



CITY OF CHICAGO

COMMITTEE ON THE BUDGET AND GOVERNMENT OPERATIONS
CITY COUNCIL
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COMMITTEE ON THE BUDGET AND GOVERNMENT OPERATIONS
MONTHLY RULE 45 REPORT
SEPTEMBER 2023

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

Date, Time & Location of Meeting: On September 12, 2023, at 2:00 P.M., the Committee on the Budget and Government Operations held a meeting in City Hall, Council Chamber, 121 N. LaSalle Street, 2nd Floor.

Attendance: The following members were present: Chairman Ervin (28), Vice-Chairman Lee (11), La Spata (1), Dowell (3), Robinson (4), Mitchell (7), Harris (8), Ramirez (12), Quinn (13), Lopez (15), Moore (17), Mosley (21), Rodriguez (22), Scott (24), Sigcho-Lopez (25), Burnett (27), Taliaferro (29), Cardona (31), Rodriguez-Sanchez (33), Conway (34), Ramirez-Rosa (35), Villegas (36), Mitts (37), Sposato (38), Nugent (39), Vasquez (40), Napolitano (41), Knudsen (43), Martin (47), Hadden (49) and Silverstein (50).

The following member was present virtually: O'Shea (19).

The following members were absent: Yancy (5), Harris (8) and Reilly (42).

The following non-members were present: Hall (6), Gutierrez (14) and Coleman (16).

Internal witnesses present were: Jeffery Garceau, Deputy Budget Director, Chloe Belczak, Deputy Budget Director, Joshua Watson, Budget Analyst, Office of Budget Management (OBM); Erin Harkey, Commissioner, Tahira Baig, Deputy Commissioner, Department of Cultural Affairs and Special Events (DCASE); Christopher Shields, Assistant Commissioner, Patrick Stonehouse, Director of Public Health Operations, Irina Tabidze, Director of Public Health Operations, Sarah Richardson, Grants Research Specialist, Regina Meza Jimenez, Assistant Commissioner, Chicago Department of Public Health (CDPH); Raymond Barrett, Deputy Commissioner, Maura McCauley, Managing Deputy Commissioner, Department of Family and Support Services (DFSS)

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

- 1. Approval of the July 2023 Monthly Rule 45 Report for the Committee on the Budget and Government Operations**
- 2. A communication recommending a proposed ordinance concerning an Annual Appropriation Ordinance Year 2023 amendment within Fund 925. (SO2023-0002925)**
- 3. Overview of the 2023 Budget Hearing Process**

Chairman Ervin called the meeting to order, took roll call and observed a quorum was present and made a motion to allow Alderman O'Shea to join virtually pursuant to the Open Meetings Act. Hearing no objections, Alderman O'Shea was added to the roll.

Chairman Ervin then opened the floor for public comment, and acknowledged there were no public speakers. The Chair concluded the public comment period and moved to approval of the Rule 45 Report of the Committee on Budget and Government Operations meeting held July 18, 2023, which report was transmitted electronically to the Membership. The Chair asked if there were any requests for discussion. Hearing no such requests, Alderman Lopez moved to approve the report. A vote was taken, and the report was approved.

The Chair then moved to Item #1 of the agenda, a communication recommending a proposed ordinance concerning an Annual Appropriation Ordinance Year 2023 amendment within Fund 925. Chairman made a motion to accept a substitute ordinance on item #1, Alderman Burnett so moved, hearing no objection, the item was adopted.

The Chair recognized Deputy Budget Director Chloe Belczak, who provided testimony on the substitute ordinance. The Chairman opened the floor for questions and comments.

Alderman Lopez was recognized and asked to make a motion to divide the question, separating the \$33-million-dollar grant from the rest of the substitute ordinance. Chairman Ervin presented the motion to separate the \$33 million Homeland Security component from the balance of the conversation, and asked if there was any discussion by the members. Alderman Conway asked if the amount of funding for migrant services, among the \$3,656,700 to include \$33 million from Homeland Security and the \$3,567,000 from the Illinois Department of Human Services or is the \$33 million for migrant funding in the \$3,567,000 is that for Citizen Chicago homelessness. Deputy Commissioner Raymond Barrett replied, these are two separate grants, one is the emergency and transitional housing, which is for individuals experiencing homelessness, the second is FEMA funding that is directly for asylum seekers. Alderman Conway asked if the \$3,567,000 grant for migrant use or citizen? Chairman Ervin responded "no".

