



CITY OF CHICAGO

COMMITTEE ON THE BUDGET AND GOVERNMENT OPERATIONS
CITY COUNCIL
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COMMITTEE ON THE BUDGET AND GOVERNMENT OPERATIONS
MONTHLY RULE 45 REPORT
JUNE 3RD & 7TH 2024

Pursuant to Rule 45 of the City Council Rules of Order, the Committee on the Budget and Government Operations (CBGO) submits the following Monthly Rule 45 Report for JUNE 2024 (representing June 3rd & June 7th Meetings.

MONDAY, JUNE 3rd

Date, Time & Location of Meeting: On June 3, 2024, at 9:30 A.M., the Committee on the Budget and Government Operations held a Subject Matter Hearing, whereby no votes were taken, in City Hall, Council Chamber, 121 N. LaSalle Street, 2nd Floor.

Attendance: The following members were present: Chairman Ervin (28), Vice-Chairman Lee (11), La Spata (1), Dowell (3), Mitchell (7), Harris (8), Quinn (13), O'Shea (19), Mosley (21), Rodriguez (22), Scott (24), Burnett (27), Taliaferro (29), Cardona (31), Conway (34), Mitts (37), Sposato (38), Nugent (39), Martin (47) and Hadden (49).

The following members attended virtually: Dowell (3), Robinson (4), Mitchell (7), Harris (8), Moore (17), Burnett (27), Ramirez-Rosa (35), Villegas (36), Mitts (37), Vasquez (40), Napolitano (41) and Silverstein (50).

The following members were absent: Yancy (4), Ramirez (12), Lopez (15), Sigcho-Lopez (15), Rodriguez-Sanchez (33), Reilly (42) and Knudsen (43).

The following non-members were present: Coleman (16) and Hoppenworth (48).

The following non-member attended virtually: Cruz (30).

External witness present: Rosalia Griller of Community Organizing & Family Issues (COFI); Cliff Nellis of Lawndale Christian Law Center (LCLC); Richard Ducatenzeiler of The Boulevard; Nedra Sims Fears of Greater Chatham Initiative; Verence Mendez; Brad McConnell of Allies for Community Business; Emily Rutkowski of World Business Chicago; Tonika Johnson of unBlocked; Daniel Malave of Metropolitan Family Services and [Gregory Cooper of BUILD, Gabrielle Lyon of Illinois Humanities, Gaby Gerken the Director of Community Development of West Town Chamber of Commerce (Dish Roulette Kitchen) spoke during the public hearing portion].

Internal witnesses present: **Mayor's Office:** Chief Operating Officer John Roberson; **OBM:** Budget Director Annette Guzman, Managing Deputy Budget Director Kevin Murphy and Deputy Budget Director for Community Safety Adam Slade; **CDPH:** First Deputy Commissioner Fikirte Wagaw, Assistant Commissioner Regina Meza Jimenez; Director of Program Operations X33 Patrick Stonehouse and Projects Administrator Keyoka Parks; **DFSS:** Commissioner Brandie Knazze, First Deputy Commissioner Jonathan Ernst, Managing Deputy Commissioner Maura McCauley, Managing Deputy Commissioner Frankie Shipman-Amuwo, Deputy Commissioner of Youth Chadra Lang, Deputy Commissioner of Workforce & Human Mark Sanders II, Deputy Commissioner of Homeless & Gender-Based Violence; Deputy Commissioner of Finance Raymond Barrett, Senior Director of strategy, Policy & Equity Silvie Senauke and Senior Recovery Team Program Manager Precethi Varma; **DPD:** Commissioner Ciere Boatright, Deputy Commissioner Mary O'Connor, Deputy Commissioner Kathleen Dickhut, Managing Deputy Commissioner Tim Jeffries, Assistant Commissioner Kyle Bartlett and Chicago Recovery Plan Program Director Hannah Jones; **MOPD:** Commissioner Rachel Arta, Disability Specialist Jocelyn Romasanta and Accountant Frida Morales; **BACP:** Commissioner Kenneth Meyer, Chief Small Business Officer & Managing Deputy Commissioner Lotika Pai, First Deputy Commissioner Ivan Capifali, Assistant Commissioner A.J. Lee, Acting Recovery Team Program Director Maurice Phillips and Director of Labor Standards Miguel Campos; **DCASE:** Commissioner Clinée Hedspeth, First Deputy Commissioner Jennifer Johnson Washington, Deputy Commissioner Tahira Baig and Senior Recovery Manager Media McNeal.

