

Chicago Metered Parking Transaction

\$1.15 BILLION IN PROCEEDS

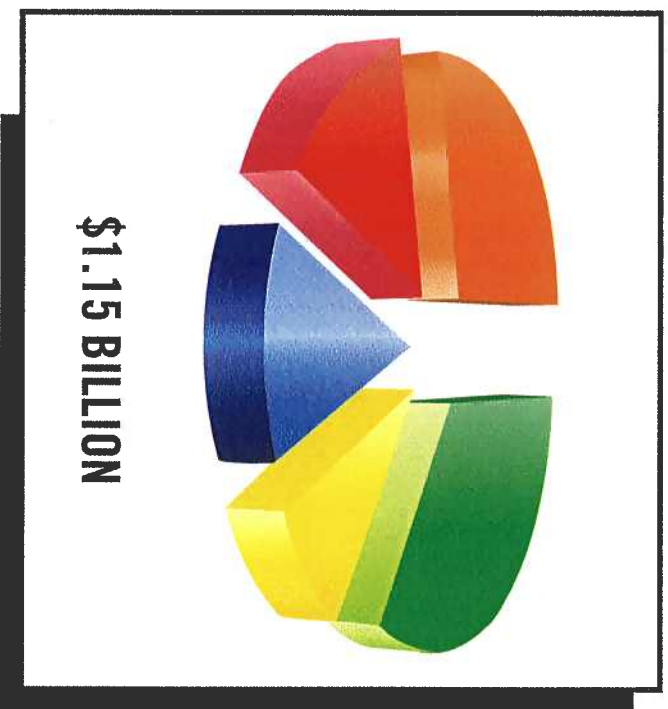
To help people and protect taxpayers



\$150 MILLION
2009 Budget



\$100 MILLION
Human
Infrastructure Fund



\$1.15 BILLION



\$175 MILLION
2010-2012 Budgets



\$320 MILLION
Rainy Day Fund



\$400 MILLION
Long-Term Reserve



MID-TERM RESERVE

\$150 million

TO BALANCE THE 2009 BUDGET

The parking meter transaction allowed the City to utilize \$150 million to balance the 2009 budget.

- Without that \$150 million, *the City would have had to significantly raise taxes or make drastic cuts to vital services.*
- \$150 million increase in revenues would equal:
 - a 19% increase in property taxes;
 - a 60% increase in the city's sales tax; or
 - nearly tripling the vehicle fuel tax.
- \$150 million in cuts would equal:
 - nearly 15% of Chicago police officers, or nearly 2,000 police officers;
 - 30% of the total Fire Department's budget; or
 - half of the Department of Streets and Sanitation, putting at risk vital services like garbage collection or snow removal.

2009

BUDGET

| OVERVIEW AND REVENUE ESTIMATES |

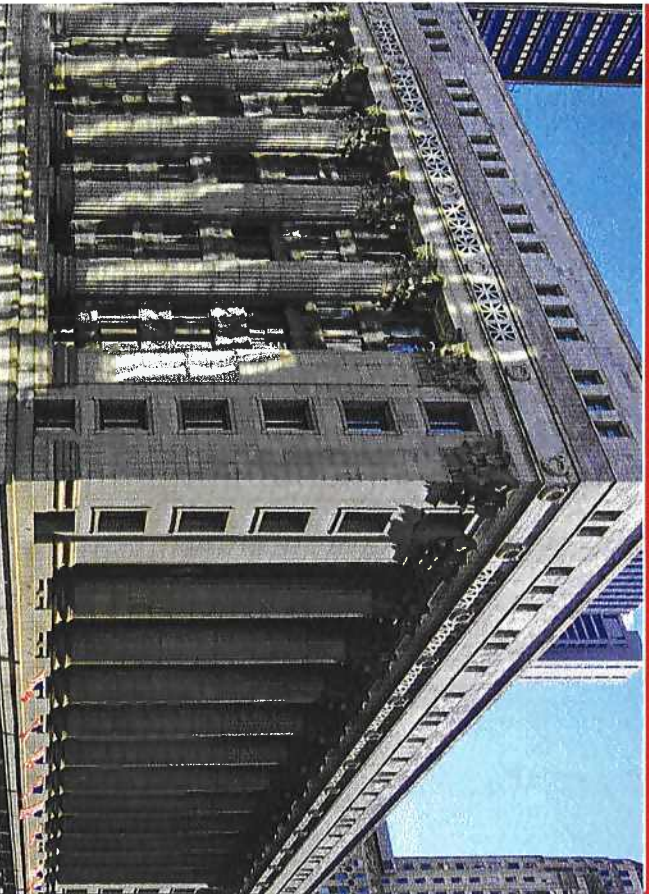




MID-TERM RESERVE
\$175 million
TO BALANCE THE
2010-2012 BUDGETS

A total of \$175 million is now available for mid-term budget relief for the next several years.

