

Aldermanic Request:

Attracting & Retaining Chicago Police Officers

May 24, 2022

Under Municipal Code Chapter 2-53 for the City of Chicago, the Council Office of Financial Analysis (COFA) is required to conduct financial analyses upon the request of a member of the City Council.

On May 17, 2022, Alderman Matthew O'Shea of the 19th Ward submitted the following request to COFA:

Can [COFA] assist me with some financial projections on the cost of a potential program to provide \$10,000 down payment assistance for first time home buyers on the Chicago Police Department. I would like to explore a program like this to assist in recruitment and retention of Chicago Police Officers and I would finance it using funds from vacant police positions.

This COFA report is in response to Alderman Mathew O'Shea's request. In addition to the request, COFA provides a brief background on the staffing shortage at the Chicago Police Department and crime in Chicago, as well as providing some recommendations to attract and retain police officers.

Staffing Shortages

The Chicago Police Department is currently experiencing a staffing shortage. There is an array of reasons for this shortage, some of which include burnout, low turnout of applicants, early retirements, forced overtime, canceled days off, and officers departing to go work in smaller police departments.ⁱ The Office of Public Safety Administration's Anastasia Walker highlighted a rush of CPD retirements that has generated a record number of vacancies in the department. The COVID-19 pandemic also hampered CPD's hiring, as rising cases forced the City to halt training for a few months, as noted by the Office of Budget and Management's Budget Director Susie Park. Additionally, the Office of Public Safety Administration's Anastasia Walker highlighted a rush of CPD retirements that has generated a record number of vacancies in the department. ⁱⁱ

This is not an issue exclusive to Chicago. According to a 2019 Police Executive Research Forum (PERF) report, police departments across the United States are facing reduced staffing, seeing





less applicants, officers departing before reaching retirement age, and increasing amounts of personnel retiring once reaching eligibility.ⁱⁱⁱ

The department has recently taken steps in addressing rising attrition caused by a wave of departures and retirements. On March 10, 2022, CPD Superintendent David Brown announced that the department would no longer require some prospective officers to have at least 60 semester hours of college credit. Instead, if a CPD applicant has at least three years of professional experience in the social services, health care, education, or trade industries, they would not have to show any college credit. Likewise, applicants who have worked as private security guards, correctional officers or for other law enforcement agencies would not be held to the credit requirement. CPD hopes this hiring adjustment will expand the department's pool of candidates, as well as creating more diversity in CPD.^{iv v}

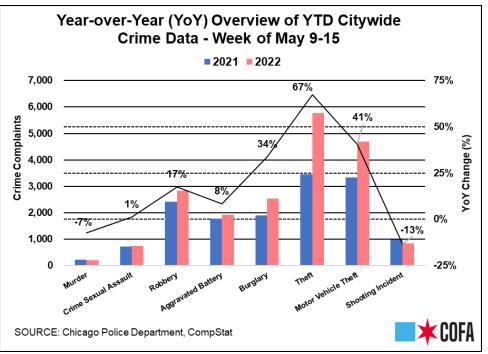
Crime in Chicago

Chicago has a long history of crime. By 2016, Chicago had recorded more homicides and shootings than Los Angeles and New York City combined, both cities individually are more populous than Chicago.^{vi} By the end of 2020, Chicago's homicide rate rose to 28 per 100,000.^{vii}

Chicago's extreme gun violence has been described as an epidemic, where gang-related shootings are random and spontaneous. The murder of George Floyd and other unjustified police shootings have encouraged protest and often large-scale civil unrest. In addition, we have seen large numbers of young people hanging around in the Loop area often wreaking havoc. As recent as last week Chicago saw a deadly shooting right in the middle of Millennium Park. This

type of activity impacts Chicago's economic well-being as people cancel trips, meetings, and events due to safety issues. The crime has spread from the South and West sides to the Loop.

As carjacking and violent crime continue in the City's business district, police are expected to be deployed downtown. How can they patrol the downtown areas and the neighborhoods with a shortage? With the





decline in officers through attrition, securing the city is a much harder task. The graph above displays the major crime categories for Chicago. The 67% spike in motor vehicle theft or carjacking is alarming. Looking at the historical data, the homicide numbers are on the upswing, as well as aggravated battery and assault. Additional stress is placed on safety when police days off are being canceled due to the crime surges in the City.

