

THE ULTIMATE GUIDE TO OPENING A RESTAURANT IN CHICAGO





Home to some of the greatest bars and cafes in the world, opening a restaurant in Chicago is no walk in Lincoln park. Every year thousands of new restaurants open their doors with high hopes of becoming renowned and successful. Though the chances of survival might seem challenging - with 7,000+ restaurants already vying for the hearts (and stomachs) of residents - opening a restaurant in Chicago can be one of the most rewarding experiences of a restaurateur's life. In order to be a successful restaurateur in the Windy City, it's crucial to prepare well in advance and understand Chicago's specific hospitality demands and operations.

To help you get started, we have compiled a complete list of necessary action items for you to complete prior to the launch of your restaurant.

LET'S GET STARTED!



DO YOUR FIELD RESEARCH

Before you cash in your life savings to open a restaurant, you'll first need to arm yourself with a wide range of hospitality experience. After all, you wouldn't hire a head chef who didn't know how to fry an egg, would you? So get all the experience you can.

Read and learn from experts, interview successful restaurant owners, and become a restaurant investigator. Scope out and dine in busy venues to gain a customer perspective. What do they do well? What could they improve on? Use the information you gather to create a template for how you'd like your restaurant to operate.

What if you've never worked a shift in food service before? Now is the time! From washing dishes, to working the line, serving, hosting, bartending and even managing, the more positions you learn, the more experience and insight you'll gain, as well as the invaluable education of learning on the job.

To get even more research under your belt, take to the streets with the help of [Chicago Magazine's Best New Restaurants](#) list. Act as a restaurant secret agent, going undercover to find out what these newcomers are doing right or what they could improve on, to help set you up for success in time for your grand opening.



CREATE YOUR VISION

Once you've done your homework, completed your preliminary research, and have a first-hand understanding of each role within your restaurant, it's time to begin creating your vision. Now is the time to ask yourself these six classic questions!

WHO, WHAT, WHEN, WHERE, WHY, AND HOW?

WHO will you cater to?

Think carefully about the market you would like to dive into, and what demographic your restaurant will appeal to. Whoever you aim to serve will become the lifeline of your business, so plan accordingly. For example, if you are going to market yourself as a family friendly venue, think about all the features your restaurant will need: parking, room for strollers, high chairs, booster seats, and change tables in restrooms. In addition to these aspects, consider what promotions and family-friendly foods you'll have on your menu to drive traffic through the door, along with all other specifics that will pertain to your demographic.

WHAT will your concept be?

Are you a pizza shop, a fine dining restaurant, or a quick service venue? Perhaps it's your dream to open the best date night place in town known for its craft cocktails, or maybe you envision a rustic farm-to-table eatery aimed at offering healthy, eco-friendly alternatives. Do yourself a favor and take the time to map out your concept. Equally as important as picking a concept is sticking to it, so hammer out a foolproof concept that will stand the test of time.

A background map of Chicago is visible, showing various neighborhoods and streets. The map is color-coded with different shades of green and blue, representing different areas of the city. Key locations like Millennium Park, Buckingham Fountain, and the Chicago River are visible. The map is partially obscured by the text blocks.

WHEN will you open?

The exact date will be tentative, but it's important to have a timeline in place, and most of your ducks in a row well before your launch. Consider what kind of an opening you'd like to have - soft, grand, or both, and what season you'd like to open your doors in. For example, if you have an outdoor patio it would make sense for you to open your doors in April or May so you're prepared for the summer.

WHERE will you open?

With [100+ neighborhoods](#) to choose from in Chicago, not all of them will suit your vision. Location is one of the most important indicators of success and longevity, so choose a high-traffic, visible place where your niche will be met with eager consumers. As well, consider how your venue will separate itself from the haystack of venues surrounding it. If you are opening up the fourth Mexican restaurant on the block, understand your competition and know how you will stand out.

WHY do you want to be a restaurant owner?

