



CITY OF CHICAGO



COMMITTEE ON THE BUDGET AND GOVERNMENT OPERATIONS  
CITY COUNCIL  
CITY HALL - ROOM 200  
121 NORTH LASALLE STREET  
CHICAGO, ILLINOIS 60602

ALDERMAN PAT DOWELL  
CHAIRMAN

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**Date: JULY 10, 2020**

**COMMITTEE ON THE BUDGET AND GOVERNMENT OPERATIONS  
MONTHLY RULE 45 REPORT  
JUNE 2020**

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**Pursuant to Rule 45 of the City Council Rules of Order, the Committee on the Budget and Government Operations submits the following Monthly Rule 45 Report for June 2020.**

**Date, Time &  
Location of  
Meeting:**

On June 10, 2020, at 10:00 a.m., the Committee on the Budget and Government Operations held a meeting via video conference, in Chicago, Illinois.

**Attendance:**

The following members were virtually present at the June 10, 2020 Committee on the Budget and Government Operations Meeting: Chairman Dowell (3), Vice-Chair Silverstein (50), King (4), Hairston (5), Sawyer (6), Mitchell (7), Harris (8), Sadlowski-Garza (10), Thompson (11), Cardenas (12), Quinn (13), Moore (17), Curtis (18), O'Shea (19), Brookins (21), Rodriguez (22), Tabares (23), Scott (24), Burnett (27), Ervin (28), Taliaferro (29), Reboyras (30), Waguespack (32), Ramirez-Rosa (35), Villegas (36), Mitts (37), Sposato (38), Napolitano (41), Reilly (42), Smith (43), Tunney (44), Cappleman (46), and Osterman (48).

The following member(s) were not present at the June 10, 2020 Committee on the Budget and Government Operations Meeting: Austin (34)

The following non-members were virtually present at the June 10, 2020 Committee on the Budget and Government Operations Meeting: LaSpata (1), Beale (9), Lopez (15), Coleman (16), Sigcho-Lopez (25), Cardona (31), Nugent (39), Vasquez (40), and Hadden (49).



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

- 1. Approval of the April 2020 and May 2020 Monthly Rule 45 Reports for the Committee on the Budget and Government Operations.**

**APPROVED IN COMMITTEE 06/10/20**

The following items were referred to the Committee on the Budget and Government Operations at the City Council meeting held on **May 20, 2020**:

- 2. An ordinance concerning an allocation of Neighborhood Opportunity Fund grant to Inner City Muslim Action Network for redevelopment of the property located at 1207-1211 W. 63<sup>rd</sup> St. (O2020-2806)**

**PASS COMMITTEE 06/10/20  
PASS CITY COUNCIL 06/17/20**

- 3. A substitute ordinance concerning an amendment to the Annual Appropriation Ordinance Year 2020 within Fund No. 925 for Department of Public Health, Office of Budget and Management, Department of Family and Support Services, Department of Planning and Development, Department of Transportation and Department of Aviation. (O2020-2825, SO2020-2825)**

**SUBSTITUTE PASS COMMITTEE 06/10/20  
SUBSTITUTE PASS CITY COUNCIL 06/17/20**

Chairman Dowell called the virtual meeting to order pursuant to applicable law and determination that attendance by remote means is necessary because an in-person meeting is not practical or prudent due to the declared public health disaster cause by COVID-19, the meeting is conducted by video conference. Chairman Dowell took a roll call to establish a quorum and a quorum was established. Chairman Dowell opened the floor to begin the public comment period and explained the procedures for public comment. Before recognizing the first public speaker, Chairman Dowell acknowledged that the Committee on the Budget and Government Operations ("the committee") received written public comment from 670 City of Chicago and Cook County residents regarding decreasing the Chicago Police Department's budget. First public speaker, Dr. Barbara Norman was unavailable. Second public speaker, Esmeralda Hernandez, was recognized by Chairman Dowell. Ms. Hernandez spoke about the lack of equity in addressing the



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COVID-19 pandemic for the Latinx and undocumented community in places like Little Village, her support for defunding the police and her opposition to the Emergency Powers ordinance passed by the committee at the beginning of the pandemic. Third public speaker, Jessica Sullivan Wilson, spoke on the need to provide further rental assistance to Chicago residents due to the COVID-19 pandemic. Fourth public speaker, Sam Toia from the Illinois Restaurant Association, expressed his organization's support of the CARES Act funding ordinance being considered by the Budget Committee during the June 10<sup>th</sup> meeting. Chairman Dowell then called on Clayborn Wade from Kids First Chicago. Mr. Wade spoke about the lack of digital access available to children to assist with their education during COVID-19, which has forced Chicago Public Schools to cancel in-person instruction and move to virtual learning. Next, Chairman Dowell recognized Ed Coleman, who identified himself as the President and CEO of West Side Forward and expressed his support for the proposed Together Now Relief Fund. Last, Chairman Dowell called on Frankie Ping, who was not available to speak. Chairman Dowell then concluded the public comment period.

Alderman Dowell called review and approval of the April 2020 and May 2020 Monthly Rule 45 Reports for the Committee on the Budget and Government Operations. There were no questions from committee members and non-members. Alderman Burnett made a motion to approve the reports which was approved by the same roll call vote as was applied to determine quorum.

Chairman Dowell moved to item 1 on the agenda from the Department of Planning and Development (DPD), an ordinance concerning the allocation of a \$1,750,000 Neighborhood Opportunity Fund (NOF) grant to the Inner-City Muslim Action Network for the redevelopment of the property located at 1207-11 W. 63<sup>rd</sup> St. in the 16<sup>th</sup> Ward. Chairman Dowell introduced Robert Bumpers from DPD to explain the ordinance and walk committee members through the presentation. Mr. Bumpers, a Financial Planning Analyst with DPD's Financial Division, gave his opening statement and presentation on the grocery store planned for the aforementioned site using the NOF grant.

Following Mr. Bumpers presentation, Chairman Dowell called for questions from committee members. Alderman Moore expressed his support for the project and spoke about all the work the Inner-City Muslim Action Network (IMAN) is doing in the community, citing a similar effort undertaken by IMAN considered by the Committee on Housing and Real Estate the previous day and how IMAN puts together great projects in the community that put people back to work and provide needed services. As a fellow Englewood Alderman, Alderman Moore was excited to welcome this project in the neighboring ward because of its positive impact on the entire community, and looks forward to additional development further south down Racine Ave.



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Alderman Coleman, who represents the ward where the project is located, expressed her excitement in the project, especially considering what was happening in many communities on the south and west sides, and that on Monday, June 1<sup>st</sup>, IMAN were the only building not boarded up, but were actually continuing build-out on the property. Alderman Coleman continued that she is honored to have a grocery store in the community, specifically one that is “for us, by us” that would impact the entire neighborhood. She concluded by thanking Dr. Rami Nashashibi and IMAN for their work.

Alderman Curtis stated that he has known the work of IMAN for many years, can attest to the high quality of their work, and supports the build-out for the grocery store.

Alderman Rodriguez expressed his support of the ordinance and shared his firsthand knowledge of the amazing work done by Dr. Rami Nashashibi and the entire IMAN staff, as it supports multiple communities in unity, and brings that perspective to this community. Alderman Rodriguez also congratulated Alderman Coleman on this project.

Alderman O’Shea congratulated Alderman Coleman on the project as it is a beacon of hope and something positive in the community.

Alderman Burnett said he would be remiss if he didn’t congratulate Alderman Coleman, Rami and Iman for the great work they do. He retold a story about how Rami challenged local store owners to respect the community, especially African American communities, and how Rami is doing a lot to inspire and motivate people in the neighborhood.

Alderman Hairston stated that even though she isn’t familiar with Mr. Nashashibi she knows how challenging it is to get a grocery store, so she wanted to congratulate Alderman Coleman.

