

**COMMITTEE ON FINANCE  
MONTHLY RULE 45 REPORT  
August and September 2021**

**The Committee on Finance did not meet in August 2021.**

**On September 13, 2021, at 10:00 am, the Committee on Finance held a remote meeting pursuant to applicable law.**

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

The following members were absent: Hopkins, Sawyer, Cardenas, Curtis, O’Shea, Scott, and Silverstein.

The following additional alderpersons were present: Rodriguez, Rodriguez-Sanchez, Nugent, and Cappleman

*Chairman Waguespack opened the meeting with a statement regarding the impracticability of meeting 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 multi-family housing revenue notes for the Lake Park Crescent Apartments project. 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.*

*Ald. Ervin asked if the topic would be revisited by the Committee. Jack Brofman, Deputy Comptroller with the Department of Finance, noted that these inducements had already been approved by the City Council, but the federal tax code requires a new hearing after three years. Ald. Ervin asked if any changes have been made to the bond teams working for the City on these inducements, and Brofman said no. Ald. Ervin suggested that those bond teams might need to be reviewed.*

*Chairman Waguespack closed the hearing at 10:11 am.*

**On September 13, 2021, at 10:12 am, the Committee on Finance held a remote meeting pursuant to applicable law.**

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

The following members were absent: Cardenas and Scott.

The following additional alderpersons were present: Coleman, Rodriguez, Cardona, Nugent, and Cappleman.

*Chairman Waguespack opened the floor for public comment.*

*Horcacio Mendez, Kevin Jackson, and Christina Kamara spoke in support of Item 4 on the agenda.*

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

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

2. SO2021-3216 A communication recommending a proposed substitute ordinance concerning the authority to enter into and execute a restructuring agreement, multi-family tax-exempt funding loan notes and loan agreement with Standard LPC Venture LP, Standard LPC Developer for the purchase and rehabilitation of Lake Park Crescent Apartments, located at 1061 E 41st Place in the 4th Ward.

*Ald. Austin moved to accept the substitute ordinance by the roll call used to establish quorum. Motion carried on a voice vote.*

*Chairman Waguespack invited Anna Booth and Aja Bonner with the Department of Housing to explain the ordinance, which they did.*

*Ald. Tunney asked how this ordinance compared with the previous plan for the site, and Booth provided the information. Ald. Tunney asked if this also included rehabilitation of the existing units, and Booth said it did. Ald. Tunney asked how much the rehabilitation costs, and Booth said \$8.8 million. Ald. Tunney asked when Phase 2 was completed, and Booth said she did not know because a different developer was to complete that. Ald. Tunney asked for the status of Phase 2. Ald. King said all the Chicago Housing Authority units had been delivered, and all that needed to be built were the market rate units and some affordable units.*

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

*Ald. Moore asked if there was a Phase 3 for the project, and Ald. King said she did not believe so, and this ordinance would provide for the rehabilitation of Phase 1. Ald. Moore asked if the units were for seniors or families, and Ald. King said families.*

*Ald. Burnett asked if there were market rate units involved in this ordinance, and Booth said there were 36. Ald. Burnett spoke in support of the ordinance.*

*Ald. King requested the Committee's favorable consideration.*

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

3. O2021-3265 A communication recommending a proposed ordinance concerning the authority to enter into and execute a sale of city-owned properties and redevelopment agreement using multi-family program funds and tax increment financing (TIF) with 43rd and Calumet Phase I LLC, Habitat 43 Green LLC, and P3 Markets 43 Green LLC for construction of a mixed income, mixed use residential complex at 312 E 43rd St, 4310 S Calumet Ave and 4314 S Calumet Ave in the 3rd Ward.

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

*Ald. Lopez asked why the property sale aspect of the ordinance was in the Committee and not another committee. Sorrell said it had been approved by the Community Development Commission.*

*Ald. Burnett asked clarifying questions regarding the tax increment financing, and Sorrell provided the information. Ald. Burnett expressed support for the ordinance.*

*Ald. Beale said the land sale should be broken out and sent to the Committee on Housing and Real Estate. Ald. Dowell said she believed it already had gone through either the Committee on Housing and Real Estate or the Committee on Zoning, Landmarks and Building Standards.*

*Ald. Dowell expressed support for the ordinance and requested the favorable consideration of the Committee.*