The crime landscape in Chicago has changed; gone are the days of super-gangs framed by leadership. Now, not only are the gangs fragmented, but there is randomness when it comes to crime. Now everything appears to be fair game; innocent children, parents, senior citizens, or innocent persons in a passing car. Although the numbers do not adequately show it is much more unsafe on the streets of Chicago. The crisis of a shortage of police comes as Chicago grapples with an increase in shootings and murders and the fallout from the pandemic.

Recommendations

In an effort to retain officers and attract more applicants to tackle CPD's attrition, COFA outlines the following solutions for the City to consider:

First-Time Home Buyer Assistance – Ald. O'Shea's Request

To assist in recruiting and retaining Chicago Police Officers, Alderman O'Shea has proposed exploring a potential program to provide \$10,000 in down payment assistance for first-time home buyers in the Chicago Police Department.

Based on a February 2022 COFA report analyzing budgeted and filled positions at CPD, there may be approximately \$129.63M of unused funds from vacant salaries.^{viii} If CPD were to establish a program that provides a one-time \$10,000 amount for down payment assistance for first-time home buyers using funds from vacant police positions, COFA recommends utilizing no more than 50% of the unused funds, or \$64.82M.

If CPD were to implement this program, COFA projects that the immediate cost may be approximately \$11.67M. This amount assumes that of the sworn officers in CPD, only 10% may be interested in looking to purchase their first home. Given the state of the local housing market, where prices for homes are fairly higher than average due to lower inventory and higher demand, it is possible that financial assistance of \$10,000 for a down payment may not be enough to push a potential first-time home buyer into purchasing a home at this time.^{ix ×} DePaul University's Institute for Housing Studies (IHS) notes in a recent report on single-family homes through the fourth quarter of 2021 that house prices in Cook County increased on average by 14.5% compared to the previous year.^{xi} In the same report, IHS finds that in the City of Chicago, price levels increased by 13.8%, and in suburban Cook County prices increased by 15.5%. It is also difficult to assume how many sworn officers already own homes.

	Sworn	First-Time					
Immediate Cost	Officers	Buyers	Incentive	Frequency	Total Cost		
One-time down payment	11,669	1,167	\$10,000	1	\$11,670,000		
Total Immediate Cost (est.)					\$11,670,000		
	Sworn	First-Time					
Ongoing Annual Costs	Officers	Buyers	Incentive	Frequency	Total Cost		
One-time down payment (new hires)	500	100	\$10,000	1	\$1,000,000		
Total Ongoing Annual Costs (est.)					\$1,000,000		
SOURCE: COFA Analysis NOTES: Since predicting how many sworn officers would be looking to buy a home in the current market is challenging. COFA assumes that 10% of sworn officers would utilize this assitance in the immediate future							

challenging, COFA assumes that 10% of sworn officers would utilize this assitance in the immediate future. Ongoing and outyears assumes for 20%, since there new hires may be younger and have not owned homes before. The ongoing cost projection assumes CPD will hire 500 sworn officers per year.

The estimated ongoing cost for an incentive like this may cost approximately \$1.00M per fiscal year. This projection assumes that CPD hires 500 sworn officers a year and that 20% may be interested in the buying a home for the time first time. Since new hires are most likely to be younger persons, they may be at a stage in their lives where they have not owned a home before.

Since this assistance is fairly large at \$10,000, COFA recommends including a stipulation for this incentive, such as adding a condition that officers who use this down payment assistance must commit to CPD for ten-years. Additionally, if an officer departs CPD before meeting the ten-year commitment, the officer should pay back the City \$1,000 for each year that the officer did not fulfill from the commitment.

Sign-on Bonus For Sworn Officers

Chicago recently waived the college requirement for some recruits and saw 400 candidates apply that day, and the department has seen continued to see spikes of applicants since the requirement was waived.^{xii} The department is doing everything it can to recruit and retain officers, but the applicant pool needs to broaden.

