



CITY OF CHICAGO



COMMITTEE ON THE BUDGET AND GOVERNMENT OPERATIONS
CITY COUNCIL
CITY HALL - ROOM 200
121 NORTH LASALLE STREET
CHICAGO, ILLINOIS 60602

ALDERMAN PAT DOWELL
CHAIRMAN

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Date: June 15, 2023

**COMMITTEE ON THE BUDGET AND GOVERNMENT OPERATIONS
MONTHLY RULE 45 REPORT
MAY 2023**

Pursuant to Rule 45 of the City Council Rules of Order, the Committee on the Budget and Government Operations submits the following Monthly Rule 45 Report for May 2023.

**Date, Time &
Location of
Meeting:**

On May 9, 2023, at 10:00 a.m., the Committee on the Budget and Government Operations held a virtual meeting in Chicago, Illinois.

Attendance:

The following members were virtually present at the May 9, 2023 Committee on the Budget and Government Operations Meeting: Chairman Dowell (3), King (4), Hairston (5), Mitchell (7), Sadlowski-Garza (10), Lee (11), Abarca (12), Moore (17), Curtis (18), O'Shea (19), Rodriguez (22), Scott (24), Burnett (27), Ervin (28), Reboyras (30), Waguespack (32), Ramirez-Rosa (35), Villegas (36), Mitts (37), Sposato (38), Napolitano (41), Knudsen (43), Tunney (44), and Cappleman (46).

The following member(s) were virtually not present at the May 9, 2023 Committee on the Budget and Government Operations Meeting: Vice-Chair Silverstein (50), Sawyer (6), Harris (8), Quinn (13), Brookins (21), Tabares (23), Taliaferro (29), Reilly (42), and Osterman (48).

The following non-members were virtually present at the May 9, 2023 Committee on the Budget and Government Operations Meeting: Vasquez (40) and Martin (47).

The Committee on the Budget and Government Operations addressed the following items meeting:

INTRODUCED DURING THE APRIL 19, 2023 CITY COUNCIL MEETING

- 1. An ordinance concerning the execution of a redevelopment agreement with Clifford Rome, including the Neighborhood Opportunity Fund Grant and Local Hiring Funds, for improvements at Rome's Joy Catering located at 4455 S. King Drive. 3rd Ward (O2023-1607)**

PASS COMMITTEE 5/9/23

PASS CITY COUNCIL 5/24/23

- 2. An ordinance concerning the execution of a redevelopment agreement with Cup O' Joe Coffee LLC, including the Neighborhood Opportunity Fund Grant and Local Hiring Funds, for improvements at Cup O' Joe Coffee/Veteran Roosters located at 756 E. 111th Street. 9th Ward (O2023-1615)**

PASS COMMITTEE 5/9/23

PASS CITY COUNCIL 5/24/23

- 3. An ordinance concerning an amendment to the Annual Appropriation Ordinance Year 2023 within Fund No. 925 for Department of Public Health and Department of Water Management. (SO2023-1604)**

SUBSTITUED IN COMMITTEE 5/9/23

PASS COMMITTEE 5/9/23

PASS CITY COUNCIL 5/24/23

- 4. A substitute ordinance concerning an amendment to the 2023 Annual Appropriation Ordinance to appropriate Opioid and Vaping Settlement funds, and to appropriate funds to support recently arrived migrants. (SO2023-1605)**

SUBSTITUTE IN COMMITTEE 5/9/23

PASS COMMITTEE 5/9/23

DEFERRED AND PUBLISHED 5/24/23

PASS CITY COUNCIL 5/31/23

On May 9, 2023 at Chairman Dowell called the Committee on the Budget and Government Operations meeting to order. Chairman Dowell took a roll call to establish a quorum and a quorum was established. Chairman Dowell opened the floor to begin the public comment period and explained the procedures for public comment. With no members of the public signed up to speak, Chairman Dowell closed the public comment period. Chairman Dowell then mentioned the committee did receive one public comment from Sustainable Englewood Initiatives in favor of the grant for lead service replacement.

