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FOR IMMEDIATE RELEASE

May 13, 2011

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MAYOR EMANUEL ANNOUNCES NEW REFORMS TO MAKE BUSINESS INSPECTIONS SMARTER, SIMPLER

*Chicago Start-up Businesses Should Be Able to Focus on Creating Jobs and Expanding –
Not Dealing with City Hall's Red Tape*

Mayor Rahm Emanuel today announced the first round in a series of reforms to the City's business inspection process that will reduce the number of inspections visits, modernize the scheduling of inspections, and ensure that individual inspectors are more consistent with their approach. Joined by a group of Chicago restaurant owners who participated in discussions about their experiences with the City inspection process, the Mayor announced these reforms would be implemented for businesses citywide but would start with restaurants, which hire over 8,000 employees annually.

"The City of Chicago should be a partner and resource for businesses looking to start and grow, not an impediment that ties them up with a duplicative, complicated inspection process," said Mayor Emanuel. "Through these new reforms the City's inspection process will be simpler and smarter, so that businesses can focus on what matters most: creating new jobs in Chicago."

Businesses and building owners must undergo numerous inspections to get started, operate, and earn profits. While these inspections do help protect the public, they often impose an unnecessary burden due to challenges in scheduling, the large number of inspection visits required, confusion about requirements, and inconsistency between inspectors. Inefficient inspections can cost businesses and building owners time and money and leave too many feeling that the city is working against them. By the end of this year, Mayor Emanuel will implement reforms that will reduce the number of inspections visits, modernize the scheduling of inspections, make inspectors more consistent, and focus on higher risk buildings and businesses.

The goals of the reforms being announced today are the following:

- **Make City Hall a partner to new restaurants, not an obstacle**

Mayor Emanuel's reforms will begin with restaurant inspections. Restaurants are a leading job creator in Chicago, responsible for nearly 10 percent of the jobs in the city. Yet restaurants often survive on razor-thin profit margins ranging from two to six percent, and one-third of new restaurants fail within a year of start-up. Too often, inspections add to the cost of starting a restaurant, with some new



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restaurants enduring as many as 20 inspections to get started. Today, new restaurants fail at least one of their initial inspections 67 percent of the time. Mayor Emanuel's restaurant start-up program will make the city more of a partner to new restaurants, helping them grow and create jobs by:

- ***Making the start-up process smarter.*** The program streamlines the application process and ensures restaurants undergo the necessary zoning and location reviews up front, minimizing the risk that owners will need to make expensive course corrections.
- ***Reducing inspections visits and wait times through a team-based approach.*** Mayor Emanuel's plan will reduce the number of inspections visits for new restaurants by 50 percent through improved coordination and a team-based approach.
- ***Helping restaurants pass their inspections.*** The restaurant start-up program will strengthen public health while helping these new businesses pass their inspections by providing start-ups with pre-inspection consultations and a comprehensive start-up guide.
- ***Increasing inspections transparency.*** The program will make restaurant inspections more transparent to owners by posting online information on the most common violations and making inspector checklists available to restaurant owners.

Based on the lessons learned from the restaurant start-up program, the Emanuel Administration will reduce the number of annual inspections visits for all restaurants by eliminating redundant inspections and improving coordination.

- **Implement a modernized, automatic inspections scheduling system**

Today, the City forces businesses and building owners to waste time and money trying to navigate an antiquated, decentralized system for scheduling a permit inspection. Building permit inspections can only be scheduled through an online form, and there is no system for handling walk-ins or phone requests. The Department of Buildings has a dedicated team of dispatchers, whose full-time jobs are to review inspection requests, verify inspector availability, and manually send a confirmation email to each customer. Every day, inspection appointments are printed out at City Hall and hand-delivered to inspection supervisors located 18 blocks away. Inspection supervisors spend hours each morning manually reviewing and implementing these schedules, time that could be better spent overseeing and training inspectors and addressing customer questions and issues.

This does not make sense for a 21st century city and doesn't serve the businesses of Chicago, so Mayor Emanuel will modernize this process by implementing a centralized and automated inspections scheduling system. The first project to be financed by the Mayor's Innovation Loan Fund, this smarter, simpler scheduling system will pay for itself within five years by cutting administrative costs for the Department of Buildings.



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The new system reboots the scheduling of inspections by:

- ***Providing businesses with more options.*** The system will simplify inspection scheduling by allowing businesses and residents to schedule permit inspections by phone or over the internet, receive immediate appointment confirmation, and review inspection results online.
- ***Delivering higher quality inspections for less.*** By automatically scheduling and prioritizing inspections taking business location into account, the centralized scheduling system will reduce costs by cutting driving time. And the system will make building inspections smarter by freeing up inspection supervisors to devote more time to managing and training their inspectors and improving the quality and consistency of inspections.
- ***Producing faster inspections results.*** Less time spent scheduling appointments frees up City resources to process inspection results more quickly.

Mayor Emanuel committed to reforming the licensing and inspection process during his campaign. The City of Chicago's Innovation Delivery Team conducted a series of restaurant roundtables throughout Chicago and helped to develop the 60 percent reduction in city licenses announced in April as well as the inspection reforms announced today.

Innovation Delivery Teams help mayors develop and deliver powerful solutions to major urban challenges. Situated in a mayor's office, these teams bring rigorous focus and best-in-class practice to identifying powerful solutions, developing implementation plans and then managing for results. Chicago is one of five cities to receive an Innovation Delivery Team grant from Bloomberg Philanthropies. Part of Bloomberg Philanthropies' Mayors Project, Innovation Delivery Team grants were also awarded to Atlanta, Louisville, Memphis, and New Orleans. The Mayors Project spreads effective programs and strategies among cities. Other Mayors Project investments include Cities of Service and Financial Empowerment Centers.

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