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CITY COUNCIL
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COUNCIL CHAMBER
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CHICAGO, ILLINOIS 60602

COMMITTEE CHAIRMAN
ECONOMIC, CAPITAL, AND TECHNOLOGY DEVELOPMENT

COMMITTEE VICE CHAIRMAN
COMMITTEES AND RULES

COMMITTEE MEMBERSHIPS
ZONING, LANDMARKS, AND BUILDING STANDARDS

BUDGET AND GOVERNMENT OPERATIONS

CONTRACTING OVERSIGHT AND EQUALITY

LICENSE AND CONSUMER PROTECTION

WORKFORCE DEVELOPMENT

AVIATION

FINANCE

Corrected to REFLECT IN-PERSON MEETING,

MONTHLY REPORT — DECEMBER 2022

Pursuant to Rule 45 of the City Council Rules of Order, the **Committee on Economic, Capital, and Technology Development** submits the following Monthly Report for December 2022:

COMMITTEE MEETING HELD ON December 6, 2022

On Wednesday, December 6, 2022, the Committee on Economic, Capital, and Technology Development held an in-person meeting pursuant to applicable law.

Chairman Villegas called the meeting to order at 1:35 PM CT.

Roll Call

The following members of the Committee were present as determined during roll call, Aldermen: Villegas, Mitchell, Harris, O'Shea, Tabares, Burnett, Sposato, Tunney, and Hadden. With 9 members present, quorum was established.

Approval of September 2022 (Monthly Report)

There were no corrections or comments. Alderman Tunney motioned to approve the report. The motion passed without objection.

Approval of November 2022 Rule 45 Report (Monthly Report)

There were no corrections or comments. Alderman Tunney motioned to approve the report. The motion passed without objection.

Public Comment

No public comment.

Items were heard slightly out of order. There were 31 items on on the agenda for this meeting.

Item 30

Item 30 on the agenda was an Ordinance in support of a Class 7(b) tax Incentive for property at 3552 W Grand Ave, in the 26th Ward, led by Alderman Maldonado, and introduced by Mayor Lightfoot during the November 16, 2022, City Council Meeting.

O2022-3802 Approval for issuance of a Class 7(b) tax incentive for property at 3552 W Grand Ave

- *Chairman Villegas noted that Terrence Johnson, Assistant Commissioner at the Department of Planning and Development was in attendance to present in support of the item and would be available to answer any questions.*
 - Major details provided on the project included:
 - **Applicant:** Central Park Produce, Inc.
 - **Location:** 3552 W. Grand, 26th Ward - Alderman Maldonado, Humboldt Park Community Area, TIF District - Division/Homan
 - **DPD Support Reason:**
 - 1. **Jobs:**
 - a. 17 Full-time jobs
 - b. 15 Part-Time jobs
 - c. 40 Temporary Construction Jobs
 - 2. **Investment:**
 - a. \$7 million investment
 - 3. **Eliminate Vacant Property**
 - a. The project will eliminate a vacant property and return it to productive use.
 - b. The project will provide a full-service grocery store to the community.
- *Chairman Villegas thanked Assistant Commissioner Johnson and noted that Bob Tzotzolis, Jimmy Bousis, Richard Ginsburg, and Dora Cornelio were present on behalf of the applicant if there were any questions.*
- *Chairman Villegas asked if any members of the Committee had any questions or wanted to make a statement.*
- *Alderman Tunney asked to speak and was acknowledged.*
 - *Alderman Tunney brought up the sublease of the abandoned CVS which was vacant for roughly 11 or 12 years.*
 - *Assistant Commissioner Johnson responded and stated that the current lease would be for 10 years, but the plan was to renegotiate a longer-term lease with the current owners of the property.*