Chairman Dowell shared her congratulations to Alderman Coleman and to Rami and IMAN for this excellent community project. Chairman Dowell stated she has known Mr. Nashashibi for many years, and she is encouraged that he is still working hard in the trenches and doing what is good for the community.

Alderman Moore moved to pass item number one on the agenda which passed by the same roll call vote as was applied to determine a quorum.



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Chairman Dowell then moved to Item Number 2 on the agenda, an amendment to the Annual Appropriation Ordinance 2020 within Fund No. 925 for the Department of Public Health and the Department of Transportation.

Chairman Dowell called for a motion to accept the substitute ordinance by the same roll call vote as was applied to determine quorum. Alderman Mitts moved to accept the substitute ordinance.

Chairman Dowell introduced Budget Director Susie Park of the Office of Budget and Management to explain the ordinance, and acknowledged department representatives were available to answer specific questions.

Director Park gave her opening statement and accompanying presentation.

Alderman Rodriguez inquired about homelessness and asked if the funding provided in the ordinance fully funds the \$22 million proposal put forward by the Chicago Continuum of Care and offer immediate housing for the 1,750 people experiencing homelessness. Department of Family and Support Services (DFSS) Commissioner Morrison Butler answered that the ordinance would fund roughly 1,250 units of housing for rapid rehousing. In addition, there is considerable money in the budget for rental assistance, which is another important initiative that DFSS funds. DFSS sees housing through two lenses pertaining to homelessness, stemming the flow of people into homelessness through rental assistance, and then supporting those coming out of homelessness to get into rapid rehousing. These two priorities are what is currently funded in the ordinance. Alderman Rodriguez asked for clarification that of the 1,750 people identified by the Continuum of Care, the ordinance supports 1,250. DFSS Commissioner Butler said yes that is the case. Alderman Rodriguez stated he noticed that rental assistance went up from \$12.5 million to \$20 million and asked if someone could talk about that. Department of Housing (DoH) Commissioner Novara responded that her department is modeling and scaling up from the smaller amount allocated in March and they are contemplating programs for that. DoH anticipates they would reopen an application process for this funding online and all of the previous applicants from the first round would be entered into the new pool, would also be open to new applicants and would select grant recipients through a random lottery. They are working on a new document upload system with the Department of Assets, Information and Services, which is nearly complete, which will allow DoH to distribute funds more quickly. To process these grants quickly by the end of year deadline, they do anticipate the need to bring on temporary staff. They are also contemplating larger grant awards. Previous grants were \$1,000. This point they are contemplating three different grant levels, \$1,500, \$2,000 or \$2,500 based on the applicant's reported rent, with the aim to cover two times the applicant's monthly rent, with a cap of



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\$2,500. They will once again partner with community-based organizations to distribute a portion funds, since they have local relationships and can access people unable to apply online. With the additional funding, DoH could serve a minimum of about 7,500 households, more of course if not every applicant needs the full 2,500. Alderman Rodriguez continued by asking if the violence prevention dollars that are allocated for the Chicago Department of Public Health (CDPH) are additional dollars or dollars that will pay down what has already been committed to violence prevention. Budget Director Park clarified that these investments are on top of what already has been allocated for 2020, so whether its for mental health, violence prevention, homelessness and housing initiatives, all funding in the ordinance is above and beyond previous allocations. CDPH Commissioner Dr. Allison Arwady stated that these funds are for street outreach and they are in conversations with Susan Lee and Norman Kerr from CDPH on the details of what these programs will look like. Ideally, they are using street outreach funds to spread the tandem messages of violence prevention and COVID-19 prevention simultaneously, and these funds allow CDPH to expand that effort. In addition, violence prevention funding allows for the decrease of stress on the City's healthcare system, with less people needing service due to violence, the system can better respond to COVID-19 needs. Norman Kerr, CDPH staff, added that since the pandemic started street outreach has shifted to include work around addressing COVID-19 and their teams have been exempted by the City and the Chicago Police Department (CPD) to continue working on the streets. They are engaging people who are out, and providing information around COVID-19 and staying inside through a series of public education materials developed for different populations, like those still involved in violence, which didn't decrease because of COVID-19, meaning there was still a need for engagement. CDPH is also looking to expand its violence prevention efforts into additional communities. Alderman Rodriguez moved on to COVID-19 direct response costs and asked for clarification about what "ongoing" means in terms of the \$340 million allocated for this purpose. He further asked if funding is being allocated for the police department. Budget Director Park stated nothing is allocated for CPD. When COVID-19 began, the City bore all its COVID-19 costs on the corporate budget. There are two main grant programs that will help relieve these costs from the corporate budget, FEMA Public Assistance and Coronavirus Relieve Fund (CRF) funds. The first pot of money came in when the president declared the disaster, which she discussed during March Council meeting she believes, and that is a reimbursement from FEMA. In addition, the City received \$407 million in Treasury funds to be used for direct COVID-19 response costs. One of the things the Office of Budget and Management (OBM) has been working on is assigning the costs on corporate, both non-personnel as well as personnel costs associated with COVID-19 to either the FEMA Public Assistance pot of funds and what is eligible there, and what is eligible for Coronavirus Relief Fund funding. With those costs on the corporate budget, they are trying to reimburse these costs to move them off of corporate. The difference is direct response costs like the McCormick Health Facility are reimbursable through FEMA and they are working on that. The other portion coming through the



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CRF are some of the reopening costs, benefit costs, teleworking costs, and all of those costs are eligible through the Coronavirus Relief Fund. The biggest difference is straight time is eligible for reimbursement through the CRF, therefore all of that straight time all of the departments have dedicated for COVID-19 response is eligible for reimbursement through the CRF and those costs are ongoing. Budget Director Park also reminded the committee that CRF funding is available to cover costs from March 1<sup>st</sup> to December 31<sup>st</sup>, which is why if there is a Fall resurgence OBM has reserved \$40 million of the \$403 million to address that possibility. The FEMA Public Assistance money will also end when the president declares that the emergency itself is over, which could be at any point, then that source of funds is not available. Any response costs would have to come from the CRF. A lot of the \$333 million that is indicated is for staff time across every department who were redirected to respond to COVID1-19, and then its what OBM thinks will be the ongoing cost through the end of the year. Almost all departments have incurred personnel costs related to COVID-19 response. Alderman Rodriguez asked for a breakdown of spending Through the Chair, to which Chairman Dowell stated that request was made the day before and she is expecting that information to be provided by the end-of-the-day. Budget Director Park said she will get that breakdown to everyone by the end-of-the-day. Alderman Rodriguez expressed reservations voting for the ordinance considering 30% of the funding lacks clarity, and asked for a round 2 of questions.

Alderman Thompson concurred that he wants the breakdown and then asked that if personnel are being added on the different grants. Director Park responded that the Public Health grant has personnel but the CDBG and a lot of other ones do not have personnel on them. Alderman Thompson asked if the work will be contracted out. Director Park said the commissioners of the departments would have a better understanding to respond to that questions. DFSS Commissioner Morrison Butler said most of the work they do is through the delegate agencies that they fund. For example, the shelter funds and rapid rehousing funds are through partnerships with delegate agencies. Alderman Thompson asked if those funds were going to be distributed through RFPs. DFSS Commissioner Morrison Butler responded no, since DFSS already has existing delegate agencies and contracts for those services are in place, which is the quickest way to get the money out. Alderman Thompson asked if that was going to be disclosed, to which DFSS Commissioner Butler said yes. Alderman Thompson said his concern was that the resources are getting spent and that the resources are being used to address problems like homelessness. DFSS Commissioner Butler said that through close partnerships with departments like CDPH they can address these issues. For example, under the health umbrella there is \$500,000 for behavioral health support and they look forward to continuing these partnerships, not only to offer traditional shelter and support but for things like mental health with the help of CDPH. CDPH Commissioner Dr. Arwady added that the \$500,000 for behavioral support gives CDPH the ability to send out teams to people who have serious mental illness and are not able to keep their appointments, to have supervised access to mental health



