

Chicago Department of Buildings
2014 Budget Statement to the City Council
Committee on the Budget and Government Operations

November 6, 2013

Michael Merchant, Commissioner

Good Afternoon Chairman Austin, Committee members, and aldermen. I am very happy to be here today to discuss the 2014 budget request for the Department of Buildings (DOB). As you may have heard, I have been nominated by Mayor Emanuel to serve as the next Chief Executive Officer of the Chicago Housing Authority. While this will be my final time before you as Building Commissioner it is by no means goodbye. If I may, I do want to take a moment to thank Mayor Emanuel and the members of the City Council for the tremendous honor and opportunity to serve our fellow Chicagoans as Building Commissioner. Together, I believe we have made the building permitting and inspection processes more efficient, responsive and customer-friendly.

Like previous years, we are taking many steps to improve service, streamline processes and provide innovative approaches to managing this department.

Our goal continues to be maintaining our core services to citizens and positively impacting public safety. Thanks to efficiencies gained by adopting technologies and the cost savings derived from transferring projects in-house, we continue our mission while maintaining the integrity of our work.

We are pleased to report that through September, 2013, DOB revenues were \$36,817,915, an increase of \$ 4,638,319 – 14 percent more than 2012.

We are also dedicated to significantly improving customer convenience and decreasing the time to permit. This year, we continued to enhance our Electronic Plan Review System and Certified Corrections Program, both of which I am proud to report have been a best-practice model both in North America and abroad. In addition, we have continued our focused coordination with the Police Department to keep our streets safe by securing or, when necessary, demolishing vacant buildings that have been identified as havens for gangs and criminal activity.

Let me share with you more details about these and some of our other specific accomplishments.

Key Accomplishments in 2013

Enhancing Electronic Plan Review

In July 2012, DOB fully implemented an Electronic Plan Review system (E-Plan). E-Plan facilitates multiple discipline review and tracking of projects through every step of the review process. This system allows design professionals to submit plans electronically from the convenience of their offices and allows multiple DOB plan reviewers to examine and approve plans simultaneously. Architects no longer have to schedule in-person meetings at City Hall to submit or pick up plans and corrections.

This program has been implemented through the willing participation and cooperation of users and members of the design community, along with the hard work of DOB, DHED and DoIT staff.

As of today, DOB has issued more than 6,790 permits utilizing E-Plan.

Our success has already been noticed, as we have been contacted regarding E-Plan by other major municipalities, including New York City, Los Angeles, Boston, Salt Lake City, Atlanta, Dallas, Toronto, Ontario and as far away as Dubai in the United Arab Emirates.

E-Plan has also provided us with the opportunity to better coordinate the overall efforts of other departments that are involved in the building permit process.

This year, we have enhanced E-Plan to make the process even quicker and more user-friendly. I would be remiss not to mention the working partnership we have with the design community, as the success of E-Plan is due in large part to the buy-in of this community. Over 1,800 members of the design community have attended one of our E-Plan workshops, orientation sessions or round tables. Many of the system enhancements were a direct result of the on-going dialogue with the design community.

Just this month, we added data regarding the Time to Permit on the permit. As you are aware, there are instances where the end-user, be it the homeowner or the business owner, will call us or your office expressing frustration about the permit time. The new time to permit data, which is printed directly on the permit, will reflect: the date that the design professional submitted the application and drawings for review, the number of days that the application and drawings were being reviewed by the City, and the number of days that the application and drawings were back with the design professional for correction. For instance, if a permit took 45 days from filing to issuance, the physical permit will state that it was with the City for 20 days and with the design professional for 25 days. This information will allow for an accurate and transparent reporting of the time to permit back to the end-user homeowner or business owner.

Mandatory Certified Corrections Program

DOB has fully implemented the Certified Corrections Program. This program allows DOB to issue permits for plans that require corrections to comply with the Municipal Code, by having the

architect certify the corrections have been made and submit those correct drawings to DOB. A DOB inspector then verifies that the corrections are adhered to and construction is done to Code as part of the permit field inspection. This program decreases the number of DOB staff reviews and the time to permit.

Streamlining our permit and inspection process will be ever more important to businesses and residents as the economic recovery gains more strength.

Enforcement of Vacant Properties

Demolitions

In July of 2012, Mayor Emanuel announced a new initiative in which DOB worked closely with the Chicago Police Department to identify, secure and in some cases demolish vacant buildings to stop gangs from using the buildings as gathering places and centers for illegal activity. That successful working partnership with CPD continues to this day, and since its inception we have demolished a total of 395 buildings.

