

2022 Budget Address [AS PREPRARED]

September 20, 2021

SECTION 1: INTRODUCTION

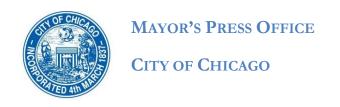
There are many truths about this City that I know. I know these truths from travelling the neighborhoods, walking the streets, and seeing and hearing from residents firsthand. Whether on the North Side in neighborhoods like Belmont Cragin or Portage Park, or the lower Southeast Side in Hegewisch or East Chicago; the West side in East or West Garfield Park, Austin or North Lawndale; downtown in the loop or in Streeterville; or the Southwest Side in Pilsen or Little Village, or the South Side in neighborhoods spanning from Hyde Park to Woodlawn and South Shore, to Roseland, Englewood, and so many neighborhoods in between.

I know that our people, Chicagoans, are tough and resilient. Chicagoans are proud of who they are, their families, and their heritage—whether that history began here in this city or our country or some distant land. And no one should ever doubt our grit and determination.

And I also know, that in this particular time, there are other inescapable truths. Our people are also hurting and in need of continued support and healing. A recent survey found:

- 27 percent of Chicago adults lost healthcare during the pandemic.
- 33 percent of employed adults had reduced hours or lost pay.
- 28 percent of Chicagoans experienced food insecurity during the pandemic—and that percentage for Black and Brown adults was far, far worse.
- And 17 percent of adult Chicagoans reported experiencing severe psychological distress during the pandemic with significant numbers of adults feeling isolated, nervous, and hopeless.

Yes, this most recent chapter of our Chicago history has been brutal, marked by too many stories of hardship, pain and even death. Ushered in by the insidious



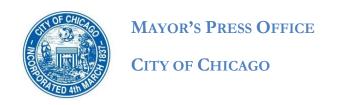
reach of a global pandemic, first of its kind in 100 years, which brought with it a pandemic-sized economic meltdown, civic unrest, and unacceptable levels of violence.

But we must be honest and recognize that the fault lines revealed during the pandemic were actually decades in the making, borne of persistent, intentional acts dating back to our earliest days as a union and compounded and refined over time. Life expectancy gaps of 15 years or more between Black and white people, did not happen by chance. Lack of access to high-quality, affordable healthcare, which spawned the underlying medical vulnerabilities exposed and exploited during the pandemic, was not an accident of history. Lack of opportunity in jobs and education is not the fault of those victimized, and certainly not the natural order of things. Similarly, gender-based violence that has escalated to epidemic proportions in these last few years, are the result of us turning away from the cold reality that violence at home spills into the streets, as traumatized and victimized children of today can be tomorrow's violent adults. Rampant, unchecked opioid and heroin use that leaves some areas of our city looking like a scene from the Walking Dead—don't tell me that just rose up organically.

There is a long list, with its origins and roots traceable to systemic racism, failure to invest in people and places and none of this has happened by accident. They are two sides of the same coin and designed and forged to benefit some, off the backs of others. This is intentional and must be changed. The costs have been and continue to be unacceptably high.

The pre-pandemic murmurs of anger and frustration, of pain and suffering that have trapped too many in despair and denied generations the ability to realize their God-given potential—those murmurs are now a loud chorus, a chorus that demands our attention. Yes, that chorus sounds some discordant notes, but in the yearning for something different, something better, those uplifted voices are also singing a sweet song of hope about the future and what is possible if we listen to the will of the people.

A consistent refrain that I have heard is that we must be equally intentional in righting these historic wrongs. First and foremost, we must be intentional on behalf of our children. We must show up for our children, from cradle to graduation so



that they are set up for success in their life's journeys regardless of the circumstances into which they are born.

We must be intentionally on the side of our most vulnerable residents—seniors, the homeless, the addicted, the jobless—as we have enough riches in this city to extend a hand to our brothers and sisters, our neighbors who need us.

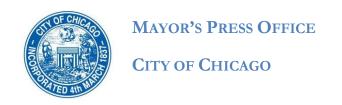
We must also be intentionally on the side of our working families. The daily struggle of so many need not be a given. It's a trap that saps people of their ability to lift their heads high, to feel like their work has value. Saying that we believe in the dignity of work is meaningless if that work cannot sustain a life and is in an environment that is patently unfair to the workers. We must do more for our working families.

And we must keep working intentionally and persistently to eradicate poverty, and create economic opportunities for people to sustain a good life and pass on wealth to the next generation.

In this historic moment, where we stand on the precipice of our new normal, the destiny that we will create for ourselves and future generations, we must commit ourselves to being intentional—but in a very different way than in our past. Our new intentionality must include forging a new pact with each other and the people we serve. As leaders must commit to a new set of truths—starting with the truth that equity and inclusion must be at the center of all of our work, and that in our post-pandemic recovery, no one, not anyone can be left behind.

