

**COMMITTEE ON FINANCE
MONTHLY RULE 45 REPORT
December 2020**

On December 14, 2020, at 10:37 am, the Committee on Finance held a remote meeting pursuant to applicable law.

The following members were present: Hopkins, Dowell, King, Sawyer, Harris, Beale, Sadlowski-Garza, Thompson, Quinn, Burke, Lopez, Moore, O'Shea, Brookins, Tabares, Scott, Burnett, Taliaferro, Reboyras, Austin, Villegas, Sposato, Napolitano, Reilly, Smith, Tunney, Osterman, Silverstein, Vice Chairwoman Hairston, and Chairman Waguespack.

The following members were absent: Mitchell, Cardenas, Curtis, Ervin, Mitts.

The following additional aldermen were present: Maldonado, Cardona, Nugent.

Chairman Waguespack opened the meeting with a statement regarding the impracticability to meet in person. Chairman Waguespack took a roll call to establish a quorum, as reflected above.

Pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended, Chairman Waguespack opened a hearing regarding a plan of finance to issue up to \$12,000,000 principal amount multi-family housing revenue note for the Paseo Boricua project at 10:37 am. Chairman Waguespack read the legal notice and introduced it into the record as Exhibit 1. Chairman Waguespack opened the floor for written and oral public comment. There was none.

Chairman Waguespack closed the hearing at 10:43 am.

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

No members were absent.

The following additional aldermen were present: Maldonado, Cardona, Nugent.

Chairman Waguespack opened the meeting with a statement regarding the impracticability to meet in person. Chairman Waguespack took a roll call to establish a quorum, as reflected above.

Chairman Waguespack opened the floor for public comment. Kevin Krafney spoke in favor of the Small Business Improvement Fund program. Committee members discussed issues another member of the public seemed to be having calling into the meeting.

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

On Item 1, Ald. Reilly moved do pass by the roll call taken to establish quorum. Motion carried on a voice vote.

2. O2020-5748 A communication recommending a proposed ordinance amending the redevelopment and loan agreements with, and the issuance of multi-family housing revenue bonds for Paseo Boricua Arts, LLC for the construction of affordable housing at 2709-2715 West Division Street. Amount: \$12,000,000.00

Chairman Waguespack invited Tamra Collins, Project Manager with the Department of Housing, to explain the ordinance, which she did. Ald. Burnett praised the ordinance and the project.

Ald. Lopez asked why construction costs increased. Collins said it was due to the replacement of a general contractor. Ald. Lopez asked about the time between the original bid and the rebid, and Collins said it was roughly two years. Ald. Lopez asked if such an increase was unusual, and Collins said no. Collins also noted that there were three bidders in the rebid.

Ald. Tunney asked about ground floor setbacks. Collins said the entries are recessed somewhat. Ald. Tunney expressed public safety concerns with the recessed sections. Ald. Cardona praised the ordinance and the project. Vice Chairwoman Hairston praised the ordinance and the project.

Ald. Maldonado praised the ordinance and the project, and asked for the Committee's favorable consideration.

On Item 2, Ald. Austin moved do pass by the roll call taken to establish quorum. Motion carried on a voice vote.

3. O2020-5181 A communication recommending a proposed ordinance regarding the authority to issue bond inducement language regarding tax-exempt housing revenue bonds issuance for the acquisition and development of properties at 1800-1812 West Roosevelt Rd and 1801 Greenshaw Street by The Chicago Lighthouse Residences 4, LLC.

Chairman Waguespack invited Tamra Collins, Project Manager with the Department of Housing, to explain the ordinance, which she did. Ald. Burnett praised the ordinance and the project.

On Item 3, Ald. Lopez moved do pass by the roll call taken to establish quorum. Motion carried on a voice vote, with the exception of Ald. Austin, who requested to be recorded as voting "no."

4. O2020-5720 A communication recommending a proposed ordinance regarding the authority to enter into and execute redevelopment and subordination agreements with Greater Auburn-Gresham Development Corp. and Greater Auburn-Gresham Support Corp, supported by Tax Increment Financing, and master lease for office space and build-outs at 839-845 West 79th Street.

