



OFFICE OF BUDGET AND MANAGEMENT
CITY OF CHICAGO

MEMORANDUM

TO: The Honorable Pat Dowell
Chairman, Committee on the Budget and Government Operations

FROM: Susie Park, Budget Director
Office of Budget & Management

Shannon Andrews, Chief Procurement Officer
Department of Procurement Services

David Reynolds, Commissioner
Department of Assets, Information and Services

DATE: April 16, 2020

RE: Executive Order (EO) 2020-1 Updates

Per the Executive Order (EO) 2020-1, please see below regarding budget-related activity that has occurred for the City's response to COVID-19.

Budget Director Budgetary Activity Report

The following temporary transfers were made within the Corporate Fund (Fund 100):

Decreased Appropriation

Fund 100, Department 099 (Finance General), Account 0042 – Benefits

Budgeted Amount: \$249,578,201

New Amount: \$149,578,201

Transfer Amount: (\$100,000,000)

New Appropriation

- Fund 100, Department 099 (Finance General), Account 9197: COVID-19 McCormick Alternate Care Facility;
Amount: \$64,800,000
- Fund 100, Department 099 (Finance General), Account 9198: COVID-19 Response
Amount: \$32,000,000
- Fund 100, Department 099 (Finance General), Account 9245: Small Business Resiliency
Amount \$3,200,000

TOTAL NEW LINES: \$100,000,000

Please note that the current transfers within the Corporate budget are temporary and were created to isolate COVID-19 related expenditures for potential future reimbursement; it is anticipated that most of the expenditures will be moved to eligible grants or reimbursed by FEMA Disaster Relief funds.

COVID-19 Cost Summary (As of 4/16/2020):

- Current Total Allocation: \$100,000,000
- Amount Set-Up/Obligated: \$64,638,267
- Amount Spent: \$5,635,627

Breakdown of Costs (As of 4/16/2020):

McCormick Place Alternate Care Facility (ACF):

Current Budget: \$64,800,00

Amount Set Up/Obligated: \$41,028,317

Amount Spent: \$0

Costs under this category include the following:

- Construction costs and materials
- Wraparound Services for ACF (includes custodial, maintenance, information technology, linens, security, laundry, trash removal, etc.)
- Clinical Staffing

COVID-19 Response Costs:

Current Budget: \$32,000,000

Amount Set Up/Obligated: \$23,609,950

Amount Spent: \$5,635,627

- PPE (masks, gloves, face shields, etc.)
- Cleaning Supplies, Disinfectant, Hand Sanitizer, etc.
- Thermometers
- Information Technology Equipment
- Temporary staffing
- Emergency Operations Center equipment and supplies
- Hotel Leases for Quarantine and Isolation
- Shelter Leases

In addition to costs that are being tracked directly against the COVID-19 lines, an additional **\$3.9 million** of overtime costs have been incurred at various departments that are responding to the COVID-19 event which may be potentially reimbursable under one or more grants.

COVID-19 Funding Resources

As was mentioned in a previous briefing, on March 13, 2020, a nationwide disaster declaration was made pursuant to Section 501(b) of the Stafford Act. As a result of this declaration, the City is eligible to request assistance and reimbursement for eligible activities in response to the COVID-19 emergency from the Federal Emergency Management Agency (FEMA) through the Public Assistance Grant Program.



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To date, the City has submitted our Request for Public Assistance to the Illinois Emergency Management Agency (IEMA). Upon approval of this grant, the intention will be to move the costs from the Corporate budget into a separate grant fund. Expenses will then be submitted for reimbursement.

In addition to the FEMA Public Assistance, the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act, enacted on March 27, authorized over \$2 trillion of relief in the wake of COVID-19. The federal stimulus provides vital funding for housing, mass transit, public health assistance and other funding to support municipalities and states respond to the COVID-19 pandemic and its aftermath.