*Chairman Waguespack said the land sale was part of the redevelopment agreement. Ald. Lopez suggested dividing the question. Sorrell said the land sale was included in this ordinance because the property sale is part of the financing package and TIF request being approved by the Committee. Chairman Waguespack noted a past redevelopment agreement that was structured similarly, included a land sale, and was approved by the Committee.*

*Ald. King asked which TIF it is in, and Sorrell provided the information. Ald. King expressed support for the development.*

*Deputy Corporation Counsel Jeff Levine explained that the land sale was part of and negotiated with the TIF agreement and was not functionally divisible. Ald. Dowell asked if this particular ordinance was unusual. Levine said this type of redevelopment deal was not uncommon.*

*Ald. Thompson said complex deals do not typically go to more than one committee, and this Committee has approved similar ordinances. Tamra Collins with the Department of Housing said that deals that include TIF or bonds and a land sale would go to the Committee on Finance, while deals with only a land sale would go to the Committee on Housing and Real Estate. Collins said that has been the case for at least 10 years.*

*Ald. Beale said his recollection was different, but he did not want to hold up a quality project.*

*Ald. Burnett asked how much affordable housing was part of the ordinance, and Sorrell said 50 affordable units and 49 market rate units. Ald. Burnett expressed support for the ordinance.*

*Ald. Osterman said that his recollection was that projects with a TIF component go through the Committee on Finance, but he would work with Chairman Waguespack to clarify that process. Ald. Osterman expressed support for the ordinance.*

*Ald. Dowell again expressed support for the ordinance.*

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

4. SO2021-2872 A communication recommending a proposed substitute ordinance to amend Municipal Code Sections 2-32-400 and 2-32-450 regarding disclosures related to Municipal Depositories.

*Ald. Osterman moved to accept the substitute ordinance by the roll call used to establish quorum. Motion carried on a voice vote.*

*Chairman Waguespack thanked everyone from the Treasurer's Office, Comptroller's Office, Law Department, and Committee on Housing and Real Estate for their work on the ordinance.*

*Chairman Waguespack invited Ald. Osterman to explain the ordinance, which he did. Chairman Waguespack invited Anthony Simpkins, President of Neighborhood Housing Services, to explain the ordinance, which he did.*

*Ald. Thompson asked to whom the ordinance would apply, and Ald. Osterman said it would only apply to depositories. Ald. Thompson requested a list of depositories through the Chair. Ald. Thompson asked if this ordinance would negatively impact those depositories. Ald. Osterman said their association has been engaged concerning the ordinance, and the ordinance would not prohibit depositories from doing business with the City. Comptroller Reshma Soni further explained the ordinance and answered Ald. Thompson's question.*

*Chairman Waguespack invited Treasurer Melissa Conyears-Ervin to explain the ordinance, which she did.*

*Ald. King expressed support for the ordinance.*

*Ald. Villegas asked if there was data about lending to Latino families, and Simpkins provided the information.*

*Ald. Osterman requested the Committee's favorable consideration.*

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

5. O2021-3229 A communication recommending a proposed ordinance concerning the authority to refund Special Assessment Improvement Bonds, Series 2002 (Lakeshore East Project) through the issuance of Special Assessment Improvement Bonds, Refunding Series 2021 (Lakeshore East Project).

*Chairman Waguespack invited Deputy Comptroller Jack Brofman to explain the ordinance, which he did.*

*Ald. Smith expressed support for the ordinance and said the City does not finance infrastructure enough through special assessment bonds. Ald. Smith asked why it is not used more. Brofman said it is because there are compliance issues at the front end, among other factors.*

*Ald. Tunney asked if the schools in Lakeshore East were paid for with the bonds. Brofman said private schools were not, and a contemplated public school would be paid for through other funds.*

*Ald. Reilly expressed support for the ordinance.*

*On Item 5, Ald. Tunney moved do pass by the roll call used to establish quorum. Motion carried on a voice vote, with the exception of Ald. Thompson, who abstained under the provisions of Rule 14.*

6. O2021-3251 A communication recommending a proposed ordinance concerning the authority to enter into and execute Amendment No. 2 to 71st and Stony Island Tax Increment Financing Redevelopment Project and Plan.

