

## MONTHLY REPORT — MARCH 2020

Pursuant to Rule 45 of the City Council Rules of Order, the **Committee on Economic, Capital and Technology Development** submits the following **Monthly Report for March 2020**.

### Committee Meeting Held on March 10, 2020

Chairman Villegas called the meeting to order at 1:03 PM.

#### Item 1:

Chairman Villegas requested a motion to approve the Rule 45 Monthly Report of the Chicago City Council Committee on Economic, Capital and Technology Development for the month of February 2020.

Alderman Vasquez motioned to approve the Rule 45 report. The motion passed unanimously via voice vote.

#### Item 2:

The following items were voted on collectively:

**A2020-21** Reappointment of A. Thomas Paspalas as member of Special Service Area No. 16, Greektown/Halsted Commission;

**A2020-22** Reappointment of Alexander Theoharis as member of Special Service Area No. 16, Greektown/Halsted Commission;

**A2020-23** Reappointment of Wallace S. Anderson as member of Special Service Area No. 24, Clark Street Commission;

**A2020-24** Appointment of Vanetta Roy as member of Special Service Area No. 42, 71st/Stony Commission;and

**A2020-25** Appointment of Mario Correa as member of Special Service Area No. 62, Sauganash Commission.

- *Alderman Lopez inquired if all the appointees were supported by their local aldermen.*
- *All the appointees present indicated that they were.*
- *Chairman Villegas expressed the City's appreciation and the importance of having a partnership between the City and the Commissions.*
- *Chairman Villegas opened the floor for public comment.*
- **George Blakemore spoke in opposition of the appointments.**
- *Alderman Vasquez motioned to recommend passage of the appointments and reappointments. The motion was approved unanimously via a voice vote.*

Chairman Villegas noted that the order of items three (3) and four (4) on the agenda would be switched.

**Item 4:**

**O2020-878 Support of Class L tax incentive for property(s) at 226 W Jackson Blvd**

- *Chairman Villegas informed the committee that he received a substitute ordinance the day prior to the meeting. The substitute included additional economic disclosure statements and information provided at the Commission on Chicago Landmarks. He inquired if any member of the committee needed additional time to review the substitute, which had been emailed to members of the committee prior to the meeting.*
- *Alderman Scott motioned to approve the introduction of the substitute. The introduction was approved unanimously via a voice vote.*
- *Dijana Cuvalo, from the Department of Planning and Development (DPD), presented the project to the committee.*
- *Chairman Villegas opened the floor for questions from members of the committee.*
- *Alderman Lopez inquired about the amount of participation that was involved in the project.*
- *Bridget O'Keefe, attorney for the owner of the property, responded that the Cook County ordinance does not require a minority-owned business enterprise/woman-owned business enterprise (mbe/wbe) component for this incentive. She noted that the owner signed a card check neutrality agreement, allowing for unionization, and provided the average hourly wages for hotel staff. She also noted the contracts that had been let to mbe/wbe contractors to date.*
- *Alderman Lopez reiterated his question, emphasizing how much of what had been done was done so by mbe/wbe contractors.*
- *Steve Smith, of Leopardo Construction, provided the percent of minorities that had been used to date, including the pay and benefits that had been provided.*
- *Alderman Lopez inquired about their plans moving forward.*
- *Mr. Smith responded that he would make all efforts to have more involvement from mbe/wbe contractors. He also noted that some contracts had a limited pool from which to choose from.*
- *Alderman Lopez noted that mbe/wbe participation was always lacking in projects that came before the committee seeking tax incentives.*
- *Alderman Hadden noted that the questions being asked by members were always the same and emphasized that the lack of an mbe/wbe mandate did not excuse the owners and contractors from using contractors and a workforce representative of Chicago's communities.*
- *Alderman Scott reminded the owners and contractors that when they were considering applying for a tax incentive that they should also realize that mbe/wbe participation was important to the City Council, whom they would be asking to approve the tax incentive.*
- *Alderman Scott inquired about the number of jobs that would be created at the previously mentioned hourly wages.*
- *Ms. O'Keefe replied there would be 400 temporary construction jobs, all union, and 126 full-time jobs, also all union, 13 of which would be managerial. She also added that aside from the property tax revenue that would be created, there would also be additional taxes imposed because the property is to be converted into a hotel with restaurant establishments.*
- *Alderman Scott inquired about the percentage of Chicago workers compared to workers living outside of the City of Chicago.*
- *Ms. O'Keefe replied that they did not have that information.*
- *Alderman Scott asked for the information to be provided through the Chair before the next City Council meeting.*
- *Mr. Leopardo responded that Leopardo Construction would make a best-faith effort to provide that information based on the information they had.*