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services and to direct people experiencing homelessness to a group for outreach. CDPH is using this opportunity to think about people that are at risk, and extra risk for COVID-19 because they suffer from serious mental or physical illness. This is in addition to what was already allocated in the original corporate budget. Alderman Thompson asked how to measure the effectiveness of the programs funded by these grants. Budget Director Park stated that all of these funds are COVID-19 related and there has been a discussion on how to baseline the programs, show where we started, the increase due to COVID-19 and show the outcomes. The City is bringing in an auditor to help with CARES Act funding and they are actually funded out of CRF. The auditor is probably going to set some outcome metrics, but each grant program has different requirements as well, so outcome metrics can't be uniform but there is a discussion about how to show output from CARES Act funds. Alderman Thompson clarified he appreciates that because these aren't sustainable funds, they are one-time grants. Budget Director Park agreed. Alderman Thompson stated that the upgrades mentioned by Housing Commissioner Novara to the AIS system is a great use for one-time funds. Alderman Thompson questioned why Water Fund isn't part of the weekly report provided by OBM on COVID-19 costs. Budget Director Park responded they just submitted their costs directly and OBM has borne those costs on corporate, and they are having discussions about separating those costs into its own fund as well. Alderman Thompson said it would only be fair that since it's a separate fund they should be allocated separately. Budget Director Park stated yes they have had those discussions. Alderman Thompson asked how much money the City has already received for FEMA as far as reimbursements. Budget Director Park answered that the City hasn't received any reimbursements through FEMA, they received the agreement two weeks ago and started to put everything online. If this ordinance passes and when the CRF is appropriated, OBM can move everything off corporate and into the appropriate bucket to submit for reimbursement. Alderman Thompson said he looks forward getting those reimbursements and that it's important that as spending and reimbursements are occurring there is transparency. Chairman Dowell asked DFSS Commissioner Morrison Butler to follow up on the outcome measurement question from Alderman Thompson. DFSS Commissioner Morrison Butler stated that for each program model they have established outcomes. For all the contracts that are in place, there are outcomes associated with them, and she can share these outcomes for the specific program models, which would allow aldermen to understand how DFSS measures success. Currently DFSS is focused on aggressively managing the potential outbreak of COVID-19 in the homeless population, so they haven't had those conversations yet, but they definitely can. She thinks it would be possible to track their outcomes and then cross-track them with CDPH and share that information with the Council. Chairman Dowell asked CDPH Commissioner Dr. Arwady to provide those metrics as well, to which she agreed.



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Alderman Ramirez Rosa asked if ongoing expenses are coming out of discretionary funding. Budget Director Park said that it's coming out of the \$470 million from the Treasury. Alderman Ramirez Rosa asked for clarification if that is under the umbrella of the discretionary fund. Budget Director Park said yes. Alderman Ramirez Rosa stated that having such a large amount of funding, an upwards of 70% of the discretionary funds that the City has available which can be used for things like rental assistance and paying for necessary things like personnel time used for COVID-19 response, may in fact be going to police overtime. That's a decision the City makes as to whether or not we are going to spend that money on police overtime or on rental assistance. Alderman Ramirez Rosa said OBM promised a breakdown, but asked Budget Director Park how much of this funding is going to police overtime. Budget Director Park responded that none of it is going to police overtime. Budget Director Park then shared a screen with a PowerPoint presentation that reviewed the CRF and its eligible costs vs. FEMA Public Assistance Funds and their eligible costs. Chairman Dowell asked Budget Director Park to send the presentation to all aldermen, which Budget Director Park agreed to do. Alderman Ramirez Rosa thanked the budget director for clarification and followed up by asking if no FEMA overtime money or no straight-time payroll cost money from the CRF are going towards Chicago Police Department Pay. Budget Director Park said she can not say that for a fact, as CPD may have incurred legitimately allowable overtime costs, that is one of the things OBM is working on. All departments have to code time if its COVID-19 related, and OBM is going to audit those records. But CPD may have had actual overtime costs that are COVID-related and may be eligible. Alderman Ramirez Rosa asked if that was also true for CRF funds, that a portion may go towards CPS. Budget Director Park said CPD's coding justification is a bit more complicated. The Fire Department is much easier because they are doing ambulance runs, and for the most part you can presume a lot of that work is around COVID. CPD is more difficult making it hard to definitively state yes or no to Alderman Ramirez Rosa's question. Alderman Ramirez Rosa thanked Budget Director Park and then asked for the \$100 million spent for the last two months that was used to calculate and extrapolate out towards the \$333 million, how much of that \$100 million came from CPD. Budget Director Park answered zero, that the calculation got to \$333 million without the Police Department. Alderman Ramirez Rosa asked for the mathematical breakdown of the \$100 million so the council can see what departments are dedicating time towards COVID-19 in terms of straight-time payroll costs. Budget Director Park said all of the departments she discussed in the PowerPoint were pulled directly from payroll, excluding benefits, and she is happy to share that information. Alderman Ramirez Rosa stated that for the record he believes \$20 million from rental assistance is entirely too low considering the average rent for the City of Chicago, which us up 5% year-over-year. He is heartened about the increase households will be able to receive through the rental assistance program, but he is disappointed that the funding can only serve 7,500 families with so many in need. The City has failed to provide families with



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other forms of simple relief like more time to pay rent, and he hopes that with this discretionary funding the City could do more, but it is what it is.

Alderman Waguespack inquired about the \$40 million set aside for a potential resurgence considering that ten states just saw a huge resurgence in cases shortly after opening. Will the \$40 million be enough of a set aside in case we have a huge resurgence. Budget Director Park answered that originally we were starting the response from zero to where we are today, and now we have things in place like teleworking and PPE and the City is working on that incrementally so if a resurgence happens we are not starting from zero. However, she can not say if \$40 million will be enough, but hopes that it is. The City is moving forward to prepare for a second surge, but they definitely want to make sure there is enough funding set aside to not be caught flat-footed. Alderman Waguespack asked if the City would have to spend that funding by the end of the year, to which Budget Director Park said yes. Alderman Waguespack asked if the funding could be used to fill other gaps before the end of the year if it's not needed for resurgence. Budget Director Park said yes. Alderman Waguespack inquired how Chicago's spending differs from other cities. Budget Director Park said they are talking to other cities and from their conversations it seems that everyone is in a similar situation, especially for direct response costs, and they all are just trying to be prepared. A lot of other cities are covering some of their personnel costs because no one has budgeted for COVID-19, and how to leverage CARES Act funds to cover all the cost. Alderman Waguespack said the budget director made police overtime very clear, but issues around the CHA are much less clear. In his discussions with advocates the CHA may have up to 1,200 units available, and while there are differences in how those units roll out, has OMB talked with CHA about funding so they can utilize these units to open quicker. Budget Director Park stated that the CHA gets their own pot of CARES Act funding and will provide additional information Through the Chair. Alderman Waguespack acknowledged it's not Budget Director Park's job to report on the CHA, but he said the CHA should be more forthcoming. Alderman Waguespack stated he knows a lot of their funding is being used for cleaning, and when talking with residents, he isn't sure how much they are getting and if the City can utilize these funds to open up some of the vacant units. DoH Commissioner Novara provided clarification on the CHA vacant units, stating they report the number of units that are vacant and offline, and within that vacant unit number reported, there is a huge variation on the units. DoH has sat down with the CHA and gone through what it actually means to be vacant and offline in an audit, and a vast majority of those units are uninhabitable. The units that are under rehab or coming up for lease are going to either people coming off the waiting list or right to return. In response to individuals who say that CHA should use these units to house people to end homelessness, most of their one-off available units are scattered throughout buildings across the city, which is a challenge to think about in terms of staffing, especially as part of COVID-19 response where the City is looking at trying to help people to quarantine in a safe



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way. DoH Commissioner Novara wanted to clarify to dispel the notion that there are 1,200 vacant CHA units ready and waiting to go, which is not accurate.