The City anticipates receiving funds through the CARES Act to further assist with our response to the COVID-19 pandemic. The following list includes those awards that we are currently aware of:

Coronavirus Relief Fund

The relief bill provides an overall \$150 billion in flexible funding to pay for expenses related to the COVID-19 response in 2020. Based on the funding formula, Chicago anticipates receiving approximately \$470 million.

Direct funding from the Coronavirus Relief Fund will be made available to the state of Illinois and to units of local government larger than 500,000 in population that certify with the federal government. The City has submitted the request for these funds from the United States Treasury and awaits clarification on eligible expenditures.

Community Development Block Grant (CDBG) funding will assist communities to provide a range of services including those for senior citizens and the homeless. A portion of the funding will be distributed using a formula, of which the City will be receiving \$46.7 million. Another \$2 billion will be distributed to states and local governments based on the prevalence and risk of COVID-19 and related economic and housing disruption.

Emergency Solutions Grants (ESG) funds will enable state and local governments to address coronavirus impacts among the homeless population. The City will be receiving \$23.7 million in ESG funds.

Housing Opportunities for Persons with AIDS (HOPWA) is dedicated to the housing needs of people living with HIV/AIDS. The City will be receiving \$1.5 million in HOPWA funds.

Department of Justice Grants

Coronavirus Emergency Supplemental Funding Program provides funding to assist states and local units of government in preventing, preparing for, and responding to the coronavirus. Based on guidance issued last week, the City will be receiving \$6.785 million from this grant program.

Airport Funding

The City's airports, O'Hare and Midway International Airports will be receiving \$376 million from the Federal Aviation Administration (FAA) to help offset the incredible disruption that COVID-19 has had on the airport communities.

There is also additional funding available to states and municipalities across the country that the City may be eligible for. There is currently not enough information to determine how much the City of Chicago could receive. The City will continue to identify other available funding opportunities to assist with addressing COVID-19 across communities.

Chief Procurement Officer Emergency Procurement Authority

The list below outlines the Emergency Contracts that have been executed by the Chief Procurement Officer (CPO).

Emergency Contracts

Vendor	Description	PO Date	Vendor Limit
The Howard Elliott Collection Inc. 200 South Mitchell Ct. Suite A Addison, IL 60101	The agreement will provide up to approx. 300,000 emergency medical face shields to supplement the City's stockpile of PPE.	3/30/2020	\$789,000
The Howard Elliott Collection Inc. 200 South Mitchell Ct. Suite A Addison, IL 60101	The agreement will provide up to approx. 1,000,000 emergency protective masks to supplement the City's stockpile of PPE.	3/30/2020	\$590,000
Shift Medical, LTD 750 N. Orleans, Suite 101 Chicago, IL 60654	The agreement will provide up to approx. 11,000 COVID-19 Rapid Test Kits to be distributed by CDPH and used to assess high-risk populations.	4/3/2020	\$440,000
SCR Medical Transportation Inc. 8801 S. Greenwood Ave. Chicago, IL 60619	Under this agreement, SCR is providing 12 vans and drivers to provide the Chicago Department of Family and Support Services specialized medical transportation to fulfill shelter pick-up and drop-off requests for individuals experiencing homelessness who require placement into the City's network of existing and new temporary congregate shelter sites.	4/9/2020	\$500,000