Chairman Ervin called the Subject Matter Hearing to order, opened the floor for public participation. The following speakers were present and given three minutes each for public comment:

- George Blakemore
- Zoe Leigh
- Tiwon Sims
- Gary Cooper, BUILD
- Gabrielle Lyon, Illinois Humanities
- Gaby Gerken, Director, Community Development of West Town Chamber of Commerce

The Chair concluded the public comment period and next extended the floor to have the external witnesses speak. They were as follows:

Rosalia Griller of Community Organizing & Family Issues (COFI)
Cliff Nellis of Lawndale Christian Law Center (LCLC)
Richard Ducatzenzeiler of The Boulevard
Nedra Sims Fears of Greater Chatham Initiative
Verenice Mendez
Brad McConnell of Allies for Community Business
Emily Rutkowski of World Business Chicago

Tonika Johnson of unBlocked
Daniel Malave of Metropolitan Family Services

At the conclusion of the external witness testimonies, the Chairman called forth the below listed departments. Each department presented their ARPA-specific content and provided Q&A to the Members.

- Mayor's Office and Office of Budget Management
- Chicago Department of Public Health
- Department of Family and Support Services
- Department of Planning and Development
- Mayor's Office of People with Disabilities
- Business Affairs and Consumer Protection
- Department of Cultural Affairs and Special Events

At the conclusion of the departmental reports, the meeting was duly adjourned. For additional content, please refer to the video recording on the City Clerk's website.

FRIDAY, JUNE 7th

Pursuant to Rule 45 of the City Council Rules of Order, the Committee on the Budget and Government Operations (CBGO) submits the following Monthly Rule 45 Report for JUNE 2024.

Date, Time & Location of Meeting: On June 7, 2024, at 10:00 A.M., the Committee on the Budget and Government Operations held a meeting in City Hall, Council Chamber, 121 N. LaSalle Street, 2nd Floor.

Attendance: The following members were present: Chairman Ervin (28), Vice-Chairman Lee (11), La Spata (1), Mitchell (7), Moore (17), O'Shea (19), Mosley (21), Rodriguez (22), Sigcho-Lopez (25), Burnett (27), Taliaferro (29), Cardona (31), Vasquez (40), Knudsen (43), Martin (47), and Hadden (49).

The following members were present virtually: Robinson (4), Yancy (5), Harris (8), Scott (24), Rodriguez-Sanchez (33), Conway (34), Ramirez-Rosa (35), Villegas (36), Mitts (37), Sposato (38), Nugent (39), Napolitano (41) and Silverstein (50).

The following members were absent: Dowell (3), Ramirez (12), Quinn (13), Rodriguez (22) and Reilly (42).

Internal witnesses present were: Kevin Murphy, Managing Deputy Budget Director, Adam Slade, Deputy Budget Director, Office of Budget Management (OBM); Regina Meza Jimenez, Assistant Commissioner, Keyoka Parks, Projects Administrator, Mary Emmanuel, Deputy Commissioner, Department of Public Health (CDPH); Kathryn O'Connell, Chief of Staff, Michelle Levar, Chief Legal Counsel, Ian Barnes, Project Manager, Office of the City Clerk.

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

- **Approval of the Monthly Rule 45 Report of May 2024.**

- 1. Appropriation Ordinance Year 2024 amendment within Fund 925.
(O2024-0009606)**
- 2. Amendment of Regulations Governing Administrative of Classification Plan and Employee Benefits for Classification Position set forth in Annual Appropriation Ordinance (Salary Resolution) regarding salary schedules GY, BX, PX and LX.
(R2024-0009619)**
- 3. Amendment of Municipal Code Chapter 2-176 by modifying Sections 2-176-010 and 2-176-050 regarding use, storage and maintenance of information provided by applicants utilizing online platform to obtain City of Chicago Municipal Identification card (City Key).
(O2024-0009432)**
- 4. Transfer of funds within 10th Ward Wage Allowance/Aldermanic Expense Account for Year 2024.
(O2024-0009459)**
- 5. Transfer of funds within 23rd Ward Wage Allowance/Aldermanic Expense Account for Year 2024.
(O2024-0009191)**
- 6. Transfer of funds within 47th Ward Wage Allowance/Aldermanic Expense Account for Year 2024.
(O2024-0009208)**

Chairman Ervin called the meeting to order, took roll call, and recognized a quorum was present, then proceeded to read the Rules of Conduct for Public Meetings, then opened the floor for public comment. The following speakers were present and given three minutes each for public comment:

- George Blakemore
- Tiwon Sims
- Zoe Leigh
- Thomas Woods
- Jessica Jackson
- Theresa "TJ" Hughes

The Chair concluded the public comment period then made a motion to allow Committee Members, Aldermen Robinson, Yancy, Harris, Scott, Conway, Villegas, Mitts, Sposato, Nugent, Napolitano, Silverstein, Rodriguez-Sanchez and Ramirez-Rosa to join virtually pursuant to Rule 59, so moved by Alderman Martin, hearing no objections, the Aldermen were added to the roll. Chairman Ervin proceeded to the approval of the Rule 45 Report of May 2024, which report was transmitted electronically to the Membership. The Chair asked if there were any requests for discussion. Hearing no such requests, Alderman Mosley moved to approve the report. A vote was taken, and the report was approved.