Chairman Waguespack invited Terrance Johnson, Assistant Commissioner with the Department of Planning to explain the ordinance, which he did. Ald. Curtis, Ald. Scott, and Ald. Burnett expressed support for the ordinance and the project. Ald. Moore expressed support and asked for the Committee's favorable consideration.

On Item 4, Ald. Curtis moved do pass by the roll call taken to establish quorum. Motion carried on a voice vote.

5. O2020-5729 A communication recommending a proposed ordinance regarding the authority to enter into and execute an Intergovernmental Agreement with the Illinois Housing Development Authority to reallocate a portion of the City's unused tax-exempt bond volume cap for 2020 to facilitate financing of affordable housing or qualifying mortgage loans by IHDA.

Chairman Waguespack invited Dinah Wayne, Financial Planning Analyst with the Department of Housing, to explain the ordinance, which she did.

On Item 5, Ald. Hopkins moved do pass by the roll call taken to establish quorum. Motion carried on a voice vote.

6. O2020-5784 A communication recommending a proposed ordinance regarding the authority of the Department of Water Management to enter into a preliminary Water Supply Agreement with the City of Joliet.

Chairman Waguespack invited Chief Financial Officer Jennie Bennett to explain the ordinance, which she did. Ald. Dowell asked if there were improvements to a local park related to this project. Bennett said there were discussions of what type of improvements were desired by the community near the pumping station, and such improvements would be included in the final agreement.

Ald. Ervin asked for clarification on the amount of water involved, and Bennett provided the information. Ald. Lopez asked how much the City collects for water from other municipalities, and Bennett said about \$250 million. Ald. Lopez asked how much was overdue for payment. Bennett said about \$55 million. Ald. Lopez asked how that would impact the rate charged in this proposal. Bennett said it would not have an impact. Ald. Lopez asked about the methodology for setting rates, and Bennett said the City would use best practices similar to other Great Lakes cities.

Ald. Cardenas asked about future efforts to monetize our water system by selling water to other municipalities. Bennett said the City is always looking for opportunities. Ald. Villegas asked what other towns might join the City's system. Bennett said there are various municipalities near Joliet that will need to move away from well water. Ald. Villegas expressed support for the City selling water to others.

Ald. Thompson asked who would pay for the pipeline, and Bennett said Joliet would pay for it, but the City would own the pumping station in the City, as well as some other infrastructure. The rest would be owned by Joliet. Ald. Thompson asked how much water the City could draw under the Great Lakes Compact. Bennett said Joliet would be applying for their own allocation of Lake Michigan water.

Ald. Osterman asked how long the contract would last, and Bennett said 50 years with options to renew. Ald. Osterman asked who else would need to sign off on the deal, and Bennett said the State of Illinois would need to approve it. Ald. Burnett asked if the City had ever considered bottling water. Bennett said her team would look into it.

Ald. Curtis expressed support for the ordinance and project, and asked for the Committee's favorable consideration. Ald. Hopkins expressed his support for the ordinance. Chairman Waguespack agreed and noted that the City is improving its relationship with surrounding suburbs.

On Item 6, Ald. Hopkins moved do pass by the roll call taken to establish quorum. Motion carried on a voice vote.

7. SO2020-5728 A communication recommending a proposed ordinance regarding the authority to execute the fifty-ninth Amending Agreement with SomerCor504, Inc. as administrator, authorizing Tax Increment Financing to TIF/SBIF new project areas of 51st/Archer and Stevenson/Brighton development areas, and various established Small Business Improvement Funds (SBIF).

Chairman Waguespack invited Mary O'Connor, Deputy Commissioner with the Department of Planning, and Manny Flores, President and CEO of SomerCor504, to explain the ordinance, which they did.

Ald. Reilly moved to accept the substitute ordinance. Motion carried by the roll call used to establish quorum. Ald. Cardenas and Ald. Osterman expressed support for the ordinance and the program.

Ald. Lopez said he was frustrated by the Department of Planning and wanted a more collaborative relationship. Ald. Lopez also expressed concern that uses of the program had not changed over time and asked if there were thoughts about using the program to help businesses survive COVID-19. O'Connor said some policy changes were made, and other changes would require a change in state law. Ald. Lopez asked for clarification on the state law, and O'Connor provided it.