- *Alderman Scott asked that the City Council be kept abreast of the upcoming mbe/wbe participation throughout the project.*
- *Vice-Chair Mitchell expressed his frustration with the owners and representatives lack of preparation for the meeting. He reminded everyone that the committee members always asked the same questions, yet the applicants failed to prepare for the meetings. He also suggested that the Committee not vote on the item until the questions that had been asked were answered.*
- *Alderman Vasquez also stated that the questions have not changed, yet everyone is unprepared. Adding that applicants should at the very least have the mbe/wbe participation that has been used to date available.*
- *Alderman Scott stated that he would vote “yes” in committee, but would vote “no” if the information requested through the Chair has not been provided by the next City Council meeting.*
- *Alderman Reilly restated that the level of preparation was unacceptable. Adding that the item should be voted on in committee, but not reported out at City Council if the information requested through the Chair was not provided prior to that meeting. Regarding the property, he noted that the property had been off the property tax roll due to being owned by the City Colleges of Chicago and that it was a landmark property that was being restored.*
- *Chairman Villegas opened the floor to public comment.*
- ***Lisa DiChiera, director of advocacy for Landmarks Illinois, spoke in favor of the tax incentive.***
- ***John Mangel, of Phoenix Development, elected not to speak.***
- ***Ward Miller, executive director of Preservation Chicago, spoke in favor of the tax incentive.***
- ***George Blakemore spoke in opposition of the tax incentive.***
- *Chairman Villegas requested a motion to recommend passage of the item.*
- *Alderman Reilly motioned to recommend passage. The motion was passed, with Vice-Chair Mitchell dissenting.*
- *Chairman Villegas requested that, moving forward, DPD notify applicants about the types of questions that would be asked by committee members. He also asked that Leopardo Construction provide the requested information as soon as possible so that committee members may have ample time to read the information before voting during City Council.*

### **Item 3:**

**O2019-7304** Designation of portion(s) of E 95th St as tax increment financing (TIF) district and approval of tax allocation financing for redevelopment projects.

- *Chairman Villegas informed the committee that he received a substitute ordinance recently and provided the committee time to review the changes made to Section 2 of the ordinance.*
- *Alderman Scott motioned to approve the introduction of the substitute. The introduction was approved unanimously via a voice vote.*
- *Alderman Beale explained the purpose and benefits of creating a TIF district along the section of E 95th St.*
- *Chairman Villegas opened the floor to public comment,*
- ***George Blakemore spoke in support of the ordinance.***
- ***Ward Miller, executive director of Preservation Chicago, spoke in favor of the ordinance.***
- *Alderman Scott motioned to recommend passage of the item. The motion passed unanimously via a voice vote.*

All business being concluded, Chairman Villegas asked for a motion to adjourn. Vice-Chair Mitchell motioned to adjourn, with everyone voting in favor. Chairman Villegas adjourned the meeting at 1:55 PM.

The members of the Committee on Economic, Capital and Technology Development in attendance included: Alderman Villegas (36), Mitchell (7), Beale (9), Lopez (15), Scott (24), Vasquez (40), Reilly (42), Tunney (44), Hadden (49)

Respectfully submitted by:

Carlos Díaz

For the Committee on Economic, Capital and Technology Development