Chairman Dowel recognized Alderman Taliaferro for a point of clarification, who asked that DoH provide a breakdown of CHA units that are currently available and ready to move into. DoH Commissioner Novara agreed to provide that information.

Alderman Osterman asked if the Public Health funding will help the City deal with COVID-19 into the end of the summer and get the students back to school in the fall. CDPH Commissioner Arwady said yes, they are using this one-time funding to be as prepared as possible. For example, nondiscretionary funding coming into CDPH is being used to increase epidemiology and laboratory capacity, which will help them build up systems to replace outdated data technology. Currently, it takes CDPH about six hours every day to run the daily numbers and the ability to put in place a lot of digital infrastructure that lets CDPH link to electronic medical records amongst all the health providers is something they need to have data in as real time as possible. The CDPH team tries to think ahead at all points so they built in various campaigns down the line like vaccination campaigns, flu vaccine, etc. She is confident CDPH is building the structures they need in place right now while having personnel and structures in place to respond in the future. CDPH Commissioner Dr. Arwady continued that COVID-19 is still going to be present, even if there isn't a surge, and her job is to ensure the City can manage the one-off cases and that we don't see a significant spread, and that CDPH has a good setup in place to do that. Alderman Osterman asked DFSS Commissioner Morrison Butler about the homelessness allotment of \$7.3 million for shelters and asked if that was to shore-up the shelters already in place or for additional shelters needed due to overcrowding and social distancing requirements. DFSS Commissioner Morrison Butler answered the primary focus of that funding is to maintain alternate shelter sites. With shelters mostly being congregate, social distancing is difficult, so in order to follow CDC and CDPH guidelines, DFSS needs to move beds from the existing footprint to other spaces, which they want to maintain for another six months. That decision was made in consultation with CDPH. In order to maintain these alternate sites – building costs, staffing costs, food, laundry – the majority of this funding will go to the alternate sites, which are separate from the existing shelter footprint. There is some money to support existing shelters, but most of it is really for maintaining the decompressed footprint for six months. Alderman Osterman stated COVID-19 is going to be around for a while so he wants to continue the conversations about having a solid shelter system in place to handle future capacity. Alderman Osterman then asked about violence prevention funds and if there were increased from \$10 million in the original ordinance to \$20 million, to which Chairman Dowell answered yes they were. Alderman Osterman then stated he appreciated that funding for rental assistance was increased to \$20 million, he wished it could be more,



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but he is working with the state for an additional allotment from the \$396 million in funds that was passed by the state for statewide use. As a city, Chicago will be looking to see what it can do to get money that it can use for rental assistance for its residents, because he thinks the need for this type of assistance is significant, and it's important to ensure people have safe housing during COVID-19 and beyond, and he will be working on this issue with Chairman Dowell and others.

Alderman Sadlowski-Garza inquired if people who already applied for the rental assistance program would have to reapply. DoH Commissioner Novara clarified that they would not have to reapply, even if they were awarded funding in the first round, given that funding in that round was capped at \$1,000. Those that received funds would only be eligible for the difference between the new award amount minus their previous award. DoH didn't want to penalize people that were already selected earlier at the lower amount. The new program would be eligible for new people to apply as well. Alderman Sadlowski-Garza asked about the new funding amount per family and how distribution of funds would happen. DoH Commissioner Novara clarified they would continue to work with community-based organizations for a portion of the funding, because they can reach residents that may not be able to apply through the online portal, or may need to work in a language other than English, however the majority of the funds would be distributed through DoH and they would hire some temporary staff to help get the funds out through the summer and fall. Furthermore, grants would be in the amount of \$1,500, \$2,000, or \$2,500 and the City would try and cover up to two months of an applicants rent. But if two months rent is higher than \$2,500 the City wouldn't cover it. In addition to the application, residents would have to provide proof of COVID-19-related income loss, proof of income prior to that loss and a letter from the landlord stipulating their rent amount.

Alderman Burnett stated he appreciated how the City is trying to spread the money out and he is encouraged by the increase in the important rental assistance program funding and the money going to address homeless, through he hoped the City could increase that in the future. Alderman Burnett then asked who the \$40 million in violence prevention funds are going to, if it is new organizations or old organizations. In addition, contact tracers, how are those being hired. Mr. Kerr started by clarifying a point made by Alderman Osterman, that it's not \$10 million directed towards street outreach initiatives, it was \$6 million, so its \$6 million total. To Alderman Burnett's question, CDPH has previously identified 15 communities it has been working in for street outreach, but they are trying to expand these areas to identify 25 communities that have the highest organization rates and work in those areas. One of those areas is in Alderman Burnett's ward, the near west side, so that is a community CDPH will be exploring. As far as identifying organizations to work in the communities that CDPH hasn't worked in for violence prevention, they are still in the process of identifying partners, which they will identify using criteria they



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have developed which they will share with aldermen in order to get constituents and partners involved in the process, because CDPH wants to make the process open to new organizations as well. This process will start with existing organizations, and then in response to concerns about inclusion, CDPH will open it up to be as inclusive as possible. Alderman Burnett agreed the violence prevention is very fluid right now, effective organizations and individuals can change all the time. He said you can't rely on some of the only groups because they no longer have the connections on the ground to do the work effectively. Alderman Burnett then asked for Mr. Kerr's contact information, which will be provided Through the Chair, as well as for the organizational criteria are so aldermen can help constituents be part of the process of keeping peace in the community.

Alderman Hairston asked that in addition to Mr. Kerr's contact information, that the list of 25 communities identified for the violence prevention program also be sent Through the Chair.

Chairman Dowell asked for clarification on the \$10 million in violence prevention funding. Did a portion of the funds go to Mr. Kerr's group and another portion go to Public Health? Mr. Kerr stated that for street outreach specifically, the RFP they put out earlier this year was for \$6 million. \$1.5 million was for victim services, bringing the total for the office to around \$10 or \$11 million. Then with the additional \$10 million from the ordinance for street outreach, that would bring the total for street outreach to \$16 million.

Alderman Burnett asked for CDPH to answer the inquiry about contact tracers. CDPH Commissioner Dr. Awady said that the contact tracing program is related to the RFP CDPH released already and are getting responses on. The deadline for that RFP has been extended through next Tuesday to give applicants sufficient time to respond. The RFP is for a lead agency, and through that agency, up to 30 community-based organizations in neighborhoods that have high economic hardship or are located in the Invest South/West communities will be chosen. The RFP has the details of those community areas. The individual contact tracers will be hired through the community-based organizations, and CDPH is moving as quickly as possible. The expectation is that the first batch of contact tracers will be hired in July with the remainder hired through mid-September. In the meantime, other City staff is filling in that gap. Alderman Burnett asked if there was a website residents can access to apply to be a contact tracer. CDPH Commissioner Dr. Arwady replied that the Illinois Department of Public Health (IDPH) has a website for people interested in contact tracing. Residents can put their information into that list and then in turn CDPH will share that list with the community-based organizations that will do the hiring. To be clear though, the IDPH website is not a formal application, it just indicates if the individual is interested in



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becoming a contact tracer. Hiring decisions will ultimately be made by the individual community-based organizations. Alderman Burnett asked if that information could be shared Through the Chair.