Alderman Lopez referenced CPD's virtual training/simulators, asked if the \$5 million dollar increase was separate or different from the previous grant and what will this bring our total virtual reality simulator equipment to? Deputy Chief Papaioannou replied, this is in addition too, the total is \$500,000. Alderman Lopez requested through the chair, the salaries associated with the positions that are impacted by all of these grants across all departments and if these will be new positions or additional responsibilities to existing positions. Alderman Lopez then proceeded to ask for the exact itemized expenditures for the \$33 million dollars in FEMA funding for noncitizen migrants. Deputy Commissioner Barrett replied, \$19.8 million for food, \$13.2 million for shelter space, it will last for 5-6 months. Alderman Lopez inquired if the cost is money already spent or is that going forward, and what timeframe is the \$19.8 and \$13.2 in reference to Deputy Commissioner Barrett reply that some currently incurred cost for food, part of June, July and August expenses, the leftover would be for September and October. For shelter expenses, May

up until August or September. Alderman Lopez asked, how much was spent June, July, August of the \$19.8 million? Barrett answered, food around \$5 million and shelter space a little over \$6 million for the 3 months. We don't have August and as we continue to get more people the cost will fluctuate. Alderman Lopez referenced the \$51 million dollars that was previously approved for opioid settlement funds to be used for non-citizen migrants including cost associated through June, was that insufficient to the need, why were additional funds used in a month that we already committed \$51 million to? Deputy Commissioner Barrett replied, the \$51 million appropriated back in June was for the shelter staffing and that is still being paid. Also, there are incurred costs that have been paid or are being paid. Alderman Lopez stated reports show \$47 out of \$51 million went to staffing, that left \$4 million unassigned, where did that go? Barrett replied, that \$1.4 million is for legal services, \$8.5 million is for shelter space, \$40 million is for shelter staffing. Alderman Lopez asked who are the contract awardees for the food and shelter and are they Chicago based. Deputy Commissioner Barrett stated, Open Kitchens for the food and Equitable Social Solutions for the shelter. Equitable Social Solutions are not based in Chicago. I don't know about Open Kitchens, I can look that information up. Alderman Lopez cited that 1/3 of the money given has already been spent, and asked if the department was aware that we were getting this money or are we spending in hopes of getting reimbursed? In addition, are we aware of any additional funds coming in our direction? Deputy Commissioner mentioned, we were aware of FEMA's various grant awards, and we are currently applying for a \$42.5 million dollar grant through the Illinois Department of Human Services.

The Chairman recognized Alderman Moore, who asked for clarity on the \$3,567,000 in transitional housing program that is going to non-asylum seekers, is it possible they can see some of those dollars as well. Mara McCauley stated the grant is specifically to expand the number of beds for winter weather and hopefully year round through our current service providers. This is for our homeless shelters, Chicagoans call 311 to be placed right now, asylum seekers are being placed through 311 but are going to new arrival beds when they become available. Alderman Moore inquired if there are any digital marketing platforms on the south and west sides by our transits. Ann Harkey replied I don't have that answer, we do try to distribute our ads in the downtown core and neighborhoods, I can do a deeper assessment and report back. Alderman Moore mentioned that digital screens are funded by ad revenues and that CTA is currently focused on central business district locations, are people just not advertising at these locations. Ann Harkey responded, it's different for city sponsored programs, we receive advertisement by ordinance on the digital network free of charge. We can see if there's an opportunity to increase the advertising that we are generating we have more flexibility than an external.

Alderman Vasquez was acknowledged and stated for the record that the administration needs to inform the federal government that more funds are needed for our preexisting unhoused folks. In addition, he asked Commissioner Harkey if the torture justice monument was funded through the \$6.8 million dollar grant. The Commissioner replied it is partially funded through the grant. Alderman Vasquez extended his appreciation to the Mellon Foundation for the grant funding and requested line-item spending as it relates to the migrant fund, from June until now, I have concerns regarding the math and need clarification on the \$51 million. Raymond Barrett replied and gave clarity on where the funds are allocated.

