



CITY OF CHICAGO

★
COMMITTEE ON THE BUDGET AND GOVERNMENT OPERATIONS
CITY COUNCIL
CITY HALL-ROOM 200
121 NORTH LASALLE STREET
CHICAGO, ILLINOIS 60602

ALDERMAN JASON C. ERVIN
CHAIRMAN

PHONE: 312-744-3166
FACSIMILE: 312-744-9009

COMMITTEE ON THE BUDGET AND GOVERNMENT OPERATIONS
MONTHLY RULE 45 REPORT
JULY 2026

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 JULY 2026.

WEDNESDAY, JULY 8TH

Date, Time & Location of Meeting: On July 8, 2026, at 10:00 A.M., the Committee on the Budget and Government Operations held a meeting in City Hall, Room 201-A, 121 N. LaSalle Street, 2nd Floor.

Attendance: The following members were present: Chairman Ervin (28), Vice-Chairman Lee (11), La Spata (1), Dowell (3), Yancy (5), Mitchell (7), Harris (8), Ramirez (12), Quinn (13), Lopez (15), O'Shea (19), Mosley (21), Rodriquez (22), Sigcho-Lopez (25), Burnett (27), Cardona (31), Conway (34), Villegas (36), Sposato (38), Nugent (39), Vasquez (40), Napolitano (41), Knudsen (43), Martin (47) and Silverstein (50).

The following members attended virtually: Robinson (4), Beale (9), Moore (17), Scott (24), Taliaferro (29), Rodriguez-Sanchez (33), Quezada (35) and Reilly (42).

The following members were absent: Mitts (37) and Hadden (49).

The following non-members were present: Hopkins (2) and Waguespack (32).

Internal witnesses present: **Office of Budget and Management (OBM):** Chloe Belczak, Deputy Budget Director; **Chicago Department of Public Health (CDPH):** Jorge Cestou, Director of Program Operations X33, Emily Zaran, Director of Planning Research and Development, Madeline Shea, Assistant Commissioner, Samuel Rene, Program Manager, Regina Meza Jimenez, Assistant Commissioner, Ravikiran Bhairavabhotla, Deputy Commissioner, Mary Emmanuel, Deputy Commissioner, Fikirte Wagaw, First Deputy Commissioner;

Department of Family and Support Services (DFSS): Preethi Varma, Director of Grants Management, Margaret Laraviere, Deputy Commissioner, Karen Kolb, Senior Director of Family Support Programs, Jordan Evangelista, Grants Research Specialist; **Chicago Police Department (CPD):** Lazaro Altamirano, Deputy Chief of BCT; **Office of Public Safety Administration (OPSA):** Yanjun Jiang, Grants Research Specialist; **Department of Environment (DOE):** Joseph Arcus, Project Manager; **Chicago Department of Transportation (CDOT):** Grant Davis, Director of Grant Management; **Chicago Public Library (CPL):** Erema Jackson, Director of Finance, Patrick Molloy – Director of Government & Public Affairs, Nicole Steeves – Director of Library Technology, Katherine Lapinski – Director of Adult Services; **Department of Human Relations (DHR):** Mark Pando, Deputy Commissioner; **Department of Planning and Development (DPD):** Robert Bumpers, Financial Planning Analyst.

External witness present virtually: James Webb and Christyn Freemon, The K Entrepreneurship Hub Project.

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

- **Approval of the Monthly Rule 45 Report of June 2026.**
- 1. **Annual Appropriation Ordinance Year 2026 amendment within Fund 925. (O2026-0026839)**
- 2. **Redevelopment Agreement with Trudelta LLC to provide Neighborhood Opportunity Fund (NOF) assistance for development of the K Entrepreneurship Hub Project at 4400 West Madison Street in the 28th Ward. (O2026-0026260)**
- 3. **Transfer of funds within 30th Ward Wage Allowance/Aldermanic Expense Account for Year 2026. (O2026-0025944)**
- 4. **Amendment of Municipal Code Chapter 2-74 by adding new Section 2-74-076 to establish Department of Human Resources hiring preference for children and spouses of Chicago first responders killed in line of duty. (O2025-0019977)**

