Small Business Advocacy Council

HIGHER COSTS THREATEN STREET FESTS

Street fests are the lifeblood of Chicago's neighborhoods. From Mole de Mayo in Pilsen to Apple Fest in Lincoln Square, street fests drive local economic growth by bringing thousands of customers to neighborhood business districts and giving small vendors, restaurants, and artists a place to sell. They also provide vital revenue for local chambers of commerce that serve entrepreneurs throughout the city. And they help make Chicago **a city where people want to live and visit**.

That's why the mayor's proposed changes to special event cost recovery concern us.

Proposed Changes:

Today, outdoor special event permits cost as little as $100 for applications filed more than 60 days in advance. The mayor has proposed shifting to an attendance-based structure, with fees ranging from $500 to **$8,000 or more**.

Under current law, organizers pay only for police officers and traffic control aides if their event requires more than 12 combined shifts. The mayor has proposed to instead recover the cost of **all necessary city services across all affected departments**.

The mayor has also proposed requiring organizers of events with more than 10,000 expected attendees to submit a formal community engagement plan with several **onerous requirements**.

Independent farmers' markets, like those in Logan Square and Hyde Park, are exempt from application fees, but would still be subject to cost recovery under this proposal.

Potential Impact:

Higher application fees and responsibility for a much wider range of city services could render many of Chicago's most iconic special events **financially unsustainable**.

Chicago's 500+ outdoor special events cost the city roughly $6 million per year, of which it already recovers $2.4 million.[1] The remaining $3.6 million is a modest investment relative to the **local economic activity** these events generate. Asking more of the organizations that produce them will hurt the communities they support without meaningfully closing the city's budget gap.

[1] City of Chicago, Office of Budget and Management. (2025). *Financial and Strategic Reform Options*.

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