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**MAYOR EMANUEL ANNOUNCES LATEST SMALL BUSINESS REFORMS
TO SIMPLIFY LICENSING PROCESS**

Year-Round Sidewalk Café Permits and Reduced Start-Up License Fee Proposed to City Council

Mayor Rahm Emanuel and the Department of Business Affairs and Consumer Protection (BACP) today announced the next steps in small business reform initiatives announced earlier this month, as part of the City's continued reforms to give new tools for entrepreneurs to plan and grow their businesses, cut red tape, improve transparency and encourage innovation in every part of the city. Today, an ordinance introduced at City Council will extend the sidewalk café permit to be valid year-round and creates a reduced start-up license fee, cutting the price of a Limited Business License (LBL) in half. These reforms are based on feedback from the small business community and through the Chicago Mayoral Business Council, launched in March.

"Our goal is to make changes to our business regulations that support growth – whether that's reducing the costs for starting a new business or letting eateries open up the sidewalk café in December day," Mayor Emanuel said. "These initiatives are designed to remove obstacles for business owners."

The first proposal would extend the current sidewalk café permit to be valid year-round, allowing owners the flexibility to operate when Chicago weather allows. The year-round permit extends the current nine-month period that ran from March 1 to December 1, to March 1 through February the following year. The new permitting structure allows restaurant owners to increase their profit season without increasing their permit cost, and maintain their service footprint year round. The change will apply immediately to the over 900 sidewalk café permits already issued in 2018 and any that will be issued over the remainder of this year.

The second proposal reduces the fee for a basic start-up license by half, from \$250 to \$125. With this change new applicants, who may be opening a new business or a new location, will be able to obtain a two-year Limited Business License (LBL) for the price of one year. The LBL, used for most general retail stores, is the simplest city business license and with no mandated inspections or additional requirements. It is estimated that more than 2,500 business owners will receive a benefit from the cost cut, leaving them with more capital to grow their new businesses.

Together, these changes are part of a slate of new initiatives to support small business growth. Announced at the end of April, Mayor Emanuel's Small Business Reforms plan will lift the regulatory burden on Chicago's entrepreneurs, simplify the licensing process and reduce the

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burden of inspections. As the first step, earlier this month BACP published a license clock prominently on the Department website, displaying average license issuance time and other metrics designed to increase transparency and hold the City accountable.

“Entrepreneurs and business owners face many challenges,” Lisa and Mark Borelli, owners of Borelli Pizza in Chicago’s Lincoln Square Neighborhood, said. “When we presented the idea of reducing the burden to new small business owners via license fee reduction we didn’t anticipate the Mayor would act on it. The license reduction helps new start-up businesses, and year-round sidewalk café’s offer restaurants like ours an opportunity to boost our bottom-line. Efforts like this are encouraging, give us hope and let us know the City has our backs.”

Throughout the year, BACP will continue to implement initiatives from the Mayor’s Small Business Reforms plan, including creating a “pop-up” permit for entrepreneurs to test their new concepts, a license inspection checklist to reduce confusion for new business owners, and night and weekend inspection shifts.

“The WBDC as the representative of thousands of small women and minority owned businesses, also supports the decrease in new business licensing fees from \$250 to \$125 as well as the increased capacity of businesses to expand their sidewalk cafes year-round at no additional costs to their business as part of the city of Chicago’s small business plan,” Hedy Ratner of the Women’s Business Development Center (WBDC) said. “These policies will elevate the standard of living in our community. When that happens, everyone in the community, businesses as well as families, will benefit. There will be less hardship on families and more money re-invested in the businesses that serve our community. In the end, we all win when we live in a more prosperous City, State, and country.”

These new initiatives are part of the Mayor’s ongoing commitment to make small business growth a priority of his administration. Over the past seven years, efforts to support small business and spur economic growth and innovation include:

- Numerous license fees have been reduced, benefitting 10,000 business owners.
- License Reform has cut the total number of business licenses from 117 to 40.
- Inspection Streamlining has reduced the number of inspections for more than 2,000 businesses and helped businesses open an average of 30 days faster.
- The Restaurant Startup Program has more than doubled health inspection passage rates and helped participating restaurants open an average of 45 days earlier.
- Today more than 70 delegate agencies bring indispensable business support to the neighborhoods.
- More than \$11 million has been invested in 108 South and West Side businesses through the Neighborhood Opportunity Fund and Retail Thrive Zones programs.

In addition to the recently announced small business initiatives, the City is also planning to continue to invest millions of dollars directly into hundreds of businesses on the South, Southwest and West Sides through the Neighborhood Opportunity Fund and Retail Thrive Zones Initiative. In March, Mayor Emanuel announced the Neighborhood Opportunity Fund will make an additional \$6 million available as grants to small businesses through a financing plan approved by City Council. Since the program was created in 2016, \$6.4 million in proceeds has been awarded to 57 small

businesses in two funding rounds. A third application round for the \$6 million made available by City Council could be announced later this year.

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