Chairman Ervin continued to Item# 1, an Appropriation Ordinance Year 2024 amendment within Fund 925. The Chair made a motion to accept a substitute ordinance on item #1, Alderman Martin so moved, hearing no objection, the item was adopted. Adam Slade, Deputy Budget Director was acknowledged and provided a narrative on the ordinance amending the 925 Fund Appropriation, an additional \$10,942,000 in federal grant funds for the Department of Public Health. The Chairman opened the floor for questions and comments then recognized Alderman La Spata.

Alderman La Spata asked what were the circumstances that necessitated the extension, did we have trouble expanding these dollars in initial years of the grant? Keyoka Parks, Projects Administrator replied, there's different factors involved in that, one being sure we had the appropriate staffing going through the hiring process, also, during COVID we had a lot of staff detailed away from some of the work that was going on with this. In addition, being sure that some of our recipients, who experienced the same things, loss of staff and staff working in other areas, were having the opportunity to use the funds awarded to them. Alderman La Spata next inquired if we are confident that those issues have been resolved in a way that we will now be successful in expending the funds on the timeline extension we've been given. Administrator Parks responded, yes, we have been working hard to update many of the work processes that we have in order to ensure our sub recipients are expanding the funds in a timely manner. Also, we have been working with DHR and have been very successful in filling a lot of the vacant positions since the end of last year and this year. We are hopeful that we'll be able to get through this for the remaining of the funding period. Alderman La Spata concluded. The Chairman then queried the Body if there were any additional questions on the 925. Seeing none, then asked if there was a motion to pass. Acknowledged Alderman La Spata moves to pass, asking all in favor signify by saying aye, any opposed? In the opinion of the Chair the ayes have it, recognized the ordinance passes and will be reported out at our next City Council meeting on June 12, 2024.

Chairman Ervin proceeded to Item #2, an Amendment of Regulations Governing Administrative of Classification Plan and Employee Benefits for Classification Position set forth in Annual Appropriation Ordinance (Salary Resolution) regarding salary schedules GY, BX, PX and LX. The Chair introduced Kevin Murphy, Managing Deputy Budget Director, who gave an overview of the resolution then welcomed questions from the body. Chairman Ervin asked if there is an accompanying list of positions and where they fall in the new salary schedule? Managing Deputy Murphy replied, yes, the Department of Human Resources and Budget are working on aggregating that list, we can certainly provide that to the committee. The Chair asked to provide that through the chair once completed, stating it is an adjustment from what will be published as it relates to what position qualifies at what particular salary schedule and the stepping grade at that particular schedule. The Chair concluded then recognized Alderman La Spata who inquired what the salary schedule represents and the potential impact on the fiscal year 2025 Budget. Managing Deputy Murphy answered, we assess that the cost of adjusting positions which are currently unclassified, they have no step increases currently, we are transitioning them to schedules. We are also regrading certain positions we assessed the cost for this year, \$1 million and next year we anticipate it to be \$2 million. It's across all funds, and for the corporate fund it's approximately \$1 million. Chairman Ervin requested the rationale behind the changes that have been made. Managing Deputy Murphy explained that in 2009, due to budget constraints a number of positions were taken off salary schedules and created the static rated positions which essentially had no opportunity for merit increases, only COLA increases based on year-to-year budget. As a result, our union partners have begun to exceed the rates of most of our managers, it's created what we call salary compression. The model of salary adjustments is not sustainable, there's issues with recruiting and retaining management staff. Our union employees are refusing to promote up due to the lack of merit and COLA increases, which our union partners have through collective bargaining. We decided 2 years ago to do a salary study to ensure that we are paying market rates. Last year council approved schedule X, which was for deputy, assistant director, commissioner level positions, so this is part of that wave of employees that were not moved to a schedule at that time. We are trying to essentially mirror our union partners in terms of pay schedules and how we present those positions to them. Creating grades creates better equity pay. People have a range and defined steps associated with it.