Chairman Dowell began the meeting with item number 1, an ordinance concerning the execution of a redevelopment agreement with Clifford Rome, including the Neighborhood Opportunity Fund Grant and Local Hiring Funds, for improvements at Rome's Joy Catering located at 4455 S. King Drive in the 3rd

Ward. Chairman Dowell recognized Michael Parella from the Department of Planning and Development to deliver his prepared remarks on the project. Cliff Rome, the project developer, then spoke about his project. Following Mr. Rome's remarks, Chairman Dowell recognized Alderman Ervin who asked about the specific building space for the project. Alderman Curtis congratulated Mr. Rome and Chairman Dowell on the project. Alderman Moore moved do pass on item No. 1 on the agenda by the same roll call vote used to determine quorum. Hearing no objections, item 1 passed and was reported out at the City Council meeting on Wednesday, May 24, 2023.

Chairman Dowell then moved to item 2 on the agenda an ordinance concerning the execution of a redevelopment agreement with Cup O' Joe Coffee LLC, including the Neighborhood Opportunity Fund Grant and Local Hiring Funds, for improvements at Cup O' Joe Coffee/Veteran Roosters located at 756 E. 111th Street in the 9th Ward. Garrett Riou from the Department of Planning and Development introduced the project to the committee. Mark Doyle, the developer of the project, then addressed the committee. Following Mr. Doyle, Alderman Villegas recognized the good work Mr. Doyle has done for veterans across the country, and reminded the committee that the City Council created a position for the Director of Veterans affairs which can focus on providing service for this important segment of society. Alderman Villegas moved do pass on item No. 2 on the agenda by the same roll call vote used to determine quorum. Hearing no objections, item 2 passed and was reported out at the City Council meeting on Wednesday, May 24, 2023.

Next Chairman Dowell moved to item 3 on the agenda an ordinance concerning an amendment to the Annual Appropriation Ordinance Year 2023 within Fund No. 925 for Department of Public Health and Department of Water Management. Alderman Cappleman moved to accept the substitute ordinance. With the substitute ordinance under consideration by the committee, Deputy Budget Director LaToya Vaughn explained the ordinance. Alderman Mitts moved do pass on item No. 3 on the agenda by the same roll call vote used to determine quorum. Hearing no objections, item 3 passed and was reported out at the City Council meeting on Wednesday, May 24, 2023.

Last, Chairman Dowell moved to item 4 on the agenda a substitute ordinance concerning an amendment to the 2023 Annual Appropriation Ordinance to appropriate Opioid and Vaping Settlement funds, and to appropriate funds to support recently arrived migrants. Alderman Burnett moved to accept the substitute ordinance. With the substitute ordinance under consideration by the committee, Budget Director Susie Park introduced the ordinance. CDPH Commissioner Allison Arwady spoke to discuss specific details of the grant funds under her department's jurisdiction. Budget Director Park then spoke again on the appropriation for new arrivals. DFSS Commissioner Brandie Knazze then provided an update on the City's response to new arrivals. Chairman Dowell asked Budget Director Park for a breakdown of where the funds for new arrivals are coming from, what will they be used for, and what will be going to fund delegate agencies. Budget Director Park answered that the funds are coming from 2021 surplus funds, and the funds will be used predominantly for staffing, with the remainder for rental costs, meals, facility operations, legal services and transportation. Director Park continued that mostly they will fund outside staffing costs. DFSS Commissioner Knazze added that some funds are going to Catholic Charities, Metropolitan Family Services, and for 300 contract staff for the shelters and legal. Alderman Moore asked if all these funds are part of one single ordinance, if they could break out the different funds into different ordinances, and for a breakdown of where the funding is coming from. Deputy Budget Director Park broke down the funding by source. Alderman Moore then stated that his constituents aren't seeing needed funding so he can't support funds for new arrivals. Alderman Sposato asked about other groups that may need financial support, and if the City has been in contact with the Federal government. Budget

