



CITY OF CHICAGO

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**COMMITTEE ON FINANCE**  
CITY COUNCIL  
CITY HALL - ROOM 302  
121 NORTH LASALLE STREET  
CHICAGO, ILLINOIS 60602

ALDERMAN PAT DOWELL  
CHAIRMAN

PHONE: 312-744-3380

**Date:** June 7, 2023

## **COMMITTEE ON FINANCE MONTHLY RULE 45 REPORT April 2023**

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Pursuant to Rule 45 of the City Council Rules of Order, the Committee on Finance submits the following Monthly Rule 45 Report for April 2023.

**On April 17, 2023, at 12:40 pm, the Committee on Finance met in City Council Chambers, Second Floor, City Hall.**

The following members were present: Dowell, King, Mitchell, Beale, Sadlowski-Garza, Lee, Abarca, Quinn, Burke, Lopez, Moore, Curtis, O'Shea, Brookins, Tabares, Scott, Burnett, Ervin, Reboyras, Villegas, Mitts, Sposato, Napolitano, Knudsen, Tunney, Vice Chairwoman Hairston, and Chairman Waguespack.

The following members were absent: Hopkins, Sawyer, Harris, Taliaferro, Reilly, Osterman, and Silverstein.

The following other alderpersons were present: LaSpata, Maldonado, Vasquez, Cappleman, and Martin.

*Chairman Waguespack opened the floor for public comment. Bashar Abdullah spoke in support of O2023-1045.*

*George Blakemore spoke.*

*Gabrielle Green with Southsiders Organized for Unity and Liberation spoke in support of O2023-1045.*

*Russell Cochran with Southsiders Organized for Unity and Liberation spoke in support of O2023-1045.*

*The Rev. Jaime Fluker with Southsiders Organized for Unity and Liberation spoke in support of O2023-1045.*

*Sylvie Taylor with Southsiders Organized for Unity and Liberation spoke in support of O2023-1045.*

*Chairman Waguespack thanked the outgoing members of the Committee for their service to the Committee and the City.*

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

*Chairman Waguespack opened the floor for corrections. There were none.*

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

*Chairman Waguespack went out of order to Item 11.*

11. O2023-1339 A communication recommending a proposed ordinance concerning the authority to enter into and execute a Redevelopment Agreement with Team Pioneros LLC, for the provision of Tax Increment Financing (TIF) funds for development at 4000 West North Avenue, located in the 26<sup>th</sup> Ward. Amount: \$13,000,000

*Chairman Waguespack invited Mike Parella from the Department of Planning and Development to explain the ordinance, which he did.*

*Vice Chairwoman Hairston asked if the area around the project was blighted, and Parella said it is under the TIF definitions.*

*Ald. Beale asked for a clarification of TIF eligible costs, and Parella provided the breakdown. Ald. Beale said, while it was a good project for the community, it was not a good project for the City, since so much of the costs are being covered by TIF.*

*Ald. Dowell echoed Ald. Beale's comments and reiterated a previous request for a specific policy on how much of a total project's cost can be covered by TIF.*

*Ald. Burnett provided context on the area around the subject property and spoke in support of the ordinance.*

*Ald. Villegas asked if the parcel is paying property taxes. Parella said yes, and he would provide the amount of taxes through the Chair. Ald. Villegas commended the selection of an M/WBE architectural firm for the project. Ald. Villegas reiterated Ald. Dowell's concerns.*

*Ald. Maldonado spoke in support of the ordinance.*

*On Item 11, Ald. Mitts moved do pass by the roll call taken to establish quorum. Motion carried on a voice vote.*

*Chairman Waguespack continued out of order to Item 3.*

3. O2023-1333 A communication recommending the approval of development and use of facilities at Durkin Park and adjacent property, located in the 18<sup>th</sup> Ward, and execution of the associated water supply agreement with City of Joliet.