Chairman Ervin called meeting to order, took roll call, and recognized a quorum was present. He then made a Motion to allow Committee Members Aldermen Moore, Scott, Rodriguez-Sanchez, Reilly, Hadden, Taliaferro and Quezada to join virtually pursuant to Rule 59, so moved by Alderman Harris. Chairman queried all in favor to signify by saying Aye, any opposed? Hearing no objections, the Chairman decreed the Ayes have it, duly recorded the Aldermen added to the roll for quorum and verbally checked to confirm Alders' presence. Aldermen Taliaferro, Quezada, Moore, Scott, Rodriguez-Sanchez, Reilly and Hadden confirmed their attendance. He then opened the floor for public comments. The following speakers were acknowledged and given three minutes each for commentaries:

- George Blakemore
- Zoe Leigh

The Chair concluded the public comment period, and while waiting for a representative from OBM he moved to address Item #3 of the agenda, a Transfer of funds within the 30th Ward Wage Allowance and Aldermanic Expense Account for Year 2026. He asked if there was a Motion, So Moved by Alderman Dowell. The Chair then queried for all in favor to signify by saying Aye, any opposed? There were all Ayes, no Nays, and the Motion was recorded as approved and would be reported out at the next regular City Council Meeting on Wednesday, July 15, 2026.

Chairman Ervin advanced agenda to address Item# 2, a Redevelopment Agreement with Trudelta LLC to provide Neighborhood Opportunity Fund (NOF) assistance for development of the K Entrepreneurship Hub Project at 4400 West Madison Street in the 28th Ward. The Chairman recognized Robert Bumpers, DPD, for the purpose of providing a presentation on the RDA. The speaker greeted the Chairman and committee members and stated for the record that he was Robert Bumpers, Financial Planning Analyst in the Department of Planning & Development. He conveyed being here today to request the Committee's approval of a Neighborhood Opportunity Fund Redevelopment Agreement for Trudelta LLC for the purpose of authorizing \$3.8 Million in NOF funding for the K Entrepreneurship Hub Project. The grant is to be used to redevelop subject property into a 13,100 square foot office, advisory services, café, and event space development containing an economic wellness component of the Sankofa Wellness Village, winner of the Chicago Prize. The Hub is designed to incubate and accelerate the scaling of local entrepreneurs until they are ready to expand their business along the Madison and Pulaski corridors or within the broader West Side region. The total cost of the project is approximately \$8.3 Million which will be financed with a combination of equity, debt, grants, subsidies and the requested NOF grant of \$3,769,642. The grant will aid in the reactivation of a vacant building in the West Garfield Park community area, job creation, increased property taxes and providing much needed retail in the area. DPD expressed their support for the project. Mr. Bumpers concluded the presentation and thanked the Body, bidding for its favorable consideration for support and acknowledged that he, James Webb and Kristen Freeman of the K Hub development and welcomed any questions. The Chair thanked Mr. Bumpers then asked if there were any questions from the Body. He recognized Alderman Villegas who inquired about the other grants and funding of \$1.5 Million. Mr. Bumpers responded they have other state grants, and they are taking on \$3 Million in debt for the project. Alderman Villegas thanked the Chairman then concluded. Chairman Ervin asked if there were any other questions, seeing there were none, the Chair acknowledged Aldermen Lopez Motion for Move Do Pass, requesting all in favor signify by saying Aye, any opposed? Recorded all Ayes, no Nays and in the opinion of the Chair the Ayes have it, the matter was approved and would be reported at the next City Council Meeting on Wednesday, July 15, 2026. The Chairman took a moment to thank Jim Webb and Kristen Freeman for the work they're doing along with the Garfield Park Rite to Wellness Collaborative along the Madison corridor.

The Chairman then proceeded to Item #4, an Amendment of Municipal Code Chapter 2-74 by adding new Section 2-74-076 to establish Department of Human Resources hiring preference for children and spouses of Chicago first responders killed in line of duty. He acknowledged that a substitute ordinance for this item had been distributed to Committee Members, then queried for a Motion to accept the substitute, so Moved by Alderman Mosley. He queried for all in favor to signify by saying Aye, any opposed? He recorded all Ayes and no Nays and that in the opinion of the Chair the Ayes have it and the Substitute was duly before the Body. The Chair briefly took a moment to recognize Alderman Cardona for purposes of quorum, then turned the floor over to Alderman Lopez, Sponsor of the ordinance, to provide an overview.