But in order for these truths to be self-evident, to become an intrinsic part of our destiny, so that we can make real our new declaration of truth and liberation, we must find common ground. We must be unified in our path forward. Unity—an obvious point, but often difficult to achieve, particularly in these times. Scripture provides valuable lessons and solutions.

The Old Testament tells us that Moses gathered the Israelites together before they finally reached the Promised Land, after a 40-year, grueling set of trials. Their struggles seem not unlike what we have endured over these last 18 months—hunger, plagues, and death.



Moses told the assembled masses that they were doomed to repeat this harrowing test until a new generation arose—one that was united through their faith in God and shared belief that they could attain the Promised Land.

Should they remain united through their faith, as Moses said, they would be blessed in a multitude of ways.

Should they falter in their faith, however, they would be doomed to repeat the plagues, the famines, and the suffering of their forefathers.

Moses knew that while his people were weary, they were ready to reach their end of days and step into the light of the Promised Land . . . a reality not unlike the one we are living in now.

We have no Moses, but we do have each other, and we have the lessons of history from those Biblical times to the present. Our people need us and importantly, we have an obligation to them, to ourselves, and to future generations to seize with gusto the opportunities that this moment presents: to learn the lessons of history, and not repeat the mistakes of the past.

But we must do it together. We are always better together; always stronger when we are united and not divided. Example after example throughout our history and recent times tells us loud and clear that when we unite to take on the challenges of the day, we succeed beyond all expectations.

On the eve of the 150th anniversary of the Great Chicago Fire, let's match and exceed the determination of our ancestors who literally rebuilt this city out of the charred ashes and laid the foundation for the great global city that we are today. To build a better city, we must do more to invest in our people, our families and our neighborhoods. Foundational, transformative investments.

As you will hear and see, we mean to take big, bold audacious steps all to the benefit of our residents of today and to build bridges to our future. That's what we are proposing to you, members of the City Council, and our residents. We are heeding the advice of the great planner and builder, Daniel Burnham—we are making no small plans.



SECTION 2: GAP CLOSURE

Our first step in this time of lost revenues is closing our gaps in lost revenue for 2021 and addressing the deficit for 2022. As I announced last month with the release of the City's Budget Forecast, the gap for the 2022 Budget was \$733 million. Since then, we have been working to close this gap in a way that helps our city fully recover.

And we propose to do this without <u>any</u> new taxes, <u>no</u> reduction in city services, and <u>no</u> layoffs.

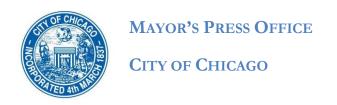
And the foundation for this good news was set with the hard, but necessary choices of last year's budget. I want to take a moment to acknowledge and personally thank the 29 of you who voted yes on the 2021 budget and set all of us up for success by agreeing to a set of structural changes that will endure from year to year. Thanks to your hard work last year, all of us and our residents and taxpayers in particular have more predictability and stability and as a result a better fiscal future.

What is the state of our economy? I am happy to report that our economy is definitely on the mend. To date, over 130 companies have made Pro-Chicago decisions in 2021 with either 56 new locations or 71 expansions. Our hotels are filling, our conventions and large group meetings are definitely on the rise, our unemployment rate is dropping, and there is a buzz of hope and optimism that is sweeping out the dark cloud of gloom that has lingered for far too long.

I am equally happy to report that while we still suffered revenue loses in 2021, the flip side is that we have seen better than expected revenues of approximately **\$210 million** in 2021, which helps us address a portion of our revenue losses.

To further close these gaps and craft a balanced budget, we will leverage:

- \$298.2 million from savings and efficiencies, which represents:
 - o \$67.8 million from personnel and healthcare savings



- \$230.4 million in fiscal management and cost recovery initiatives, which includes \$20 million of refinancing savings and \$25 million in sweeping aging accounts.
- And \$491.1 million of increased revenues, which includes:
 - o \$385 million of American Rescue Plan (ARP) funding
 - o \$24.9 million in Tax Increment Financing (TIF) Surplus
 - And **\$81.2 million** in new property growth and improved revenue projections.

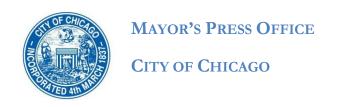
This gap closure strategy both builds on and is the result of a number of accomplishments we've racked up in our journey toward structural balance:

- Over the last three years, we've identified over **\$1 billion** in structural solutions.
- We did not deplete our reserves.
- We completely avoided massive layoffs.
- In 2022, with the Budget we are proposing, we will climb our pension ramp, which means that for the first time in our city's history, and all four pension funds will be paid on an actuarially determined basis. This is huge.
- And also in 2022, we will be climbing yet another ramp—the scoop and toss ramp. This means that annually, we will be paying off between \$225 and \$325 million in debt <u>a year</u>. As a result of climbing this ramp, we will be able to make investments that will reap economic and social benefits, as well as make Chicago a better place to live rather than just rolling over our credit card payments and building a mountain of debt.

