60-065(A), Section 4-156-465(A), Section 4-156-651(A) and Section 10-8-335(r)(1), respectively*)
- Requires licensees that present events promoted by organizations claiming not-for-profit status (and a concomitant exemption from having to obtain an event promoter license) to obtain proof of the organization's not-for-profit status. Describes the form such proof can take. Upon request, requires the licensee to show such proof to authorized city officials.

BULLET POINT SUMMARY

(Section 4-60-065 (B) and (D); Section 4-156-465(B) and (F); Section 4-156-651(A) and (C); and Section 10-8-335 (r)(1)

- Requires PPA licensees to notify their local alderman and local police commander in advance of any promoted event at the establishment, if the licensed venue has a maximum occupancy of 100+ persons and if liquor will be sold, served or consumed at the promoted event. *(Section 4-156-465(C))*
- If the required advance notification of the promoted event is not provided, authorizes DBA to prohibit the PPA licensee from using an event promoter at the establishment for a period of six months. Violation of the six-month prohibition constitutes a separate offense, resulting in a one-year year ban on anyone obtaining a PPA license at that location *(Section 4-156-465(C) and (D))*

Effective date: 120 days after passage and publication

**COMPREHENSIVE SUMMARY OF REVISIONS
SINCE INTRODUCTION OF THE ORIGINAL ORDINANCE**

Changes Made in “Substitute Ordinance”

(1) *Original Ordinance:* The exemptions (i.e. the circumstances under which an event promoter’s license is not required) were built into the definition of an event promoter.

- *Criticism:* This approach is not user-friendly.
- *Response:* To amend the ordinance to create a separate “user-friendly” section identifying all applicable exemptions. (See Section 4-157-020(B)).

(2) *Original Ordinance:* Exempted “not-for-profit organizations” from having to obtain an event promoter license, but failed to specify what constitutes acceptable “proof of not-for-profit status”

- *Criticism:* Any group can claim to be a not-for-profit organization. The ordinance provides no guidelines to assist venue owners and law enforcement personnel in determining the legitimacy of such a claim.
- *Response:* (1) To amend the applicable venue-based licensing schemes (Liquor and PPA) to identify legally acceptable forms of proof of not-for-profit status. (2) To require the owner/operator of the venue to obtain such proof from the organization claiming not-for-profit status. (3) To require the venue owner, upon request, to make such proof available for inspection by city officials. (See Section 4-60-065(B) and (D)(Liquor); Section 4-156-465(B) and (F)(PPA); Section 4-156-651(A) and (C)(Indoor Special Events) and Section 10-8-335(r)(1)(Outdoor Special Events).

(3) *Original Ordinance:* Required persons who promote events at fixed-seating venues to obtain an event promoter’s license.

- *Criticism:* (1) Fixed-seating venues do not pose the type of crowd control and public safety problems characteristic of non-fixed seating venues. (2) This requirement will discourage non-resident event promoters from bringing cultural events, such as the Russian ballet, to the City’s existing fixed seating venues without any corresponding increase in public safety.
- *Response:* To exempt an additional category of persons from having to obtain an event promoter license. Exemption extended to event promoters who promote events *exclusively* at fixed seating venues, if all venue patrons are seated in such fixed seats (typical example: promoted events at small theaters) or if the venue has a fixed seating capacity of 500 or more persons (typical example: promoted events at the Lyric Opera House or United Center). (See Section 4-157-020(B)(11)).

(4) *Original Ordinance:* Required all event promoters, regardless of the nature of their business, to obtain the same license and to pay the same license fee.

- *Criticism:* Some event promoters promote events exclusively at small establishments. Because the attendant risks and burdens on government are not as great if a promoted event occurs at a smaller venue (as opposed to a larger venue), the license and licensee fee should be structured to reflect that reality.
- *Response:* To amend the event promoter license to create four license classifications, with a graduated fee structure ranging from \$500 to \$2,000 for a 2-year license, based on the

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maximum occupancy of the area in which the promoted event occurs. (See Section 4-157-025 and Section 4-5-010, respectively)

(5) *Original Ordinance:* Did not address the problem of subterfuge ownership.