Director Park responded the funds are for new arrivals, and this allows the City to keep other programs fully funded. Budget Director Park continued saying the City applied for grants from the Federal government and that we only received a small portion of what they asked for, and there is one more grant coming up soon. Alderman Sposato asked who is sending the migrants to Chicago. DFSS Commissioner Knazze answered its local non-profits in border cities, and that they are having conversations with parks and sister agencies to find new locations to house new arrivals. Alderman Cappleman complimented Commissioner Knazze and Commissioner Arwady on their response to issues associated with the influx of new arrivals, and that the City must approach this situation with compassion. Alderman Ervin asked about the fund balance, and what is the cash on hand in terms of days. Budget Director Park responded that this is part of the assigned fund balance, not the unassigned fund balance or part of the rainy-day fund, and the unassigned portion is about \$1 billion which would cover one to two months. Alderman Ervin continued by asking how much in total the City has dedicated to new arrivals that has been unreimbursed, and how much the City will need to fully fund the new arrivals. Budget Director Park stated the City has spent about \$15 million so far, about \$70 million through the end of June if this tranche is allocated, and they can not estimate how much more will be needed. Finally, Alderman Ervin asked if we could tap into the existing fund balance instead of from this source. Budget Director Park responded they are looking at all options, but there are other significant costs facing the City that demand funding. Chairman Dowell asked how much funding the City is asking for from the state and the federal government. Budget Director Park responded that we are asking for \$20 million a month, so \$240 million total, and that the City is waiting on guidance for the second round of FEMA funding. Alderman Hairston asked who makes the final decision where migrants are placed. DFSS Commissioner Knazze stated it's a collaborative effort between many different agencies. Alderman Hairston objected again to the lack of communication with Aldermen and leaving communities out of the conversation, and how much funding can the City provide to the receiving communities. DFSS Commissioner Knazze stated that this allows the City to not cut programs in these underserved communities, and that the City is connecting existing residents with the new arrivals for things like dinners and shared resources to better incorporate the new migrants into the existing community. Alderman Hairston then asked about the day-to-day procedures for new migrants. DFSS Commissioner Knazze explained some of the resources being provided for new migrants. Finally, Alderman Hairston asked about the plan for South Shore. DFSS Commissioner Knazze responded they are working with Alderman Harris to help with the new arrivals. Chairman Dowell interjected to talk about the committee for aldermen and other City officials dealing with the new arrivals and that other aldermen are welcome to attend the meetings. Alderman Rodriguez stated his community wants to do more for the new arrivals, and the City needs to step up to take care of people. Alderman Villegas clarified that the City is not stopping services for existing Chicagoans, and that its time for the State of Illinois needs to do their part to house new arrivals. DFSS Commissioner Knazze confirmed that their teams are doing their existing jobs and providing services for new arrivals. Alderman Scott asked about how Park District facilities are being used and if they are displacing existing programming. DFSS Commissioner Knazze answered that they are working to identify low-utilization parks to use those locations and move programming to other neighborhood parks. Alderman King asked about how our conversations with other cities and counties gone. DFSS Commissioner Knazze responded that there have been conversations with statewide representatives, but they have not committed to helping with the new arrivals. Alderman Sigcho Lopez inquired about the procedures for locating shelter sites, and what the funding is being used for. DFSS Commissioner Knazze explained how they are going through buildings to find space for migrants, and what the funds are being used for. Alderman Vasquez asked about the points of contact in the city, noted some small sites that could be of assistance should the City offer incentives, and asked about how aldermanic offices can be involved in this process. DFSS Commissioner Knazze

listed the points of contact, and stated that liability is a big deal in terms of selecting sites. Alderman Rodriguez moved do pass on item No. 4 on the agenda by the same roll call vote used to determine quorum. With the exception of Aldermen Moore, Napolitano and Sposato voting no, item 4 passed and was deferred and published at the City Council meeting on Wednesday, May 24, 2023, and was passed at the City Council meeting on Wednesday, May 31, 2023.

Chairman Dowell stated that there was no further business before the Committee and asked for a motion to adjourn. Alderman Sposato moved to adjourn. The Committee on the Budget and Government Operations Meeting adjourned at 11:57 am.

Respectfully submitted by:

A handwritten signature in blue ink that reads "Pat Dowell". The signature is written in a cursive, flowing style.

**Pat Dowell, Chairman
Committee on the Budget and Government Operations**