- This provides additional funds for the corporate budget to help mitigate the need to raise taxes or cut services over the three years.
- The planned allocation of funds is:
 - \$50 million in 2010
 - \$50 million in 2011
 - \$100 million in 2012 (includes \$25 million earned in interest)

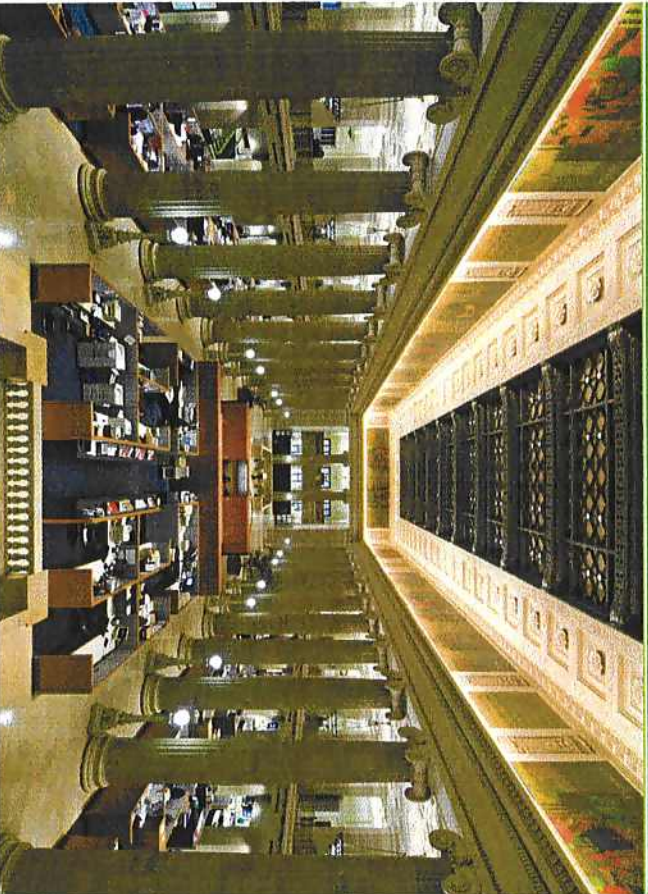




LONG-TERM RESERVE \$400 million

The parking meter long-term reserve will provide enough annual interest to replace the annual revenue that was generated by the parking meter system.

- It is similar to the \$500 million Chicago Skyway long-term reserve, which also provides the same revenue replacement.
- Together with the Skyway long-term reserve, *the City now has more than \$900 million in reserve – something no other major city can claim.*
- After establishing the \$500 million Skyway reserve in 2005, *the City received rating upgrades from all three credit rating agencies.* Higher credit ratings reduce the cost of borrowing when they city issues debt to complete neighborhood improvement projects and address other critical needs.
- *Today Chicago enjoys its highest credit ratings since 1978* – maintaining these reserves helps protect the city's credit rating, which is particularly critical during these difficult economic times when many governments are facing negative outlooks or downgrades.



CHICAGO METERED PARKING TRANSACTION



HUMAN INFRASTRUCTURE FUND \$100 million



The \$100 million human infrastructure fund will support programs that help those most in need like Meals on Wheels, Low-Income Housing Trust Fund, and ex-offender and other job programs.

- This fund will continue important services being provided today by the Skyway human infrastructure fund, which was established five years ago.
- Through the Skyway human infrastructure fund, the City has provided:
 - 1.9 million meals for senior citizens
 - heating assistance to more than 17,000 families
 - emergency home repairs for approximately 300 families
 - after-school programs for more than 5,000 at-risk children
 - emergency and interim housing assistance for more than 60,000 families
 - rental assistance to more than 600 families; and
 - training of approximately 750 ex-offenders
- Without the availability of this fund, these critical services to people in need would be un-funded.



“RAINY DAY FUND” \$320 million

The \$320 million budget stabilization – or “rainy day” – fund may be used to help bridge the period until the nation’s economy begins to grow again.

- Given the performance of the economy so far this year, there is no question that *this fund is necessary to continue vital services and avoid steep tax increases.*
- *No other major city currently has such a rainy day fund that can help void deep cuts or tax increases.*