- *Criticism:* Subterfuge ownership (whereby the license holder is not the true actual or beneficial owner of the licensed business) is undermining legitimate event promoters, particularly in the African-American event promoter community.
- *Response:* To amend the ordinance to prohibit license issuance (and to allow for license suspension or revocation) if the commissioner determines that the named license holder or any controlling person is not, in fact, the actual or beneficial owner of the licensed business or is evading by subterfuge the licensing requirements of the chapter. (See Section 4-157-050(C)).

(6) *Original Ordinance:* Prohibited license issuance to any person who, within the last five years, had been convicted of certain crimes or had an event promoter's license or its equivalent in another jurisdiction suspended or revoked.

- *Criticism:* This policy is too harsh and may work an injustice in cases where an individual has "truly turned his or her life around."
- *Response:* To amend the ordinance to authorize the commissioner to "rehabilitate" persons on a case-by-case basis, if rehabilitation is warranted, so that a license can issue. (See Section 4-157-050(A)(3) and (4), respectively)

(7) *Original Ordinance:* Required licensees to carry at least \$1,000,000 in commercial general liability insurance.

- *Criticism:* This amount is cost-prohibitive and exceeds the amount of insurance required in comparable licensing schemes, such as liquor licensing.
- *Response:* To amend the ordinance to require at least \$300,000 in commercial general liability insurance. (See Section 4-157-100(A)).

(8) *Original Ordinance:* Required that the contract negotiated between the event promoter and hosting venue identify any equipment that will be used at the promoted event that "is capable of injuring any person, damaging property or creating a danger to the public in the course of its use."

- *Criticism:* This language is too vague. A guitar or drumstick, if misused, could conceivably qualify as equipment capable of causing injury.
- *Response:* (1) To amend the ordinance to list with greater specificity the types of dangerous equipment that must be disclosed (i.e. fireworks, pyrotechnics, installation/alteration of electrical equipment). (2) To amend the ordinance to require proof that all required permits for such special effects have been obtained. (3) To amend the ordinance to require that safety precautions be identified in advance. (See Section 4-157-120(A)(8), (9) and (10)).

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(9) *Original Ordinance:* Required PPA licensees (i.e. the owner/operator of the venue at which the promoted event is held) to give advance notification to the police department of all promoted events, involving liquor, at venues with a maximum capacity of 100 or more persons. However, the ordinance did not provide for advance aldermanic notification of these events.

- *Criticism:* Large crowds and liquor are a potentially lethal combination. Aldermen need to know when promoted events of this type are scheduled to occur in their ward, so that they can monitor these events and work in advance of the event with local law enforcement personnel and venue owners in an effort to ensure public safety at the promoted event and to avoid the occurrence of crowd- and liquor-related public nuisances at the promoted event of the type that threaten the peace and good order of the surrounding community.
- *Response:* To amend the ordinance to require the PPA licensee (i.e. the venue) to notify both the police department and local alderman of a promoted event at least 7 calendar days in advance of such event (with possibility of 24-hour advance notification in the case of “last-minute” promoted events). (See Section 4-156-465(C)).

(10) *Original Ordinance:* Authorized DBA to prohibit a PPA licensee from using an event promoter for a period of up to six months, if such licensee is found liable for failing to provide the required advance notification of a promoted event to the police department or local alderman. Made violation of the six-month prohibition a basis for license suspension or revocation.

- *Criticism:* Under circumstances where a licensee flagrantly disregards the law and refuses to abide by a lawfully imposed sanction, license revocation is not sufficient to protect the surrounding community from future abuses by such licensee. An additional deterrent to such behavior is required.
- *Response:* To prohibit the granting of another PPA license to any person at the premises identified in the revocation order for a period of one year from the date of revocation. (See Section 4-156-465(D)).

(11) *Original Ordinance:* Did not require instances of reported or observed illegal activity at the promoted event to be reported to the police department.

- *Criticism:* The police department indicated that its ability to guarantee public safety at promoted events and to abate public nuisances outside the promoted event would be greatly enhanced if the event promoter and the event promoter’s on-sight representative were under an obligation to report to the police in a timely manner all personally observed or reported instances of illegal activity at the promoted event.
- *Response:* To amend the ordinance to require the licensee, all controlling persons and all designated on-site representatives (1) to report such illegal activity to the police, (2) for their own protection, to retain a log book of all such reported incidents, and (3) to make the log book available, upon request, for inspection by authorized city officials. (See Section 4-157-140(C)(13) and (14) and Section 4-157-160(A)(4) and (5)).

