

2024 Budget Statement to the City Council Committee on the Budget and Government Operations
October 25, 2023
Matthew Beaudet, Commissioner of Buildings

Good morning Chairman Ervin, Vice Chair Lee and members of the City Council. I am pleased to be here today to discuss the 2024 budget request for the Department of Buildings. I am grateful for the opportunity to work in partnership with Mayor Johnson and the members of the City Council to support economic development in all 77 Chicago communities, and to help ensure building safety for residents and visitors through the administration of the Chicago Construction Codes.

Through August, we have issued a total of 24,906 building permits collecting \$22,294,592.54 in permit fees. Plan-based permits, which cover new construction and renovation, had a reported value for the same period in 2022 and near the pre-COVID 2019 reported value of \$5.27B.

Despite COVID and material and skilled labor shortages, economic development continues throughout Chicago, and we continue processing and issuing permits in a timely manner.

I am also proud to report that the communities that experienced a 10% or greater growth in plan-based permits are all concentrated on our South and West sides. Cranes, a key indicator of community investment, that were once concentrated in a few communities have spread to the South and West Side.

We also remain busy on our inspection side and through September, we have completed over 150,000 inspections including over 31,100 inspections via 311. We continue to value our partnership with community members and Alderpersons who are our invaluable eyes and ears on the ground.

To further protect public safety and quality of life, we work with Alderpersons, City departments, and community members to identify, secure and in some cases, demolish vacant buildings that can serve as hubs for criminal activity. Through September, we have demolished 120 buildings and have boarded up and secured 1,218 additional properties. Also, a total of 2,858 vacant buildings were registered and/or renewed totaling \$620,290 in fees collected.

Our Strategic Task Force 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, which targets troubled buildings and businesses. We also continue to act against bad contractors that prey on homeowners and businesses.

Over the past decade, we have implemented reforms that make it more equitable and cost-effective to build and easier to obtain permits through a streamlined, more user-friendly process. DOB continues to work with AIS on a multi-year effort to migrate from outdated systems used to support permitting and inspection functions to the IPS 11 platform used by other similar departments. I am happy to announce that next month, we will automate the remainder of our paper-based permitting and payment processes, reducing the time to permit while providing enhanced public data. The easier and quicker we make it for people to get permits, the more people will get them.

The new Chicago Building Code has been in effect for three years now. With rising construction costs and a dire need for more affordable housing and neighborhood commercial investment, the new code's flexibility and expanded options for equitable and cost-effective construction are more important than ever. As promised, our new code modernization program enables us to take advantage of code cycle updates that incorporate the latest innovations and processes. The program is a vital tool allowing people to renovate and remain in their homes, spur new economic development, maintain and grow our affordable housing stock, and create real equitable reinvestment in historically disinvested communities. By being among the first to adopt the latest Energy Code last year, the City, and more importantly our residents and small business, were first in line to apply for federal funding under the Inflation Reduction Act.

The multi-year process to modernize our codes continues for mechanical (ventilation and refrigeration), plumbing, and hazardous occupancies. As with other code updates, we will collaborate with labor, industry partners and the community to develop consensus-based codes for Council consideration in 2024 and subsequent years. And I wish to re-stress that we are making equity a keystone in all our code modernization efforts to ensure that we have codes that work and provide options and flexibility for all 77 communities.

As we head into the colder months, we will enforce the Chicago Heat Ordinance. During times of extreme cold, our inspectors will be out every day including weekends. We will continue to work with the Law Department to expedite legal action in Circuit Court when necessary. We also work closely with DFSS to assist tenants when the heat cannot be immediately restored, and temporary relocation is required. Also, we must adapt our operations as we continue to encounter extreme climate change. We were grateful to work with the Council last year on the cooling ordinance that now requires 55+ senior buildings and other large residential buildings to provide cooling centers during extreme heat events.

We are also committed to working with Mayor Johnson and the City Council on the city-wide effort to promote access and equity in the construction industry for women and people of color. It is imperative that we not only continue this growth but that the growth be equitable. As the son of a Native American electrician, I can attest that a good paying career in the trades is not just a paycheck but a generational blessing.

In 2024, DOB remains committed to bringing commonsense solutions to the challenges facing our city, and we will do what we can, through innovation and streamlining, to move construction projects and equitable residential and commercial economic investment forward in all communities while, at the same time, protecting building safety, and the safety of the neighborhoods that our residents call home.

Thank you for the opportunity to appear before you today, and I am happy to answer any questions.