This is a deep, personal, and necessary question to ask yourself. One where true motivations come into play. Do you love healthy food and want to make it available on the go? Are you interested in creating a community around the food your grandmother cooked when you were a child? Do you love the restaurant industry and want to be your own boss? Whatever it is, dig deep and get to the core of your passion. Allow the 'why' to be your guide during the hard work, determination, and time that will go into getting your restaurant off of the ground.

HOW are you going to make your venue a success?

You can't expect that merely opening the doors to your venue will cause patrons to pile in. Instead, you have to think strategically about how you will offer consumers something unique, and how you will get the word out about your restaurant. Whether you use a PR firm, social media marketing, or have a grand opening with special guests, having a plan in place will help to drive regular traffic.



WRITE YOUR BUSINESS PLAN

The answers to the previous questions will help you shape your restaurant business plan. Your business plan is a crucial step to building your restaurant. Read through and consider these five tips before you put pen to paper or fingers to keyboard and create your master plan.

- 1)** Collect materials that are relevant: links, articles, quotes and information that may benefit you as you are writing, and use them for inspiration or include them within the appropriate sections of your business plan.
- 2)** Go through the business plan template the first time and make tons of notes for each section, then come back to it later and flesh out your ideas further.
- 3)** Refine and rework. If a section stumps you, make a note and move on, then revisit it later when you have more information or more clarity.
- 4)** Use graphics and images to clarify your message when you feel it's necessary. Create Pinterest boards or folders of images to keep you inspired and help you get visual. Then, when you are writing your business plan, go back to your boards to pull in graphics that get your idea across better than words.
- 5)** Just as Rome wasn't built in a day, your business plan will take time. It can take anywhere from weeks, to months, to years to get a solid grasp on what it is you're creating. As time passes and you continue to work on it, you'll fine-tune your message and have a crystal clear plan on your hands.

YOUR FINAL BUSINESS PLAN WILL INCLUDE:

EXECUTIVE SUMMARY:

A one-page overview of everything in your business plan.

BUSINESS OVERVIEW:

Your contact information & basic profile.

BUSINESS DESCRIPTION:

Your restaurant in detail, from the menu to the interior design elements.

THE MARKETPLACE:

Where in the market your business fits in.

SALES & MARKETING:

How you will attract and keep customers.

BUSINESS OPERATIONS:

How your business will run day-to-day.

FINANCIAL PLAN:

How you expect to make money and manage your finances.

SUMMARY:

Wrap up and thank you.

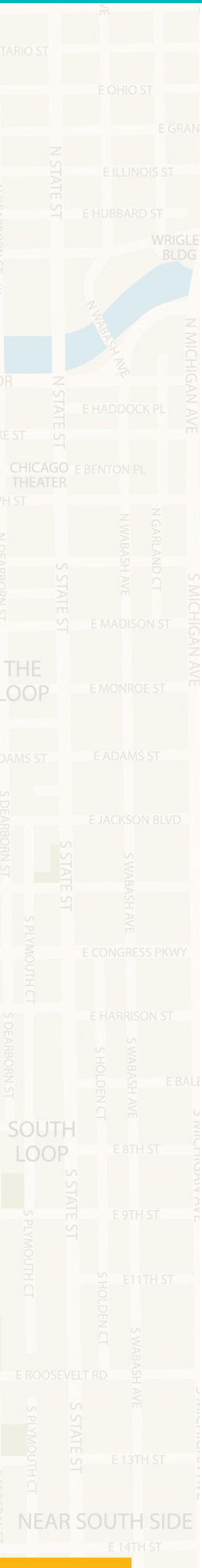


REGISTER YOUR BUSINESS

Once you have a solid business plan, you can begin taking the necessary steps to register your business. All new restaurants must be registered with the State of Illinois if you're hoping to operate in the city. The licensing guidelines vary depending on the type of business you're opening: a sole proprietorship, partnership, LLC, etc.