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Additional Change Made in “Substitute Ordinance as Amended”

(12) *Original Ordinance*: Defined an event promoter, in part, as a person who is compensated for promoting an “amusement” within the meaning of Chapter 4-156 (Public Place of Amusement “PPA” License. Chapter 4-156 lists the circumstances under which a PPA license (and, by logical extension, an event promoter license) is not required..

- *Criticism*: Average citizens (who are unfamiliar with the subtleties of the PPA license and who are ill-equipped as “non-lawyers” to understand the legal significance/meaning of the reference to such “amusements”) may incorrectly conclude that an event promoter license and insurance is required to promote events at small venues (99 persons or less), where no admission fee or cover charge is assessed for the privilege of attending the event. .
- *Response to criticism*: To make the ordinance more “user friendly” by including an exemption explicitly stating that an event promoter license is not required to promote an event at an establishment that does not require a public place of amusement license (i.e. small venues (occupancy of 99 or less), where no admission fee or cover charge is assessed for the privilege of entering the event. (*See Section 4-157-020(12)*)).

Additional Changes Made in “Substitute Ordinance as Amended and Reamended”

(13) *Substitute Ordinance As Amended*: Made it clear in two places (i.e. by way of the definition of an “amusement” and by way of a newly-created exemption set forth in Section 4-157-020(A)(12) that an event promoter license is NOT required to promote events at establishments that do not require a public place of amusement license (i.e. small venues (occupancy of 99 or less), where no admission fee or cover charge is assessed for the privilege of entering the event. (*See Section 4-157-020(12)*)).

- *Criticism*: Average citizens are still confused and continue to think incorrectly that a Class D event promoter license is required to promote an event at small (99 or under) establishments (when, in fact, a Class D license is only required under the very limited circumstance where a cover charge, admission fee, etc. is assessed for the privilege of entering the promoted event)
- *Response*: To make the ordinance even more “user-friendly” by stating when a Class D license is required to promote an event at a small venue and when a Class D license is not required to promote an event at a small establishment. Clarifies that a Class D license is not required to promote an event at a small venue (99 or under), even when the event promoter is paid or otherwise compensated for promoting the event, so long as no admission fee, minimum purchase requirement, membership fee or other fee or charge is assessed for the privilege of entering the event. (FYI: The reason a Class D Event Promoter License is required when a small venue requires the payment of an admission fees, cover charge or similar fees as a precondition to gaining entry to the promoted event is because entry fees, by their very nature, create an incentive for the venue owner and

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event promoter to “pack” the establishment with people in violation of the establishment’s maximum occupancy, thereby warranting the increased accountability and public safety protection that comes from requiring that the event promoter be licensed and, as such, subject to the requirements of this ordinance). (*See Section 4-157-025, Class D License*)

- (14) *Original Ordinance:* Prohibited the issuance of an event promoter license to persons under the age of 21 and required that all designated on-site representatives must be at least age 21.
- *Criticism:* This requirement discourages young entrepreneurs who want to promote “alcohol-free” events at various venues.
 - *Response:* (1) To amend the ordinance to allow persons 18 years of age and older to obtain any class of event promoter license and to work as an on-site representative at a promoted event, unless liquor is involved (in which case the licensee, all controlling persons and the on-site representative must be at least 21 years of age. (2) To require that all event promoter licenses issued to persons between the ages of 18 and 21 will be stamped to indicate that the sale, service, consumption or possession of liquor at events promoted by these persons is strictly prohibited. (*See Sections 4-157-040(A)(2), (B)(4) and (C)(3); Section 4-157-050(A)(1); Section 4-157-025(B); and Section 4-157-155*).
- (15) *Original Ordinance:* Required non-resident event promoters (who do not otherwise qualify for an exemption) to obtain an event promoter license.
- *Criticism:* (1) This requirement may discourage non-resident event promoters from promoting events in the city. (2) Consistent with the City’s objective of ensuring accountability at promoted events, the licensing requirement for non-resident promoters can be safely waived if the non-resident event promoter enters into a contractual relationship with a licensed event promoter to promote an amusement or event in the City.
 - *Response:* To amend the ordinance to exempt from the licensing requirement those non-resident event promoters who enter into a joint venture with a licensed event promoter, as evidenced by a contract, to promote a specific amusement or event within the city. (*See Section 4-157-020(B)(14)*).
- (16) *Original Ordinance:* Did not explicitly address this question: If a licensed event promoter hires an advertising firm or other entity to assist the licensed event promoter in promoting a particular amusement or event, does the firm or entity so hired also require an event promoter license?
- *Criticism:* Event promoters frequently hire advertising firms and other entities to assist them in promoting events. It is important for an event promoter to know “up front” whether the firms or entities so hired also require an event promoter ordinance.
 - *Response:* To amend the event promoter license to clarify that if a licensed event