To date in 2013, DOB has demolished 125 buildings to remove these hubs of violence from our communities. Overall this year, as part of our ongoing work to demolish dangerous and hazardous buildings in the city, DOB has demolished an additional 247 buildings, for a total of 372 buildings demolished this year. DOB estimates that we will board up and secure 1,100 properties and demolish more than 500 dangerous and hazardous buildings (including garages) overall in 2013.

As of October 1, 2013, the DOB Demolition unit inspections have led to 1,271 cases on the demolition call in Cook County Circuit Court. To date this year, 8,405 vacant buildings have been registered as required under the vacant building ordinance.

Strategic Task Force (STF)/ Drug and Gang House Enforcement

The Department of Buildings is working closely with the Chicago Police Department and the Department of Law to enforce the Drug and Gang House ordinance. This program helps keep neighborhoods and school passages safe by holding building owners responsible for the activities inside their buildings. It also encourages landlords to properly screen all new tenants and to take actions against those that are destroying communities or risk significant fines and other actions.

As of October 1, 2013, the DOB Strategic Task Force had conducted approximately 90 inspections of buildings referred to DOB by CPD. Working with CPD, STF has closed down 66 problem businesses that were determined to have dangerous and hazardous conditions. STF will continue to actively partner with CPD in 2014.

Inspection Efficiencies

The Department of Buildings continues to examine ways to reduce the number of individual DOB staff visits to sites, thus offering more efficiency to the City, while continuing to assure public safety and enforce the City's Code.

Inspections

Our team of inspectors will complete an estimated 235,000 inspections in 2013, which include an estimated 45,000 complaints received via 311.

We handle a wide variety of inspections at DOB. We inspect restaurants and other small businesses to make sure they are up to Code. We inspect signs to ensure residents are safe walking in the public way under a large sign and carnival rides in the summer to make sure everyone is having "safe" fun. We do annual inspections on a wide range of devices and buildings in the City and visit sites throughout Chicago when a complaint comes into 311 stating that local homes or businesses may not be in compliance with the Municipal Code.

Restaurant Inspection Program

The Department, in coordination with the Mayor's Innovation Delivery Team, implemented a new restaurant inspection program in June of 2012. The new initiative gives restaurants the option of having all building trade inspections, mainly mechanical, electrical and plumbing, performed the same morning as opposed to on separate days. This saves time for the restaurant owner and allows them to open their doors more quickly, thereby boosting the neighborhood and City economy and quality-of-life and creating jobs in the community. To date, over 600 restaurants have taken advantage of this new initiative. We hope to build upon the success of this initiative and roll it out to other types of new businesses.

Signage/Billboards

Electrical inspectors from the Department inspect the approximately 37,000 permitted signs every other year, with approximately 18,500 signs inspected annually. To date, 700 signs have been cited for violations, which may include damaged or neglected electrical or structural components or lack of a proper permit.

As part of a collaborative effort with other City departments, DOB not only continues to address the overall issue of unpermitted signage, but our staff also continues to ensure compliance with the updated sign provisions of the Municipal Code. DOB inspectors now attend Administrative Hearings to present their findings on the re-inspections of the illegal signage.

As you are aware, the City Council has imposed a moratorium on dynamic image display signs of 100 square feet or less until April 30, 2014. These signs, which are much brighter than conventional signs and which fluctuate in level of brightness, have raised legitimate concerns from residents, especially when the signs are shining or creating a strobe effect in neighboring windows at night.

DOB, along with DHED, BACP and Law, are utilizing the moratorium period to conduct research and work with aldermen to recommend a reasonable balance in regulating these signs. We have reached out to other municipalities to gather best practices and share ideas. We have gone out in the field at night to examine the issues and we have listened to members of City Council who shared the concerns of both the residents and businesses in their community. Our interdepartmental working group hopes to present several options for your consideration well in advance of the moratorium's expiration date.

Another benefit of the interdepartmental working group is the creation of a single sign application. As you are aware, businesses and advertisers currently have two separate applications: a DOB sign application with a DHED sign supplement and a BACP public way use sign application. This has led to mistakes by applicants and has created a way for people to abuse the system. The single application, which will be implemented by year's end, will not only streamline the process for the user but will also eliminate the opportunities for abuse, thereby providing a level system for honest businesses and advertisers.

If I may, I do want to commend my colleagues at DHED, BACP and Law on the coordinated efforts on signs.

Individual Programs

There are three other programs I would like to mention.

Life Safety Evaluations

To date, DOB approved the LSE reports for 588 buildings, or approximately 81 percent of the 719 buildings in the Life Safety Evaluation program. This program requires all high rises in Chicago built before 1975 to be fully sprinklered or implement an adequate number of fire safety upgrades in their buildings, verified through a Life Safety Evaluation plan.

These reports, approved by the Departments of Building and Fire, are the precursor to the LSE inspection. A total of 63 buildings have now passed the LSE inspection, an increase of 2,000 percent since January of 2012, when only three buildings had passed their inspection.