A recommendation used by the police department in Chandler, Arizona is cash incentives. The city's police department is offering up to \$5,000 to attract and hire new officers and dispatchers.^{xiii} xiv For Chicago to attract more officers, CPD could offer a sign-on bonus of \$5,000 to recruit lateral sworn police officers. Currently, officers in Chicago receive a starting salary of \$54,672, which then increases to \$82,458 after 18 months.^{xv} A sign-on bonus would be a further incentive to join the force, as a sign-on bonus can help attract a candidate that may have competing offers. A sign-on bonus can help bridge the gap between the compensation package and what can be offered.

Similar to Chandler, CPD can introduce a probationary period for bonus recipients. Officers would receive half of the sign-on bonus incentive upon being hired by CPD, and the remaining half of the bonus would be remitted to the officer upon successful completion of the probationary period.

	Sworn			
Ongoing Annual Costs	Officers	Incentive	Frequency	Total Cost
One-time bonus (new hires)	500	\$5,000	1	\$2,500,000
Total Ongoing Annual Costs	\$2,500,000			
SOURCE: COFA Analysis NOTES: The ongoing annual cost sworn officers per year.	t projection for a	a sign-on bonus	assumes CPD v	vill hire 500

Incentives For Bilingual & Multilingual Sworn Officers

The Chicago Police Department can consider offering a signing bonus and supplemental pay to sworn CPD officers who are either bilingual or multilingual. This approach is similar to organizations offering additional incentives to employees who obtain additional certificates or post-secondary education.

Based on the latest available U.S. Census data, approximately 35.5% of persons in Chicago responded that they sometimes or always spoke a language other than English at home.^{xvi} Of Chicago's population that are five years and older, it is estimated that there are 600,655 Spanish speakers, 150,354 speakers of other Indo-European languages, 105,790 speakers of Asian and Pacific Island languages, and 42,601 speakers of other languages.^{xvii} According to a Bureau of Justice Statistics report, it is estimated that 13.4% of sworn officers are bilingual or multilingual in police departments that serve populations of 1 million or more.^{xviii} Based on CPD personnel data as of March 30, 2022, this equates to approximately 1,564 sworn officers in Chicago.^{xix}

CPD can consider offering a language proficiency test to applicants, as well as to existing sworn officers. If it is determined that an officer is fluent in a language, he or she can qualify for a one-time bonus plus supplemental pay that gets added to their paystubs. The Dallas Police Department currently offers "Language Skills Pay" for officers fluent in certain languages and—depending on the officer's language proficiency—are eligible to receive anywhere from \$110 to \$150 in supplemental pay per month.^{xx}

If CPD were to implement a similar language incentive to its sworn officers, the projected immediate cost to implementing the incentive could total approximately \$4.38M. This amount assumes for a one-time language incentive bonus of \$1,000 for officers exhibiting

	Sworn	Eligible			
Immediate Cost	Officers	Officers	Incentive	Frequency	Total Cost
One-time bonus	11,669	1,564	\$1,000	1	\$1,564,000
Supplemental pay	11,669	1,564	\$150	12	\$2,815,200
Total Immediate Cost (est.)					\$4,379,200
	Sworn	Eligible			
Ongoing Annual Costs	Officers	Officers	Incentive	Frequency	Total Cost
Supplemental pay	11,669	1,564	\$150	12	\$2,815,200
One-time bonus (new hires)	500	67	\$1,000	1	\$67,000
Supplemental pay (new hires)	500	67	\$150	12	\$120,600
Total Ongoing Annual Costs	(est.)				\$3,002,800

SOURCE: COFA Analysis

NOTES: The calculation of eligible officers is based on a BJS statistic that 13.4% of sworn officers are bilingual or multilingual in police departments that serve populations of 1 million or more. The ongoing cost projection assumes CPD will hire 500 sworn officers per year.

fluency in a language other than English, plus additional monthly supplemental pay of \$150. CPD would likely have to pay a higher upfront cost related to the one-time bonuses to eligible sworn officers, but this one-time bonus amount would likely drop in future years, as the bonus would be tied to the incoming recruits who are bilingual or multilingual.

The estimated ongoing cost for an incentive like this may total approximately \$3.00M per fiscal year. This projection assumes for supplemental pay carry over from eligible sworn officers and if CPD hires 500 sworn officers a year, 13.4% of which are bilingual or multilingual.