Alderman Scott indicated that Alderman Burnett asked his question about contact tracers and wanted to ensure that the hiring information is sent to all aldermen. Alderman Scott then followed-up on a point made by Alderman Waguespack about the \$40 million being reserved for a potential fall spike, and if that spike doesn't occur, how the City will then use some of those remaining funds. Budget Director Park answered that she doesn't really know how any leftover funds would be spent as OBM has been working on securing enough funding in case of a spike in COVID-19 cases. Alderman Scott asked that once the City knows if those reserve funds are needed or not that OBM will come back to the Budget Committee to detail what that funding was used for. Budget Director Park agreed to share that information. She further stated that her office has been committed to transparency, producing weekly reports and putting together a dashboard to track all of the COVID-19 related costs. Given Alderman Thompson's request, OBM will continue to share outcome information as well on a daily/weekly or weekly/monthly level. Alderman Scott stated that best case scenario the \$40 million will not need to be used because there won't be a spike. If that occurs, then does the money go back to the Federal government or can it be allocated towards other departments that may have occurred straight-time costs or other expenses through December 31<sup>st</sup>. Budget Director Park indicated that the deadline for cost reimbursement is December 30<sup>th</sup> and they can reallocate the funding if the departments end up having additional costs.

Alderman Hairston echoed her colleagues' comments about contact tracing, as when the aldermen were briefed previously, the application deadline was the week of the meeting, which is why they are passing this ordinance, but if the deadline is extended then she has concerns that the opportunity to ask questions or get information about the RFP and which community-based organizations were selected would have passed. Alderman Hairston then asked how CDPH plans on addressing that since they are doing this backwards. CDPH Commissioner Dr. Arwady answered that there has not been any change to the RFP, the original deadline for lead agency submissions was yesterday at noon, and CDPH heard from organizations that they were involved in the protests or otherwise, and that there were a lot of disruptions in their own work so they were concerned about having the time to appropriately finish their applications for the RFP. CDPH then checked to make sure that no organization already submitted their application to ensure that no organization was given extra time unfairly. Then the decision was made to give organizations an additional week to complete the application. Alderman Hairston asked how long it would take for CDPH to reach a decision on the lead agency. CDPH Commissioner Dr. Arwady said she needed to look at the details, but in order to move as quickly as possible she estimated a couple of weeks. She can get more specific information Through the



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Chair. There is a team that will be doing application review, but CDPH is looking to turn this around really quickly. Alderman Hairston asked that CDPH brief Council members on the RFP process and who applied and then again brief aldermen on how the lead agency plans to do their outreach and select their community-based partners. Alderman Hairston has concerns that there may be some community organizations that are unable to execute the program correctly. Alderman Hairston then asked Mr. Kerr if Metropolitan Family Services received funding for violence prevention services, to which Mr. Kerr responded yes they were the lead for the RFP put out earlier this year. Alderman Hairston followed-up by confirming that was for the initial \$6 million in funding to work in the 15 target communities, which was confirmed. Alderman Hairston asked Mr. Kerr to list the communities. Mr. Kerr listed West Garfield, East Garfield, North Lawndale, Austin, Englewood, Humboldt Park, West Pullman, Auburn-Gresham, Greater Grand Crossing, Roseland, West Englewood, Woodlawn, Washington Park, New City, Back of the Yards, South Shore, South Lawndale, Chicago Lawn, Uptown and Rogers Park, saying it's actually more than 15 communities. Alderman Hairston said she was unaware of any work they are doing in Greater Grand Crossing, Woodlawn or South Shore and asked Mr. Kerr to have them reach out to her. Mr. Kerr said that the organization in Project H.O.O.D. is in Woodlawn and Acclivus is in Greater Grand Crossing and Claretian is working in South Shore. Alderman Sadlowski Garza raised a point of information stating that Claretian works in her ward in South Chicago, not in South Shore. Alderman Hairston stated that the violence prevention program has ignored the South Shore community and she looks forward to working with Mr. Kerr to right this situation. Mr. Kerr agreed to the call and will confirm that Claretian works in both South Chicago and South Shore. Alderman Hairston stated that even if they are working in South Shore she isn't aware of them and is unsure whether her two colleagues are aware of them. She represents the densest portion of South Shore and the area most in need of violence prevention, so either the organization is lying about their work, or they are ineffective. Alderman Hairston also expressed her sentiment about the rental assistance program, and that since Chicago has been losing population due to COVID-19 and the recent looting has crushed communities, the rental assistance funding isn't enough. Alderman Hairston proposed \$30 million in funds for rental assistance. DoH Commissioner Novara responded that the City is anticipating significant support from the state very soon and to keep that in mind with the City dollars being used. Alderman Hairston said if \$20 million supports 7,000 households and even if the City gets additional funds from the state, the City will still be unable to meet the demand for the program. She is asking that the City step up and do more because this program supports the workers and people that make up the City of Chicago and if they don't have homes then there is no City. Chairman Dowell acknowledged that the funding level for the rental assistance program has been significantly increased from the original proposal. It's actually three times higher, going from \$6.5 million to \$20 million. DFSS Commissioner Morrison Butler added that they also have rental assistance programs that come through different pots of money directly to DFSS. Based on her



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calculations, the two pots of money DFSS has add up to a little over \$10 million in rental assistance. Alderman Hairston asked for clarification if that got the total amount of rental assistance funding to \$30 million, which it does. Last, Alderman Hairston asked if aldermanic offices were eligible to submit expenses related to telework costs to be reimbursed from the Relief Fund. Budget Director Park said yes those are eligible costs.

Alderman Cardenas asked if DoH Commissioner Novara thought if it was time to reform the CHA and assess what role DoH can play in that so the CHA can better reflect the needs of Chicago residents. He further stated that he is glad to see that funding for rental assistance was increased from \$6.5 million to \$20 million and that DFSS has another \$10 million to support the program and CHA should be available to testify during the hearing. Alderman Cardenas discussed the \$40 million set in reserve for a resurgence, because if the positive rate is around 20% and you use that percentage to see what may be needed to fund COVID-19 response during a resurgence the City may not be allocating enough funds. Budget Director Park answered that Alderman Cardenas may be correct, as in the first round Budget Director Park expects the City to spend close to \$120 million on COVID-19 expenses, and OBM is trying to be conservative, that the funding moving forward may not be enough. As the City progresses the next couple months, if there is a need to reassess funding between the different response costs OBM will work through that. They work closely with CDPH Commissioner Dr. Arwady, and if there is a sudden spike OBM will have to reprioritize. Alderman Cardenas stated its better to give aldermen an estimate based on the proportion of funding to COVID-19 positive rates, because there is a lot of needs related to the response. Alderman Cardenas continued that there is a great risk of a resurgence affecting the economy, and with the City already \$700 million under budget, it is very important to protect the economy and protect against a resurgence in the fall, which would be devastating to Chicago. He again stated the funds reserved for a fall resurgence may not be enough and he would rather overestimate costs and then use it for other purposes than not have enough funds, especially if the Federal government doesn't provide addition support. Budget Director Park agreed to look at the funding level allocated for a resurgence and see what other funding sources OBM may be able to leverage. DoH Commissioner Novara answered that CHA is not part of the hearing because the hearing is about funding received by the City, the CHA gets its own separate allocation. She further stated that CHA is expanding support for Housing Choice Voucher that have lost income. DoH Commissioner Novara didn't have the exact breakdown in front of her, but she agreed that both departments are working in the same geography often with similar populations, and many of their developments are done in conjunction with the CHA. DoH Commissioner Novara stated she will get the breakdown of CHA funds and uses through the chair. Alderman Cardenas followed up stating that the Council is unaware of how CHA is working, if they are helping people and how, and that aldermen are missing a critical part of the whole picture. Rental assistance money is just



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a part of it, there is voucher units and other CHA initiatives and they are not a partner in these discussions. CHA should have someone from the IGA team briefing aldermen on their housing initiatives, either that or reform the agency, because he doesn't believe they are meeting their goals. Chairman Dowell agreed with Alderman Cardenas point about CHA's transparency related to their spending of COVID-19 funds that were received separately from the Federal Government.