*Chairman Waguespack invited CFO Jennie Bennett to explain the ordinance, which she did.*

*Ald. Tunney asked how long the agreement lasts, and Bennett said 100 years with a potential to renegotiate at the 50-year mark.*

*Ald. Dowell asked about the rate structure methodology and if it provided relief to a community Ald. Dowell had previously spoken to Bennett about, and Bennett provided some detail.*

*Ald. O'Shea asked if the City would have taken a financial hit if Joliet made the deal with Hammond instead, and Bennett said it would have been significant. Deputy CFO Jack Broffman provided further details. Ald. O'Shea spoke in support of the ordinance. Dave Cone with the Department of Water Management explained how the City was able to make the deal and how it strengthens the City's position in providing water elsewhere. Ald. O'Shea asked how many communities get Chicago water, and Cone said 129.*

*Ald. LaSpata asked if the additional sales required the City to try and acquire a higher share of Great Lakes water, and Bennett said Joliet would acquire their own allocation.*

*Ald. Ervin asked if the deal and its water fee structure would impact City water users. Bennett said Chicago water users would see no change in their rates relating to the deal. Ald. Ervin asked why Joliet is paying under a different rate structure. Bennett said it is because they are building their own infrastructure to get the water to Joliet. Ald. Ervin asked further questions about the rate methodology, and Bennett provided explanations.*

*Ald. Sposato thanked Bennett for all her work.*

*Ald. Tunney asked about what progress has been made in extracting payments from delinquent municipalities, and Bennett explained the progress made with the Village of Harvey.*

*Ald. Curtis spoke in support of the ordinance.*

*Ald. Villegas requested, through the Chair, information regarding who would be providing professional services around the deal.*

*On Item 3, Ald. Sposato moved do pass by the roll call taken to establish quorum. Motion carried on a voice vote.*

*Chairman Waguespack continued out of order to Item 5.*

5. O2023-1395 A communication recommending a proposed ordinance concerning the authority to enter into and execute a Redevelopment Agreement regarding the sale and demolition of property and the provision of Tax Increment Financing (TIF) funds for 548 Passive HP LP and 548 Humboldt Park, Inc. LLC, to construct affordable housing at 3831 West Chicago Avenue, 3853 West Chicago Avenue, 739 North Springfield Avenue and 741 North Springfield Avenue, located in the 37<sup>th</sup> Ward. Amount: \$18,700,000

*Chairman Waguespack invited Tamra Collins from the Department of Housing to explain the ordinance, which she did.*

*Ald. Sposato spoke in support of the ordinance.*

*Ald. Mitts spoke in support of the ordinance.*

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

*Chairman Waguespack returned to the regular order.*

2. O2023-1045 A communication recommending a proposed ordinance concerning the authority to amend Municipal Code Chapter 11-12 regarding the Utility Billing Relief Program.

*Chairman Waguespack invited Ald. LaSpata and Southsiders Organized for Unity and Liberation organizers Oliver Cicora and Matthew Cason to explain the ordinance, which they did.*

*Ald. Villegas asked that the Department of Water Management in the future explain how they are helping residents conserve water through the use of better technology.*

4. O2023-1394 A communication recommending a proposed ordinance concerning the authority to enter into a loan restructuring agreement with Parkside Terrace Apartments, LLC, for properties located at 128-130 North Parkside Avenue and 143 North Parkside Avenue, located in the 29<sup>th</sup> Ward.

