

**CHICAGO DEPARTMENT OF BUSINESS AFFAIRS AND CONSUMER PROTECTION
2025 BUDGET OPENING STATEMENT TO THE COMMITTEE ON BUDGET AND
GOVERNMENT OPERATIONS**

ACTING COMMISSIONER IVAN CAPIFALI

November 8, 2024

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

I am Ivan Capifali, the Acting Commissioner for the Chicago Department of Business Affairs and Consumer Protection—also known as BACP. I am here today with my team to share our progress and vision for a fair and thriving economic environment that focuses on inclusive growth and resilience for Chicago's businesses, workers and consumers.

First, I would like to express my appreciation to Mayor Brandon Johnson for his guidance and unwavering support during this budget process. I also want to commend all of you for your relentless advocacy for your communities and for driving legislation that enhances the lives of Chicago's businesses, workers and consumers.

BACP plays a pivotal role in our City, the Department's core functions include licensing businesses, supporting small businesses, regulating the public passenger vehicle industry, and protecting the rights of workers and consumers. This year, BACP launched its first-ever innovative programs and services, including streamlining the business licensing process under the Cut the Tape initiative, promoting worker campaigns and engaging with youth entrepreneurs. BACP focuses on initiatives that provide value to the people of Chicago, our work sustains a thriving business community for the whole City.

BACP continues to roll out impactful programs under our economic recovery programming. This year, our Small Business Storefront Activation program successfully activated over 50 storefronts with the help of 17 community-based organizations, maintaining the program's impressive trajectory. Additionally, the BACP Good Food Fund has provided 41 grants and business coaching to over 200 food entrepreneurs to address our city's long-standing food access issues. We are committed to increasing food equity in historically underserved neighborhoods.

Through our business education programs, we are educating, empowering and exposing current and future business owners with vital information and resources. Since January, BACP has hosted over 90 webinars, reaching more than 10,000 attendees. BACP hosted two in-person expos and one remote expo that reached over 1,600 attendees. Notably, we partnered with Chicago Public Schools for the first-ever Chicago Youth Business Expo, engaging over 200 students with a panel featuring youth entrepreneurs, interactive

workshops and exhibitors. This reinforces our commitment not only to current small businesses, but also to the next generation of business leaders.

Chicago is a leader in worker protections, ensuring workers in our City are treated fairly and equitably. Through engagement and enforcement of labor laws, the Office of Labor Standards (OLS) enables Chicagoans to secure stable employment, build wealth and tackle economic disparities. Under the Johnson Administration, we passed the historic One Fair Wage Ordinance, which will phase out the tipped wage credit over five years, providing tipped workers with greater income stability and equitable pay. This legislation is a crucial step towards strengthening our city's economy. Additionally, we implemented the Chicago Paid Leave and Paid Sick and Safe Leave Ordinance, guaranteeing up to five days of paid leave and five days of paid sick leave for most workers who meet criteria—effectively doubling their guaranteed paid time off. We launched the “Art is Labor” campaign to support creative workers, offering them the tools and knowledge needed to navigate their industry. OLS outreach materials have expanded to 12 languages, and the OLS website now features a dedicated educational section. Since 2021, OLS has secured over \$2.5 million in restitution for more than 7,200 workers.

Through business compliance enforcement, BACP upholds Chicago's Municipal Code, ensuring that businesses not only thrive, but do so responsibly. While most businesses strive to comply, we are diligent in taking enforcement actions when necessary. Since January 2024, BACP issued over 5,300 citations to more than 1,600 businesses, including over 1,000 for unlicensed operations. BACP participates in the Business Compliance Task Force, a coordinated, multi-agency approach in collaboration with the Chicago Police Department and the Chicago Department of Buildings to address egregious and serious violations. Additionally, our Active Compliance Program conducted over 3,100 proactive investigations, providing non-disciplinary consultations to help businesses maintain compliance.

To further strengthen our small business ecosystem, the BACP Neighborhood Business Development (NBDC) program is being enhanced in 2025 to focus on key commercial corridors while maintaining citywide support, emphasizing no-cost assistance for small business owners. Since January, our grantees—chambers of commerce and business service organizations—supported over 5,000 small business owners. To bridge opportunity gaps for underserved entrepreneurs, BACP operates eight Chicago Business Centers (CBCs) that provide hyper-local, in-community business licensing support and serve as an extension of the Small Business Center at City Hall. To bring awareness to the work done by our NBDC partners for the small business community, BACP launched a new video series called *Behind the Business License*. Each episode details a business owner sharing their experiences of working with the City of Chicago and their local business service organization, with a focus on resources available to current and future business owners.

Recognizing that thriving businesses are essential to our economy, BACP streamlined licensing and permitting processes. Through City initiatives like Cut the Tape, we helped new and existing businesses save time and resources, enabling them to grow and create jobs. As the City's hub for business licensing and support, the Small Business Center functions as a one-stop-shop for business licensing in collaboration with multiple City departments. Year-to-date BACP issued over 6,000 new licenses, helping new businesses get their start in Chicago. It is easier for businesses to reference license application information online, and the Small Business Center's enhanced transparency includes live wait times online and a remote queuing system. As a direct result of these changes, BACP has recorded a 33 percent reduction in in-person wait times and a significant decrease in the time required for obtaining a license.

BACP will continue to invest in businesses, workers, and consumers. We are embracing new business ideas with Business Forward initiatives to help small businesses, support workers and maintain Chicago's reputation as a hub of innovation and growth. We are collaborating with key stakeholders for Chicago's major developments, like PsiQuantum, the Obama Presidential Center and others, to support new and emerging small business ecosystems. With your support, we will continue to build a future that is better, stronger and safer for all.

I want to thank the Chicago City Council for your time and ongoing partnership. My team and I are happy to answer any questions you may have.

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