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Midwest Sourcing LLC 5113 Lawn Ave. Western Springs, IL 60558	The agreement will provide up to approx. 500 infrared and no-touch thermometers to be deployed to City first responders.	4/10/2020	\$32,495
Midwest Sourcing LLC 5113 Lawn Ave. Western Springs, IL 60558	The agreement will provide up to approx. 150,000 isolation gowns to supplement the City's stockpile of PPE.	4/10/2020	\$180,000
Vizient 290 East John Carpenter Blvd. Irving, TX 75062	Access medical supplies and pharmaceuticals at prices negotiated through Vizient's Group Purchasing Program.	4/10/2020	\$1,000,000
Vizient 290 East John Carpenter Blvd. Irving, TX 75062	Materials and inventory management for medical equipment, supplies and pharmaceuticals.	4/10/2020	\$999,999
Vizient 290 East John Carpenter Blvd. Irving, TX 75062	Procurement and Sourcing services for medical supplies and equipment.	4/10/2020	\$554,292
Matthew Schipper, Inc. DBA Event Medical Solutions 8022 Sierra Woods Ln. Carpentersville, IL 60110	Dispatch and transportation coordination, plus sub-contracts for private ambulance providers	4/13/2020	\$977,400
Walgreens 300 Willmot Rd. MS #3228 Deerfield, IL 60015	Fulfillment of prescriptions for patients that require medications that are not immediately available on-site through initial formulary.	4/15/2020	\$1,000,000
Savor 2301 S. Lakeshore Dr. Chicago, IL 60616	Food services to patients at the McCormick Alternate Care Facility.	4/15/2020	\$1,000,000
Savor 2301 S. Lakeshore Dr. Chicago, IL 60616	Food services to staff at the McCormick Alternate Care Facility.	4/15/2020	\$1,000,000
AirGas 259 N. Radnor Chester Rd. Radnor, PA 19087	Oxygen tanks and related services.	4/15/2020	\$500,000

Commissioner of Assets, Information and Services (AIS) Agreements

Pursuant to Section V of the EO 2020-1, the Commissioner of AIS has entered into the following lease agreements for the COVID-19 Quarantine and Isolation and Shelter sites.

Location	Description	Date Entered	Estimated Cost
Hotel 166 166 E. Superior St. Chicago, IL 60611	Under the agreement, up to 216 rooms at the Hotel 166 will provide those exposed to or mildly ill with COVID-19 but who are not in need of hospital care to safely quarantine or isolate themselves if they cannot be at home.	3/20/2020	City now paying for 216 beds @ \$175/night
Rauner YMCA 2700 S. Western Ave. Chicago, IL 60608	Under this agreement with the YMCA of Metro Chicago, the City opened this site as a 188-bed temporary congregate shelter for single men who are experiencing homelessness.	3/21/2020	\$356,376 per month
McCormick YMCA 1834 N. Lawndale Ave. Chicago, IL 60647	Under this agreement with the YMCA of Metro Chicago, the City opened this site as a 68-bed temporary congregate shelter for single men who are returning citizens or walk-ins from the street and are experiencing homelessness.	3/21/2020	\$402,909 per month
Southside YMCA 6330 S. Stony Island Ave. Chicago, IL 60637	Under this agreement with the YMCA of Metro Chicago, the City is planning to open site a 132-bed isolation facility with wraparound services for people experiencing homelessness who are COVID+ to recover.	3/21/2020	\$442,369 per month
Hotel Julian 168 N. Michigan Ave. Chicago, IL 60601	Under the agreement, up to 218 rooms at the Hotel Julian will provide those exposed to or mildly ill with COVID-19 but who are not in need of hospital care to safely quarantine or isolate themselves if they cannot be at home.	3/23/2020	City now paying for 218 beds@\$175/night
Veteran Services, LLC (MetroSouth Hospital) 12935 Gregory St. Blue Island, IL 60406	Initially envisioned as a quarantine/isolation facility, this facility was taken over the by State, which will be reimbursing the City for its investment.	3/23/2020	Transferring to State