Chairman Ervin recognized Alderman LaSpata who asked for the timeline of work for the monuments and how your team will engage with the orders of the community. Commissioner Harkey replied, the timeline is 2023-2025, it is a 2-year grant, in addition to the new there are other things that will accompany this grant; comprehensive inventory, update the public art website, partnership with local historians/artists to revise signage, develop curriculum and public art education and tools for docents to go along. You can follow up with me if you have something specific in your ward. Alderman LaSpata asked in relation to identifying additional shelter beds, how can the Alders engage in that work, are there particular projects, nonprofit partners or spaces you are looking for. Maura McCauley replied, you can assist us with identifying spaces that may be workable and zoned for residential use. In addition,

community support as we go through the process. We have an RFP out for a low-barrier shelter that will require a new facility. Alderman LaSpata asked what the amount of square footage and number of beds is needed for this facility. Managing Deputy McCauley responded, for the ARPA, we are seeking space for 60 individual rooms with less shared facilities.

The Chairman acknowledged Alderman Napolitano who referenced CPD's virtual reality and asked is this the type of technology where you're registering scenario situations and the machines are interacting with the officers? Is it recorded data as well? Deputy Chief Papaioannou responded, yes, it is the newest state of the art equipment, that gives you 3-dimensional scenario-based training. Alderman Napolitano referenced the \$33 million dollar grant, and requested an itemized list of shelter locations and how much has been allocated to each of them to date, for both the asylum seekers and shelters in general.

Chairman Ervin asked Chief Talley to speak about the recruitment efforts of the department that are included in this grant. Chief Talley responded, going into 2024 we have a complete rebranding and marketing campaign for the Chicago Police Department.

Vice Chair Lee was acknowledged and referenced the dedicated homeless senior level position, a \$675,000 grant, for 3 years, and asked if they will manage a team and how quickly will you be hiring for the position? Jacquelyn Rosa replied, no they will be cross departmental, working with DFSS, DOH, CHA, the Mayor's Office, and communicating with the Continuum of Care Services. We are looking to hire in October, there is a great need for this position. Vice Chair Lee inquired about DPH, \$426,000 increase for emergency preparedness, how much staff is currently dedicated to emergency preparedness? Assistant Commissioner Shields responded, for that particular grant stream, 33.5 positions. The Vice Chair asked if there are other funding sources for emergency preparedness? Assistant Commissioner replied, there is hospital preparedness program, an additional 5.25 personnel and there's a couple of other grant streams that have individuals that sit on them that work in our program space. Vice Chair Lee asked, does any of the funding cover periodic drills? Assistant Commissioner Shields answered, the money you are looking at is in the fifth year of a cooperative agreement and within the body of that structure is planning, training and exercise. Vice Chair Lee referenced the \$33 million dollar DOH grant and asked what the standard length of time this funding is built around for those served by this program. Deputy Commissioner Barrett replied, FEMA is normally around 2 years, this is specifically for cost incurred from March 3, 2023-2025, it won't last until then, only around 5-6 months, it's going to just cover the cost we are currently accruing right now. Vice Chair Lee requested a breakdown of the \$4.4 million contractual costs associated with the Chicago Police Training and Recruitment program grant.

Alderman Mitchell piggy backed on Alderman Vasquez comments and stated that detailed information, that paints a better picture should be an automatic thing for line items being presented to the body. Alderman Dowell asked for a point of information and asked if Alderman Mitchell is requesting vendors as well? Alderman Mitchell replied yes. Alderman Quinn referred to DFSS and asked if security is a part of the staffing? Maura McCauley replied yes, it is a part of the staffing. Alderman Quinn requested a breakdown of security staffing costs. Alderman Mitchell referenced the migrant situation and the homeless, and raised a point that the line item for \$33 million states "serve non-citizens", and that the line item for \$3.5 million (for transitional housing) does not specifically state for "non us citizens". The line item for \$3.5 million needs to state U.S. citizens experienced homelessness. If we are deliberate about talking about "non US citizens", why aren't we being deliberate about "U.S. citizens" that are in our wards, that have been here and weathered the storm. Maura McCauley replied, our homeless shelters don't have restrictions on citizenship, the \$3.6 million is going to our homeless shelters that serve Chicagoans and non-asylum seekers, these are existing delegates that have been doing this work and serving Chicagoans for decades. Alderman Mitchell requested a breakdown of the delegate agencies and asked, from your point we don't have to state "non citizens" for the \$33 million?. Maura McCauley responded; I believe that is a specific eligibility requirement for FEMA funding.

