

**COMMITTEE ON FINANCE
MONTHLY RULE 45 REPORT
December 2019**

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On December 9, 2019, at 10:05 am, the Committee on Finance held a meeting in City Hall, City Council Chambers.

The following members were present: Hopkins, Dowell, King, Sawyer, Mitchell, Harris, Beale, Sadlowski-Garza, Thompson, Cardenas, Quinn, Lopez, Moore, Curtis, Brookins, Tabares, Scott, Burnett, Ervin, Reboyras, Austin, Villegas, Mitts, Sposato, Reilly, Smith, Tunney, Osterman, Silverstein, Vice Chairwoman Hairston, and Chairman Waguespack.

The following members were absent: Burke, O'Shea, Taliaferro, and Napolitano.

The following additional aldermen were present: Taylor, Rodriguez, Cardona, Nugent, and Gardiner.

The Committee addressed the following items:

1. Approval of November Rule 45 Report of the previous meeting of the Committee on Finance.

Chairman Waguespack asked if there were any changes or corrections. There were none. Ald. Villegas moved do pass. Motion carried on a voice vote.

2. O2019-9133 A communication recommending proposed amendments to various sections of Chapter 10 of the Municipal Code of Chicago to modify certain permit fees within the Central Business District.

Chairman Waguespack indicated that Item 2 is being held in Committee.

3. O2019-9255 A communication recommending a proposed ordinance concerning the authority to terminate the Harlem Industrial Park Conservation Tax Increment Financing (TIF) Area.
4. O2019-9256 A communication recommending a proposed ordinance concerning the authority to terminate the Irving Park/Elston Redevelopment Tax Increment Financing (TIF) District.
5. O2019-9257 A communication recommending a proposed ordinance concerning the authority to terminate the South Works Industrial Tax Increment Financing (TIF) District.
6. O2019-9258 A communication recommending a proposed ordinance concerning the authority to terminate the Pershing/King Redevelopment Area Tax Increment Financing (TIF) District.

Chairman Waguespack indicated the Committee would discuss Items 3-6 together. He invited Department of Planning and Development Deputy Commissioner Tim Jeffries to speak on the items, which he did.

Ald. Sadlowski-Garza asked if the remaining funds would go to the Corporate Fund. Jeffries said they would.

Ald. Reilly indicated his support for shutting down the TIFs but asked if the areas would still receive due attention from DPD. Jeffries said DPD is re-examining how it does planning and development and is moving to a more regional approach. Jeffries also said it might make sense in some areas to resurrect a TIF, should the need arise. Ald. Reilly asked that DPD provide through the Chair information on how it will do planning in areas without TIF. Jeffries said that 3 of the 4 TIFs on the agenda have no increment. Ald. Reilly asked that DPD provide reassurance that the areas would remain important to the Department.

Chairman Waguespack asked what criteria were used to determine the TIFs should be dissolved. Jeffries said DPD looked at a lack of activity, the completion of projects intended at the TIF's creation, whether the goals of the TIF had been met, and if any bills remained due for the TIF.

Ald. Nugent asked that DPD not dissolve the Irving Park/Elston TIF because she and Ald. Gardiner had identified a potential project but, due to being new on the City Council, had not had a chance to get the project moving. Ald. Burnett on a point of information asked if DPD had spoken to the aldermen impacted. Jeffries said DPD had spoken to Ald. Nugent but not Ald. Gardiner.

Ald. Reboyras asked why DPD wouldn't hold off on dissolving Irving Park/Elston until the issue was resolved. Jeffries said DPD officials believe the issue will be resolved before the end of the year. Ald. Nugent expressed concern that the issue might not be resolved before the TIF was dissolved.

Ald. Reilly asked if the Irving Park/Elston item should be held for a later meeting. Chairman Waguespack asked if the TIF had to be closed by the end of the year. Jeffries said that other taxing bodies had already been notified that the TIF would be dissolved, and they might have issued their property tax levies based on that information.

Chairman Waguespack said Item 4 would not be voted on until the end of the meeting.