Most of these accomplishments occurred in the middle of a global pandemic. As a result of these accomplishments, we expect to reach structural balance by 2023, which bodes especially well for our prosperous, post-pandemic recovery.

SECTION 3: INVESTMENTS

As I have said many times, budgets are not just a math problem. They are value statements. And in this time, our value statements must be bold, definitive and transformative.



Our ultimate goal with this Recovery and Resiliency Budget is to recover and develop Chicago into a safer, stronger, and more prosperous city in which people can take root in, raise a family, build a business, and make a better life for themselves.

We will know we've accomplished this ultimate goal when we've created a Chicago where:

- All of our communities feel safe and protected from violence, including the gang-related, and often retaliatory violence we are experiencing in our streets and the gender-based violence that we see in our homes and across the City.
- Where less young people are out of school or out of work and more are connected to opportunity and the ability to make a sustainable life.
- Where all residents have increased access to education, affordable housing, a stable, good-paying job, high-quality healthcare, food security and the mental healthcare supports they need to heal from individual and collective trauma.
- And where vacant lots have been transformed into spaces for leisure, living, and commerce.

To get to this particular Promised Land, this budget proposes the specific uses for the \$1.9 billion in American Rescue Plan funding and an additional \$660 million in enhancements to the *Chicago Works* Capital Plan to deepen ongoing investments, create a series of new ones, and build out the infrastructure we need to maintain them for generations to come. In other words: we must think about these investments as a commitment to our immediate and most urgent needs, while also building bridges to the future that is just over the horizon.

Details about each of these investments can be found in the Budget Book, but I want to highlight a few in particular.

Community Safety

I know that community safety and thriving communities are at the top of all of our minds wherever you live in Chicago. That's why this Budget proposes over \$400



million in investments across various initiatives to not only enhance community safety, but also bolster "Our City, Our Safety"—the comprehensive, violence reduction plan we released back in October 2020.

These specific community safety investments include:

- **\$45 million** for community safety initiatives including violence intervention programming and supports for community groups.
- **\$20 million** for youth intervention programs like the Scan program, which provides wraparound supports and case management for justice-involved youth.
- \$10 million for a youth deflection and diversion program.
- And the expansion of the Officer Wellness program for the Chicago Police
 Department so our incredibly hard-working police officers have the resources
 they need to recover and heal from the stress and trauma they also experience
 every day.

Too often, when we talk about community violence, we forget the victims. We know of them, but they are more than crime statistics. The lives deeply impacted by the violence that once it comes to their doorstep, it lives on in some form forever. This is particularly true of child victims, like little four-year-old Michael Moultry Jr., known by his family as MJ. We must recommit ourselves to better protecting our residents from violence, particularly our children. Let's say their names and never forget that their lives, no matter how brief, had meaning and purpose because they are all God's children and they are loved.

Victims and witnesses will benefit from a number of investments that we are making including in mental health, housing, and other programming. But this year, we propose making a first-of-its-kind, dedicated investment for victim supports of **\$10 million**.

Returning Residents

Community safety must also encompass giving returning residents a way to a life of stability and safety in the legitimate economy. Every year, thousands of individuals, mostly men from the South and West Sides, come home from prisons



and jails all over Illinois. Having paid their debt, we have a responsibility to support their successful reentry to our neighborhoods. Right now, far too few are able to completely or even partially turn their lives around.

That's why, in addition to investing **\$10 million** in a Re-Entry Workforce program to expand workforce training opportunities for formerly incarcerated individuals to attain employment and other stabilization services, we will also:

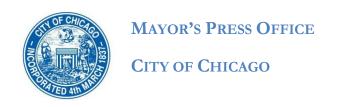
- Release "A Roadmap for a Second Chance City" this month, with key recommendations for actions the City and our partners across sectors must take to reduce barriers to healthcare, housing, and economic mobility of returning residents.
- And in 2022, we also proposed to create a Director of Reentry role within the Mayor's Office to lead the charge of this work.

We cannot talk about the violence happening in our communities and on our streets without also addressing the scourge of gender-based violence. Gender-based violence is a public health crisis, and it is also a core component to our violence reduction plan and anti-poverty agenda. It's for that reason that this Budget also proposes \$35 million in new and existing investments to provide assistance to those experiencing gender-based violence, including emergency funds, legal assistance, mental health resources, and other care coordination services.

Mental Health

Community safety, of course, extends beyond violence prevention efforts. Deep, lasting community safety also depends on the mental health and wellbeing of our communities. Access to quality, affordable mental healthcare is vital to our residents' ability to recover from this pandemic. This is why we made historic investments in the 2020 and 2021 Budgets—tripling that of 2019's. And for fiscal year 2022, we propose to add another \$52 million to those investments.