Alderman Lopez stated that this ordinance creates a hiring preference for Gold Star Families, those individuals whose loved one gave the ultimate sacrifice for the City of Chicago. It could be police, fire or

anyone that meets the qualifications set in the substitute ordinance. We currently engage in this practice, but it has never been codified in the law, and this ordinance seeks to do exactly that. Alderman Lopez welcomed questions from the members then concluded. Chairman Ervin queried for questions from the committee members, recognizing Alderman Conway who asked how this fits in relation to the other hiring preferences that exist in the City of Chicago. Mark Pando, Deputy Commissioner, Employment Policy, DHR responded, when hiring preferences are applied, there is the CETA preference under MCC at 25%, veterans' preference at 20%, and CPD preference at 20%. The employment services team at DHR manually screens for all those preferences and certain percentages must be applied for the referral list. Alderman Conway asked if there will be a separate percentage for a line of duty hiring preference? Deputy Commissioner replied that he doesn't know that there's going to be a specific percentage, we don't get a lot of applications for line of duty death candidates. Alderman Conway inquired if this preference will be considered of equal weight to the others? Deputy Commissioner responded yes, candidates who are family members of Gold Star would be equal in weight. Alderman Conway thanked Deputy Commissioner Pando and Chairman Ervin then concluded. The Chairman commented that persons with the Gold Star Family preference generally land right at the top because it's such a limited number of people, especially for police and fire. Chair Ervin next called Alderman La Spata who questioned the phrase "minimally qualified". Do we use this term in all of our hiring preferences, I feel like we come under scrutiny when we hire people who we define as minimally qualified. Is this just a general term? Deputy Commissioner stated that it's just a general term, it's not just for preferences, to be placed on the referral list you need to meet the minimum qualifications. Alderman La Spata thanked the Chair then concluded. Alderman Dowell was called and thanked the sponsor for putting this forward, then voiced her interest in becoming a co-sponsor. She proceeded to ask for the city's definition of line of duty and died in the line of duty. Referencing the federal government and state government have different definitions for what that means.

Deputy Commissioner responded that he would have to get that information back to Councilwoman Dowell. Chairman Ervin offered a point of clarification stating that the line of duty definition is generated by the respective department if that individual whose death resulted from their work. I don't know if it's specifically codified per the MCC. Vice Chair Lee requested a point of clarification, asking if it is your opinion that we would need to define what line of duty is by department, we want to make sure our I's are dotted and our T's are crossed. Chairman Ervin explained that we are just codifying a practice that already exists, the Commissioner of DHR is authorized to adopt the rules for this so that all those things could be defined in the rules as it relates to how this preference is dealt with. As it stands today it's a departmental decision as to who dies in the line of duty. Alderman Dowell requested more definition on how the Department of Human Resource, who must implement this, defines died in the line of duty. Alderman Dowell concluded and Alderman Vasquez was acknowledged and requested through the chair how many people have died in the line of duty across all departments over the last 5 years. Chairman Ervin stated we will have the Department of Human Resources to compile the information. He then called on Alderman Sposato who gave a point of information—we already have that with the police and fire, departments determine if it's a line of duty or not, not HR. He then informed the Body that Commissioner Sandra Blakemore was due to retire along with Superintendent Larry Snelling on July 15th and wished them both the best. The Chairman took a moment to recognize Alderman Silverstein in chambers and Aldermen Robinson and Beale's remote participation for purposes of quorum. He then requested a motion to add Alderman Beale. So moved by Alderman Harris to amend her motion to include Alderman Beale. Chairman queried all in favor to signify by saying Aye, any opposed? Hearing no objections, the Chairman decreed the Ayes have it, duly recorded the Aldermen added to the roll for quorum and verbally checked to confirm Alders' presence. The Chairman then queried for additional questions pertaining to Item #4. Alderman Lopez was acknowledged and requested through the chair the line of duty death policies for both departments and what rules will be implemented as it relates to this ordinance. He stated that the municipal code references line of duty as being killed. The Chairman stated that we will get the information to members as it becomes available. He asked if there is a motion, So Moved by Alderman

Lopez. The Chair then queried for all in favor to signify by saying Aye, any opposed? There were all Ayes, no Nays, and the Motion was recorded as approved and would be reported out at the next regular City Council Meeting on Wednesday, July 15, 2026.

