

Chicago Department of Buildings

2018 Budget Statement to the City Council  
Committee on the Budget and Government Operations

October 26, 2017

Judy Frydland, Commissioner

Good morning Chairman Austin, Vice Chairman Ervin and Aldermen of the City Council. I am very happy to be here today to discuss the 2018 budget request for the Department of Buildings (DOB). I am grateful for the opportunity to serve Mayor Emanuel and the members of the City Council and work in partnership to support the economic development of our thriving city and the safety and quality of life for its residents through the administration of the Chicago Building Code.

Chicago is building for the future. From a record-breaking number of tower cranes dotting the sky, to a dramatic increase in home renovations in our neighborhoods, Chicago is in the midst of an undeniable building boom. Yes, we are proud of our success, but we are not going to rest on our laurels. We will keep working because we know that the direct and indirect economic impacts of construction build stronger communities.

The City of Chicago is committed to being a partner, not an obstacle, in this progress. At the Department of Buildings, we have laid the groundwork in the last two years with reforms that make it more cost-effective to build and easier to obtain building permits. We do not want to see promising projects slowed down by bureaucracy or tangled up in red tape.

That is why we made a commitment to homeowners last fall to issue single-family home renovation permits, with no special zoning requirements in 30 days or less. In 2017, we have seen a dramatic uptick in permits issued for single-family home renovations. In 2015, the average number of permits issued per month was 169, and through the first half of this year, we have averaged 202 permits per month. Not only are we issuing more permits, we are issuing them faster. The time to get a permit in 2017 has decreased by 10 days.

To further streamline and modernize the construction process, we also updated our Electrical Code. At the most recent meeting of the Chicago City Council, Chicago officially became the first major jurisdiction in the U.S. to adopt the 2017 National Electrical Code. We were able to take this meaningful step because we reinstated the Chicago Electrical Commission, a board of industry experts to study and make recommendations on strategies to modernize the electrical code, back in 2015. The result is a state-of-the-art code that lowers the cost of electrical installations, reduces electricity usage, implements national standards for sustainable technology, and lowers fixture counts in single-family homes. Perhaps most importantly, it reduces new and renovation construction costs for both residential and non-residential rehabilitations.

Now we are studying the Plumbing Code, and last month we announced, with the Plumbers Local 130, a landmark pilot program that allows a wider range of plumbing materials in smaller buildings. We expect this to further reduce construction costs and spur even more redevelopment.

We also stepped up our code enforcement efforts with the passage of the "Bad Contractor" ordinance last February. This powerful new legislation gives us the ability to further protect homeowners by preventing general contractors, architects, expeditors and sub-contractors from applying for any new building permits when they are caught using unlicensed workers, performing or directing work that is not code compliant or threatens the health and safety of workers or the public.

Since February, we have suspended 16 offending contractors, filed more than 60 lawsuits in the Circuit Court of Cook County and collected nearly \$100,000 in fines and penalties to hold contractors accountable.

To promote customer service for residential properties and businesses, we created a Guide to Permits and a Guide to Signs to help home and small business owners understand the process and obtain their permits more quickly.

Let me share with you additional details about these and some of our other key accomplishments from 2017.

### **Permit Update**

As of September 30, 2017, the Department of Buildings issued a total of 36,767 building permits, an increase of nearly 1,000 permits as compared to the same time in 2016. In the first three quarters of 2017, the city has collected \$32,558,937.37 in building permit fees representing an increase of \$1,073,830.12 as compared to the same time period in 2016, or nearly 3.4 percent.

Of the 36,767 permits issued as of September 30, 2017, 48 were issued through Developer Services, 87 through Direct Developer Services, 8,359 through Standard Plan Review, and 28,033 through the Easy Permit Process.

There are currently 54 high-rise buildings under construction. To date in 2017, 27 tower cranes have been erected and 58 have been operating on construction sites throughout Chicago - breaking the record high of 52 set in 2016.

### **Inspection Update**

DOB performs a wide variety of inspections each year, including annual technical inspections for buildings, signs, elevators and other devices; permit inspections; restaurant and other small business inspections; carnival rides and stages to ensure life safety during summer events; and thousands of inspections in follow-up to complaints coming into the 311 Customer Service

Request system (CSR) with regard to residential or commercial buildings that may not be in compliance with the Chicago Building Code.

Our inspectors completed more than 184,625 inspections as of September 30, 2017 which includes 30,424 complaints received via 311. To date in 2017, DOB has responded to 15 emergency incidents including inspecting buildings post-fire and other incidents related to building structures.

To date, we have rolled out 105 of our new hand-held tablets for inspectors. The tablets allow inspectors to directly enter inspection results on site, saving the time of going back to the office to enter the data and the posting of inspection results in real time.

### **Targeted Programs**

#### ***Vacant Buildings***

DOB works closely with the Chicago Police Department (CPD) to identify, secure and in some cases, demolish vacant buildings that can serve as a hub for criminal and gang activity with the focus on vacant buildings in high-crime districts. To date, we have demolished 359 vacant buildings, and of these, 215 buildings were in the 7<sup>th</sup>, 9<sup>th</sup> and 11<sup>th</sup> police districts. Additionally, DOB has boarded up and secured approximately 1,500 properties to date in 2017.

In addition to working with CPD, DOB also received 6,605 vacant building related calls to 311 to date in 2017. As of October 1, 2017, 5,882 vacant buildings have been registered as required under the vacant building ordinance and DOB has completed 5,727 troubled building complaint inspections.

We formally rolled out our Forfeiture Program in April 2016 to encourage redevelopment of vacant property through third-party ownership assigned in housing court. DOB has received 180 applications to date and completed 18 forfeitures on buildings that will now be renovated for viable housing. We continue to meet with community groups and developers to educate them on the new program.

#### ***Strategic Task Force (STF)***

DOB's Strategic Task Force teams (STF) work closely with CPD and the Department of Law to keep neighborhoods and school passage routes safe by holding building owners responsible for illegal activities inside their building, encouraging landlords to properly screen all new tenants and taking action against those that are destroying communities. This includes the enforcement of the Drug and Gang House Ordinance and the Responsible Establishment Safe Neighborhood Initiative (RESN), which targets problem businesses.

So far in 2017, STF has conducted approximately 368 inspections of buildings referred by CPD, including 42 inspections of problem businesses, of which 17 buildings were determined to have dangerous and hazardous conditions and the businesses were closed down. STF will continue to actively partner with CPD in 2018.

### ***Life Safety Evaluations***

For many years, the Department has been diligently working to get buildings to achieve compliance with the Life Safety Evaluation ordinance. There are a total of 731 pre-1975, high-rise buildings that require LSE reports.

To date, 581 are in compliance with the ordinance, 88 have opted to install a full sprinkler system, 18 were determined that LSE was not required, 17 are scheduled for re-inspection and 27 are currently working toward compliance in Circuit Court.

### ***Moving Forward***

While the Department has accomplished a great deal in 2017, we aim to keep building on these accomplishments and keep creating new efficiencies in the administration of the Chicago Building Code. Plans are already underway to further modernize our building codes, and we will continue to find new reforms to encourage redevelopment in neighborhoods that need it the most.