



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

PHONE: 312-744-3166
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Date: February 14, 2022

**COMMITTEE ON THE BUDGET AND GOVERNMENT OPERATIONS
MONTHLY RULE 45 REPORT
JANUARY 2022**

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 January 2021.

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

On January 19, 2022, 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 January 19, 2022 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), 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), and Osterman (48).

The following member(s) were virtually not present at the January 19, 2022 Committee on the Budget and Government Operations Meeting: Moore (17), Austin (34), and Cappleman (46).

The following non-members were virtually present at the January 19, 2022 Committee on the Budget and Government Operations Meeting: Beale (9), Burke (14), and Cardona (31).



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**Date, Time &
Location of**

Meeting:

On January 25, 2022, at 2:00 p.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 January 25, 2022 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), Thompson (11), Cardenas (12) Quinn (13), Moore (17), Curtis (18), Rodriguez (22), Tabares (23), Scott (24), Burnett (27), Ervin (28), Taliaferro (29), Reboyras (30), Waguespack (32), Austin (34), Ramirez-Rosa (35), Mitts (37), Sposato (38), Napolitano (41), Reilly (42), Tunney (44), Cappleman (46), and Osterman (48).

The following member(s) were virtually not present at the January 25, 2022 Committee on the Budget and Government Operations Meeting: Sadlowski-Garza (10), O'Shea (19), Brookins (21), Villegas (36) and Smith (43).

The following non-members were virtually present at the January 25, 2022 Committee on the Budget and Government Operations Meeting: Coleman (16), Cardona (31), and Hadden (49).

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

REFERRED TO THE COMMITTEE DURING THE DECEMBER 15, 2021 CITY COUNCIL MEETING

- 1. Amendment of fiscal 2021 Annual Appropriation Ordinance regarding Chicago Transit Authority Real Property Transfer Tax Fund increase (O2021-5873)**

HOLD IN COMMITTEE 1/19/22

PASS COMMITTEE 1/25/22

PASS CITY COUNCIL 1/26/22

- 2. Transfer of funds within City Council Committee on Committees and Rules for Year 2021 (O2021-5842)**

PASS COMMITTEE 1/19/22

PASS CITY COUNCIL 1/26/22



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On January 19, 2022 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 was 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. With no speakers signed up to speak, Chairman Dowell closed the public comment period. One written public comment was submitted and recognized by Chairman Dowell.

Alderman Dowell called for approval of the December 2021 Monthly Rule 45 Report for the Committee on the Budget and Government Operations. Alderman Rodriguez moved to approve the Rule 45 Report. Hearing no objections, the item was approved.

Chairman Dowell began the meeting with Item Number 1 on the agenda, an amendment of fiscal 2021 Annual Appropriation Ordinance regarding Chicago Transit Authority Real Property Transfer Tax Fund increase (O2021-5873). Chairman Dowell recognized Budget Director Susie Park who explained the ordinance. Following Budget Director Park's remarks, Chairman Dowell opened the meeting up for questions from committee members and other aldermen. Aldermen Waguespack, Reilly, Thompson, King, Ervin, Cardenas, Hairston, Sadlowski-Garza, asked about what the CTA will use the increased funding for and expressed their disappointment with CTA's lack of communication with Aldermen. Alderman Osterman asked for the budget office and CTA to look at how the transfer tax is instituted. Alderman Tunney asked about the source of the increased funding. Budget Director Park responded how the proceeds from the Real Estate Transfer Tax is divided between taxing bodies and how the current real estate market contributes to the 2021 increase. Alderman Tunney continued by explaining the history of the Red-Purple Line TIF and how the CTA has been difficult to work with. Alderman Thompson inquired why this ordinance is needed outside of the budget process and why the committee isn't considering the City's portion of the revenue increase. Budget Director Park answered that the CTA's increase is higher than estimated in the previous budget, and that the City's portion can be adjusted when year-end numbers come in to offset any loses in expected revenues. Alderman King asked about the City's portion of the tax and advocated for adjusting the tax at the state level. Budget Director Park responded that our revenue from the tax is \$180 million against a \$120 million budget. Alderman Ervin, Thompson and Chairman Dowell asked about remitting the funding to the CTA. Budget Director Park responded that the City must remit the funds "as soon as possible" based on the code, but must be done by year end. Chairman Dowell then moved for a 5-minute recess to find additional speakers from the CTA to join the meeting. Unable to locate CTA staff, Alderman Dowell moved to hold the item until the



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reconvened Committee on the Budget and Government Operations meeting scheduled for Tuesday, January 25, 2022 at 2:00 pm.