Alderman Ervin asked about COVID-19 related expenses for aldermanic offices and seeing if they can submit those expenses for reimbursement. Aldermanic offices have borne these unexpected costs and OBM should consider making them eligible for reimbursement. Additionally, Alderman Ervin asked for more information about organizations selected to receive funding prior to being selected. He understands time is critical to deal with COVID-19 but aldermen do want that information. Alderman Ervin then asked for information related to how the COVID-19 response funds are going to be spent. Budget Director Park stated that providing a full breakdown of all the spending authorized in the ordinance under consideration is a work in progress. Each department has their own turn around time for spending, OBM is considering creating a dashboard to share that information as it happens, which some commissioners have committed to, but OBM is thinking about different ways to share that information with aldermen in a timely matter. Each program has a specific timeframe, and they are working through what is best to get that information to all aldermen. Chairman Dowell added that she envisions using the COVID-19 Working Group as a place to have discussions on that topic. The working group is planning to have Commissioner Butler as a guest at an upcoming meeting, and there are other City Departments lined up as well, as they have done in the past. Last, Alderman Ervin stated that there is often a disconnect between larger organizations in the violence prevention space and what is going on in the streets. Previously, there was a move to create another stream of funding for some of the smaller organizations that may not receive grants, but can solve problems in the community. Alderman Ervin asked what happened to that proposal, and if it hasn't been utilized, can the City allocate some of the additional \$10 million in violence prevention funding to some of the small grassroots organizations. Mr. Kerr stated that part of the current plan is to connect with smaller organizations and help them to build capacity to see how the City can support them to working in the violence prevention space in the future. There are organizations that have been in the community that may need some assistance setting up their internal infrastructure and the City is hoping these funds could help with that when these groups are identified. Related to Alderman Ervin's first question, Mr. Kerr was not sure about the program referenced. There were two big pots of funds, \$6 million for street outreach and then the previously mentioned \$1.5 million. There has been a lot of talk about capacity building but there haven't been funds designated for that work yet. Alderman Ervin said during conversations regarding the first \$7.5 million there was to be a second round with smaller organizations for smaller grants. Mr. Kerr responded that



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the year-around grant fund performs that grant work, which is a program partnership between the City and the Chicago Community Trust. Those funds will be released in June. This proposal is for grants from \$15,000-\$17,000 per award and up to four awards per community. Work would start in October and run through May to provide light-in-the-night type activities. This program would again be targeted in the 15 previously identified communities. Mr. Kerr will send information on that program to all aldermen through the chair. Alderman Ervin said communities are going to need more than \$60,000 or \$70,000 and more than just light-in-the-night type activities if the City is really serious about stemming the tide of violence. There are no discussions regarding job programs or other activities to help youth. Violence prevention is bigger than just outreach, it demands a holistic approach that gets to the root causes of violence. The City can't ask people to put their guns down if they don't provide reasonable alternatives to violence. And what the City is seeing is that many of these larger organizations are over head heavy, not street focused. That is the challenge facing the City. If the City is to address violence and get tangible results in long downtrodden communities, additional funding is needed. More money is needed to help the youth, not necessarily to fund organizations but to fund what is going on in the street. Mr. Kerr agrees.

Chairman Dowell asked Mr. Kerr to address how the \$10 million in violence prevention funds is going to be used, if its going through an RFP or through existing organizations, and how the City is going to handle this initiative. Mr. Kerr stated the initial thought would be distribution through RFP and they are in conversations with CDPH on timing and execution. Mr. Kerr continued that what he is addressing is just part of the violence reduction piece. The comprehensive parts come from other partners as well as other City departments. Mental health services, other types of programs, youth development, are all initiatives they are trying to coordinate. Chairman Dowell asked for clarification on the RFP. Mr. Kerr responded that they are not looking to do a large organization model like they did with the first round of funding. They haven't broken down what an award would look like yet or how many awards there will be.

Alderman King asked for information regarding the disbursement of funds based on where the companies receiving funds are located broken down by zip code and if they are companies of color. Alderman King stated she wants to ensure the money is spent with an equity lens. Budget Director Park stated OBM will try and provide that information. Alderman King further stated its important to see what communities these funds are actually impacting and see if there is an overlay between where the pandemic hit the hardest and spending. Alderman King asked if the City is looking at rebuilding neighborhoods and businesses that have been impacted by COVID-19 the most, has there been a survey taken to assess needs, and if so is the City meeting those needs in impacted communities. Budget Director Park said OBM is looking at across the board equity in terms of investing in the community and



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where the greatest needs are. CARES Act money is exactly for that purpose, its very specific in that way. On a programmatic level, the different commissioners available in the hearing can answer how their departments are helping in the rebuilding effort. Alderman King specified she is interested in workforce and job creation programmatic spending and inquired about in which communities those funds will be spent. DFSS Commissioner Morrison Butler replied that there is roughly \$10 million in workforce funding coming into DFSS as part of the ordinance and what DFSS does along with the Chicago Workforce Partnership, is focus on returning citizens, ESL residents and homeless individuals looking to be connected to the workforce. These individuals are overwhelmingly Black and Brown people that are served through these workforce dollars. DFSS Commissioner Morrison Butler stated they would be happy to share the list of approximately 40 workforce agencies that they have under contract and DFSS intends to continue to support those communities that they already work with, which are typically the populations that are most adversely affected. DFSS Commissioner Butler continued that the allocation of homeless dollars serves the overwhelmingly Black homeless population. And as DFSS supports those individuals with rapid rehousing and within the shelter system, the funds go overwhelmingly to Black people. Alderman King asked to see if the City can address the pandemic by zip code to ensure the hardest hit areas are being protected. CDPH Commissioner Dr. Arwady responded that CDPH is closely tracking the pandemic by zip code and some of the new data systems being funded by this ordinance will allow them to do that more in real time, which she can share with aldermen when the system is operational. However, CDPH Commissioner Dr. Arwady warned that the City needs to make sure that they allocate resources where they are needed on a week to week basis and not leave out zip codes or sectors by race or ethnicity. So far, she believes the City has been quite effective in this effort. In terms of addressing needs at a community level, within the context of the contact tracing RFP, this program can be a way to invest in communities with socioeconomic hardship and there is a very strong earn-as-you-learn component. CDPH Commissioner Dr. Arwady further stated that people will get hired through this program at a living wage, and there will be an opportunity through City Colleges and a partnership with Cook County Workforce to get additional training and skills to move this cohort of individuals into a community health cohort. The other piece to the program is it can function as resource hub work with contacts being asked questions like, what are your needs beyond COVID-19. Thinking about this as a resource hub for social services broadly to better coordinate city services is a long-term interest of CDPH and the proposed COVID-19 funding can be a way to start that work at a neighborhood level. This mirrors the work CDPH did as part of Health Chicago 2025. CDPH Commissioner Dr. Arwady continued that the funding for mental health work especially will focus on community health workers. Mental health planning is about driving investments to the parts of the city where there is the most need. CDPH is focused on evaluating and getting funds to these communities in need., how do monitor and coordinate these funds and be more synergistic in terms of investments across all of CDPH's goals with COVID-19