Head over to [The City of Chicago's official site](#) for a thorough breakdown of each business type, how you can register, and access to the forms you'll need to complete. In addition to this, '[The Restaurant Start-Up Guide](#)' is another great resource that provides helpful tips on how to register and establish your restaurant in Chicago. It's complete with the forms you will need, as well a nice a note from none other than the mayor himself!

According to Chicago's Small Business Center, processing typically takes 24-48 hours once the forms have been received and your inspections have been scheduled. The process can cost anywhere from \$660 to \$1100, depending on your business type. For additional inquiries, you can make an appointment with a business consultant online [here](#), or by calling (312) 744-6249.

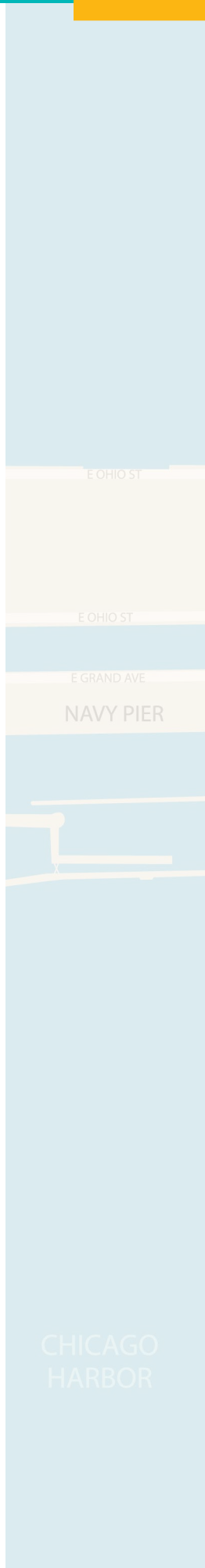


FIND A SPACE

Chicago is no stranger to high rent coupled with closet-sized living. Finding the right space for your venue may very well be one of the most daunting and costly undertakings you will experience during this process. Here are a few key things to remember when you begin your search:

Location is key: With so many great areas to choose from, it's crucial that you first understand your target market and how your concept and restaurant will thrive in it. Choose a location that will cater to your customer base and is in a visible area so passerbys will be able to spot your venue as they walk by, especially if you'll be depending on walk-in traffic.

To help you find the location of your dreams, you may want to approach a commercial real estate firm that specializes in Chicago restaurant spaces (such as [LoopNet](#) or [The Kudan Consulting Group](#)).





Size matters: It may be your dream to open up a 300 seat eatery near Millennium Park, but be realistic. You may have to adjust your plans to match a location, or take a hard look at the space and decide if you are willing to make it work. Make sure you have enough space to comfortably accommodate your guests while still leaving adequate room for kitchen staff to do their job properly. Trying to cram too much into a small space will leave your staff and guests feeling claustrophobic and uncomfortable.

Be careful with turn-key restaurants: Be weary of venues that are presented as fully stocked and ready to open as is. Turn-key venues often come with old POS systems, furnishings, and hidden problems, as well as the reputation of the previous place (for better or for worse). If you think a turn-key might be your best option, do your research: find out why the previous restaurant failed, do a cost-analysis to understand how much needs to be done, be cautious of any claims of instant success, and of course, re-brand.

Know your neighbors: Speak with surrounding venues and business owners to learn more about the neighborhood's history, BIA, and local concerns. Hear their unfiltered opinions and ask lots of questions. Then weigh your options thoughtfully before making a decision on signing a lease.



APPLY FOR PERMITS

One of the most important aspects of opening a restaurant in Chicago is having the appropriate permits in place well in advance.

You'll need a permit for just about everything related to your business: food, alcohol, construction, outdoor seating, etc. If you are planning to renovate, serve alcohol, or have outdoor seating, you should begin the application process for each permit as soon as possible, as they can take a long time to be approved.

In terms of staffing, one or more of your staff members will be required to have a [Food Service Sanitation Certificate](#). The person with this certification must always be on premise during operational hours.