The data speaks for itself. Between January 1st and June 30th of this year, over 16,000 residents have received mental health services through trauma-informed centers of care—a 300 percent increase when compared to the total number of



persons served by the City in all of 2019. We are able to serve more people, because we invested in a broader array of community-based care.

One resident whose life was changed thanks to the mental health support they received is a young woman by the name of Julia—a former high schooler from Little Village whose name has been changed for privacy. When she had missed multiple classes and her grades dropped dramatically, she was referred to therapy with a therapist from Alternatives, Inc.—an organization funded through CDPH as part of the Framework for Mental Health Equity. Alternatives has long been a leader in providing mental health services for youth that provides school-based services in high-need communities.

In her sessions, Julia revealed that she had been experiencing passive suicidal ideation, self-harm behaviors, disordered eating, and other symptoms of depression that made it difficult for her to manage her many responsibilities—including finishing her senior year of high school and maintaining her job to support her family. Through therapy, however, Julia learned and practiced coping skills, developed tools for implementing mindfulness, and began managing her intrusive thoughts—ultimately allowing her to develop a more nurturing, inner voice.

As a result of her hard work and the care she received from Alternatives, Julia was able to successfully graduate high school. Upon graduation, she was transferred to CDPH's Trauma-Informed Centers of Care project to make more progress on her treatment goals and keep up with therapy. I am happy to share that she has since started college, been able to build her confidence in working towards her long-term goal of becoming an early childhood educator, and has not self-harmed nor felt unable to get out of bed in the last several months.

We have the opportunity to generate more success stories like Julia's. That's why this Budget proposes a total of **\$52 million** in additional investments in mental health. This investment includes a new mental health equity initiative, which will strengthen mental health care citywide through:

- Trauma-informed centers of care.
- 911 Alternative Response and Crisis Assistance Response and Engagement.
- Mobile team-based care to increase access to care in underserved areas.



- Supports for a new sobering center to enhance health outcomes by providing an alternative to emergency rooms and jail cells for publicly intoxicated individuals to initiate recovery.
- Specialized services such as early-childhood mental health and mental health services for children with developmental disabilities.
- And residential or intensive outpatient treatment for persons with cooccurring mental health and substance use disorders.

Affordable Housing

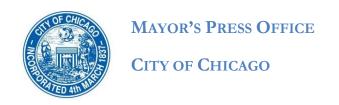
In order for residents to live in safe, healthy and vibrant communities, affordable, stable housing is key. To further strengthen our social safety net for residents with housing needs, this Budget proposes \$240 million in additional investments in affordable housing initiatives.

This investment is intended to create more affordable housing units. Finding a safe, affordable place to call home and raise a family shouldn't have to be an elusive pipe dream. However, it is for far too many of our residents. The lack of affordable housing, as well as the inability of many of our residents to afford safe, high-quality housing, are symptoms of systemic inequity. This investment will address this need in a variety of ways—most importantly by creating and upgrading more than **4,000** affordable housing units for residents to raise their family and build their lives in.

In addition, this investment also includes:

- \$30 million to support existing homeowners to stay in their homes in transitioning neighborhoods and to restore blighted properties.
- **\$11 million** to provide direct homebuyer assistance and expand opportunities for homeownership through land preparation.
- **\$75 million** for affordable housing developers to create mixed-use developments.
- And \$60 million to address home hazards such as lead-based paint.

Immediate Supports for Individuals and Families



Many of the investments that we propose are about building for the future. But we know that people need help now. So, as part of this proposed Budget, we seek authorization to spend \$71 million in targeted financial and legal assistance for underserved residents such as undocumented residents, domestic workers, and small community-based nonprofits providing safety net services.

Notably, we also propose creating a first-of-its-kind pilot in Chicago of a monthly cash assistance program for hard-hit, low-income households in need of additional economic stability, as well as expand legal assistance programs through the Legal Protection Fund and Community Justice Initiative.

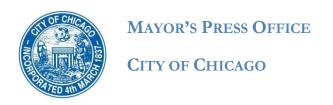
Economic Development

To continue supporting our city's economic recovery, we will continue funding INVEST South/West, our signature economic development program, the Neighborhood Opportunity Fund, and other business catalyst programs. For INVEST South/West specifically, we have seen over \$300 million in public sector investments and a complementary set of investments of over \$400 million from the private sector.

In 2022, we will be entering year two of our Capital Plan, created with the budget for 2021. Already, we have seen great progress. Recently, CDOT celebrated a milestone, having repaved 100 miles of roads as a part of their work with the Capital Plan. As of this summer, 4,563 trees have been planted. And we were able to cut the ribbon to the completed Irving Park Road Bridge and Underbridge project—which completes the 312 RiverRun and links Clark, California, and Horner Parks.