- *Alderman Tunney asked for clarity as it appeared that there were no lease options.*
 - *Richard Ginsburg, one of the attorneys for the applicant spoke and stated that the City has the option of going to the Assessor's office for negotiations after the expiration of the lease.*
- *Alderman Tunney responded and asked for confirmation, that if according to testimony, since the applicant is subletting, whether the lease was adopted from previous negotiation.*
 - *Mr. Ginsburg responded in the affirmative.*
 - *Alderman Tunney then concluded and stated that if for some reason the lease terminated and not renewed, the incentive will sunset. He received confirmation from Chairman Villegas, and thanked the applicant.*
- *Alderman Burnett asked to speak and was acknowledged.*
 - *Alderman Burnett highlighted that the property has been vacant for a long time and added that there needs to be some positive traffic in the area. He elaborated saying that there is currently a food desert and there needs to be a grocery store that offers more variety.*
 - *Alderman Burnett followed and praised the owner of the business and congratulated Alderman Maldonado.*
- *Alderman Tunney stated that it would be great to have extensions on the lease as gentrification is occurring and will likely continue to occur in the area as it becomes a more desirable place to live.*
- *Chairman Villegas asked for a motion to recommend approval of the item by the same roll call vote.*
 - *Alderman Tunney so moved.*
 - *The item passed without objection and Chairman Villegas stated that the do-pass recommendation would be reported out at the following City Council meeting.*

Items 1 and 2

Items 1 and 2 on the agenda were appointments to two Special Service Areas that were heard and voted on collectively. They were:

A2022-156	Appointment of Yvette Leon as member of Special Service Area No. 13, Stockyards Commission
A2022-157	Appointment of Lex A. Galeas as member of Special Service Area No. 13, Stockyards Commission

- *Chairman Villegas stated that instead of having appointees come in, he contacted all Appointees for a brief conversation on their appointments and was in support. Additionally, Alderman Lee and Dowell provided email responses of their support.*
- *Chairman Villegas asked for a motion to recommend approval of the appointments and reappointments by the same roll call vote.*
 - *Alderdwoman Hadden so moved; the items passed without objection and Chairman Villegas stated that the do-pass recommendation would be reported out at the following City Council meeting.*

Items 3 - 22

Items 3 through 22 on the agenda were a series of ordinances on tax levy, scope of services, budget and management agreements, to various Special Service Areas which were introduced by Mayor Lightfoot during the October 26, 2022 and November 16, 2022, City Council Meetings. The following were heard:

O2022-3677	Tax levy, scope of services, budget and service provider agreement for Special Service Area No. 1-2015, State Street
O2022-3678	Tax levy, scope of services, budget and service provider agreement for Special Service Area No. 8, Lakeview East
O2022-3690	Tax levy, scope of services, budget and service provider agreement for Special Service Area No. 17, Central Lakeview
O2022-3692	Tax levy, scope of services, budget and service provider agreement for Special Service Area No. 22, Andersonville
O2022-3694	Tax levy, scope of services, budget and service provider agreement for Special Service Area No. 27, West Lakeview (Lincoln/Belmont/Ashland)
O2022-3695	Tax levy, scope of services, budget and service provider agreement for Special Service Area No. 28-2014, Six Corners
O2022-3696	Tax levy, scope of services, budget and service provider agreement for Special Service Area No. 33, Wicker Park & Bucktown
O2022-3697	Tax levy, scope of services, budget and service provider agreement for Special Service Area No. 42, 71st/Stony Island
O2022-3698	Tax levy, scope of services, budget and service provider agreement for Special Service Area No. 47, 47th Street and Cottage Grove

O2022-3699	Tax levy, scope of services, budget and service provider agreement for Special Service Area No. 48, Old Town
O2022-3700	Tax levy, scope of services, budget and service provider agreement for Special Service Area No. 50, Calumet Heights/Avalon
O2022-3782	Tax levy, scope of services, budget and service provider agreement for Special Service Area No. 52-2021, 51st Street
O2022-3761	Tax levy, scope of services, budget and service provider agreement for Special Service Area No. 72, The Village: Austin Chicago Cultural Corridor
O2022-3762	Tax levy, scope of services, budget and service provider agreement for Special Service Area No. 73, Chinatown
O2022-3764	Tax levy, scope of services, budget and service provider agreement for Special Service Area No. 76, North Michigan Avenue
O2022-3765	Tax levy, scope of services, budget and service provider agreement for Special Service Area No. 77, West Garfield Park
O2022-3380	Tax levy, scope of services, budget and service provider agreement for Special Service Area No. 3, 63rd St
O2022-3383	Tax levy, scope of services, budget and service provider agreement for Special Service Area No. 10, Back of the Yards
O2022-3384	Tax levy, scope of services, budget and service provider agreement for Special Service Area No. 13, Stockyards
O2022-3555	Tax levy, scope of services, budget and service provider agreement for Special Service Area No. 39, Brighton Park-Archer Heights