The Chairman then returned to Item #1 on the agenda, a direct introduction of a communication recommending adoption of an Annual Appropriation Ordinance Year 2026 amendment within Fund 925. Chloe Belczak, Deputy Budget Director, was acknowledged and provided a narrative on the ordinance amending the Fund 925 Appropriation, an additional \$4,526,000 total in Federal, State, Local/Private grant awards to the Chicago Department of Public Health for the HRSA Ending HIV Epidemic Program, National Bioterrorism Hospital Preparedness Program, Women, Infants and Children (WIC) Nutrition Program and the Housing Opportunities for People with AIDS (HOPWA); Department of Family and Support Services for the Medicare Enrollment Assistance Program and Long Term Care Ombudsman Service; Chicago Police Department for the CPD Private Grant Funding and State Police Revocation Enforcement Grant Program; Department of Environment for the Stretch Building Code Adoption Grant; Chicago Department of Transportation for the State and Community Highway Safety; Chicago Public Library for the 4th Ward at Harold Washington Library Center (HWLC) and Digital Equity Grant. The Deputy Budget Director concluded, the Chair paused to amend the motion for the Rule 59 request to add Alderman Robinson to that request, so moved by Vice Chair Lee, all in favor signify by saying Aye, any opposed? Recorded all Ayes, no Nays and in the opinion of the Chair the Ayes have it. Alderman Robinson is added to the virtual participation. Also, he recognized Alderman Hopkins in chambers then proceeded to ask if there were questions on the 925. Alderman Conway inquired about CDPH grant funds from the Federal government asking if they have seen a reduction in funds. Fikirte Wagaw, Acting Commissioner, CDPH, replied, we have not seen a reduction overall in our federal grants other than the ending of one-time grants. Alderman Conway thanked the Chairman then concluded. Vice Chair Lee asked if the \$745,000 increase in CDPH was for personnel or programmatic stuff? Acting Commissioner Wagaw answered that the additional funds will be used to make our delegate agencies whole, it's not adding headcount. Vice Chair Lee concluded and the Chair called on Alderman Mosley. Alderman Mosley inquired about CDPH AIDS program funding and the more equitable distribution throughout the city. Siting South Side Help Center in his ward seeing reductions in funding at times where folks are impacted or aren't being reached. Acting Commissioner Wagaw stated she can't speak to any pending litigation but can say that the additional funds are intended to go out to serve the most impacted communities, which are Latino and Black communities. Alderman Mosley mentioned he would love to follow up with that offline, then asked if any of these grants support our efforts around gun violence reduction? Acting Commissioner replied, no, none of these funds are related to violence reduction. Alderman Mosley thanked the Chair and concluded. Alderman Dowell was recognized, asked if the \$250,000 increase to CDPH was for the existing Doula program? Acting Commissioner responded that it is for Family Connects, the nurse home visiting program for those with new babies. Alderman Dowell asked who runs the program at CDPH? Acting Commissioner stated, Deputy Commissioner Jennifer Vidis. Alderman Dowell concluded, Chairman Ervin took a moment to recognize Alderman Sigcho-Lopez in chamber for purposes of quorum. He then asked if there were any additional questions, seeing there were none, knowledge a Motion for Move Do Pass on Item #1, Alderman Dowell made said Motion, followed by Chair requesting all in favor to signify by saying Aye, any opposed? Hearing all Ayes, no Nays, recorded that in the opinion of the Chair the Ayes have it. The Fund 925 Ordinance was approved and was to be reported at the next City Council Meeting on Wednesday, July 15, 2026.

Chairman Ervin last addressed Item #5, an Overview of Budget Data, which figures were to be deliberated by the Finance Team at upcoming Mid-Year Hearing, Thursday, July 16th. The hearing will disclose the current city funding at mid-year and year end balancing projections, in addition to assessing the FY2027 budget hearing schedule anticipated to be held in October/November.

The Committee on the Budget and Government Operations having no further business, on motion made by Alderman Martin for adjournment, the Chairman acknowledged all ayes and no nays, and the meeting was duly adjourned.

THURSDAY, JULY 16TH

Date, Time & Location of Meeting: On July 16, 2026, 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), La Spata (1), Dowell (3), Robinson (4), Mitchell (7), Harris (8), Beale (9), Quinn (13), Lopez (15), O'Shea (19), Mosley (21), Sigcho-Lopez (25), Burnett (27), Taliaferro (29), Cardona (31), Conway (34), Villegas (36), Nugent (39), Vasquez (40), Reilly (42), Knudsen (43), Martin (47), Hadden (49) and Silverstein (50).

The following members attended virtually: Vice Chair Lee (11), Robinson (4), Moore (17), Rodriguez-Sanchez (33) and Quezada (35).

