

## About the Regulated Business License – Accommodation Services

A “Regulated Business License” is required for the following accommodation activities:

- **Bed-and-Breakfast (B&B) Establishment** ([MCC 4-6-290](#)) - an owner-occupied single-family residential building, an owner-occupied, multiple-family dwelling building, or an owner-occupied condominium, townhouse or cooperative, in which 11 or fewer sleeping rooms are available for rent or for hire for transient occupancy by registered guests.
- **Hotel** ([MCC 4-6-180](#)) – any building or structure kept, used, maintained as, advertised or held out to the public to be an inn, hotel, motel, family hotel, apartment hotel, lodging house, dormitory or other place, where sleeping or rooming accommodations are furnished for hire or rent, and in which seven or more sleeping rooms are used or maintained for the accommodation of guests, lodgers or roomers.
- **Single-Room Occupancy (SRO) Building** ([MCC 4-6-220](#)) - any dwelling or part thereof designed or used primarily for single-room occupancy, containing five or more single-room living units, and which is occupied by the same tenants for an uninterrupted period of not less than 32 days.
- **Vacation Rental** ([MCC 4-6-300](#)) - a dwelling unit that is not an owner-occupied dwelling unit and contains 6 or fewer sleeping rooms that are available for rent or for hire for transient occupancy by guests. The license applicant must be the owner of the dwelling unit.

## Pre-Application Checklist

The following activities must be completed **BEFORE** applying for any business license.

- ✓ [Check your Zoning designation](#). Verify that your proposed business activities are allowed at your potential business location.
  - DO NOT enter into any financial commitments (i.e. Commercial lease, Construction/build-out) unless you are certain that you are in the proper zoning district that allows the proposed business activity.
  - DO NOT assume the previous owner’s zoning designation applies.
- ✓ [Register your business with ALL of the appropriate government agencies](#).
- ✓ [Check state or federal laws and requirements](#).

## How do I apply?

You may apply for a license by going online at [www.cityofchicago.org/bacp](http://www.cityofchicago.org/bacp), and then click on [Apply for a License](#), or in person at the Department of Business Affairs and Consumer Protection (BACP) office in City Hall, 121 North LaSalle Street, Room 800. An appointment is recommended and can be made by calling (312) 74-GOBIZ / (312) 744-6249, or by going online at [www.cityofchicago.org/bacp](http://www.cityofchicago.org/bacp), and then click on [Schedule An Appointment With A Business Consultant](#).

**STEP 1: LICENSE APPLICATION**

- A separate license shall be required for each separate business location.
- All activities and services to be provided must be described on the application.
- License application fee: **\$250.00** per location; except for Hotel - **\$250.00** per location + **\$2.20** per room. Fee is based on a two-year term

Standard application requirements and documentation may be found in our [License Application Requirements Information](#) web page.

**Additional application requirements for Bed-and-Breakfast Establishments and Hotels:**

A fingerprint-based criminal history investigation is required for every owner, corporate officer or any person who has a 25% or more interest in the business, as well as every on-site manager. A cost recovery fee of \$40 per person will be assessed for the service of fingerprint processing.

**STEP 2: ZONING REVIEW**

Every business license, location expansion and change of location application requires review and approval from the Zoning Unit of the Department of Housing and Economic Development.

The City of Chicago is divided into distinct zoning districts that reflect the diversity of business and neighborhood uses. Each zoning district has different regulations regarding the types of business activities that are permitted.

During a review, the Zoning representative looks at the following:

- Proper classification of the business activity/ies.
- If the business activity/ies is/are allowed in a specific district.
- Compliance with parking, landscape and building requirements.
- Proper building permits have been applied for/issued.

**STEP 3: INSPECTIONS AND PERMITS**

An inspection of your business location is required for certain business activities and is scheduled within 5-10 business days of license application fee(s) payment.

BUSINESS ACTIVITY	ONSITE INSPECTION TYPES		
	DOB - Electrical	DOB - SIP	CFD
Bed-and-Breakfast (B&B)		✓	✓
Hotel			
Single-Room Occupancy (SRO)	✓	✓	✓
Vacation Rental		✓	

The **Chicago Department of Buildings (DOB)** – DOB is the department which conducts building inspections and processes and issues building permits.

- A building permit is required for any structural build-out, including rehab of a location. Structural work includes, but is not limited, to: plumbing, electrical, natural gas line, HVAC, drywall, demolition or construction. A more complete list of structural work requiring a permit is available here. All structural work must be completed before the building inspection.
- Prior to receiving a B&B, SRO or Vacation Rental license the premises must pass an onsite inspection by DOB.

The **Chicago Fire Department (CFD)** – CFD is the department which ensures that fire safety and fire prevention measures are in place.

- a. Fire inspectors will conduct an onsite inspection to check for safety measures to ensure that the site is fire resistant and easy to evacuate in case of an emergency.
- b. Prior to receiving a B&B or SRO license, the premises must pass an onsite inspection by CFD.

#### **STEP 4: SIGNAGE AND USE OF THE PUBLIC WAY**

In addition to issuing business licenses, BACP, through its Public Way Use (PWU) unit, is the department which handles general Grants of Privilege for the use of the public way. These permit applications are necessary when a business owner wishes to hang a sign, awning, or anything above, on or below the public way.

- a. Prior to hanging or constructing any sign that hangs over the public way, the applicant must file a Sign Permit Application with BACP. This detailed process includes obtaining additional permits from DOB as well as approval from the City Council. Because a sign contractor must be licensed with the City in order to obtain a sign construction permit, please see the [list of approved sign contractors](#).
- b. For temporary use of the public way (such as the temporary obstruction of a sidewalk or street for installation or construction work), contractors must obtain a Public Right of Way Use Permit from the Chicago Department of Transportation. Information about this permitting process is available at the [Regulations for Construction in the Public Way](#) web page.

For additional information, please go to our [Public Way Use](#) web page.