CHICAGO DEPARTMENT OF BUSINESS AFFAIRS AND CONSUMER PROTECTION 2024 BUDGET OPENING STATEMENT TO THE COMMITTEE ON BUDGET AND GOVERNMENT OPERATIONS COMMISSIONER KENNETH J. MEYER

OCTOBER 17, 2023

Good afternoon, Chairman Jason Ervin, Vice Chair Nicole Lee, and members of the Chicago City Council.

My name is Ken Meyer, and I am the Commissioner for the Department of Business Affairs and Consumer Protection, also known as BACP. I am joined by members of my team.

I would like to thank Mayor Johnson for his leadership and support throughout this budget process and for charting a new path forward emphasizing the importance of collaboration. I would also like to thank all of you for your dedicated advocacy on behalf of your communities and your diligent efforts in passing legislation that benefits the well-being of Chicago businesses, workers, and consumers.

BACP continues to work towards a sustainable economic recovery that drives transformational change while creating communities that are safe, equitable, and thriving. BACP is investing in business owners, workers, and consumers to drive Chicago's economic engine, expanding and adapting essential City services to reach Chicagoans in every community, and working with key partners to address community safety.

The Department's core functions include licensing businesses, supporting small businesses, regulating the public passenger vehicle industry, and protecting the rights of workers. Chicago's people are its greatest strength. Therefore, every BACP program and service is crafted with the focus on investing in the people of Chicago.

Through united efforts, Chicago is upholding fair labor practices to bolster its workforce and its vital role in fostering lively and prosperous communities. The Office of Labor Standards, housed within BACP, promotes and enforces labor laws to help Chicagoans secure sustainable employment, build wealth, and address racial economic disparities. Chicago's Minimum Wage Ordinance was amended earlier this month, and the tipped-wage credit will be phased out over the next five years. The office ensures equitable outreach for workers through complaint-driven enforcement of worker protections. Since 2021, the Office of Labor Standards secured over \$1.9 million in restitution for over 5,400 workers under Chicago's Labor Laws.

The success and resilience of small businesses resonates through neighborhoods, driving growth, innovation, and prosperity for Chicagoans. As the City's hub for business licensing and support, BACP assists entrepreneurs to start and grow businesses that create wealth and jobs in Chicago. BACP's Small Business Center functions as a one-stop-shop for business licensing in collaboration with multiple City departments. We have issued over 5,600 new licenses so far this year – that's licenses to new business entities looking to get their start in Chicago. We have reduced barriers for Chicago businesses by displaying current wait times for customers at the Small Business Center, introducing ticketing via smartphone to provide applicants with more flexibility, and streamlining licensing processes for ease and clarity. Earlier this year, in alignment with Mayor's goals to advance food equity, we also modified the existing produce merchant license to allow community gardens and urban farms to sell whole, uncut, unprocessed produce from a produce stand. I'm happy to say we recently issued the first produce merchant license under the modification to a business in Englewood.

BACP's economic recovery portfolio includes small business and commercial corridor revitalization, nonprofit capacity building, and urban agriculture. Earlier this year, the Small Business Storefront Activation program ended with more than 50 storefronts activated by 17 community-based organizations leading to a continuation of the momentous success of the program. Additionally, to ensure a strong recovery for our City's nonprofits, over 370 nonprofit leaders attended our quarterly Nonprofit Readiness Summits featuring training and support on grant-writing and grant-fund-management. Finally, BACP is investing in programs to increase food equity in communities with a history of disinvestment. We selected eight existing urban farms which are receiving technical assistance, and 10 urban farming organizations are being assisted in securing land to start their farms.

To strengthen the small business ecosystem, while also addressing the racial and ethnic wealth gap, BACP oversees the Neighborhood Business Development Center program which provides hyper-local support to business owners and start-up entrepreneurs. This year, BACP awarded and welcomed 18 new grantees to the program which further reinforces efforts of providing business resources in every corner of Chicago. The program is designed to drive collaboration and coordination among grantees to reach small business owners and entrepreneurs, especially Black, Latinx, and women entrepreneurs. The 72 grantees supported almost 4,000 entrepreneurs. To overcome opportunity gaps that exist for so many of our underserved entrepreneurs, BACP's 8 Chicago Business Centers provide support in neighborhoods that have experienced historical disinvestment, including Austin, Roseland, Humboldt Park, and Albany Park.

Through our well-established business education programming we are linking members of the small business community to a wide range of resources and tools. Since January, we have hosted over 80 webinars reaching over 6,500 attendees. Additionally, we hosted two in-person and one remote small business expo reaching over 1,400 attendees. The recently held expo in September saw nearly 600 attendees, 45 exhibitors and featured for the first time an interactive workshop and resource corner for youth ages 16 to 24 who will be our next generation of business leaders.

BACP is dedicated to creating safe communities and we are one component of a whole-city approach to community safety. BACP preserves the quality of life in our communities by ensuring that businesses comply with Chicago's Municipal Code. While the majority of businesses go above and beyond to comply, we do not hesitate to issue enforcement actions. Since January, BACP issued over 8,100 citations to over 2,100 businesses, including over 3,200 enforcement actions issued for unlicensed business activity. Also, BACP participates in the Business Compliance Task Force, a coordinated, multi-agency Task Force in collaboration with the Chicago Police Department and the Chicago Department of Buildings to prevent egregious and dangerous violations. Additionally, this year, the Active Compliance Program conducted over 3,600 Active Compliance investigations, a proactive effort that helps business owners keep their consumers, employees, and neighbors safe through non-disciplinary consultations.

All of us here in this room share the vision of a better, stronger, and safer Chicago. I am proud and humbled to lead the hard-working BACP team each day to realize this shared vision. I am incredibly proud of BACP's accomplishments aligned with our mission and the vision of a better, stronger, safer Chicago. We continue to build upon what is working and deliver resources to where they will have the most impact. The path to greater economic vitality and equity lies in the collaboration and coordination between the City and community groups. Let us continue to build bridges, forge partnerships, and strive for a future where our collective efforts lead to a brighter, more secure tomorrow for all.

I want to thank the Chicago City Council for your continued collaboration with BACP to make Chicago a safer, more equitable city for businesses, consumers, and workers.

Thank you for your time. My staff and I are happy to answer your questions.