Stabilizing Communities

We are constantly seeking ways to improve the vibrancy of our commercial corridors, provide jobs and opportunity for growth and entrepreneurship for our residents, and beautify our neighborhoods. To build on these efforts, we will invest a total of **\$166 million** in new and existing community development efforts. This includes:



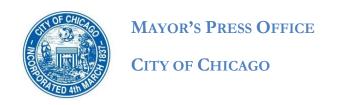
- **\$66 million** for acquisition rehab to assist in identifying and restoring troubled or abandoned homes and buildings to spur community investments.
- **\$67 million** to revitalize commercial corridors through small business supports, activation of vacant storefronts, and investments to develop community-driven local amenities.
- **\$87 million** to turn vacant lots into opportunities. This will also streamline the environmental review for all 10,000 City-owned vacant lots and put 4,000 of them into active use, including cleaning up and transferring ownership of 3,000 lots to local residents and preparing 1,000 to be developed as affordable homes—making this the largest lots initiative in City history structured to reduce crime and vandalism and increase community ownership and wellbeing.
- A **community wealth building pilot**, which will create a new economic development program to promote local, democratic, and shared ownership and control of community assets; pilot investments in shared-equity models such as worker cooperatives, housing cooperatives, and community land trusts—giving historically disinvested communities more accessible and sustainable pathways to building wealth.
- And our **Equitable Transit-Oriented Development, or ETOD program**, which will advance local housing and economic recovery goals by supporting community-driven development near transit for healthy, walkable, affordable, and accessible communities.

Jobs

In addition to having a safe and affordable place to call home, our residents also need to have access to good-paying sustainable jobs. As a result, I am proud to report that this budget will create or support over **40,000** jobs—with over **30,000** jobs marked off as potential employment opportunities for our young people.

Fines and Fees

Importantly, this Budget also reflects significant progress in our ongoing fines and fees strategy. Included in this budget is our next phase of this critical reform, which has three key elements—debt forgiveness, income-based ticket costs and fix-it tickets.



First, we're giving people the opportunity to have a pathway to compliance. For low-income individuals who prove that they don't have the ability to pay off their tickets, they will have the opportunity to pay off their most recent tickets and have their older debt forgiven.

Second, if we know that their income is low enough to qualify for our program, we'll adjust the ticket costs so that it's more proportionate to their income by cutting it by 50 percent. This is modeled off of our Utility Billing Relief program, which reduces water rates by 50 percent for low-income homeowners.

Finally, for everyone, we know that sometimes what we need is an opportunity to fix our mistakes. So, for compliance tickets such as City Sticker tickets or license plate expiration tickets, everyone will have one opportunity to "fix" their violation by buying the sticker they need and having their ticket forgiven.

These reforms were developed as part of Chicago's work with Cities and Counties for Fine and Fee Justice with the help of the Fines and Fees Justice Center, the City Clerk, and the Fines and Fees Collaborative and I am grateful for their support on this effort.

Arts and Culture

As we're all aware, the pandemic took a particularly devastating toll on our arts and culture industry. Shows were canceled, theatre doors and music venues were closed, artists and musicians lost work and were at financial risk, and the arts and culture community was compelled to adapt new ways of making and sharing their work.

Revitalizing our arts and culture scene is essential to our ability to recover from this pandemic on both an economic and a social level. Arts and culture are the parts of life that make us truly human. And Chicago has so many incredible, legendary venues, museums, and activations across our city for residents to celebrate and enjoy.

As part of our pandemic reopening plan, I was proud to join DCASE, as well as many within our arts and culture community to launch Open Chicago to bring back



festivals, live music, dance, public art shows, markets and more at Millennium Park and venues citywide.

We also launched Arts 77 back in April of this year to further root the recovery of our arts and culture community at the heart of our revitalization strategy. It leverages over **\$60 million** in initial funding to support local arts and organizations—allowing us to provide grants to artists and cultural organizations, as well as support the creation of new public art projects.

To build on this success, we will invest **\$26 million** to create two new initiatives to support our arts and culture community. They are:

- The new \$20 million Artist Relief and Works Fund, which will provide targeted relief for artists and organizations not able to access other forms of federal economic support, such as individual artists, local museums, and other art and educational organizations.
 - \$10 million of this fund will be a dedicated revenue stream from our corporate budget to guarantee a baseline of funding, which will no longer be subject to the vagaries of the hotel tax and the other \$10 million will come from ARP funding.
- And **\$6** million in Together We Heal Place-Making Grants, which will support projects that utilize community engagement to produce cultural projects including community-led public art installations, historical walking tours, neighborhood and educational websites, pop up galleries, and other cultural activations.

Tourism and Industry Support

It wasn't all that long ago that we were seeing historic lows in flights, hotel occupancy and more. Since then, however, tourism and many of our other industries are bouncing back stronger and in some instances, better than prepandemic times. For example:

• While we still have a long way to go, as of July 2021, our hotel occupancy rate is averaging 57.5 percent with many weekend sellouts.