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promoter hires an advertising firm or other entity, as evidenced by a contract, to provide such licensed event promoter with services related to such amusement or event, the person or entity providing such services to the licensed event promoter is not required to obtain an event promoter license for that purpose. (See Section 4-157-020(13)).

(17) *Original Ordinance*: Required license applicants to submit, as a precondition to obtaining an event promoter license, proof of commercial general liability insurance (in order to ensure that compensation is available to persons who are injured at a promoted event).

- *Criticism*: Requiring proof of insurance, as a precondition to license issuance, is too restrictive given the nature of this industry. Insurance is necessary, but event promoters should have the option of choosing between alternative methods of obtaining the requisite insurance so that they can choose the most cost-effective option best suited to their particular business operations.

Response: (1) To amend the ordinance to allow licensees to choose, at their option, between different types of general commercial liability insurance policies (ranging from an annual policy *issued to the event promoter* to cover all or a pre-determined number of promoted amusement or events, to an annual policy *issued to the licensee of the venue* at which the promoted event (which names the event promoter as an additional insured), to a *special event policy* issued to the event promoter on a per event basis to cover the duration of a specific amusement or event), to any other insurance arrangement deemed in rules and regulations to be acceptable to the commissioner. (See Section 4-157-100(A)).

(2) To amend the PPA license to require that proof of such insurance be provided (not to DBA as a precondition to license issuance, but rather) to the owner or operator of the venue at which the promoted event will be held. (See Section 4-157-100(C)). (3) To amend both the Event Promoter and PPA ordinances to impose a duty on the event promoter, the event promoter's on-site representative and the owner/ operator of the venue presenting the promoted event to produce proof of the required insurance, upon request, by any authorized city official. (See Section 4-157-100(C), Section 4-157-140(C)(7)) and Section 4-156-465(C).

PERSONS NOT REQUIRED TO OBTAIN AN EVENT PROMOTER LICENSE

- FACT:** This ordinance is directed at individuals who are in the business of promoting events, who receive compensation for providing that service, and who promote events at large (100+), non-fixed seating venues. (Persons who are compensated to promote events at small venues (99 or less occupancy) do not require an event promoter's license so long as no cover charge or other admission fee is assessed for the privilege of entering the venue or the promoted event). *(See definition of "event promoter" in Section 4-157-010; exemption (11) and (12) in Section 4-157-020 and the "Class D License" in Section 4-157-025(A)).*
- FACT:** Average citizens (who are not being paid to promote an event) remain free, just as they are today, to invite or encourage others to attend amusements or events at local venues and to sponsor fund-raising events for a good cause. No event promoter license is required to engage in these activities because no compensation is being paid to the person promoting the event. *(See item (2) in the definition of an "event promoter" in Section 4-157-010).*
- FACT:** Performers at an event who "have a following" or want to encourage people to attend their performance are not affected by this ordinance and are not required to obtain an event promoter license. If, however, the performer hires a paid event promoter to promote the performance for them, the paid event promoter (and not the performer) is required to obtain the event promoter license. *(See the exemption for performers and their agents in Section 4-157-020(B)(3) and (4)).*
- FACT:** Private events, such as invitation-only events that are not open to the general public, are not affected by this ordinance. Individuals who invite or encourage persons to attend private event, such as a wedding or a family picnic in Grant Park, are not required to obtain an event promoter license. *(See the definition of an "amusement" and "event" in Section 4-157-010).*
- FACT:** PPA licensees/venue owners who undertake on their own (or via their employees) to promote an event at their own licensed establishment are not affected by this ordinance and are not required to obtain an event promoter license. If, however, the PPA licensee hires a paid event promoter to promote an event for the licensee at such licensee's establishment, the paid event promoter (and not the PPA licensee) is required to obtain an event promoter license. *(See the exemption for PPA licensees in Section 4-157-020(B)(5) and (6)).*
- FACT:** Not-for-profit organizations (such as churches, business leagues, social welfare organizations or political organizations) that undertake on their own (or via their employees) to promote an event to raise funds on behalf of such not-for-profit corporation are not affected by this ordinance and are not required to obtain an event promoter license. If, however, the not-for-profit organization hires a paid