*Chairman Waguespack invited Michelle Adams from the Department of Housing to explain the ordinance, which she did.*

*Ald. Ervin spoke in support of the ordinance on behalf of Ald. Taliaferro.*

*Ald. Dowell asked why the principle had not decreased since 1995. Adams said the initial payment plan was not structured in such a way as to provide a better paydown, but this ordinance would. Ald. Dowell asked if any rehabilitation work had been performed. Adams said no, but the building is in compliance with City building codes.*

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

6. Direct Introduction A communication recommending a proposed ordinance concerning the authority to enter into and execute a Redevelopment Agreement regarding the sale of property, and provision of various financing of Tax Increment Financing (TIF) funds for the development of affordable housing at 4713 North Western Avenue, located in the 47<sup>th</sup> Ward.  
TIF Amount: \$12,000,000

*Chairman Waguespack invited Kara Breems from the Department of Housing to explain the ordinance, which she did.*

*Ald. Ervin asked how much the total development will cost, and Breems said \$48 million.*

*Ald. Tunney asked about the land value, and Breems said it was \$4.925 million. Ald. Tunney asked how that impacted the financing stack to fund the project, and Breems provided an explanation.*

*Ald. King asked for details on the affordability of the units, and Ald. Martin provided the details. Ald. King asked about unit sizes, and Breems said they would be studios, as well as 1- and 2-bedroom units.*

*Ald. Martin spoke in support of the ordinance.*

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

7. O2023-1336 A communication recommending a proposed ordinance concerning the authority to enter into and execute an Intergovernmental Agreement with CircEsteem, Inc. for the provision of Tax Increment Financing (TIF) funds and a Chicago Recovery Plan Community Development Grant for development of property at 4730 North Sheridan Road, located in the 46<sup>th</sup> Ward. TIF Amount: \$5,000,000

*Chairman Waguespack invited Terrence Johnson from the Department of Planning and Development to explain the ordinance, which he did.*

*Ald. Dowell asked about the funding structure, and Johnson provided the clarification.*

*Ald. Tunney asked for a breakdown of the project costs, and Johnson provided the breakdown. Ald. Tunney asked further questions about the costs, as well as questions about CircEsteem's history at the site. Dan Roberts with CircEsteem and Johnson provided the information. Ald. Tunney asked how much of the project costs were covered through fundraising, and Roberts provided the information. Ald. Tunney asked what would happen if CircEsteem left the building after five years. Johnson said CircEsteem is more of a community service organization rather than a typical theater.*

*Ald. Lee asked for details about the organization and their work, and Roberts provided the information.*

*Ald. Moore asked if the building would be on the property tax rolls, and Johnson said it would not, since CircEsteem is not-for-profit. Ald. Moore asked how much was previously paid in taxes, and Roberts said it has been tax exempt since 2001.*

*On Item 7, Ald. Burnett moved do pass by the roll call taken to establish quorum. Motion carried on a voice vote.*

8. O2023-1337 A communication recommending a proposed ordinance concerning the authority to enter into and execute a Redevelopment Agreement with Lillian Marcie Legacy Company for the provision of Tax Increment Financing (TIF) funds to rehabilitate and develop property at 4341-4343 South Cottage Grove Avenue, located in the 4<sup>th</sup> Ward. TIF Amount: \$6,000,000

*Chairman Waguespack invited Terrence Johnson from the Department of Planning and Development to explain the ordinance, which he did.*

*Ald. Tunney shared his experiences with a very similar building that is home to the Briar Street Theater, which struggled before “Blue Man Group” moved in. Ald. Tunney asked about parking. Ald. King said parking would be shared with another building across the street, and street parking is plentiful.*

*Ald. King spoke in support of the ordinance.*

*On Item 8, Ald. Tunney moved do pass by the roll call taken to establish quorum. Motion carried on a voice vote.*

9. O2023-1305 A communication recommending a proposed ordinance concerning the authority to enter into and execute a Redevelopment Agreement with Westside Health Authority, Austin Coming Together, and QALICB for the provision of Tax Increment Financing (TIF) funds for the construction of the Aspire Center at 5500 West Madison Street, located in the 29<sup>th</sup> Ward.