*Chairman Waguespack invited Deputy Commissioner Tim Jeffries with the Department of Planning and Development to explain the ordinance, which he did.*

*Ald. Thompson asked if the General Assembly had already acted, and Jeffries said it had.*

*Vice Chairwoman Hairston expressed support for the ordinance.*

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

7. O2021-3244 A communication recommending a proposed ordinance concerning the authority to enter into and execute an Intergovernmental Agreement with the Chicago Board of Education for the provision of tax increment financing (TIF) funds for certain playground renovations at Lazaro Cardenas Elementary School, located at 2345 South Millard Avenue in the 22nd Ward.

*Chairman Waguespack invited Chicago Public Schools Executive Director of Capital Programs Ivan Hansen to explain the ordinance, which he did.*

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

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

8. O2021-3245 A communication recommending a proposed ordinance concerning the authority to enter into and execute an Intergovernmental Agreement with the Chicago Board of Education for the provision of tax increment financing (TIF) funds for certain structural, roof and

masonry repairs at Jacqueline B. Vaughn Occupational High School, located at 4355 North Linder Avenue in the 38th Ward.

*Chairman Waguespack invited Chicago Public Schools Executive Director of Capital Programs Ivan Hansen to explain the ordinance, which he did.*

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

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

9. O2021-3246 A communication recommending a proposed ordinance concerning the authority to enter into and execute an Intergovernmental Agreement with the Chicago Board of Education for the provision of tax increment financing (TIF) funds for structural safety modifications at Mary Gage Peterson Elementary School, located at 5510 North Christiana Avenue in the 39th Ward.

*Chairman Waguespack invited Chicago Public Schools Executive Director of Capital Programs Ivan Hansen to explain the ordinance, which he did.*

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

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

10. O2021-3247 A communication recommending a proposed ordinance concerning the authority to enter into and execute an Intergovernmental Agreement with the Chicago Board of Education for the provision of tax increment financing (TIF) funds for structural safety modifications at James B. Farnsworth Elementary School, located at 5414 North Linder Avenue in the 45th Ward.

*Chairman Waguespack invited Chicago Public Schools Executive Director of Capital Programs Ivan Hansen to explain the ordinance, which he did.*

*Chairman Waguespack noted that Ald. Gardiner was not at the meeting, but the item addresses a life safety issue and needed to move forward.*

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

11. O2021-3248 A communication recommending a proposed ordinance concerning the authority to enter into and execute an Intergovernmental Agreement with the Chicago Board of Education for the provision of tax increment financing (TIF) funds for certain playground, track and turf renovations at the Mary E. Courtenay Language Arts Center, located at 4420 North Beacon Street in the 46th Ward.

*Chairman Waguespack invited Chicago Public Schools Executive Director of Capital Programs Ivan Hansen to explain the ordinance, which he did.*

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

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

12. Direct Introduction A communication transmitting reports of cases in which judgments or settlements were entered into for the month of June 2021.

*Chairman Waguespack said Item 12 would be placed on file with the Clerk.*

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

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

*Chairman Waguespack said Items 13 and 14 would be placed on the Omnibus Agenda at City Council. There was no objection.*

15. Direct Introduction One (1) proposed order authorizing Charitable Solicitation on the Public Way (Tag Day) permits:

- A. The Salvation Army Metropolitan Division  
Citywide  
September 16, 2021 and November 1, 2021, through December 24, 2021, excluding  
Sundays and November 25, 2021

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

*Chairman Waguespack moved to the Supplemental Agenda.*

1. Four proposed orders authorizing the Corporation Counsel to enter into and execute Settlement Orders in the following cases:

- A. Alexander Washington-Riley v. City of Chicago, et al., cited as 19 C 6160 (J. Pacold).  
Amount: \$300,000.00

*Chairman Waguespack introduced Deputy Corporation Counsel Jeff Levine to explain the settlement, which he did.*

*Ald. Taliaferro asked about the photo lineup, and Levine provided the information.*

*On Item 1A, Ald. Hopkins moved do pass by the roll call used to establish quorum. Motion carried on a voice vote with Ald. Taliaferro voting no.*

- B. Dejuan Harris v. City of Chicago and Officer John Craig., cited as 17 L 10670 (J. Harvey).  
Amount: \$425,000.00

*Chairman Waguespack introduced Deputy Corporation Counsel Jeff Levine to explain the settlement, which he did.*