Alderman Mitts then added, is the city applying for FEMA funds for the city? Chairman gave a point of clarification; your question is in relation to the disaster that occurred July 2nd as it relates to what funding has the city applied for with FEMA. Maura McCauley replied, we are applying for FEMA funds. Alderman Nugent asked if the dedicated senior homeless position is one position at \$225,000 annually? Maura McCauley replied, yes, it is one position and includes French benefits for 3 years. Nugent referenced the public health funding with respect to hospitals, emergency preparedness and asked, who is this? It says Department of Health and Human Services, but sounds like UASI money? Christopher Shields answered, its USAI money under HHS. Alderman Nugent inquired if the city can get UASI dollars if we work hard. Christopher Shields replied, the City gets UASI dollars the Department of Health does not. Nugent asked regarding DHS \$33 million, was there an RFP put out, did we apply for this bucket of money or did DHS released \$33 million to us? Raymond Barrett replied, in coordination with OBM and the Mayor's Office, we have applied for every round of FEMA funding and I believe OBM puts it all together, it makes the most sense since it's coming from one funder and it will be one fund source. Alderman Nugent asked if we know the type of funding other similar situated cities have received, i.e. New York? I would like the top 5 cities, what they are getting in funding and how they are using it. Raymond Barrett responded, I don't know personally but I will find out the information and get back to you.

Chairman Ervin recognized Alderman Dowell who asked DCASE if the \$6.8 million from the Mellon Foundation was going to cover the 9 projects or do you anticipate other funding.? Erin Harkey responded, we anticipate other funding especially for the Chicago Torture Memorial to meet the total project budget, the other projects are at various stages of development, some of the funding will just support the creation of speculative designs and not the full implementation, so at some point additional funds will be needed. Alderman Dowell requested the total budget number for the projects? Erin Harkey replied, yes, we can report through the chair the actual project budgets & locations for each of these.

Alderman Burnett referenced the migrant situation and the \$33 million from the federal government, more are coming in daily, we need additional money, in addition we need to come up with a way of balancing this out, we have people here that are homeless and need assistance. Our community don't have a problem with migrants coming they have a problem with us not taking care of our homeless too.

Alderman Mosley asked what application grants have we applied for that are just homeless, residence specific, what does that increase look like versus the efforts we have done around migrant shelters. Raymond Barrett replied, we typically get around \$4.3 million annually from the Illinois Department of Human Services this current year the state appropriated more money for homelessness. There was an increase of \$9.8 million appropriation was increased, we applied for expansion funding, specifically targeted to get more people off the street into shelters, that is why we were awarded \$3.567 million for winter shelters and working with delegate agencies to turn some of the shelters into overnight shelters. Maura McCauley added, we receive funding from other resources such as HUD Emergency Solutions Grant, CDBG funds through the city process, Federal Funding source through the state, Corporate Funding, Cares Act, ARPA funding and HUD Continuum of Care to meet the growing shelter needs. Alderman Mosley requested a narrative through the chair.

Chairman Ervin asked how many unhoused individuals do we currently have in the city? Maura McCauley replied, there are a couple of datapoints the most recent point in time count which tracks people on a night in January sleeping in a shelter or on the street it's about 6,200, annual number including individuals living doubled up 68,000. Alderman Dowell asked how many are on the 311 waiting list? Maura McCauley replied we will get that to you through the chair.

Alderman Lopez requested to renew his motion to divide the question, take the \$33 million out of this equation, and vote on the 33 million separately from the balance of the 925 amendments.

Alderman Taliaferro made a motion to table Alderman Lopez motion to divide the question. Chairman Ervin moved to an immediate roll call vote to table Alderman Lopez motion to divide the question. There were 23 “yes” and 6 “no’s”, motion to table passed. Alderman Rodriguez moved “do pass” Item No. 1 on the agenda by a voice vote. The following member wished to be recorded as a “no” vote, Alderman Lopez. The remaining members voted aye and the motion passed. The item passed and was to be reported out for the October 4, 2023 City Council Meeting.

Chairman Ervin provided an update on the upcoming 2023 Budget Hearings and thanked everyone for participating in the regional conversations.

The Committee on the Budget and Government Operations having no further business, on motion made by Alderman Haddon for adjournment, meeting was adjourned.

(A video recording of the full meeting with committee members, internal and external experts, as well as any/all public speaking content can be reviewed on the Chicago City Clerk website under Committee Meeting Web Stream Archive dated September 12th.)

Respectfully submitted by:



Jason C. Ervin, Chairman
Committee on the Budget and Government Operations