- *Chairman Villegas stated that Mary O'Connor, Deputy Commissioner at the Department of Planning and Development, was available to answer any questions and to provide the Committee with a statement regarding the budget ordinances.*
- *Deputy Commissioner, Mary O'Connor stated that she wanted to provide insight and context into the SSA budget review process. She noted the following:*
 - *On the agenda were 20 annual SSA budget ordinances for 2023, 6 SSA renewal ordinances, and 1 new establishment ordinance for SSA 80, Englewood. This would result in a record 57 SSAs in Chicago next year.*
 - *Deputy Commissioner O'Connor added that the budgets were originally developed by the local commissions for each SSA, composed of businesses and property owners.*

- SSA Providers were advised to brief associated Alderpersons on their budgets and expected services. DPD also sent emails to Alderpersons requesting a reply and later followed up with unresponsive Aldermen.
 - All SSA budget plans were reviewed and approved by the Office of Budget Management and the Department of Law.
 - DPD noted any comments raised by OBM or the Law Department to ensure expenses and activities in the budget were reasonable and in compliance with State statute and DPD policy.
 - DPD staff then worked with local service providers to ensure that all comments raised by OBM and Law were addressed or clarified prior to preparing a budget for introduction.
 - Once approved and granted by OBM and Law, ordinances were prepared for introduction at City Council.
 - At that time affected Aldermen were notified and provided with a copy of the final budget, work plan, introduction date, and anticipated Committee dates.
 - DPD allowed the opportunity for questions, comments, and concerns.
 - In order to receive funding, each SSA budget ordinance must be introduced and approved by City Council by the end of the year.
 - The final step is recording each approved Ordinance with the Cook County Recorder of Deeds and the Cook County Clerk by December 27, 2022, as required by State statute.
 - The penalty for failing to meet these requirements is no SSA tax levy and related tax collections for the upcoming budget year.
 - Lastly, Deputy Commissioner O'Connor noted that the latest property tax bills were just mailed and SSAs had been operating for over 4 months without second-half operating revenue. She added that DPD was assured by the Comptroller's office that SSA disbursements would be made weekly during December to deposit collections into local bank accounts as soon as possible before the end of the year.
 - Deputy Commissioner O'Connor ended and noted that she appreciated the Committee's oversight during this process and requested their support.
- Chairman Villegas thanked Deputy Commissioner O'Connor and asked if any members of the Committee had any questions or comments.
- Alderman Tunney asked to speak and was acknowledged.
 - Alderman Tunney asked a question related to the North Michigan Avenue SSA and its funding.
 - Deputy Commissioner O'Connor stated that there was approval of a 3-year streamlined SSA in response to the pandemic. Its expiration is in 2024.
 - Alderman Tunney asked if this was an interim step.

- Deputy Commissioner O'Connor said yes and stated that the City is looking into a Business Improvement District. She added that the legislation is with Mayor Lightfoot who is reviewing it.
- Alderman Tunney ended and highlighted that the SSA would be receiving three-quarters of a million dollars and wished them luck as economic development is sorely needed in that stretch of Michigan Avenue.
- Chairman Villegas asked for a motion to recommend passage of the items by the same roll call vote.
 - Alderman Sposato so moved. The items passed without objection and Chairman Villegas stated that the do-pass recommendation would be reported out at the following City Council meeting.