CLOSE COLLABORATION WITH THE INDUSTRY AND OTHER AFFECTED PARTIES

- The problem of subterfuge ownership is addressed;
- The prohibition on license issuance to felons has been relaxed to allow for the possibility of “rehabilitation” in appropriate cases;
- The disclosure requirement for dangerous equipment at promoted events is more specific;
- The advance notification requirement for promoted events has been extended to include not only the local police district commander, but the local alderman as well (to ensure adequate monitoring of and deployment of police resources at promoted events)
- Event promoters and their on-site representatives are required to report observed or reported instances of illegal activity to the police, such as fighting, drug sales, the display of weapons, locked stairwell doors, blocked exits, maximum occupancy violations, operations in violation of a closure order and other illegal activities or conditions at the promoted event (to ensure public safety and neighborhood tranquility)
- Event promoters and their on-site representatives are required to maintain a log book documenting all steps taken by them in response to observed or reported instances of illegal activity (in order to protect event promoters by providing them with an evidentiary tool for demonstrating compliance with this requirement)

CLOSE COLLABORATION WITH THE INDUSTRY AND OTHER AFFECTED PARTIES

ORDINANCE OBJECTIVES (6):

- To promote **PUBLIC SAFETY** at promoted events
- To promote **NEIGHBORHOOD TRANQUILITY** at promoted events
- To promote **SHARED RESPONSIBILITY** at promoted events
- To promote **ACCOUNTABILITY** at promoted events
- To require **COMMON SENSE REGULATION** of event promoters
- To promote a **THRIVING MUSIC AND ENTERTAINMENT INDUSTRY**

CLOSE COLLABORATION WITH THE INDUSTRY AND OTHER AFFECTED PARTIES: This ordinance is the product of extensive input from the industry and other affected parties over a period of three years. Since July of 2005, 33 meetings have been held on this ordinance, including 20 internal meetings (attended, at various times, by representatives from the Department of Cultural Affairs, the Police and Fire Departments; the Law Department and the Department of Business Affairs and Licensing) and 13 meetings attended by industry representatives. 6 of the 13 meetings held with industry representatives were attended by concerned Aldermen. In addition, the Licensing Committee of the Chicago City Council has held two full hearings on this ordinance, including one 3-hour hearing, in order to elicit input on this ordinance from the event promoter industry, from the owners and operators of the venues at which promoted events are held, from the music and entertainment industry more generally, and from members of the general public.

RESULTS OF CLOSE COLLABORATION: As a result of extensive input from city departments, event promoters, venue owners, the entertainment and performing arts industry and concerned citizens, more than a dozen substantive changes have been made to this ordinance since it was first introduced:

- The ordinance is more user-friendly (The 14 exemptions are easier to locate);
- The event promoter license is less costly to obtain (due to the creation of four license classifications, with graduated license fees);
- 18-years olds are now eligible to obtain an event promoter license to promote “alcohol free” events at venues;
- A less costly and more flexible insurance requirement has been added;
- Three new clarifications have been added to the ordinance:
 - Persons who promote events exclusively at fixed-seating venues and/or at most small venues (99 persons or less, if no cover charge is assessed) are not required to obtain an event promoter license, even if compensated for their services;
 - For a specific promoted event, advertising firms or other persons hired by a licensed event promoter to assist them in promoting an event are exempt from having to obtain an event promoter license;
 - For a specific promoted event, non-resident event promoters who enter into a joint venture with a licensed event promoter to promote an event within the City are exempt from having to obtain an event promoter license;

PERSONS NOT REQUIRED TO OBTAIN AN EVENT PROMOTER LICENSE

event promoter to promote an event on behalf of the not-for-profit establishment, the paid event promoter (and not the not-for-profit organization) is required to obtain an event promoter license *(See the exemption for not-for-profit organizations and their employees in Section 4-157-020(B)(9) and (10)).*

FACT: Event promoters who promote events *exclusively* at fixed-seating venues are not affected by this ordinance and are not required to obtain an event promoter license, even if the event promoter is compensated for his or her services. *(See the exemption in Section 4-157-020 (B)(11)); and/or*

