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City of Chicago

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VIA ELECTRONIC DELIVERY

July 17, 2012

Michael Merchant
Commissioner
City of Chicago Department of Buildings
120 North Racine
Chicago, IL 60607

Re: Enforcement of Certificate of Occupancy Requirements

Dear Commissioner Merchant:

A City of Chicago Inspector General's Office (IGO) inquiry into the Department of Building's (DOB) certificate of occupancy (C of O) acquisition process found that in recent years as many as 48% of the properties that received building permits failed to subsequently obtain a C of O:

Year	Number of Building Permits Issued by DOB	Number of Properties that Received a Building Permit but Failed to Obtain a C of O ¹	Percentage of Properties that Received a Building Permit but Failed to Obtain a C of O
2007	503	244	48.51 %
2008	489	212	43.35 %
2009	306	132	43.14 %
2010	210	78	37.14 %
2011	284	63	22.18 %

During an interview with the IGO, a DOB Deputy Commissioner acknowledged that the Department did not know what percentage of the properties that received building permits but did not subsequently obtain a C of O were being illegally (and potentially unsafely) occupied in violation of the Municipal Code of Chicago (MCC).² While some of these properties may be failed developments, if even a small percentage of them are uninspected and illegally occupied it could constitute a significant public safety hazard.

¹ The totals for this column do not include partial or temporary C of Os.

² See, e.g., MCC § 13-36-040 (stating that no dwelling consisting of four or more units shall be occupied in whole or in part until the building commissioner issues a certificate of occupancy indicating that the building conforms to the general, special and structural requirements set forth in the MCC).

DOB personnel informed the IGO that prior to 2012, DOB's principal database analyst ran queries for properties whose building permits had been inactive for more than six months (i.e., properties for which there had been no DOB inspection activity) and disseminated the reports to the DOB department chiefs, who could then provide the reports to DOB's building inspectors with instructions to check whether the identified properties were still in development. DOB's database analyst left the department in 2011 and we were informed that DOB no longer produces these reports or conducts inactive building permit property checks.

In order to help prevent illegal and hazardous occupation of properties, the IGO recommends that DOB run regular, periodic inactive building permit queries and disseminate the resultant reports to inspectors for property checks. In addition, DOB should consider conducting an audit of the properties that received building permits in the last five years but never obtained C of Os, in order to determine how many of those properties are being occupied in violation of the MCC. If that audit reveals that certain buildings are being illegally occupied, DOB should take appropriate enforcement action against the owners of the non-compliant properties.

Finally, the IGO recommends that DOB provide building permit holders notice, whether electronic or otherwise, when their permit has been inactive for at least six months. Such a notice would remind permit holders of their obligations under the MCC and demonstrate to property owners that DOB closely monitors property developments, thus encouraging compliance with pertinent rules and regulations.

The IGO inquiry further found that DOB's website does not have a searchable database for C of Os. That is, the public cannot input an address into a database and determine if DOB has issued a C of O for that property. The IGO therefore suggests that DOB consult with the Department of Innovation and Technology to ascertain whether the creation of such a database is financially and logistically feasible. A searchable C of O database would provide useful information and allow the public to credibly inform DOB about potential illegal building occupations.

The IGO invites DOB to respond in writing to the above recommendations before August 14, 2012. Any such DOB response will be made public along with the IGO's recommendations. If you have any questions regarding the IGO's recommendations, please contact Peter Neumer at 773-478-3878 or pneumer@chicagoinspectorgeneral.org.

Respectfully,



Joseph M. Ferguson
Inspector General
City of Chicago

cc: Marlene Hopkins, Managing Deputy Commissioner, Department of Buildings