Ald. Burnett said the impacted aldermen should be notified about TIF dissolution well before other taxing bodies. Jeffries said there was a miscommunication. Ald. Reilly agreed and expressed frustration with DPD, despite agreeing that the TIF districts should be dissolved.

Ald. Thompson said it didn't make sense to dissolve Irving Park/Elston and look for money for a project within the TIF somewhere else.

Ald. Beale asked if DPD had communicated with the aldermen impacted by Items 3, 5, and 6. Jeffries said the Department had.

Ald. Tunney said the point of TIF is to generate economic development and asked if these TIFs had failed. Jeffries said several factors impacted the equalized assessed value of these TIFs, and these were created right before the start of the Great Recession, which severely impacted EAV. Ald. Tunney asked what other tools are available to spur economic development. Jeffries said

new TIFs could be created in the future, and Neighborhood Opportunity Fund investment was also possible.

Ald. Thompson asked if DPD had anything in writing showing officials had spoken with the aldermen impacted. Jeffries said the Department did not. Ald. Thompson asked how much money was left in the TIFs, and Jeffries provided that information.

Ald. Ervin asked why DPD did not expect EAV to increase on these TIFs at some point in the future. Jeffries said the EAVs on these TIFs are significantly below the EAV at their formation. Ald. Ervin asked if DPD is doing this to reset the EAV on these TIFs. Jeffries said DPD remains open to using TIFs in these areas, especially in regards to the South Works TIF, and possibly at the Harlem TIF.

Ald. Osterman expressed support for dissolving these TIFs, urged DPD to find more TIFs to dissolve, and said the City needed to wean itself off TIF as a development tool.

Chairman Waguespack noted that these TIF dissolutions were part of the budget package passed in November.

Ald. Lopez asked if these TIFs were surplused. Jeffries said that while they were counted toward the surplus, he was not sure of the actual mechanics of that.

Ald. Reilly expressed frustration with the process DPD undertook to dissolve these TIFs and asked how much the City was surplus from TIFs in 2020. Jeffries said it was about \$300 million. Ald. Reilly said the Irving Park/Elston TIF is tiny in comparison.

Chairman Waguespack suggested DPD reform their process in the future to better communicate with aldermen.

No one in the public indicated a desire to speak on Items 3-6.

Ald. Reilly moved do pass on Item 3. Motion carried on a voice vote.

Ald. Villages moved do pass on Item 5. Motion carried on a voice vote.

Ald. Sawyer moved do pass on Item 6. Motion carried on a voice vote.

7. Direct Introduction A communication transmitting a list of cases in which judgments or settlements were entered into for the month of November 2019.

Chairman Waguespack noted that Item 7 would be placed on file with the Clerk.

8. Direct Introduction One proposed order authorizing one application for City of Chicago Charitable Solicitation (Tag Day) permit to Greenpeace for Jan. 1-June 30, 2020.

9. Direct Introduction A proposed order authorizing the payment of various small claims against the City of Chicago.

10. Direct Introduction A proposed order denying the payment of various small claims against the City of Chicago.
11. Direct Introduction A proposed order authorizing the payment of senior citizen rebate sewer claims.

Chairman Waguespack said that, unless there was an objection, Items 8-11 would be placed on the omnibus agenda at City Council. There was no objection. Returning to Item 7, Ald. Lopez asked that Committee members be provided settlement figures in advance of the Committee meeting.

Chairman Waguespack opened the floor for public comment. Fulton Market Association Executive Director Roger Romanelli asked that the City develop a more empirical process for standing and loading zones, and asked that the City do more to prevent people from parking at a meter all day. Romanelli also asked that the City require an off-street parking plan for construction workers before approving zoning changes.

Ald. Osterman expressed support for Romanelli’s ideas. Ald. Reilly noted that most meters are in the 42nd Ward, and that meters work best when there is turn-over in the vehicles using them.

Chairman Waguespack moved to the Supplemental Agenda.

