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MAYOR RAHM EMANUEL INTRODUCES ORDINANCE TO REDUCE LICENSE TYPES BY 60 % TO HELP SMALL BUSINESSES START AND EXPAND IN CHICAGO

CHICAGO – Mayor Rahm Emanuel today introduced a new ordinance to make Chicago's licensing system simpler and smarter by reducing the number of required licenses by 60 percent, from 117 to 49. Businesses will need to obtain fewer licenses, saving them money and time. The new reforms will also mean fewer business owners will get hit with fines for having the wrong license. All in all, over 10,000 small businesses will see an annual savings of over \$2 million.

"Getting a business started in Chicago too often requires navigating a maze of rules and red tape, which can be difficult for small business owners to navigate," said Mayor Emanuel. "Cutting this red tape reduces confusion and saves business owners time and money that they can spend on growing their businesses and creating jobs."

Too often, Chicago business owners pay for licenses they either do not need or should not have to get. For example, pet store owners not only have to get a pet shop license to sell gold fish, but they also need an additional license to sell a fish bowl or fish food. Some auto repair shops obtain as many as four licenses: one to work on cars, one to store chemicals, one to hold tires, and one to sell windshield wipers.

The smarter licensing reforms will allow city inspectors to spend less time citing businesses for having the wrong licenses and more time focusing on problem businesses. The new proposal also includes additional tools inspectors can use to crack down on irresponsible business owners, including those that sell tobacco to minors, deceive and defraud consumers, and violate the law.

The \$2 million loss in City revenue that is going back into small business owners' pockets will be offset by new economic growth the reforms generate and through an increase in fines for problem businesses, including doubling and tripled fines for tobacco retailers who sell to minors, pawn brokers who possess stolen goods or second hand dealers who defraud the public and break the law.

The proposal also gives city government the flexibility to act as a partner to new and emerging businesses, authorizing the city to provide novel businesses with a temporary permit that allows them to get up and running while the city figures out how best to license them.

"This approach gets government out of the way of innovation and gives Chicago's entrepreneurs a shot at success," said Rosemary Krimbel, Commissioner of the Department of Business Affairs and Consumer Protection (BACP).



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Over the past several months, the Mayor's Innovation Delivery Team and BACP heard directly from business owners from across the city through a series of neighborhood business roundtables hosted by the Industrial Council of Nearwest Chicago, local chambers of commerce and business associations for Albany Park, Chatham, Lakeview East, Little Village, and Portage Park. Surveys were conducted with over 100 small business owners and entrepreneurs.

Business organizations have hailed Mayor Emanuel's proposal, which he announced yesterday on the near northwest side.

"The Illinois Restaurant Association supports Mayor Emanuel's efforts to streamline licensing for businesses operating in Chicago," said Sam Toia, Chairman of the Illinois Restaurant Association. "We will continue to work with the administration on developing a simpler licensing structure that cuts through the red tape and encourages growth."

"One of the biggest challenges for businesses in Chicago is to obtain all the necessary licenses to be able to open their doors to start generating revenue," said Jerry Roper, Chairman of the Chicagoland Chamber of Commerce.

"This common-sense proposal by Mayor Emanuel represents another sign to job creators that Chicago is becoming one of the best places to do business," said Illinois Retail Merchants Association Chairman David Vite. "Retailers should be focused on opening their doors, creating jobs and supporting the local communities across Chicago instead of dealing with red tape."

Mayor Emanuel's proposal also draws from successful approaches to licensing in place in other major cities. The Innovation Delivery Team canvassed cities across the country and spoke directly to the licensing departments for New York, Atlanta, and Philadelphia to learn from their experiences. The Innovation Delivery Teams help mayors develop and deliver powerful solutions to major urban challenges. Situated in a mayor's office, these teams of top performers bring rigorous focus and best-in-class practice to identify solutions, develop implementation plans and then manage for results. Chicago is one of five cities to receive an Innovation Delivery Team grant from Bloomberg Philanthropies.

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