FACT: Event promoters who promote events *exclusively* at small venues (capacity of 99 persons or less) that do not charge an admission fee, membership fee or other fee or require a minimum purchase for the privilege of entering the premises, are not required to obtain an event promoter license, even if the event promoter is compensated for his services. *(See the exemption in Section 4-157-020(B)(12). Read in conjunction with the definition of an amusement in Section 4-157-010, h Section 4-156-305(C) referencing the PPA license exemptions and Section 4-157-025(A), Class D License).*

FACT: Persons, such as advertising firms, who are hired by a licensed event promoter to provide services to the event promoter in connection with a specific amusement or event, as evidenced by a contract, are not required to obtain an event promoter license. *(See Section 4-157-020(B)(13)).*

FACT: Non-resident event promoters who enter into a joint venture with a licensed event promoter to promote a specific event within the city are not required to obtain an event promoter license. If, however, the non-resident event promoter promotes his or her own event (without enlisting the assistance of a licensed event promoter), such non-resident event promoter is required to obtain an event promoter license (unless, of course, the non-resident event promoter qualifies for another exemption). *(See Section 4-157-020(B)(14)).*

FACT: Other persons or entities that are not required to obtain an event promoter license include the print media, the broadcast media, agents of performers at a promoted event, the full-time employees of a licensed event promoter and the City of Chicago and its sister agencies. *(See Section 4-157-020(B)(1), (2), (3), (4), (5), (6) and (7), respectively).*

event, or renting or controlling the site of an amusement or event; and (2) directly or indirectly receives or shares in any of the following: (a) admission or entrance fees paid by participants or spectators at the amusement or event; or (b) compensation, consideration or other revenue from sponsors of or private donors to the amusement or event; or (c) revenues from concessions or other sales at the amusement or event. Except as otherwise provided in Section 4-157-020(B)(14), the term “event promoter” includes nonresident event promoters who do business within the City of Chicago.

“Fireworks” has the meaning ascribed to the term in the Fireworks Use Act, as amended, codified at 425 ILCS 35/0.01 et seq.

“Fixed seating” or “fixed seats” means seats securely fastened to the floor.

“Licensee” means any person licensed or required to be licensed under this chapter.

“Maximum capacity” means the number of persons that may legally occupy a building, premises, room, floor or other area or space as indicated on a capacity sign furnished by the department of buildings pursuant to the requirements of Section 13-84-410.

“Not-for-profit corporation” means any not-for-profit organization which: (1) has been registered with the State of Illinois as a not-for-profit corporation for at least three years prior to the presentation of a promoted amusement or event, or (2) qualifies for tax exempt status under Section 501(c)(3), 501(c)(4), 501(c)(6) or 527 of the United States Internal Revenue Code of 1986, as amended.

“On-site representative” means any person designated pursuant to the requirements of Section 4-157-140 as a licensee’s on-site representative.

“Promoted amusement or event” means any amusement or event promoted by a licensee under this chapter.

“Pyrotechnic display” has the meaning ascribed to the term in the Pyrotechnic Operator Licensing Act, as amended, codified at 225 ILCS 227/1 et seq.

“Throughout the duration” means at least one hour before the promoted amusement or event, during the promoted amusement or event, and until all persons attending or in any way connected with the promoted amusement or event have left the establishment presenting such amusement or event.

4-157-020 License—When required—Exclusions.

(A) No person shall engage in the business of event promoter without first having

obtained an event promoter license under this chapter.

(B) The following persons are not event promoters within the meaning of this chapter:

- (1) any print or broadcast media who are paid for page space or broadcast time to advertise an amusement or event but exercise no other financial or operational responsibility in connection therewith; and
- (2) any off-premises ticket seller who sells admission tickets to an amusement or event in advance of such amusement or event but exercises no other financial or operational responsibility in connection therewith; and
- (3) any performer who is paid for his performance at an amusement or event but exercises no other financial or non-performance-related operational responsibility in connection therewith; and
- (4) any agent of an athlete or performer who is compensated for negotiating his client's contract to perform at an amusement or event but exercises no other financial or operational responsibility in connection therewith; and
- (5) any licensee under Chapter 4-156 of this code, to the extent that the licensee personally plans, prepares or executes an amusement or event in the course of such licensed business; and
- (6) any full-time employee of a licensee under Chapter 4-156 or under this chapter, to the extent that the employee plans, prepares or executes an amusement or event in the course of such employment; and
- (7) the City of Chicago or its sister agencies; and
- (8) any employee of the City of Chicago or its sister agencies, to the extent that the employee plans, prepares or executes an amusement or event in the course of such employment; and
- (9) any not-for-profit corporation, to the extent that the not-for-profit corporation personally plans, prepares or executes an amusement or event on its own behalf; and
- (10) any bona fide member or employee of a not-for-profit corporation, to the extent that such member or employee plans, prepares or executes an amusement or event in the course of such membership or employment on behalf of the not-for-profit