This incentive may also provide additional benefits to CPD. The incentive may boost the diversity of those applying to CPD, in turn increasing the diversity of the department. Also, if the English language is not a person's first or primary language, constituents may feel more trusting of police officers who can communicate in the person's preferred language. This could potentially help strengthen the relationship between the police and the community.

Other Incentives to Consider

Other recommendations to attract and retain CPD officers would be student-debt relief, more flexible schedules, and online training options. Younger applicants may want flexibility, and student-debt relief is always an attractive perk.

Lastly, funding for these recommendations could potentially come from the following: vacant positions salvage dollars, American Rescue Plan (ARP) funds, and swept aged funds for fiscal year 2022. For fiscal year 2023, the funding could be incorporated into the annual budget.

Endnotes:

- ⁱ CBS Chicago. (2021, October 11). Burnout And Low Turnout Of Applicants Leaving CPD With Officer Shortage; "People Don't Want To Be The Police." CBS News. <u>www.cbsnews.com</u>
- ⁱⁱ Spielman, F. (2021, August 31). Police academy to churn out conveyor belt of classes to fill 877 sworn police vacancies. *Chicago Sun-Times*. <u>chicago.suntimes.com</u>

- ^{iv} Cherone, H. (2022, March 11). Police to Drop College Credit Requirement for Some Recruits Amid Attrition Spike: Top Cop. WTTW News. <u>news.wttw.com</u>
- ^v Chicago Police Officer Recruitment. (n.d.). Chicago Police Department. Retrieved May 19, 2022, from home.chicagopolice.org/
- ^{vi} Berman, M. (2016, September 1). Chicago has had more homicides this year than New York and Los Angeles combined. *The Washington Post*. <u>www.washingtonpost.com</u>

^{vii} Rowlands, D. W., & Love, H. (2022, April 21). *Mapping gun violence: A closer look at the intersection between place and gun homicides in four cities*. Brookings. <u>www.brookings.edu</u>

viii Council Office of Financial Analysis. (2022a, February). *Chicago Police Department Positions Analysis*. www.chicago.gov

^{ix} Rebong, K. (2022, March 14). *Chicago housing market ahead of national trends*. The Real Deal Chicago. <u>therealdeal.com</u>

[×] Brown, T. (2022, May 10). Chicago real estate market: Near South Side properties are gaining value, selling faster than those on Near North Side: data. *ABC7 Chicago*. <u>abc7chicago.com</u>

^{xi} Institute for Housing Studies (IHS) at DePaul University. (2022, April). *Cook County House Price Index: Fourth Quarter 2021*. <u>www.housingstudies.org</u>

^{xii} Riess, R., Tucker, E., & Nickeas, P. (2022, March 22). *Chicago Police Department is latest to lower hiring standards amid staffing shortages.* CNN. <u>cnn.com</u>

^{xiii} City of Chandler. (2021, May 24). *City of Chandler announces hiring incentive for police positions* [Press release]. <u>www.chandleraz.gov</u>

xiv City of Chandler. (2022, April 28). Chandler announces \$10k package for lateral police officers offering a hiring incentive plus relocation assistance [Press release]. www.chandleraz.gov

** 2022 Position & Salary Schedule. (2022). Chicago Police Department. Retrieved May 19, 2022, from chicagopolice.org

^{xvi} U.S. Census Bureau QuickFacts: Chicago city, Illinois. (n.d.). Census Bureau QuickFacts. Retrieved May 19, 2022, from <u>www.census.gov</u>

xvii U.S. Census Bureau. (2020). Explore Census Data [Dataset]. U.S. Census Bureau. data.census.gov

^{xviii} Bureau of Justice Statistics. (2021, January 27). *Local Police Departments, 2016: Personnel*. U.S. Department of Justice. <u>bjs.ojp.gov</u>

xix Fox News. (2022, April 7). CPD Personnel Information [Table]. foxnews.com

** Salary/Benefits. (n.d.). Dallas Police Department. Retrieved May 19, 2022, from www.dallaspolice.net

^{III} Police Executive Research Forum. (2019, September). *The Workforce Crisis, and What Police Agencies Are Doing About It.* <u>www.policeforum.org</u>