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Salvation Army Harbor Light 825 N. Christiana Ave. Chicago, IL 60651	Under this agreement with the Salvation Army, the City opened this site as a 99-bed temporary congregate shelter for single men who are returning citizens or walk-ins from the street and are experiencing homelessness.	3/26/2020	\$368,399 per month
Salvation Army Kroc Center 1250 W. 119th St. Chicago, IL 60643	Under this agreement with the Salvation Army, the City opened this site as a 200-bed temporary congregate shelter for single women and families who are experiencing homelessness.	3/26/2020	\$368,399 total cost
Hotel Essex 800 S. Michigan Ave. Chicago, IL 60605	Under the agreement, up to 274 rooms at the Hotel Essex will give first responders a place to rest without having to return home and risking the health of their families during the crisis.	4/1/2020	City now paying for 166 beds @ \$139/night
London House 85 E. Wacker Dr. Chicago, IL 60601	Under the agreement, up to 200 rooms at the London House will give healthcare workers place to rest without having to return home and risking the health of their families during the crisis.	4/3/2020	City now paying for 100 beds @ \$129/night
Godfrey Hotel 127 W. Huron St. Chicago, IL 60654	Under the agreement, up to 225 rooms at the Godfrey Hotel give healthcare workers place to rest without having to return home and risking the health of their families during the crisis.	4/3/2020	City now paying for 75 beds @ \$129/night
A Safe Haven 2750 W. Roosevelt R. Chicago, IL 60608	Under the agreement, A Safe Haven recently opened a 100-bed isolation facility with wraparound services to ensure safe places for people experiencing homelessness who are COVID+ to recover.	4/4/2020	\$562,613 per month

Invoices Paid (As of 4/16/2020)

VENDOR NAME	INVOICE DESCRIPTION	INVOICE AMOUNT
VETERAN'S SERVICES, LLC	Initial payment under contract 127171	1,400,000.00
HOTEL 166	Deposit for rooms during COVID-19	529,200.00
HOTEL JULIAN	Hotel for quarantine during COVID-1	534,100.00
The Howard Elliott Collection Inc.	MASKS FOR COVID-19	295,000.00
The Howard Elliott Collection Inc.	MASKS FOR COVID-19	394,500.00
CDW GOVERNMENT, LLC.	(dos 040120-082020)SAFENET MOBILEPASS SW SAS CLOUD	19,950.00
MSC INDUSTRIAL SUPPLY CO		1,772.80
HOTEL ESSEX	DEPOSIT FOR HOTEL BEDS	128,436.00
SHIFT MEDICAL, LTD	MEDICAL SUPPLIES FOR COVID-19	220,000.00
THE GODFREY HOTEL	Rooms for COVID-19	135,450.00
LONDON HOUSE CHICAGO	Rooms for COVID-19	90,300.00
MSC INDUSTRIAL SUPPLY CO	NEW AND REPLACEMENT INDUSTRIAL EQUIPMENT TOOLS ATTACHMENTS AND SUPPLIES - AT A MARK UP OR DISCOUNT FROM CURRENT PRICE LIST - GROUP CC - STANLEY/BLACK & DECKER - LISTA	2,232.00
OFFICE DEPOT INC	1385290 Duracell(R) Coppertop Alkaline AA Batteries Box Of 36 Batteries	1,106.14
Y M C A OF METRO CHICAGO	Rauner Facility 3/21/20 to 4/3/20	178,188.00
Y M C A OF METRO CHICAGO	Southside Facility 3/23/20 to 4/3/20	189,587.00
The Howard Elliott Collection Inc.	Final payment for COVID-19 masks	394,500.00
The Howard Elliott Collection Inc.	Final payment for COVID-19 masks	295,000.00
Y M C A OF METRO CHICAGO	McCormick Facility 3/21/20 to 4/3/20	201,454.00
MIDWEST SOURCING LLC	Thermometers for COVID-19	32,495.00
SHIFT MEDICAL, LTD	Test kits for COVID-19	220,000.00
CLUTCH GLOBAL LOGISTICS	Shipping costs for COVID-19 PPE	35,025.14
CLUTCH GLOBAL LOGISTICS	Shipping costs for COVID-19 PPE	158,251.78
CLUTCH GLOBAL LOGISTICS	Shipping costs for COVID-19 PPE	33,642.85
CLUTCH GLOBAL LOGISTICS	Shipping costs for COVID-19 PPE	80,595.63
AIR ONE EQUIPMENT INC	COVID19: MIST BLOWER TMD14 WITH TURBO BOOST	1,510.52
AIR ONE EQUIPMENT INC	COVID19: GREEN EARTH HAND SANITIZER 5 GALLON BUCKET AND GREEN EARTH HAND SANITIZER 55 GALLON DRUM	63,330.00

5,635,626.86