corporation; and

- (11) any person who exclusively promotes amusements or events at establishments or venues meeting all of the following requirements: (1) the owner or operator of the establishment or venue at which the promoted amusement or event is presented holds a valid public place of amusement license or valid performing arts venue license issued under Chapter 4-156 of this code, and (2) the establishment or venue at which the promoted event is presented: (i) has fixed seating only and all patrons attending any promoted amusement or event at such establishment or venue are seated in such fixed seats; or (ii) has a fixed seating capacity of 500 or more persons; and/or
- (12) any person who exclusively promotes any amusement set forth in items (a) through (i) of Section 4-156-305 at establishments or venues that do not require a public place of amusement license under Section 4-156-305;
- (13) for a specific amusement or event, any person who is hired or otherwise retained by an event promoter licensed under this chapter, as evidenced by a contract, to provide services to the licensed event promoter related to such amusement or event, including, but not limited to, advertising services;
- (14) for a specific amusement or event, any non-resident event promoter who enters into a joint venture with an event promoter licensed under this chapter, as evidenced by a contract, to promote such amusement or event within the corporate limits of the City of Chicago.

4-157-025 License classification.

(A) Event promoter licenses shall be divided into the classifications which follow. The holders of such licenses shall be entitled to engage in the business of event promoter within the City of Chicago subject to the following limitations:

Class A license: The holder of a Class A license is subject to no limitation as to the maximum capacity of the building, premises, room, floor or other area where a promoted amusement or event is presented.

Class B license: The holder of a Class B license is entitled to promote an amusement or event at an establishment, if the maximum capacity of the building, premises, room, floor or other area where a promoted amusement or event is presented is 2000 persons or less.

Class C license: The holder of a Class C license is entitled to promote an amusement or event at an establishment, if the maximum capacity of the building, premises, room, floor or

other area where a promoted amusement or event is presented is 500 persons or less.

Class D license: The holder of a Class D license is entitled to promote an amusement or event at an establishment, if the maximum capacity of the building, premises, room, floor or other area where a promoted amusement or event is presented is 99 persons or less. A Class D license shall be required to promote an amusement or event at such an establishment if an admission fee, minimum purchase requirement, membership fee or other fee or charge is imposed for the privilege of entering the establishment or the portion of the premises where the promoted amusement or event is presented. Provided, however, that if the maximum capacity of the building, premises, room, floor or other area where a promoted amusement or event is presented is 99 persons or less and no admission fee, minimum purchase requirement, membership fee or other fee or charge is imposed for the privilege of entering the establishment or the portion of the premises where the promoted amusement or event is presented, an event promoter license under this chapter is not required to promote such an amusement or event, even in cases where the event promoter is directly or indirectly compensated for promoting such event.

(B) If the licensee or any controlling person is between the ages of 18 and 21, the applicable class of license set forth in subsection (A) of this section shall be stamped to indicate that the sale, service, possession or consumption of alcoholic liquor is strictly prohibited at the promoted amusement or event.

4-157-030 License–Posting–Nontransferability.

Each license issued pursuant to this chapter shall be posted in a conspicuous place near the entrance of the licensee’s chief place of business. On the date(s) that a promoted amusement or event is presented at an establishment, a photocopy of the event promoter license shall be posted in a conspicuous place at such establishment. No transfer of ownership shall be allowed on any license issued under this chapter.

4-157-040 License–Application.

An application for a license under this chapter shall be made in writing to the commissioner, on a form provided by the department, and shall be accompanied by the following:

- (A) If the applicant is an individual:
 - (1) the applicant’s full name, residence address, business address, business e-mail address, business telephone number and cell phone number;
 - (2) proof that the applicant is at least 18 years of age;

- (B) If the applicant is a corporation:
 - (1) the corporate name, address, e-mail address and telephone number of the