

Chicago Department of Buildings
2021 Budget Statement to the City Council Committee on the Budget and Government Operations
November 5, 2020
Matthew Beaudet, Commissioner

Good (morning/afternoon) Chairman Dowell, Vice Chairman Silverstein and Aldermen of the City Council. I am pleased to be here today to discuss the 2021 budget request for the Department of Buildings (DOB). I am grateful for the opportunity to work in partnership with Mayor Lightfoot and the members of the City Council to support economic development in all 77 Chicago neighborhoods, and to help ensure the building safety for residents and visitors through the administration of the Chicago Construction Codes.

As construction was deemed an essential service by Governor Pritzker and Mayor Lightfoot last March, DOB's main priority has been the continuity of services during these unprecedented and challenging times. Thanks to our hard-working and dedicated staff, we were able to quickly pivot to remote and alternative processes for permitting, inspections and trade licensing, and we continue to maintain and improve these services, wherever necessary. This includes remote processes for permits that were not already online, alternative contact information, virtual meetings for those with permit and inspection questions, virtual inspections for certain permits, and ongoing communication with our stakeholders via e-newsletters and FAQ documents on the DOB website.

To date, DOB has issued a total of 33,363 building permits, including 208 through Developer Services, 7,123 through Standard Plan Review, and 26,032 via the Easy Permit process. These permits represent \$26,206,655 in building permit fees. By year's end, DOB projects it will issue approximately 40,000 permits. Despite COVID, economic development continues throughout Chicago, and DOB continues processing and issuing permits in a timely manner.

DOB is responsible for a wide variety of inspections, including periodic technical inspections for buildings and mechanical systems and devices; permit inspections; PPA and other license inspections; stages to ensure life safety during summer events; and thousands of inspections in follow-up to complaints coming into the 311 CSR system. This year, DOB completed over 102,760 inspections as of August 30, 2020 which includes 30,897 complaints closed via 311. DOB also responds to about one major emergency incident each month including building inspections post-fire and other incidents related to building structures.

To further protect public safety, DOB works with the Chicago Police Department (CPD) and Aldermen to identify, secure and in some cases, demolish vacant buildings that can serve as a hub for criminal activity. To date in 2020, DOB has demolished 192 buildings to remove these hubs of violence from our communities. Additionally, DOB has boarded up and secured 1,131 properties. As of September 30, 2020, 4,737 vacant building inspections were completed. Also, as of September 30, 2020, a total of 3,327 vacant buildings were registered and/or renewed, and \$1,227,500 in fees were collected.

DOB's Strategic Task Force (STF) also works closely with CPD and the Department of Law to enforce the Drug and Gang House Ordinance and the Responsible Establishment Safe Neighborhood initiative (RESN), which targets troubled businesses. Together, we hold building owners responsible for activities inside their buildings, encourage landlords to properly screen all new tenants, and take action against those destroying communities. To date in 2020, STF has conducted more than 100 inspections, resulting in the closure of 36 troubled businesses determined to have dangerous and hazardous conditions. Five of those businesses were allowed to reopen after violations were found to be complied during reinspection.

Another major role for DOB is the administration of trade licenses and registrations for more than 29,000 construction industry professionals. While most licensed contractors are responsible and reputable, there are bad actors that prey on unsuspecting residents, drain department resources and compromise safety. Since the Bad Actor ordinance was passed in 2017, DOB has disciplined 183

contractors. We will continue to collaborate with the Departments of Business Affairs and Consumer Protection (BACP) and Law, and consumer fraud units from the Cook County State's Attorney and the Illinois Attorney General, to coordinate on consumer fraud efforts.

Over the past five years, DOB has implemented reforms that make it more cost-effective to build and easier to obtain permits through a streamlined, more user-friendly process. To build on these efforts, DOB continues to work with the Department of Assets, Information and Services (AIS) on a multi-year effort to migrate from outdated systems used to support permitting and inspection functions (Suntrack, Hansen 7 and Kneebone) to the IPS 11 platform used by other similar departments. This initiative will eliminate DOB's remaining paper-based permitting and payment processes, reducing the time to permit and providing enhanced public data.

DOB is coordinating a smooth transition to the new Chicago Building Code, passed by City Council in 2019 and in effect starting August 1, 2020. DOB senior staff hosted multiple webinars to explain the transition and answer any questions from industry partners and we have sent multiple email alerts to our database of stakeholders. The new building code brings Chicago closer to national standards in building planning, fire safety, building rehabilitation, and promotion of energy efficiency. Today, with rising construction costs and a dire need for more affordable housing, the new code's flexibility and expanded options for cost-effective construction are more important than ever as the City seeks to encourage redevelopment in communities that have long been overlooked.

The multi-year process to modernize the Chicago Construction Codes continues through internal review of requirements for plumbing, mechanical ventilation, refrigeration, natural gas, hazardous occupancies, and trade licensing. As with other code updates, DOB is collaborating with industry partners to develop consensus-based legislative proposals for council consideration. DOB will also be working closely with the city's Chief Sustainability Officer to ensure the building sector is doing its part to address climate crisis and meet the city's decarbonization commitments.

To encourage the reuse of existing buildings, DOB has also extended the deadline for our alternative plumbing materials program which allows new residential buildings up to four stories to use PVC for drain waste and vent pipe. Existing buildings up to four stories of any occupancy may participate, and to date, the program boasts over 1,900 projects, saving more than \$32 million for building owners and developers working on projects across the City, including affordable housing.

As we head into the colder months, DOB will enforce the Chicago Heat Ordinance, which requires landlords and building managers to provide adequate heat to their tenants. During times of extreme cold, we detail inspectors every day including weekends, and failure to supply adequate heat can result in prosecution at Circuit Court with the City seeking daily fines and or the appointment of a receiver to make the repairs at the owner's expense. We also work closely with the Department of Family Support Services (DFSS) to assist tenants when the heat cannot be restored.

We are also committed to working with Mayor Lightfoot and the City Council on the city-wide effort to promote access and equity in the construction industry for women and people of color. I have met with several industry groups in the past few weeks to gather ideas and formulate strategy and will continue to keep the City Council informed of our progress.

In 2021, DOB remains committed to bringing common sense solutions to the challenges facing our City, and we will to do what we can, through innovation and streamlining, to move construction projects and equitable economic investment forward in all communities while, at the same time, protecting building safety, and the safety of the neighborhoods where residents call home.