The Chair asked if this is the last of the unclassified city employees going on the schedule or do we still have more of these outstanding? Managing Deputy Murphy replied, yes. This is the bulk of positions that

are moving to a schedule. We are doing ongoing set salary studies for those that are already on schedules for BX and GY, which is a smaller work group. Vice Chair Lee voiced how happy she was with the progress of the wage schedules then asked do we know when the police department will do this as well? Managing Deputy Murphy commented that the sworn positions have not been reviewed yet, they are more unique, and we've tried to make sure they have been receiving similar situated increases. We will take a look at it. Vice Chair Lee concluded. Chairman Ervin asked if there were any other questions by the members, seeing none, Vice Chair Lee moved to pass, Chair then asked all in favor signify by saying aye, any opposed? In the opinion of the Chair the ayes have it, recognized the resolution was approved and will be reported out at our next City Council meeting on June 12, 2024.

The Chairman next called Item #3, an Amendment of Municipal Code Chapter 2-176 by modifying Sections 2-176-010 and 2-176-050 regarding use, storage and maintenance of information provided by applicants utilizing online platform to obtain City of Chicago Municipal Identification card (City Key). The Chair recognized Kathryn O'Connell, Michelle Levar and Ian Barnes from the Office of the City Clerk. Michelle Levar then proceeded to give an overview of the ordinance. The Chair opened the floor to questions/comments then called Alderman Martin.

Alderman Martin complimented Clerk Valencia's entire team for the proposal then asked if there were other municipalities across the country that have done something like this. Kathryn O'Connell replied, yes, IDNYC currently runs a program that's very similar, kind of a hybrid. You visit one of their many locations, fill out the paperwork ahead of time, then they verify your address by sending the IDNYC card to your place of residence. It's a little different from what we're doing, but they are utilizing the mail system the way we are doing it. Alderman Martin next inquired if this is done exclusively online in many situations. Kathryn responds, we are adding an online component to the already existing in person. When you apply online you will provide proof of residency and proof of identity that will be verified by our vendor and then the card will be printed and sent via U.S. mail to your house within 7-10 days. Alderman Martin voiced his support of the ordinance then concluded.

The Chair acknowledged Vice Chair Lee who echoed her colleagues' comments then requested someone to walk them through the online process, pointing out that a person may need a camera on their computer to verify their identity. Kathryn replied there will be specific requirements for that, you can take a picture then upload it to the system. Our vendor has a very sophisticated system that can verify the person's identity. If it's denied they will have to come in to apply. Vice Chair Lee thanked the team then concluded. Chairman Ervin then called Alderman Hadden.

Alderman Hadden asked if they are equipped to have enough digital storage for the new part of the City Key program. Kathryn O'Connell noted that the Office of the City Clerk will not be storing this data. This will go through our vendor Omicron whom we have been under contract with since 2017. Michelle added we are working under the Illinois local records act. We follow a retention schedule to determine how long we will have to keep the digitized records. Our vendor will be storing it. It's our data and they cannot share it or give it out. Alderman Hadden voiced her support and proceeded to close.

Chairman Ervin inquired on how the State of Illinois handles non-in-person identification. Michelle Levar answered that she was not 100% sure how the state, like the Secretary of State, would handle that but we have been working through all the different laws across the state, city, and federal to make sure we know how to handle it. And our vendor has done this for different municipalities for different forms of ID, but I cannot speak to the Illinois Secretary of State's handling. The Chair stated that he understood that this is our own ID card, and wondered if the state allowed the same online process, seeing that they mail out ID cards as well. Chairman Ervin asked if there were any other questions by the members, seeing none,

Alderman Mosley moved to pass, Chairman asked all in favor signify by saying aye, any opposed? In the opinion of the Chair the ayes have it, recognized the ordinance passed and will be reported out at our next City Council meeting on June 12, 2024.

The Chair continued to Items #4-6, Transfer of funds within the 10th, 23rd and 47th Ward Wage Allowance/Aldermanic Expense Account for Year 2024. Chairman then made a motion to accept a substitute ordinance on Item #5. Alderman Taliaferro moved to accept, hearing no objections, the substitute ordinance was approved. The Chair asked if there were any questions or comments, seeing there were none, Alderman Mitchell moved to pass on Items #4-6, a voice vote observed, hearing no objections, the items were approved and will be reported out at the next City Council Meeting on June 12, 2024.

The Committee on the Budget and Government Operations having no further business, on motion made by Vice Chair Lee for adjournment, acknowledging all ayes and no nays, the meeting was adjourned.

(A video recording of the full meetings with committee members, internal and external experts, as well as any/all public speaking content can be reviewed on the Chicago City Clerk website under Committee Meeting Web Stream Archive dated June 3rd and June 7th, respectively.)

Respectfully submitted by:



Jason C. Ervin, Chairman
Committee on the Budget and Government Operations