

**2014 Budget Hearing Statement
Rosemary Krimbel, Commissioner
Department of Business Affairs and Consumer Protection
Thursday, November 7, 2013**

Good morning, Chairman Austin and members of the City Council. My name is Rosemary Krimbel. Thank you for the opportunity to speak to you today. The Department of Business Affairs and Consumer Protection has achieved much this year and hopes to accomplish much more in FY2014.

I'd like to start with an overview of the Department and what we've accomplished recently. BACP's mission is to ensure a fair and vibrant market place for both businesses and consumers. That is why BACP not only licenses businesses and provides them with resources to help them grow, it also enforces consumer protection laws and regulations to protect Chicago residents and provide a level playing field to all businesses. BACP also regulates and licenses public passenger vehicles, oversees cable television franchise agreements, and operates MU-TV, the City's municipal cable television channels.

Over the past two years, Mayor Emanuel directed our department to put small businesses first and get out of their way. We have done just that, implementing a sweeping licensing reform ordinance that eliminated 60% of business license types and establishing the Small Business Center, led by Roxanne Nava, to serve as a City Hall concierge to the City's entrepreneurs.

In the 2014 Budget, we will build upon this success by ensuring that the Small Business Center is paperless by 2016. Businesses will be able to apply for permits and licenses online. As more of our residents do their shopping and business online, City Hall needs to keep up.

We will also expand our successful microlending program, first launched in 2012 in partnership with Accion. Through the Chicago Microlending Institute, the City provided more than 100 small business owners with small loans that created or preserved roughly 500 jobs. In 2014, we are partnering with City Treasurer Stephanie Neely to make a combined \$1 million dollar investment - \$500,000 from the City and \$500,000 from the City Treasurer - to continue this important program and make loans to more small businesses.

To ensure that we are on top of emerging trends in consumer fraud, BACP will expand its enforcement urgent response unit by 50 percent. This unit conducts consumer protection sting operations and investigates problem businesses. In the coming year, we will expand its focus on tobacco enforcement.

This expansion is consistent with BACP's other efforts to crack down on problem businesses, from the monthly flagged business list of businesses with histories of ordinance violations that we develop working with other City departments to our participation in the

Responsible Establishment Safe Neighborhoods Task Force (RESN) which focuses on shutting down businesses associated with neighborhood crime .

Looking back to 2013, BACP continued to work with the Mayor's Innovation Delivery Team to implement Mayor Emanuel's vision for making City Hall a true partner to Chicago's small businesses.

In March of this year, we opened our revamped Small Business Center, which is a one-stop shop for business owners. Our business consultants now provide concierge service to help business owners with their interactions with City Hall, including inspections, permits and zoning. The Small Business Center opened an express lane to provide 25% of customers with service in 15 minutes or less, and two self-service workstations to expedite paperwork. Going forward, we will continue to make our processes simpler and more effective so that entrepreneurs spend less time at City Hall and more time running their business.

BACP implemented and expanded the Restaurant Start-Up Program, which reduces the time to open the most complicated new restaurants by 50 percent: from 262 days to 110 days.

Moreover, in 2013, BACP successfully rolled out a streamlined licensing process for food trucks by offering specialized business consultants and hands on consultations with health and fire officials. To date, BACP has licensed 22 new cook-on-board food trucks and more than 75 upgraded food trucks.

BACP, in collaboration with on-site partners, including ACCION, the Women's Business Development Center, The Law Project, and SCORE, continues to offer workshops and a small business Solution Station, which provides free financial, legal, and business advice. After a successful year of partnership with the Office of New Americans to facilitate small business events targeted toward our vibrant ethnic business communities, including the Latino Small Business Expo, Asian American Business Expo, African Small Business Expo, and the Polish Small Business Expo, we will continue to host these events in the coming year with the ongoing sponsorship of Western Union. We also collaborate with local external partners, such as the Better Business Bureau, for consumer protection events.

As we work to better serve the small businesses of Chicago, our consumer protection division is focused on ensuring a level playing field for business owners and protecting residents from scams. This year, Chicago became the first city in the nation to enter into an agreement with the new Federal Consumer Financial Protection Bureau to share information about emerging financial scams. We executed targeted operations to enforce consumer protection ordinances passed last year, including unscrupulous tax preparers that took advantage of customers seeking refunds and immigration service providers that prey on prospective citizens.

The new taxi reform ordinance celebrated its first year in July and the results of the reforms have been remarkable. Incentives designed to improve the fleet in Chicago by

encouraging the addition of wheelchair accessible and alternative fuel/hybrid vehicles have proven extremely successful. We have nearly doubled the number of WAVs in service and 74 percent of the fleet is now a hybrid or alternative fuel vehicle. Improving the fleet is just half of the equation. BACP is focused on assuring passenger safety with improved training for drivers as well as a more thorough vetting process better equipped to deny a license to a driver with an unsafe driving record.

We are working closely with the Mayor's Office for People with Disabilities to continue to improve taxi service to the disability community. This year, the federal government awarded a transportation grant of \$1.77 million to BACP's wheelchair accessible vehicle fund to be used to supplement the purchase or conversion of wheelchair accessible vehicle taxicabs. BACP was able to secure the grant thanks to the matching capability provided by the WAV fund established through taxi reform and funded by the taxi industry itself.

In conclusion, we are excited about new opportunities we will be providing small business owners in the coming year. I would like to thank the Mayor for his leadership to further support and grow small businesses in Chicago. My team and I would also like to thank you for being supportive of our legislative efforts over the past year. We look forward to working with you to foster and promote continued small business growth, simplified regulatory enforcement, and access to resources and education for both businesses and consumers.

Thank you for your time.

Business Affairs and Consumer Protection

2014 Budget Hearing

MBE/WBE Data

Period: January to September 2013

Total Purchases: \$629,864

	MBE	WBE	Total MBE/WBE Purchases
WBE	n/a	\$89,663 (14%)	\$89,663 (14%)
Asian	\$37,500 (6%)	n/a	\$37,500 (6%)
African-American	\$101,396 (16%)	n/a	\$101,396 (16%)
Hispanic	\$1,875 (.5%)	n/a	\$1,875 (.5%)
Total Spending	\$140,771 (22.5%)	\$89,663 (14%)	\$230,434 (36.5%)

Staffing Data

Department Ethnicity and Gender				
	Male	Female	Total	%
Asian	5	4	9	5
Black	30	38	68	38
Hispanic	23	15	38	22
White	39	22	61	35
Total	97	79	176	
	55%	45%		

New Hires Ethnicity and Gender				
	Male	Female	Total	%
Asian	0	0	0	0
Black	1	2	3	37.5
Hispanic	1	2	3	37.5
White	1	1	2	25
Total	3	5	8	
	38%	62%		

Department Managers Ethnicity and Gender				
	Male	Female	Total	%
Asian	0	2	2	5
Black	4	3	7	18
Hispanic	7	3	10	26
White	13	7	20	51
Total	24	15	39	
	62%	38%		

Interns

School	Gender	Race
Morgan Park H.S.	Male	Black
King College Prep H.S.	Female	Black
Jones College Prep H.S.	Male	Black
Harlan H.S.	Female	Black
Tennessee State University	Female	Black
Indiana State University	Female	Black
Valparaiso University	Female	Black
Grinnell College	Male	Black

Department Of Business Affairs & Consumer Protection