141 of the buildings that have not had their reports approved have either gone to an LSE training class or had a meeting with the LSE committee to receive assistance in revising their reports to obtain a passing score.

The deadline for compliance is January 1, 2015.

Annual Inspection Certification (AIC) Program for Elevators and Other Devices

The Annual Inspection Certification (AIC) program for elevators was developed two years ago in cooperation with building owners. The program requires that buildings in Chicago's Central Business District hire a qualified third-party inspector to perform the annual inspection of

elevator systems and then report the results electronically to DOB in lieu of an annual inspection conducted by a DOB elevator inspector.

As of October 4, 2013, 1,171 buildings, or 88 percent of the buildings with conveyance devices in the CBD, had 8,012 devices in the program.

In 2013, DOB continued to focus on enhancing the AIC user website and pursuing enforcement action against buildings in the CBD that have not yet participated in the program.

The program is currently being expanded beyond the CBD to include large institutions such as universities, hospitals and sports arenas.

Green Permit Program

The Department of Buildings continues to maintain Chicago's reputation as a leader in environmental design and construction by offering the Green Permit Program. Created in 2004, this program offers financial incentives and expedited service for developers who want to build green buildings. In 2005, we issued 19 of these permits. In 2013, we will issue more than 65 green permits.

We are also expanding our green permit initiatives. In February of this year, we implemented an expedited permit process for the timely review and issuance of permits for photovoltaic solar panels. Solar panels can be installed on residential or commercial roofs to provide a clean and cost effective alternative energy source to homes and businesses. We have issued 31 permits for PV solar permits under this initiative.

Other Initiatives

In addition to the above, we have also worked closely with the City Council, other departments and the community on several key ordinances and programs, including the Keep Chicago Renting Ordinance, which protects tenants in foreclosed rental properties, and the Bed Bug Abatement Ordinance, which provides education to both landlords and tenants and requires a coordinated approach to addressing the issue of bed bugs.

Moving Forward

Chairman Austin and members of the City Council, during 2013, the Department of Buildings has taken many steps to make our department more efficient and more transparent. In the next year, we plan to continue our efforts to complete more inspections and provide better services to residents. We look forward to our continued collaborative partnerships with Aldermen, residents, businesses, the construction industry and our sister departments, including the CHA, to ensure that Chicago buildings remain safe.

Department of Buildings

2014 Budget Hearing

MBE/WBE Data

Period: January through September 30, 2013

Total Purchases: \$13,402,916.53

	MBE	WBE	Total MBE/WBE Purchases
WBE	n/a	\$476,565.05 (3.56%)	
Asian	\$252,845.22 (1.88%)	n/a	
African-American	\$2,831,926.31 (21.13%)	n/a	
Hispanic	\$0	n/a	
Total Spending	\$3,084,771.53 (23.02%)	\$476,565.05 (3.56%)	\$3,561,336.58(26.57%)

Staffing Data

Department Ethnicity and Gender				
	Male	Female	Total	%
Asian	9	3	12	5%
Black	44	28	72	29%
Hispanic	36	10	46	18%
White	108	11	119	47%
Native American	2	0	2	1%
Total	198	52	251	100%
	79%	21%		

New Hires Ethnicity and Gender				
	Male	Female	Total	%
Asian	0	0	0	
Black	2	0	2	18%
Hispanic	3	1	4	36%
White	5	0	5	45%
Total	10	1	11	
	91%	9%		100%

Department Managers Ethnicity and Gender				
	Male	Female	Total	%
Asian	1	1	2	40%
Black	1	1	2	40%
Native American	1	0	1	10%
White	1	0	1	10%
Total				
	67%	33%		100%

Interns

School	Gender	Race	Total
Computer Services Institute	Male	Asian	1
Cooley	Female	White	1
Hendrix Cooley	Male	White	1
IIT	Female	Asian	9
IIT	Male	Asian	2
IIT	Male	Hispanic	1
Indiana	Male	White	1
Intrax	Female	Asian	2
Intrax	Male	Asian	7
John Marshall	Female	White	1
John Marshall	Male	White	2

Department of Buildings

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Kent	Female	Asian	2
Lake Forest	Female	White	2
Lake Forest	Male	Black	1
Michigan State	Male	White	1
Northwestern	Male	Asian	1
Northwestern	Female	White	1
Oakton	Male	Asian	1
Purdue	Female	African American	1
Purdue	Female	Asian	1
SIU	Male	White	1
University of Birmingham	Female	African American	1
University of Illinois	Female	Asian	1
University of Illinois	Male	Asian	1
University of Illinois	Female	White	2
University of Illinois	Male	White	1
University of Illinois at Chicago	Male	White	1
Wisconsin	Female	White	1