TIF Amount: \$12,250,000

*Chairman Waguespack invited Mike Parella from the Department of Planning and Development to explain the ordinance, which he did.*

*Ald. Mitts spoke in support of the ordinance.*

*Ald. Ervin spoke in support of the ordinance on behalf of Ald. Taliaferro.*

*On Item 9, Ald. Ervin moved do pass by the roll call taken to establish quorum. Motion carried on a voice vote.*

10. O2023-1385 A communication recommending a proposed ordinance concerning the authority to make a second amendment to the Madison-Austin Corridor Tax Increment Financing (TIF) Redevelopment Project and Plan.

*Chairman Waguespack invited Ryan Slattery from the Department of Planning and Development to explain the ordinance, which he did.*

*Ald. Ervin asked clarifying questions about the ordinance, and Slattery provided the details.*

*Ald. Tunney asked when the TIF was established, and Slattery said 1999. Ald. Tunney asked how many TIFs have been so extended, and Slattery said he would provide the number through the Chair.*

*On Item 10, Ald. Ervin moved do pass by the roll call taken to establish quorum. Motion carried on a voice vote.*

12. O2023-1383 A communication recommending a proposed ordinance concerning the authority to enter into and execute a Redevelopment Agreement with Celadon Construction Corporation NFP, Celadon Partners LLC, Blackwood Development Partners LLC and

forthcoming QALICB for the provision of Tax Increment Financing (TIF) funds for redevelopment at 4700 South Ashland Avenue, 4707 South Marshfield Avenue, and 1635-1643 West 47<sup>th</sup> Street, located in the 20<sup>th</sup> Ward. TIF Amount: \$5,000,000

*Chairman Waguespack invited Terrence Johnson from the Department of Planning and Development to explain the ordinance, which he did.*

*Ald. Villegas spoke in support of the ordinance.*

*Ald. Lee spoke in support of the ordinance.*

*On Item 12, Ald. Lee moved do pass by the roll call taken to establish quorum. Motion carried on a voice vote.*

13. O2023-1381 A communication recommending a proposed ordinance concerning the authority to enter into and execute an Intergovernmental Agreement with the Chicago Park District for the provision of Tax Increment Financing (TIF) funds for renovations of Winnemac Park at 5100 North Leavitt Street, located in the 40<sup>th</sup> Ward. TIF Amount: \$2,000,000

*Chairman Waguespack invited Beth O'Reilly from the Chicago Park District to explain the ordinance, which she did.*

*Ald. Vasquez spoke in support of the ordinance.*

*On Item 13, Ald. Tunney moved do pass by the roll call taken to establish quorum. Motion carried on a voice vote*

14. Direct Introduction A communication transmitting reports of cases in which verdicts, judgments or settlements were entered into for the months of March 2023.

*Chairman Waguespack said Item 14 would be placed on file with the Clerk.*

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

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

*Chairman Waguespack said Items 15 and 16 would be placed on the Omnibus Agenda at City Council. There was no objection.*

*Chairman Waguespack moved to the Supplemental Agenda.*

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

A. Swart, et al. v. City of Chicago, et al., cited as 2019 C 6213 (N.D. IL) (J. Blakey). Amount: \$205,000

*Chairman Waguespack invited Andrew Worseck with the Department of Law to explain the settlement, which he did.*

*Ald. Moore asked how much has been spent on litigation, and Worseck said it was litigated in-house. Ald. Moore asked clarifying questions about the cause of action, and Worseck provided the details. Ald. Moore asked how such rules would apply to hate speech. Worseck said there are time, place, and manner regulations regarding free speech.*

*Ald. Tunney asked for clarification on the changes in policy at Millennium Park, and Worseck provided the details.*

*Chairman Waguespack asked about park employee training, and Worseck provided the details.*

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

The Committee having no further business, on a motion by Ald. Lee, the meeting was adjourned at 3:41 pm.

Respectfully submitted,

A handwritten signature in blue ink that reads "Pat Dowell". The signature is written in a cursive, flowing style.

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Pat Dowell  
Chairman, Committee on Finance