1. Five (5) proposed orders authorizing the Corporation Counsel to enter into and execute a Settlement Order for the following cases:
 - A. Alma Benitez v. Paul Bar, Frank Castale, Thomas Curran, William Davis, Salvador Esparza, Daniel Gallagher, Roberto Garcia, Anthony Glaviano, Richard Hagen, John Halloran, David Hickey, Michael Jackson, William Johnson, Gregory Jones, Jeffrey Malik, Audie Manaois, David March, David, McNaughton, John Murray, Delores Myles, Michael Nestad, Robert Ranzzoni, Beth Svec, Terence Teahan, Peter Torres, Victor Wathen, Anthony Wojcik, cited as 16 CV 9847. Amount: \$125,000
 - B. Donna Gillespie, as guardian for Shaquille Gillespie v. City of Chicago, cited as 17 L 2447. Amount: \$850,000
 - C. Janet Godinez, on behalf of herself and as administrator of the estate of her brother, Heriberto Godinez, Deceased v. City of Chicago and Chicago Police Officers Keith Lindskog (#11533), James McAndrew (#8373), Rodrigo Corona (#7852), Manuel Arroyo (#5870), Gerald Nowakowski (#3536), Yasir Ramos (#17803), Todd Johnson (#14836), Brian Madsen (#8848), Samson Dadi (#15942), Mark Zdeb (#7371), Gerardo Calderon, Jr. (#17623), Steve Schmid (#3625), Timothy Collom (#17339), Robert Przybylowski (#1850), Leanthony Brown (#7806), Sylvia Remigio (#17459), Michael Murphy (#15504), Donald Oksanen (#6877), Sergeant Michael T. Corlett (#2312), and Lieutenant Don Jerome (#307), cited as 16 C 7344. Amount: \$1,200,000

- D. Tammi Jones, as independent administrator of the estate of Tevin Jones-Rogers, deceased, v. City of Chicago and Thomas Fennell, an individual, cited as 17 L 5331. Amount: \$1,300,000
- E. Gertrude Matanky v. Phillip Flannagan and the City of Chicago, cited as 17 L 011571. Amount: \$175,000

Chairman Waguespack noted that Items 1A and 1C would be held for the moment. Chairman Waguespack invited Renai Rodney, First Assistant Corporation Council, to speak regarding Item 1B, which she did. Ald. Dowell moved do pass. Motion carried on a voice vote.

Chairman Waguespack invited Renai Rodney, First Assistant Corporation Council, to speak regarding Item 1D, which she did. Ald. King asked what the plaintiff's demand was. Rodney said it was \$12 million. Ald. Cardenas asked how many cases are pending related to police misconduct. Rodney said that information would be provided through the Chair. Ald. Cardenas asked how many cases the Law Department expects to settle in 2020. Rodney said she would try to provide that through the Chair. Chairman Waguespack noted that this was discussed during hearings on the 2020 budget.

Ald. Sposato on a point of information noted that the Law Department does not have a crystal ball. Rodney agreed. Ald. Cardenas said it shouldn't be too hard to come up with an estimate and asked that the Law Department provide the demand amount on outstanding cases.

Ald. Reilly moved do pass on Item 1D. Motion carried on a voice vote.

Chairman Waguespack invited Renai Rodney, First Assistant Corporation Council, to speak regarding Item 1E, which she did. Ald. Silverstein said she would not vote on the item under the provisions of Rule 14 because the plaintiff is a family friend.

Ald. Villegas moved do pass on Item 1E. Motion carried on a voice vote, with the exception of Ald. Silverstein, who abstained under the provisions of Rule 14.

Chairman Waguespack invited Renai Rodney, First Assistant Corporation Council, to speak regarding Item 1C, which she did.

Chairman Waguespack recessed the meeting at 11:08 am.

Chairman Waguespack reconvened the meeting at 11:29 am. Ald. Sawyer moved to recess the meeting to 9 am December 11. Motion carried on a voice vote.

On December 11, 2019, at 9:17 am, the Committee on Finance held a meeting in City Hall, City Council Chambers.

The following members were present: Hopkins, Dowell, King, Mitchell, Thompson, Quinn, Lopez, Moore, O'Shea, Taliaferro, Reboyras, Villegas, Reilly, Tunney, Osterman, Silverstein, Vice Chairwoman Hairston, and Chairman Waguespack.