The following members were absent: Yancy (5), Ramirez (12), Rodriguez (22), Scott (24), Mitts (37), Sposato (38) and Napolitano (41).

The following non-members were present: Cruz (30).

The following non-members attended virtually: Hall (6).

Internal witnesses present: **Office of Budget and Management (OBM):** Annette Guzman, Budget Director; **Department of Finance (DOF):** Steven Mahr, Chief Financial Officer, Michael Belsky, City Comptroller, Elaine Herman, Managing Deputy Director, Brian Carlson, Deputy Director and Chip Hastings, Deputy Director; **Department of Law (DOL):** Redeatu Kassa, Deputy Corporation Counsel, David Holtkamp, Deputy Corporation Counsel and Rey Phillips-Santos, Assistant Corporation Counsel Senior.

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

1. 2026 Mid-Year Budget Hearing (Financial Overview) NO VOTE WILL BE TAKEN.

Chairman Ervin called the subject matter hearing to order, took roll call, and recognized a quorum was present. He then made a Motion to allow Committee Members Aldermen Lee, Moore, Taylor, Rodriguez, Rodriguez-Sanchez and Quezada to join virtually pursuant to Rule 59, so moved by Alderman Villegas. Chairman queried all in favor to signify by saying Aye, any opposed? Hearing no objections, the Chairman decreed the Ayes have it, duly recorded the Aldermen added to the roll for quorum and verbally checked to confirm Alders' presence. Aldermen Quezada and Moore confirmed their attendance. He then opened the floor for public comments and acknowledged there were no public speakers.

The Chair concluded the public comment period, then conveyed the Committee would be hosting a 2026 Mid-Year Budget Hearing (Financial Overview) anchored by the Mayor's Financial Team. Alderman O'Shea was recognized, asked if the Budget Director will be in attendance. At 10:19a.m. the Chair took a 5-minute recess to allow time for Budget Director Annette Guzman to arrive. At 10:27a.m. the Chair called the hearing back to order and took a moment to acknowledge Aldermen Martin, Vasquez, Sigcho-Lopez, Taliaferro and Cruz (non-member). He then proceeded to introduce the Mayor's Financial Team: OBM Budget Director Annette Guzman, Acting Chief Financial Officer Steven Mahr and Comptroller Michael Belsky, Department of Finance. The Chair then asked the staff in the box to introduce themselves after which the Financial Team then proceeded with a Power Point presentation which covered the following content:

2026 Mid-Year Budget Update: Where We Stand, Mid-Year Revenue, Operational Discipline, and Critical Considerations

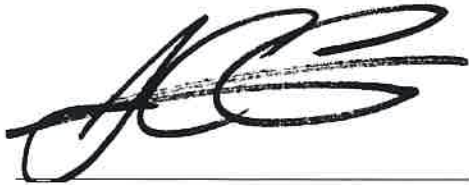
1. **Where We Stand at Mid-Year**
2. **Revenue: What's Working**
3. **Revenue: The Emerging Budget Gap**
4. **Expenditure & Workforce Discipline**
5. **Efficiency Initiatives: Savings & Revenue vs. Target**
6. **The 2025 ACFR End-of-Year Results**
7. **Variance to Budget: Preliminary 2026 Outlook**
8. **The Corporate Fund Debt Universe: Administrative Hearings Debt, Vehicle Debt, EMS Debt and Cost Recovery Debt**

The Financial Team concluded their presentation and welcomed questions. Chair Ervin paused to acknowledge Aldermen Robinson, Mitchell and Beale in chambers and Aldermen Lee and Rodriguez-Sanchez remotely for purposes of quorum. He then proceeded to open the floor for Q&A which included questions/comments from the Body. At the conclusion of the Q&A Chair Ervin thanked Budget Director Guzman, Acting CFO Mahr and Comptroller Belsky for their participation then conveyed looking forward to a robust conversation as to how the Body best manages the way back to the black, and for better collaboration on both sides, so the Body can collectively work to do something that's going to be beneficial for the taxpayers.

The Committee on the Budget and Government Operations having no further business, on Motion made by Alderman Conway for adjournment, Chairman acknowledged all Ayes and no Nays, and 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 July 8th & July 16th)

Respectfully submitted by:

A handwritten signature in black ink, appearing to be 'J. Ervin', written over a horizontal line.

Alderman Jason C. Ervin
Chairman, Committee on Budget
& Government Operations