Prior to opening you will be required to pass several inspections such as a license taskforce inspection, with inspectors from BACP, Department of Buildings, Department of Fire, and the Department of Public Health. Keep this [Retail Food License Readiness Checklist](#) handy to make sure you're on track for inspection. All other inspection requirements and information can be found [here](#).

Make sure you familiarize yourself with the legal requirements of opening a restaurant, such as: understanding employee rights, consumer protection, best practices, and public accommodation and discrimination laws. Reference [this list of frequently asked questions](#) to help get you on the right “legal requirement” track. In addition to this, you will need to abide by the United States Department of Labor’s [Occupational Safety and Health Administration Laws and Regulations](#), for both your business and your employees.



CREATE YOUR MENU

Get your creative genius ready - it's time to create your menu!

Start by taking a close look at your vision and your recipes. Even if you have all of your grandmother's recipes memorized and you're a great chef, you'll need to experiment and tweak, to corral all the recipes into a menu that makes sense for your customers and your location.

Some things to consider are:

- How many menu items will you offer?
- What will you specialize in?
- Will you have certain menu items that are only available at specific times?
- Will you offer any special pairings? For example, if you are a high-end Mexican restaurant, perhaps Mezcal infused cocktails and margarita variations would pair nicely with tapas-style nachos and tacos.

Consider your concept and tailor your menu to it. Your menu coupled with the concept and vibe of your venue will become what you are known for, and should be the reason people come through the door and come back again.



HIRE YOUR STAFF

Once your concept is defined and you have your space, permits, and menu in place, it's time to hire your staff. These are the people on the frontlines with your customers, cooking the food, and making the drinks. Hiring the right people is crucial to the successful operations of your business.

Before you create a job posting online or elsewhere, think about your ideal employee. What traits and experience do they have? Think about the number of years of experience you require, what other jobs they've had, and what specific skills or certifications they should have.

Consider what is teachable and what isn't, and then write a detailed job description listing your specific requirements and desires. If certain skillsets are make or break, for example, if you expect cooks to have three plus years of experience, then specifically outline that in your posting.



THE ULTIMATE GUIDE TO RESTAURANT STAFFING

Here is a downloadable guide we wrote detailing how you can assemble your dream team.

[DOWNLOAD GUIDE](#)



JOIN ASSOCIATIONS & GET FAMILIAR WITH RESOURCES


Chicago has a lot of valuable associations and resources for both novice and seasoned restaurant owners. If you're overwhelmed with where to begin, we've compiled a list of resources below, all of which are dedicated to helping restaurateurs build their vision and operate successfully.

Illinois Restaurant Association: An association dedicated to providing restaurant operators and suppliers in Illinois with valuable business services, networking opportunities, cost saving programs, and vital advocacy.

Next Bites: A non-profit organization helping foodservice industry members adopt and implement more sustainable, less impactful business practices—and ideally become certified as a 'Guaranteed Green' location.

National Restaurant Association: The NRA works to empower all restaurant owners and operators, provide tools and systems that help members of all sizes get significantly better operating results, along with countless other resources. Their annual trade show takes place in Chicago.

Free Restaurant Business Plans: Bplans.com offers free restaurant business plan samples for budding restaurateurs to reference and replicate.



Ultimately, starting a restaurant in Chicago is hard work, but if done correctly, it can be immensely rewarding and – dare we say it – profitable. Do your research thoroughly and take your time creating, planning, and building your restaurant. If you follow the guidelines and protocols listed in this guide and on the [City of Chicago's Official Site](#), then you're already off to a great start.

BEST OF LUCK!



TouchBistro is an iPad POS and integrated payments solution built for restaurant people, by restaurant people. It helps thousands of restaurateurs across the world run better businesses and makes managing a restaurant easier.

www.touchbistro.com | Speak to a Software Sales Representative today **1-855-363-5252**