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leading the way right now. Chairman Dowell then asked Department of Business Affairs and Consumer Protection (BACP) Commissioner Rosa Escareno to address the business piece. BACP Commissioner Escareno stated that they have been working with loan funds and grants since the start of COVID-19 that are dedicated to businesses impacted by the pandemic. Those dollars coming from the CARES Act are being focused on impacted communities and with the Resiliency Loan fund, an equity lens was taken to insure BACP was capturing businesses across the City. BACP Commissioner Escareno continued that the Recovery Grant dollars which came from donations, the focus has been on microbusinesses in low-income areas that have been impacted by COVID-19. Furthermore, BACP is working on the Together Now fund to support businesses that have been impacted, many of which are still yet to reopen. Additionally, BACP is working with City Chambers of Commerce to provide information and survey hardest hit neighborhoods, and BACP has been able to provide a small amount of funding to help them support different neighborhoods. All the data received by BACP working with the chambers is informing the programs BACP is putting together. BACP has been extremely intentional on supporting businesses equitably and trying to identify and cover as many businesses as we can. Alderman King thanked all the commissioners for their testimony and challenged them to look at the distribution of resources by zip codes that were impacted. Alderman King also echoed Alderman Hairston's question about aldermanic expenses being reimbursed, while also looking at rental needs and business needs. She stated that even though the City is putting money towards those programs, additional funding is needed. To that end, Alderman King asked DoH and BACP what percentage of needs do the commissioners feel like the City is meeting and how much more funding would be needed to meet the City's needs. BACP Commissioner Escareno responded that BACP recently launched the \$100 million Resiliency Loan Fund and they are assessing fund capacity. To date they have issues \$13 million and \$25 million went to support the broader program. BACP Commissioner Escareno stated that the overwhelming response and the number of people BACP is unable to support that the need from the business community is huge. The City of Chicago is actually considered a model in terms of how much money was provided to support businesses with no other city in the county having put together a \$100 million loan program. BACP Commissioner Escareno stated that program had more than four times the number of applications. Similarly, the grant program created in partnership with the Chicago Community Trust using CARES Act funding, the number of applications again completely overwhelmed the funding available. Alderman King asked if BACP could put a percentage on the amount of need the City is able to serve. BACP Commissioner Escareno stated that it depends on the program, but the needs are great and they are compiling the data points which can be provided through the chair. BACP Commissioner Escareno explained that the Federal government needs to step up and provide more PPE because the need is just so overwhelming. DoH Commissioner Novara replied that with their first foray into this back in March, that after the five-day open lottery DoH received 83,000 applicants with an estimated 70,000 of those being eligible for funding. Of course some



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of those individuals received CARES Act stipends and unemployment, so there are other ways, like the Housing Choice Voucher which can be adjusted so renters are still paying 30% of their revised income. However, DoH Commissioner Novara stated that there are far too many people in the City that don't have those additional means of support and we will lean more after the program is back open for the next round of applications. DFSS Commissioner Butler answered that they are working with the poverty lab at the University of Chicago to help understand the needs for the rental assistance funds that flow through their department. The University estimates there are 106,821 households that have a worker in a vulnerable occupation, which falls in line with what DoH Commissioner Novara stated. DFSS Commissioner Butler continued that within that population there are lots of programs individuals may be eligible for. Alderman King closed by stating the City should try and understand these needs because the City should be a model, and Alderman King wants the City to come out of this more whole than not. To that end, she stated if this isn't a time to use our reserves, then she doesn't know when is. And so making that assessment is important to figuring out how the City will bounce back economically, because if the City is only serving 10 or 15 percent of the community, then the long term costs are going to be greater than the short term costs.

Alderman Moore asked about the \$5 million Broadband Initiative, the \$35 million Small Business Resiliency fund, and the \$10 million microgrant. He stated if you divide those funding amounts by 50 wards, you get 100,000 for broadband, 500,000 for resiliency and another \$200,000 for the microgrant. Alderman Moore then asked if the City can commit to spending those dollars in each ward at a minimum. BACP Commissioner Escareno responded that as the City looks to develop a program to support businesses citywide they will put together criteria for the Together Now Fund that focuses across the city in terms of need and impact due to COVID-19. BACP relies on the applications that come in and then the criteria set for the program. BACP Commissioner Escareno continued that their goal for any program is to focus on areas of need then put the criteria out, then to work with local chambers to ensure neighborhood businesses apply. BACP's goal is to be in every community. In terms of focusing those dollars directly, there can be a conversation about that, but it's difficult depending on if businesses meet the criteria or not. Alderman Moore further stated that he is ok with establishing criteria for the grant, but if no one in his area qualifies, then the criteria may need to be adjusted in order to ensure equity, even though this isn't equity. Alderman Moore expressed he would prefer equity in funding but he will settle for equal funding right now. That is the case for the broadband funding to ensure 17<sup>th</sup> Ward schools get their fair share, as well as the Resiliency funds and Microgrants. He stated he supports the ordinance, but too often he talks with his colleagues and wards are left out of the funding completely, and that may also have to do with the application criteria. BACP Commissioner Escareno agreed to have that conversation. Chairman Dowell mentioned that CFO Jennie Bennett had the formula to respond to



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Alderman Moore's question. CFO Bennett added that every ward will receive loans and more importantly, the City has applied an equity lens to ensure that funding is rated based on population, need – low-income and moderate neighborhood neighborhoods in particular, and industry. CFO Bennett offered to walk alderman through the formula and that there was information sent last week that breaks down funding by both community area and ward. CFO Bennett added that for the Broadband Initiative is about helping provide accessibility to CPS students, so the City will be looking at that on a household basis based on need and equity, criteria are being developed as we speak. CFO Bennett committed to providing additional information on this program as the City moves forward.

Chairman Dowell acknowledged nonmembers of the Committee, starting with Alderman Beale. Alderman Beale asked out of the \$700 million projected deficit, how much of that is reimbursable. Budget Director Park said they are currently assessing that. That any expenses incurred on the corporate budget that can be reimbursed OBM wants to maximize that. Right now the City has incurred about \$90 million in non-personnel costs and then there is a lot of work to do around the personnel costs, which as outlined in the earlier PowerPoint, OBM is assessing how much of the straight time can be committed to the grant funds. Alderman Beale stated that \$700 million is a working number that could go up or down based on what the City is looking to get reimbursed. Budget Director Park answered that \$700 million is an estimate based on March and April numbers, which takes into account the \$175 million in revenue loss quoted by the Mayor the prior day. Alderman Beale asked for clarification if the projection could be worse or better through the end of the year. Budget Director Park said it all depends on if there is a spike, how quickly the City reopens, all those factor into this unprecedented time. The deficit figure will continue to be updated every month. Alderman Beale asked how much the City was looking to take in from the Real Estate Transfer Tax. CFO Bennett answered \$152 million. Alderman Beale asked if the \$152 million included the relief from Springfield. Budget Director Park answered that OBM removed the \$50 million the City did not receive from Springfield. Alderman Beale then asked if the \$700 million deficit included the \$163 or \$164 million the City did not receive from the ambulance reimbursement changes. Budget Director Park stated the City is getting that reimbursement now in the supplemental payment. Alderman Beale asked how much the City has received so far. Budget Director Park said she would have to provide that answer through the chair as the state is a little behind. Chairman Dowell asked if Alderman Beale could focus his questions on the ordinance. Alderman Beale stated the Chairman did not interrupt anyone else and not to interrupt him. Chairman Dowell again reiterated her request to focus on the ordinance at hand. Alderman Beale then asked if the City is looking at video gaming to offset the deficit with the Gaming Bill now passed. CFO Bennett answered that all options are on the table, while the Gaming Bill passed, it still needs the governor's signature, which he indicated he will sign the bill, and then the City will evaluate its options. CFO Bennett said that post COVID-19, the City is going to



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have to rethink a lot of its planning for 2021, especially as it relates to how the City reopens, the timeline for reopening and if the City sees a resurgence. Next, Alderman Beale asked if the City is working with the unions on the funding crisis. Budget Director Park said talking with the unions is on her list of many things to do to help bridge the shortfall. Conversations have not yet occurred, but unions will have to be partners in how the City addresses its funding challenges. Last, Alderman Beale stated he is still waiting on the cloth masks and asked when aldermen can expect to receive the masks. Budget Director Park said she will look into that today and get an update as soon as possible.