The following members were absent: Sawyer, Harris, Beale, Sadlowski-Garza, Cardenas, Burke, Curtis, Brookins, Tabares, Scott, Burnett, Ervin, Austin, Mitts, Sposato, Napolitano and Smith.

The following additional alderman was present: Nugent.

The Committee addressed the following items:

1. O2019-9256 A communication recommending a proposed ordinance concerning the authority to terminate the Irving Park/Elston Redevelopment Tax Increment Financing (TIF) District.

Chairman Waguespack opened the meeting with Item 1 from the recessed agenda (Item 4 from the Dec. 9 agenda). Ald. Nugent said she no longer has any objection to proceeding.

Ald. Lopez motioned to determine if a quorum was present. The following members were present: Dowell, Mitchell, Thompson, Lopez, Taliaferro, Villegas, Tunney, Vice Chairwoman Hairston, and Chairman Waguespack.

There being nine members present, the Committee did not have the requisite number of members to proceed under Rule 39, and Chairman Waguespack recessed the meeting at 9:19 am.

Chairman Waguespack reconvened the meeting at 9:48 am. No one in the public indicated a desire to speak on Item 1.

Ald. Taliaferro moved do pass. Vice Chairwoman Hairston requested a roll call vote. On the roll call, the following Committee members voted Yes: Hopkins, Dowell, King, Mitchell, Thompson, Quinn, Lopez, Moore, O'Shea, Taliaferro, Reboyras, Villegas, Reilly, Tunney, Osterman, Silverstein, Vice Chairwoman Hairston, and Chairman Waguespack. No aldermen voted No. Motion carried 18-0.

2. One (1) proposed order authorizing the Corporation Counsel to enter into and execute a Settlement Order for the following case:

- A. Janet Godinez, on behalf of herself and as administrator of the estate of her brother, Heriberto Godinez, Deceased v. City of Chicago and Chicago Police Officers Keith Lindskog (#11533), James McAndrew (#8373), Rodrigo Corona (#7852), Manuel Arroyo (#5870), Gerald Nowakowski (#3536), Yasir Ramos (#17803), Todd Johnson (#14836), Brian Madsen (#8848), Samson Dadi (#15942), Mark Zdeb (#7371), Gerardo Calderon, Jr. (#17623), Steve Schmid (#3625), Timothy Collom (#17339), Robert Przybylowski (#1850), Leanthony Brown (#7806), Sylvia Remigio (#17459), Michael Murphy (#15504), Donald Oksanen (#6877), Sergeant Michael T. Corlett (#2312), and Lieutenant Don Jerome (#307), cited as 16 C 7344. Amount: \$1,200,000

Chairman Waguespack moved to Item 2 on the recessed agenda (Item 1C from the Dec. 9 Supplemental Agenda) and asked if there were any questions. There were none. No one in the public indicated a desire to speak on Item 2.

Vice Chairwoman Hairston moved do pass and requested a roll call vote be taken. On the roll call, the following Committee members voted Yes: Hopkins, Dowell, King, Mitchell, Thompson, Moore, Taliaferro, Reboyras, Villegas, Tunney, Osterman, Vice Chairwoman Hairston, and Chairman Waguespack. The following aldermen voted No: Quinn, Lopez, O'Shea, and Reilly. Motion carried 13-4.

Ald. Thompson said he struggled with the settlement, but, as a lawyer, he understood the need to settle. Ald. Thompson said he trusts the officers involved, but from a fiduciary perspective, the costs of litigating the case are greater than the settlement costs.

Ald. Lopez expressed his displeasure with the settlement because the victim was a gang member who had committed crimes in the neighborhood.

The Committee having no further business, on a motion by Ald. Reilly, the meeting was adjourned at 9:57 am.

Respectfully submitted,

A handwritten signature in black ink that reads "Scott Waguespack". The signature is written in a cursive, flowing style.

Scott Waguespack

Chairman, Committee on Finance