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FOR IMMEDIATE RELEASE

October 5, 2011

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CITY COUNCIL PASSES MAYOR EMANUEL'S NEW REFORMS FOR BUSINESSES AND REDUCES THE TIME IT TAKES TO OBTAIN BUSINESS LICENSES

Chicago City Council today approved an ordinance that lessens the amount of time needed to obtain certain business license types by eliminating unnecessary or redundant city inspections without compromising public safety.

The changes streamline and update regulatory requirements for new businesses so that starting a business in Chicago is simpler and growth is encouraged.

"One of the biggest complaints from businesses, especially small businesses, is the amount of time it takes to issue a license and the numerous inspections they receive from various city departments," said Mayor Emanuel. "We are on the right track for change by alleviating some of the unnecessary burdens that small businesses face without compromising public safety."

The announcement focuses on improving City licensing and inspection processes. The ordinance changes were the result of a review of the City's business license inspection requirements that showed a number of departments conducted on-site inspections—or multiple inspections—mandated by city ordinances but duplicative in nature or unnecessary to maintain public health and safety.

This ordinance change eliminates 16 unnecessary inspections across 5 departments. These license inspection improvements impacts nine (9) different business license types: Accessory Garage, Bed & Breakfast; Electronic Equipment; Filling Station; Hospital; Hotel; Manufacturing Establishment; Massage Establishments; Motor Vehicle Repair (Class III)..

While the vast majority of business licenses are issued in less than three days and do not require on-site inspections, those that do create opening delays for new businesses. **Some of the outcomes include:**

1. Reducing the number of days to issue a license for certain types.
2. Reducing on-site required inspections across five departments, including less interaction with the City to improve timeline to open a business.



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3. Improving inspector efficiency by eliminating unnecessary inspections, increasing focus on safety and areas of need.

Some examples of improvements include:

- **Electronic Equipment Repair Shops** will no longer require an outdated and unnecessary inspection from a Department of Buildings electrician, which takes an average of 63 days to issue. The modernization of the industry no longer poses a significant safety threat because of energy efficiency and less volatile materials used in modern electrics. Businesses applying for this type of license will now be issued a Limited Business License, which issues within three days.
- **Motor Vehicle Repair Shops with Paint operations (Class III)** are inspected by the Department of Environment twice every year to comply with Federal and State standards. Therefore, inspections by the Department of Environment during the license application process are unnecessary and redundant. This license will no longer take an average of 50 days to issue.

Other changes remove redundant license inspections that are conducted on an ongoing basis and are mandated by city, state and federal requirements. An example:

- **Manufacturing Establishments** require building inspections due to construction permits and also undergo regularly scheduled inspections, for buildings that meet the criteria, therefore a DOB pre-license on-site inspections is unnecessary. The Fire department will continue to inspect manufacturing establishments before a license is issued. In addition, the Department of Environment frequently inspects Manufacturing Establishments based on their operations. As a result of the change the license will be issued in 15 days from 46 days, while maintaining all safety components.

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