Alderman La Spata asked about ongoing costs related to the Chicago Police Department. He heard reference during the meeting CPD costs may be budget eligible, and he asked for clarity on how CPD costs fit into COVID-19 direct expenses. Budget Director Park said OBM is working through what activity they performed around COVID-19 and what is eligible. That is part of the conversations OBM is having with all of the departments, working through timesheets and work plans. To the extent they have eligible costs and its something the guidance allows for, then OBM will work through it. Alderman La Spata said that he figured that was the path the City was taking regarding CPD, and that CPD can probably say that enforcing the stay-at-home order was an eligible cost, and that enforcing the curfew is an eligible cost. But he stated that from the thousands of emails he is receiving, none of his constituents want to see the City put dollars dedicated to economic and health stability of neighborhoods go towards police overtime. Alderman La Spata stated that he would be more comfortable if the ordinance explicitly stated funds will be put towards important services and public health expenses, but that the City is not going to use funds towards police overtime costs. Budget Director Park committed to that all the investments you see on the handout are what OBM is proposing, and that if CPD has overtime costs that are eligible, they will come out of FEMA funds, which is a pot that can not fund any of these other initiatives such as homelessness and rental assistance. Those are not allowable costs. Budget Director Park further stated that even if the police had overtime costs, it will not come at the expense of any of these initiatives that are before the committee. Alderman La Spata asked if CPD funding would come out of FEMA and not out of CRF. Budget Director Park clarified that if it comes out of the CRF, OBM would have to do a lot more work with the department to figure out how to justify how and when and the extent of that time, but again it would not come at the expense of any of the initiatives that are put before the committee. Alderman La Spata questioned the ongoing costs that are being referred to, that there is a lot of great work happening with CDBG and EST dollars and there is more that can be one, like in the area of rental assistance. Alderman La Spata continued that while OBM would have to make a justification for putting CRF dollars towards police overtime, there is no way to justify that spending to his community, which has voiced strong opposition to that spending. Alderman La Spata asked to write in that exclusion or at least get a departmental breakdown written in the ordinance.



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Chairman Dowell opened up for round two of questioning and recognized Alderman Rodriguez. Alderman Rodriguez asked how the \$5 million in Broadband funding is being allocated. CFO Bennett responded the City is in the process of defining the program, but the idea is to expand internet access for CPS students through broadband access. In addition, the City is working to develop community support to help households engage in enrolling for this program. Alderman Rodriguez asked how this would be implemented. CFO Bennett answered that since broadband is provided through a number of providers in the City, they would work with them and help fund some component of that along with a number of other philanthropic marketers. Alderman Rodriguez asked if the violence prevention outreach work is targeted for specific age groups. Mr. Kerr stated they have been focusing on ages 15 and up, give or take. The program includes teens and adults, so they don't cut it off at 24 or 25, they go beyond that to whatever is needed. Alderman Rodriguez asked about the \$333 million in ongoing COVID-19 response costs and if the spending breakdown has been sent. Budget Director Park said she will be sharing the PowerPoint that talks about departmental level spending. Alderman Rodriguez asked which department are responsible for the bulk of the costs. Budget Director Park responded the Fire Department is one of them, the rest is split across various departments, but Fire with the EMS runs they are doing as well as OEMC.

Alderman Osterman shared that it is his intention to bring CHA before the Housing and Real Estate Committee to help address some of the concerns regarding operations, vacancies and other items. He stated that CHA is under new leadership, that Tracy Scott was appointed in March and physically joined the CHA in May right in the middle of the COVID-19 crisis, and Alderman Osterman said he wanted to give her time to begin work before bringing her in front of the committee.

Alderman Ramirez Rosa stated that there is still a question whether CRF funds will be used to pay for Police salaries. He then asked if that is something that has been discussed internally by the administration and if someone were to submit a FOIA request would emails on this topic be found. Budget Director Park said no, that the funds and the CRF funds are to offset direct response costs. She further stated that the extent that any department incurred costs that are eligible and borne on the corporate fund now, what she would like to do is move them to get covered by the Federal Government. This would help with the estimated \$700 million budget shortfall. Budget Director Park further explained that OBM has not discussed excluding a single department from funding, what her team has done is work with every one of the departments to assess eligible COVID-19 costs. Alderman Ramirez Rosa stated the question wasn't about excluding a certain department, but if conversations occurred about included CPD costs in the fund. Budget Director Park said as it has been with every department, the



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conversations are about what costs were incurred for COVID-19 response and if those costs are eligible for reimbursement. Alderman Ramirez Rosa asked if OBM knows if CPD incurred costs that could be reimbursed by CRF. Budget Director Park responded from CRF no, just full salary costs and does OBM justify any portion of those costs. Alderman Ramirez Rosa stated that aldermen are hearing so much demand from constituents for rental assistance and housing relief, and to spend less on policing, so it's important to be able to go back to residents and say the City did not take away from programs like rental assistance or community relief to pay for more policing. Alderman Ramirez Rosa asked if the administration could commit that the CRF funds will not go towards policing. Budget Director Park said she can commit to CPD will not take away from any of the investments that are proposed today, and that any funding put on CRF would be explicit to just COVID-19 response and something OBM could justify, that it could not be basic policing, or regular activity, that it would have to be something directly related to the shelter-in-place or COVID-19 requirements. Alderman Ramirez Rosa stated that enforcing the stay-at-home order could be going into parks and asking people to disperse, in essence prioritizing policing activities over other forms of COVID-19 relief, and that he was not happy with the answer provided. Alderman Ramirez Rosa said so far he has not heard a definitive answer that CRF funds will not go towards the police. Budget Director Park stated that her original point was that OBM is working with all the departments on cost eligibility and justifying costs. Whether it's someone reassigned from DCASE or other departments to do contact tracing, that information is available. But Budget Director Park explained that for the Police Department it's more difficult, because part of it is the documentation and if that is going to be possible. CFO Bennett added that it is also very likely that the City is going to see different costs as it relates to a possible resurgence over the next several months, and to that end this money is meant to carry the City through the end of the year, and they are trying to balance, ultimately, a lot of needs in a lot of places, and it's in all of our best interest to ensure we have the resources to cover those potential costs. Alderman Ramirez Rosa said that ends his line of questioning and he would feel more comfortable voting for the ordinance if there was a commitment from the administration that funds would not be used for additional policing.

Alderman Mitts stated that in the Austin community there are four testing sites and that is an area that is in great need of getting people tested. However, she stated that while she has been working with CDPH, no one came out to set up a site for testing. Alderman Mitts said that it's difficult to vote for funding for CDPH when her community can not get tested. Furthermore, Alderman Mitts stated that there is a great need for the south and west sides for funding for programs for workforce development, housing and small businesses and she questioned how those funds are distributed to ensure areas are not being left out, as she is concerned the community she represents has been neglected for so long. Chairman Dowell interjected that her question was asked in her absence by DFSS Commissioner Butler



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that DFSS has a series of contracts that would be extended and that CDPH Commissioner Dr. Arwady said for contact tracing she would get back to the Council about how CDPH is looking to hire people in the community. Alderman Mitts reiterated that the departments need to work with local aldermen to ensure the communities needs are met.

Alderman Thompson asked if CPS received any money for COVID-19 response. Budget Director Park responded that they received their own COVID-19 grant, and that they may have been included in a previous version of the ordinance but they have been removed, outside of the Broadband Initiative which the City is working together with them on.

Alderman Moore asked if the \$700 million budget gap was operating or structural, and if that is the real number including pensions. CFO Bennett answered that the \$700 million does include pension costs, as pension costs are fixed.

Chairman Dowell clarified that the first item on the agenda was adopted by the quorum call. She then asked for a motion to recommend approval of Item Number 2 on the agenda by the same roll call vote as was applied to determine quorum. Alderman Moore moved to pass Item Number 2 on the agenda. Alderman Ramirez Rosa and Alderman Rodriguez asked to be recorded as voting no on Item Number 2, the item passed.

Chairman Dowell stated that there was no further business before the Committee and asked for a motion to adjourn by the same roll call vote as was applied to determine quorum. Alderman Harris moved to adjourn. The Committee on the Budget and Government Operations Meeting adjourned at 1:15 pm.

**Respectfully submitted by:**

A handwritten signature in blue ink that reads "Pat Dowell".

**Pat Dowell**

**Chairman, Committee on the Budget and Government Operations**