- Over the course of this year, O'Hare and Midway saw an incredible increase in combined flights which has dwarfed other airports at times, including JFK and La Guardia in New York City.
- And our beloved convention center, the McCormick Place, is also poised to make an extraordinary comeback with a number of conventions already lined up for 2022 and beyond.

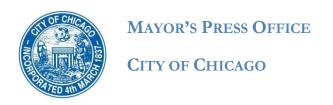
\$20 million to promote our city via marketing efforts and signature events. This effort will support tourism and travel to Chicago by showcasing an array of exciting and fun events all over our city, including key destinations in neighborhood hubs through marketing, media, events, and programming. It will also emphasize the story of real Chicagoans to target communications to businesses that highlight the diversity of Chicago's economy and human capital. We already have a number of new, first-of-their-kind events for Chicago slated for 2022 that will absolutely help boost occupancy in hotels, seats at restaurants as well as bars, and have a ripple effect across our economy.

Climate Resiliency and Environmental Justice

The next key set of investments we intend to make with Budget are centered around climate resiliency and environmental justice. Setting and implementing bold, equitable climate goals are necessary at all levels of government—but especially so for cities as diverse as Chicago.

That's why we will invest \$188 million to address this looming threat—which represents the largest one-time investment in climate mitigation, adaptation, and environmental justice priorities in the City's history. These investments will do a handful of things, including:

- Support climate-related infrastructure initiatives, which will allow us to expand trail networks, create new waste diversion programs, and more.
- Create energy efficiency and renewable projects to advance climate justice, which will:
 - Create energy investments in low and moderate-income homes and City-owned buildings.



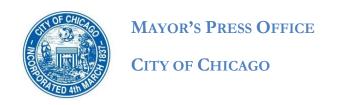
- Execute retrofits and renewable energy projects to cornerstone institutions like community centers and libraries to improve their long-term environmental and economic stability.
- And pilot an industrial community solar project—resulting in the addition of 50 net-zero homes, 400 retrofitted low-income homes and units, 30 retrofitted community centers, and five solar-powered libraries.
- And these investments will also fund neighborhood climate resiliency projects, which will expand green infrastructure, install new flood mitigation measures to benefit underserved and flood vulnerable communities, and build 20 new resilient school yards on CPS property.

We also expect this historic investment to reap historic outcomes. For example, we will plant 75,000 new trees across the City over the next five years—the largest tree canopy program in the City's history.

City Parks

Speaking of trees, upgrading our parks is also a vital part of our investment strategy and the wellness of our residents. Each and every one of our residents deserves clean and beautiful green space for recreation or to simply take a breath and enjoy nature within our urban landscape. To that end, we will invest **\$61** million to:

- Make **neighborhood parks improvements**, which will include beautification, recreation expansion, and accessibility upgrades.
- Provide **updates to the City's digital services**, which will represent investments in IT and digital service delivery teams to improve the effectiveness of relief and support programs addressing negative economic impacts exacerbated by the pandemic.
 - This will also allow us to streamline the permitting process by creating a new enterprise system that will expedite business growth giving permit applicants real-time status updates and allowing the City to collect on permitting revenues.
- And make **park infrastructure improvements** by investing in public broadband networks at field houses for use by community members.



There is one other proposed investment that I want to highlight. Earlier this year, I was out on the West Side, which some might say is the best side. I was talking to a local pastor and he recounted the ripple effect on loss of funding for so many community-based programs due to COVID-19 revenue losses inside and outside of City government. In talking about what had been lost over the last year, it was clear that there would always be needs that are hard to see from City Hall, even by being intentional and engaging with residents and stakeholders of all over the city.

To maximize the opportunities to meet those needs, we propose to create a microgrant fund of \$100,000 per ward, administered by the local alderman. It is intended that this **\$5 million** fund will provide ward-specific investments that address gaps that might otherwise not be seen or met. A good alderman has the pulse of the ward, knows the pain points of the residents, and we want to further equip each of you to help address your residents' needs.

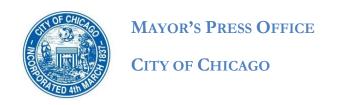
SECTION 4: SHOUTOUTS

What were mere glimmers of hope last year have now turned into full-blown floods of light. With this Recovery and Resiliency budget, we not only have the opportunity to deepen our commitment to being good financial stewards, but also to lead our residents into a better tomorrow.

We have waited so long for this opportunity. And there are so many people we have to thank for it. And while the list is far too long to thank everyone let me highlight a few.

City Workers

First are our city workers, who have been at the frontlines of our communities both before and during this crisis. We are grateful to our partners in the labor movement who have worked with us through the countless, complex challenges of this crisis. In particular, I want to thank our leaders at the Chicago Federation of Labor, led by our friend Bob Reiter, and our great Workforce Committee Chairwoman Susan Sadlowski Garza, who has so often been at the table and in the room to help solve problems and put us all on the right track.