Ald. Lopez asked if improvements for outdoor dining would qualify. O'Connor said those improvements would not qualify under state law. However, O'Connor said, a Special Service Area could help with some of those costs, potentially. Flores added that the City and State have provided some emergency grants, and SomerCor was able to help promote many of those, as well as some bank programs.

Chip Hastings, Managing Deputy Commissioner with the Department of Planning, also provided details of the various legal and geographical restrictions on SBIF. Ald. Lopez said many businesses in his ward are concerned they will go out of business before SBIF would be useful.

Ald. Dowell said she supports the ordinance and asked if the application period would now be 30 days. O'Connor said that was correct, and it always has been that long. Ald. Dowell asked if they had considered a longer application period. O'Connor said that was addressed by providing more advanced notice of when the application period would open.

On Item 6, Ald. Dowell moved do pass by the roll call taken to establish quorum. Motion carried on a voice vote, with Ald. Lopez asking to be recorded as voting "no."

8. O2020-2349 A communication recommending a proposed ordinance amending the Municipal Code by adding new Chapter 3-10.

Chairman Waguespack noted that the ordinance was being re-referred to a Joint Committee on Budget and Government Oversight and Committee on Finance. Ald. Dowell moved to re-refer to such a joint committee by the same roll call used to establish quorum. Ald. Lopez asked when such a committee would meet. Chairman Waguespack said he would let the Committee know.

On Item 8, Ald. Dowell's motion carried on a voice vote, with Ald. Lopez asking to be recorded as voting "no."

9. Direct Introduction A communication transmitting reports of cases in which judgments or settlements were entered into for the month of November 2020.

Chairman Waguespack said Item 9 would be placed on file with the Clerk. Ald. Ervin asked about Freedom of Information Act cases in the report. Chairman Waguespack introduced Deputy Corporation Counsel Jeff Levine to speak to the question, which he did.

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

On Items 10 and 11, Chairman Waguespack said the items would be placed on the Omnibus Agenda at City Council. There was no objection.

Chairman Waguespack moved to the Supplemental Agenda and read a brief explanation of each suit. Ald. Ervin asked who from the Department of Law was available to explain the cases, and Chairman Waguespack said Deputy Corporation Counsel Jeff Levine was available if Committee members had questions.

1. Three (3) proposed orders authorizing the Corporation Counsel to enter into and execute Settlement Orders in the following cases:
 - A. Jamell Island, Trezelle Island, and Janell Island v. City of Chicago, et al., cited as 19 CV 1831. Amount: \$295,000.00

On Supplemental Item 1A, Ald. Austin moved do pass by the roll call used to establish quorum. Motion carried.

- B. Patrick Bowdoin v. City of Chicago and City of Chicago, et al., cited as 20 C 0929. Amount: \$162,500.00

Ald. Napolitano asked if a gun was recovered, and Levine said yes. Ald. Napolitano said he opposed the settlement. Ald. Thompson asked for clarification concerning the location of the gun and the facts surrounding it, and Levine provided clarification. Ald. Moore asked about the circumstances preceding the arrest, and Levine provided the information. Ald. Moore asked if any finger prints were retrieved from the gun. Levine said it was not possible.

On Supplemental Item 1B, Ald. Austin moved do pass by the roll call used to establish quorum. Motion carried, with Ald. Thompson and Ald. Napolitano asking to be recorded as voting "no."

- C. Dnigma Howard v. City of Chicago, et al., cited as 19 C 1281.
Amount: \$300,000.00

Ald. Cardenas asked for more detail on Supplemental Item 1C, and Levine provided it. Ald. Cardenas said that it is a no-win situation when police officers are stationed in schools.

On Supplemental Item 1C, Ald. Dowell moved do pass by the roll call used to establish quorum. Motion carried.

Chairman Waguespack wished the Committee Happy Holidays and thanked them for their service in this unprecedented time.

The Committee having no further business, on a motion by Ald. Sposato, the meeting was adjourned at 12:54 pm.

Respectfully submitted,



Scott Waguespack
Chairman, Committee on Finance