Chairman Dowell then moved to Item No. 2 on the agenda a Transfer of funds within City Council Committee on Committees and Rules for Year 2021 (O2021-5842). The ordinance was then explained by Chairman Dowell and Alderman Harris. Alderman Reilly moved do pass Item No. 2 on the agenda by the same roll call vote used to determine quorum. Hearing no objections, the item passed and was reported out at the City Council meeting on Wednesday, January 26, 2022.

Chairman Dowell stated that there was no further business before the Committee and moved to recess by the same roll call vote as was applied to determine quorum. The Committee on the Budget and Government Operations Meeting recessed at 10:52 pm.

On January 25, 2022 Chairman Dowell called the recessed 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 was 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. Deborah Lane was recognized to speak. With no other speakers signed up to speak, Chairman Dowell closed the public comment period.

Chairman Dowell began the meeting with Item Number 1 on the agenda, an amendment of fiscal 2021 Annual Appropriation Ordinance regarding Chicago Transit Authority Real Property Transfer Tax Fund increase (O2021-5873). Chairman Dowell recognized Budget Director Susie Park, CTA CFO Jeremy Fine, and CTA VP of Legislative Affairs Sam Smith as in attendance for the meeting. Budget Director began by delivering her opening statement. Following Budget Director Park's remarks, CTA CFO Jeremy Fine provided an opening statement. Chairman Dowell began by asking about the POB debt service, which CFO Fine answered the debt service is \$300 million with \$150 million as part of the POB and other sources for the remainder of the funds, and about the maturity date for the debt. Chairman Dowell then opened the meeting up for questions from committee members and other aldermen. Alderman Hairston asked about the number of employees paying into the pension and what the CTA used additional federal funding for. CFO Fine answered that about 8,500 people pay into the pension and added information about employees who do not pay into the pension. He then continued by saying the additional federal funding was used for operations, health and safety. Alderman Waguespack asked about the specifics of the POB, requested that the CTA to testify during budget hearings, and improve the health and safety of the CTA employees. CFO Fine confirmed they are fixed rate bonds through 2040. Aldermen Burnett and



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Thompson asked for clarification on the real property transfer tax allocations and the allocation process. Budget Director Park answered with specifics on the pass through process. Alderman Curtis stated there is a lack of infrastructure money in the City already, giving funding to the CTA notwithstanding. Alderman Osterman asked for information about the previous transfer tax allocations, and for increased outreach from the CTA. Alderman Cardenas also requested better coordination between CTA and aldermen. Aldermen Ervin, Reilly and Mitts inquired about the whereabouts of CTA CEO Dorval Carter, and for CTA to work more closely with aldermen. VP of Legislative Affairs Smith apologized for his absence. Alderman Mitts asked for work to be done on one of the elevated stations in her ward. Alderman Ramirez-Rosa asked about capacity/service issues with the Blue Line. VP of Legislative Affairs Smith stated they will investigate these issues. Chairman Dowell then closed by summarizing the sentiments and asks that came up during the hearing. Alderman Austin moved do pass Item No. 1 on the agenda by the same roll call vote used to determine quorum. Hearing no objections, the item passed and was reported out at the City Council meeting on Wednesday, January 26, 2022.

Chairman Dowell stated that there was no further business before the Committee and moved to adjourn by the same roll call vote as was applied to determine quorum. Alderman Scott moved to adjourn the meeting. The Committee on the Budget and Government Operations Meeting adjourned at 2:55 pm.

Respectfully submitted by:

Pat Dowell, Chairman

Committee on the Budget and Government Operations