*Ald. Sposato asked about the plaintiff's arrest record, felony record, and the witness, and Levine answered the questions. Ald. Sposato asked if the plaintiff threw or tossed the gun, and Levine said he was not sure, but the important point is that the plaintiff claims he did not have the gun when he was shot. Ald. Sposato said he would not support the settlement.*

*Ald. Curtis said he would not support the settlement. Levine said the concern of the Department of Law was that some evidence contradicting the plaintiff might be excluded from trial, and this case did involve a foot pursuit. Ald. Curtis said he would rather have a jury decide.*

*Ald. Napolitano said we would not support the settlement.*

*Ald. Thompson asked if outside counsel was retained for the City, and Levine said no. Ald. Thompson asked how much it would cost the City. Levine said the City had expended 900 hours so far, and another 500 would likely be expended before trial. Ald. Thompson said he would not support the settlement.*

*Ald. Lopez said this settlement would be rewarding bad behavior and he would not support the settlement.*

*Alds. Tabaras and Quinn said they would not support the settlement.*

*Ald. Hopkins asked about the charges against the plaintiff, and Levine provided the information. Ald. Hopkins asked if the charges would be admissible, and Levine said only the conviction would be admissible. Victoria Bensen with the Department of Law added that the City would need to litigate the admissibility of other issues. Ald. Hopkins asked what the risk was in not waiting for those rulings. Bensen said the risk was that the cost of a settlement would increase. Ald. Hopkins said he was conflicted about approving the settlement, but he agreed with Levine. Ald. Hopkins said the situation is not fair, but settling was prudent.*

*Ald. Taliaferro asked for clarification of the sequence of events, and Levine provided it. Ald. Taliaferro said he could not support the settlement. Ald. Taliaferro questioned the prudence of having these discussions in an open meeting. Ald. Taliaferro said settlement discussions should be in closed session. Levine said that the information being shared with the Committee would not provide any advantage to plaintiff's counsel. Ald. Taliaferro reiterated that settlement discussions should not be public.*

*Ald. Cardona said he would not support the settlement. Chairman Waguespack noted that he could record that vote at City Council.*

*Ald. Dowell asked about potential costs of a jury verdict against the City, and Levine provided the information. Ald. Dowell said the case should be litigated fully and she would not support the settlement.*

*Vice Chairwoman Hairston asked if the City had solicited an opinion from the Attorney General concerning holding settlement discussions in closed session.*



*Ald. Thompson said closed sessions are allowed regarding settlements. Levine said that, during his tenure with the City, the Committee has held discussions in open session, and he did not recall any committee ever going into a closed session. Chairman Waguespack said the issue should be researched more fully.*

*Chairman Waguespack held Item 1B in Committee.*

*Ald. Thompson questioned if the meeting should continue until the closed session issue was resolved. Chairman Waguespack said the remaining settlements are fairly straightforward.*

*Ald. Sposato asked how much Item 1B might result in the City paying if there were a verdict against the City, and Levine said he was not sure. Ald. Sposato asked about the disciplinary history and commendation history for the officer, and Levine provided the information.*

*Ald. Taliaferro reiterated his concerns about having discussions in an open meeting, noting that the officer's disciplinary history was just disclosed. Ald. Taliaferro said that discussing cases in public was bad for the City.*

*Ald. Lopez asked if the Committee ever knew who the judges were on cases. Levine said yes. Ald. Lopez said that information should be provided. Committee Chief of Staff Anne Emerson noted that the name of the judge on each settlement was noted on the supplemental agenda.*

*Chairman Waguespack recessed the Committee at 1:04 pm.*

*Chairman Waguespack reconvened the meeting at 1:13 pm and moved to Item 1C.*

C. Kehinda Mitchell v. City of Chicago, et al., cited as 18 C 7357 (J. Feinerman).  
Amount: \$900,000.00

*Chairman Waguespack introduced Deputy Corporation Counsel Jeff Levine to explain the settlement, which he did.*

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

D. Armando Serrano v. Reynaldo Guevara, et al., cited as 17 CV 2869; and Jose Montanez v. Peynaldo Guevara, et al., cited as 17 CV 4560 (J. Shah).  
Combined Amount: \$20,500,000.00

*Chairman Waguespack introduced Deputy Corporation Counsel Jeff Levine to explain the settlement, which he did.*

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

The Committee having no further business, on a motion by Ald. Austin, the meeting was adjourned at 1:28 pm.

Respectfully submitted,



Scott Waguespack  
Chairman, Committee on Finance