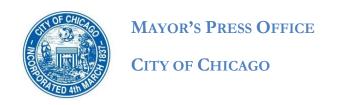
And I also want to thank the janitors, firefighters, police officers, teachers and school staff, sanitation workers, engineers, machinists, mental healthcare workers, nurses and public health employees, transit workers, laborers, and many, many other tradespeople who never left their posts, and instead showed up every day and served their city in the most dire of circumstances. Their hard work is what makes our city function—literally. And we'd all be lost without them.

Business Leaders

Next, we also have a number of business and community leaders who have been thoroughly instrumental in the economic and social revitalization of our city.

For starters, I want to shoutout **Joe Mansueto**, CEO of Mansueto Office. Back in December 2019, Joe heard my speech to the Economic Club of Chicago, which issued a challenge to the business community to invest in communities where opportunity doesn't come naturally. Joe didn't just listen that day. He acted and would later invest in The Terminal in West Humboldt Park. The Terminal leverages an impressive \$40-50 million investment, which will redevelop industrial loft and warehouse space into a 240,000 square foot creative office campus with incubator spaces carved out for businesses and communities. Once this project is completed, it will house between 700 to 800 employees and become an innovation hub for our Humboldt Park communities and our West Side as a whole. I thank Joe and the Mansueto Office for their vision and their investment, which makes it crystal clear that opportunity and talent can be found on every street, in every community, and across all of our city's neighborhoods.

Another business leader who has really stepped up and answered to this challenge is **Roger Hochschild**, CEO of Discover. One of the happiest moments that I have experienced in these last 18 months was being present for the launch of a Discover call center in Chatham. Discover could have made this investment anywhere, but the company made it here, in our city and taking over a building abandoned by a retailer who left a gaping hole in one of south side communities. Inspired by our citywide mission to increase investment in our South and West Sides, CEO Roger Hochschild purposely chose to build a customer care center in Chatham rather than in another state or outside of the country to offer good jobs with great benefits, education opportunities, and other economic development resources to the

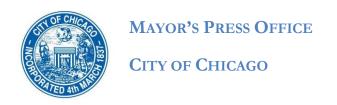


Chatham neighborhood and the nearby INVEST South/West neighborhoods of Roseland, Pullman, Auburn Gresham, South Shore and South Chicago. His commitment, just like Joe's, showcases just how positive and wide-ranging the impacts of public and private-sector investment can be and serves as a shining example to the rest of the business community as to why they must be a part of our recovery and rebuilding efforts.

In a similar vein, **Maurice Smith**, CEO of the Health Care Service Corporation or HCSC also knows the importance of bringing transformative change to our underserved communities. Back in August 2020, I joined him and his team to cut the ribbon to BlueCross BlueShield's new multipurpose center in Morgan Park. The center transformed an abandoned retail store into a vast employee workspace—creating 550 job opportunities for local residents to take advantage of, as well as addressing a chronic lack of access to high-quality health and wellness resources in Morgan Park. He and his team also plan to open a new Blue Cross Blue Shield office facility in Pilsen in 2021. Maurice's passion for uplifting underserved communities, as well as his business acumen and civic leadership have made him a tremendous asset to our City.

And I also want to give a shoutout to **Marianne Markowitz**, President and CEO of First Women's Bank. Marianne has always been a fierce advocate for gender equity and women empowerment. So, she decided to put those passions to work, as well as her financial expertise, to create First Women's Bank. Headquartered in Chicago, the bank is the first women-owned, women-led, and women-focused commercial bank in the country and is on a mission to grow the economy while simultaneously creating opportunities for women to grow alongside it. I am grateful to Marianne for taking that opportunity and leaning in with intention to address this disparity, which will help make Chicago and other cities across the country, more equitable and inclusive for women.

Thanks also to the numerous development teams that have been the finalists and winners of our INVEST South/West RFPs. Thank you for your commitment to Chicago. As we have noted time and again, we will be your partners on this journey to revitalize our commercial corridors on the South and West sides. You have made a bet on Chicago and we intend to make that bet pay off.



Community Leaders and Residents

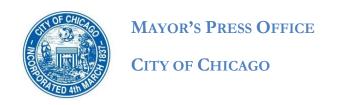
Last but absolutely not least, I would be remiss to not give a hearty thank you to each and every one of the community leaders who stepped up and all of our residents whom we are so lucky to serve. The list is long of residents and leaders who have stepped up and showed up for the communities that they and we love.

The past 18 months have brought on stress, grief, and other intense emotions unlike anything we've ever felt before. And yet, during and after this collective suffering, they continued to do their part to look out for the health and wellbeing of their fellow Chicagoans.

