



OFFICE OF THE MAYOR
CITY OF CHICAGO

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**MAYOR EMANUEL ANNOUNCES NEW REFORMS FOR BUSINESSES THAT IMPROVE THE TIME
IT TAKES TO OBTAIN BUSINESS LICENSES**

Today, Mayor Emanuel introduced a series of ordinance amendments that improve the time to obtain certain business license types by eliminating unnecessary or redundant City inspections that impede businesses from opening their doors on time, without compromising public safety.

The changes streamline and update regulatory requirements for new businesses to encourage growth and make starting a business in Chicago simpler.

“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. “This must change. We must alleviate some of the unnecessary burdens that small businesses face without compromising public safety.”

These represent only the first of several steps focused on improving City licensing.

The City also plans to focus on improving and streamlining license inspections so that restaurants and food establishments are issued licenses on a faster track. New license applicants must pass a pre-license health inspection before a license is issued, and in many cases are inspected multiple times until they pass, creating longer wait times, taking on average of 53 days to issue.

In addition, the City will focus on liquor establishments to improve and streamline the license and inspection process. These new businesses undergo multiple inspections and must meet State and City requirements. Licenses issued take on average 118 days for restaurants to be licensed. We look to shorten the time to issue a license and improve the overall process.

Today's ordinance changes were the result of a review of the City's business license inspection requirements which showed that a number of departments conducted on-site inspections, or in some cases, multiple inspections, which were mandated by city ordinances which in many cases were duplicative or unnecessary to maintain public health and safety.

The Mayor is proposing to eliminate 16 unnecessary inspections across 5 departments. This initial phase of license inspection improvements impacts nine (9) license types which include Electronic Equipment, Hotel and Manufacturing Establishment.



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The vast majority of business licenses are issued in less than 3 days and do not require on-site inspections, those that do create opening delays for new businesses. This frustrates business owners and ties up city resources.

Some of the outcomes to be achieved include:

1. Reduce the number of days to issue a license for certain types.
2. Fewer days to issue a license equals less time business owners have to wait on the City to open a new business and improves overall customer service to businesses.
3. Reduce on-site required inspections across five different departments, means less interaction with multiple departments and better internal utilization of inspectors without compromising safety.
4. Improve inspector efficiency by eliminating unnecessary inspections, increasing focus in areas of need.
5. Update ordinances to reflect more streamlined process across all departments to ensure departments can focus on regular safety inspection requirements

Some of the improvements include:

- **Accessory Garages** typically take 21 days to issue a license and required a pre-license on-site inspection from the Fire Department. However, this inspection is unnecessary as most garages are non-structure surface lots and do not pose a fire hazard, those that do will be inspected on a routine basis.
- **Electronic Equipment Repair Shops** will no longer require an outdated and unnecessary inspection from a department of buildings electrician taking 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 3 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.



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Other changes remove redundant license inspections that are conducted on an ongoing basis and mandated by city, state and federal requirements. Examples of those license types are:

- **Hotels and Bed & Breakfast** establishments require a pre-license on-site inspection from DOB. However, they are inspected by DOB to obtain the required certificate of occupancy or for construction permits. In addition, they are inspected biennially, making a business license inspection repetitive. The changes will cut the time in half to obtain a license in these categories.
- **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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