



CITY OF CHICAGO • OFFICE OF THE MAYOR



**FOR IMMEDIATE RELEASE**

October 27, 2021

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**MAYOR LIGHTFOOT'S 2022 BUDGET APPROVED BY CHICAGO CITY COUNCIL**

*The \$16.7B Recovery Budget is a once-in-a-generation opportunity to build a better Chicago — including \$1.9B historic investments in mental health, environment, arts, and the largest city-run monthly cash assistance program in the U.S. for hard-hit residents*

**CHICAGO** — The Chicago City Council today passed the City's 2022 Recovery Budget which balances financial stability with investments in the City's residents, communities, and businesses to push Chicago forward into a safer, stronger, and more prosperous city for all of Chicago's residents.

"I am beyond excited to announce the passage of the most progressive and forward-looking budget in our city's history," said Chicago Mayor Lori E. Lightfoot. "As we move away from the pandemic, we must use this opportunity and once-in-a-lifetime funding to address the economic and emotional pain it has wreaked on our communities. This budget, complete with a historic number of investments and policy prescriptions, will meet this moment and help us fulfill our responsibility to uplifting and empowering our residents."

The 2022 budget incorporates feedback from the most robust community engagement effort conducted by the City to date, including round tables with neighborhood organizations, focus groups with subject matter experts, and Budget Engagement Forums with residents. Members of the City Council were also invited to participate in aldermanic working groups. These conversations informed the City's most progressive budget that maintains core city services, invests in people and communities, and creates equitable economic recovery from the pandemic.

The Chicago Recovery Plan, a \$1.2B once in a lifetime series of investments, focuses on thriving and safe communities, equitable economic recovery and essential city services outlines the strategy for how the City will employ resources in response to the negative impacts of COVID-19 while simultaneously driving economic recovery by making key investments in the hardest-hit neighborhoods and industries to begin to reverse the underlying disparities exacerbated by the COVID-19 pandemic.



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These catalytic investments include community-based violence prevention and reduction, including a plan for community safety coordination and the expansion of violence interventions, youth violence intervention and youth diversion programs, and victim services. The investments are also expected to generate tens of thousands of jobs for adults and young people, connect one hundred thousand residents to mental health supports, create and preserve thousands of affordable housing units, and activate and clean vacant lots. The Chicago Recovery Plan adds another \$176M for small business and tourism and industry support and \$87M for one of the largest vacant lot assessment and clean-up program in the country. In addition, the plan includes planting tens of thousands of new trees and establishing and improving amenities such as grocery stores, commercial spaces, and parks.

Regarding financial stability, the 2022 budget closes the projected \$733 million gap with \$298.2 million in savings and efficiencies and \$491.1 million in new or increased revenues – including the use of ARP resources for essential City services. These gap-closing measures result in a 2022 Budget with no new tax or significant fee increases for Chicago residents. This budget will also provide much needed funding for equity and allow the City to move ahead with Fines and Fees reforms to help individuals get out of debt.

Importantly, the 2022 budget marks a milestone for the City where for the first time in the City's history, all four pension funds will be paid on an actuarially determined basis. The City also continues to reduce its outstanding long-term debt without the effect of scoop and toss debt restructuring for the third year in a row. The City will refinance approximately \$1.2 billion in bonds, which is expected to generate \$254 million in interest savings. This refinancing will create significant savings without increasing long-term liabilities or debt service payments in any future year.

Overall, the 2022 Budget that was approved today paves the way to drive equitable growth and job creation, accelerate investments to eliminate inequities and build on our region's strengths.

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