The first community leader I'd like to highlight is **Kate Maehr**, Executive Director and CEO of the Greater Chicago Food Depository. Under Kate's leadership and especially during the height of the pandemic, the Food Depository tapped into its network of more than 700 food pantries and soup kitchens to address food insecurity in our city. Last year, the organization distributed a whopping 117 million pounds of food—the largest amount in its 42-year history—and continues to be a close partner with the City in our food equity work, even generously funding a position in the Mayor's Office to drive our shared food equity agenda. I thank Kate and her team for everything they have done to ensure none of our residents go hungry during this crisis and long after it is over.

Dr. Rami Nashashibi, Executive Director of the Inner-City Muslim Action Network or IMAN has also done incredible work to support and our most vulnerable communities and residents, including returning citizens. Through initiatives such as Green ReEntry, Dr. Nashashibi and his team have been able to provide transitional housing, life skills education, and sustainable construction industry training for returning citizens and high-risk youth. I am grateful to Dr. Nashashibi and everyone at IMAN for their work on this initiative, as well as their ongoing efforts to revitalize our city through the power of health, wellness, and healing.

Another impactful community leader over the course of this last year in particular is **Rabbi Shlomo Soroka**, Director of Government Affairs at Agudath Israel of Illinois. His organization, alongside the City of Chicago, Hatzalah Chicago, and



the Chicago Center Refuah 311, launched an initiative to vaccinate Chicago-area Holocaust survivors as well as educate them about the vaccine. As Rabbi Shlomo said best, "it [was] so important to protect these community members who have survived so much in their lives only to face a new threat from the pandemic." Thanks to Rabbi Shlomo's leadership throughout this initiative, more than 130 Holocaust survivors received their vaccine. I thank Rabbi Shlomo for his partnership and continued advocacy and activism on behalf of Chicago's Jewish communities.

Next, I also want to uplift the hard work of **Carlos Nelson**, CEO of the Greater Auburn Gresham Development Corporation (GAGDC) and member of the Racial Equity Rapid Response Team (RERRT). In early 2020, the first COVID-19 death in Illinois happened just two blocks away from the GAGDC's office—prompting Carlos and his team to double down on their work to address health disparities in the Auburn-Gresham community. That work continues and will transform Auburn Gresham in the vision of its long-term residents. I remain deeply grateful to Carlos and his team and all the stakeholders in Greater Auburn Gresham.

Lastly, I'd like to thank our residents for not only doing their part to fight this virus, but for taking part in this historic budget process to make their voices heard. Last year especially, we ramped up our efforts to better engage our residents and ensure their wants, needs, and concerns were reflected in the 2021 Budget. This year, we are proud to have deepened this commitment by bringing forth the most robust Budget engagement process to date.

This Budget engagement process was the earliest and most comprehensive that has ever been undertaken. We engaged communities all across the City, which included convening four meetings with citywide leaders, six regional roundtables with community-based and neighborhood based organizations, and four internal focus groups with our City Commissioners. The City also hosted focus groups with labor and faith leaders, as well as with members of the City's advisory and engagement equity councils. On top of this, the City hosted three Budget Forums to give residents the opportunity to provide feedback and are grateful for the candor with which they shared their concerns.



Every comment and every concern were captured and a final report can be found on the City's budget microsite.

In addition to the public engagement portion of the Budget process, the Office of Budget and Management, in coordination with Chairman Dowell and the Committee on the Budget and Government Operations, also held two sets of aldermanic working groups over the course of 12 meetings to discuss City Council's priorities for the 2022 Budget. 31 members participated in one or both of these sessions.

These robust engagement efforts were led by Tina Hone, our Chief Engagement Officer and her able team, and supported by UIC's Chicago Neighborhood Initiative. I want to thank the organization's Director, Thea Crum and her amazing, committed team for their tireless work and profound commitment to authentic, equitable engagement. UIC's full report will be posted soon.

Our residents asked and advocated and we listened and I hope upon viewing the budget and the proposed list of investments, you will see that your voices are found in these pages. We stand ready to deliver.

SECTION 5: CONCLUSION

Chicago has certainly endured its fair share of crises. But time and time again, what has gotten our city through the trials and tribulations that threatened to make it crumble once and for all is the unity and faith of its people—faith that one day, we will rise above the suffering once and for all and fully step into the light of the proverbial Promised Land.

Today, I stand before this esteemed body to ask you to help our city take that next step toward renewal and recovery by overseeing, reviewing, and passing the 2022 Budget.

My team and I look forward to working further with you as you dig into the details, and stand ready to assist you in any way possible. And as the hearings commence and the debate ensures, please remember to be kind to one another. Let's continue



to build bridges to one another. We need to work together in order to better the lives of the residents we are so, so lucky to serve every single day.

So folks, let's use this moment to commit to investing in a Chicago that is more equitable, inclusive, and resilient. This budget, after all, is an investment in the success of not only <u>our</u> generation, but the generations to come. Let's work together now, united through our shared faith in this great city.

Thank you and God Bless the City of Chicago.