Items 23 - 29

Items 23 - 29 on the agenda were a series of ordinances on tax levy extensions/enlargements and/or establishments, scope of services, budget and management agreements, to various Special Service Areas which were introduced by Mayor Lightfoot during the November 16, 2022, City Council meeting. The following were heard:

- | | |
|-------------------|--|
| O2022-3691 | Tax levy extension to 2036, scope of services, budget, and service provider agreement for Special Service Area No. 20, South Western Ave |
| O2022-3756 | Tax levy extension through 2031, additional distinct services, regular scope of services, budget and service provider agreement for Special Service Area No. 62, Sauganash |
| O2022-3760 | Tax levy extension through 2036 with 1.5% cap, additional distinct services, regular scope of services, budget and service provider agreement for Special Service Area No. 63, West Humboldt Park |
| O2022-3693 | Tax levy, enlargement of area, scope of services, budget and service provider agreement for Special Service Area No. 24, Clark/Morse/Glenwood |
| O2022-3780 | Establishment of Special Service Area No. 56-2022, Bronzeville, fifteen year tax levy not to exceed 2.1% for taxable area, appropriation for 2022, execution of one year Special Service Provider Agreement with Quad Communities Development Corporation, benefitting W 47th Street, from S State St east to S St. Lawrence Ave |

O2022-3781 Establishment of Special Service Area No. 59-2022, 59th Street, tax levy period from 2022 through 2036, tax cap at 0.50% appropriation for 2022, execution of one year Special Service Provider Agreement with Greater Southwest Development Corporation, benefitting W 59th Street from S Homan Ave east to S Oakley Ave, and S Kedzie Ave from S 57th St to S 62nd St

O2022-3769 Establishment of Special Service Area No. 80, Englewood, authorization of ten year tax levy through 2031, not to exceed 2.0% of taxable area, 2022 appropriations, execution of one year Special Service Provider Agreement with Greater Englewood Community Development Corporation, benefitting W 63rd St from S Ashland Ave east to S Wallace St and S Ashland Ave from W 57th St to W 63rd St

- *Chairman Villegas asked if Committee members had any questions.*
- *Chairman Villegas asked for a motion to recommend passage of the items by the same roll call vote.*
 - *Alderwoman Hadden so moved. The items passed without objection and Chairman Villegas stated that the do-pass recommendation would be reported out at the following City Council meeting.*

Item 31

Item 31 was an ordinance authorizing the Department of Planning and Development to enter into an Interim Service Provider Agreement "SPA" with the Belmont-Central Chamber of Commerce for SSA #28-2014 until a 2023 Service Provider was selected through an RFP process and was approved by City Council for direct introduction by the Department of Planning and Development.

O2022-3829 An ordinance authorizing DPD to enter into an Interim Service Provider Agreement "SPA") with the Belmont-Central Chamber of Commerce for SSA #28-2014 until a 2023 Service Provider is selected through a RFP process and is approved by City Council

- *Chairman Villegas stated that Mary O'Connor, Deputy Commissioner at the Department of Planning and Development, was available to answer any questions and to provide the Committee with a statement regarding the budget ordinance.*
 - *Deputy Commissioner O'Connor thanked Chairman Villegas and stated that DPD has closely monitored SSA #28-2014 over the past 2 years, attending each commissioner meeting, training, and guiding their new staff and commissioner.*
 - *When an incident arose over the summer that violated the terms of their agreement, DPD exercised its termination clause in the annual service provider agreement. DPD's primary concern was that the annual tax levy*

was approved so that a budget may exist for 2023. DPD's secondary concern was that the SSA is able to provide services for the following year. Their recommendation was that another service provider, Belmont-Central Chamber of Commerce be authorized as the provider until another provider is selected. DPD requires an RFP process when a new provider is selected and selection will be based upon input from the local Alderman and the community.

- *Completion of a new ordinance is expected in February 2023 with finalization and introduction in March.*
- *Chairman Villegas asked if there were any questions or concerns from Committee members.*
- *Alderman Tunney asked to speak and was acknowledged.*
 - *Alderman Tunney asked if this ordinance had the support of Alderman Gardiner.*
 - *Deputy Commissioner O'Connor said yes.*
- *Chairman Villegas asked for a motion to recommend passage of the item by the same roll call vote.*
 - *Alderwoman Hadden so moved. The item passed without objection and Chairman Villegas stated that the do-pass recommendation would be reported out at the following City Council meeting.*

ADJOURNMENT

There being no further business Chairman Villegas asked for a motion to adjourn by the same roll call vote.

Alderman Tunney so moved.

The meeting was adjourned at 2:00 PM CT

The members of the Committee on Economic, Capital, and Technology Development in attendance included: Aldermen Villegas (36), Mitchell (7), Harris (8), O'Shea (19), Tabares (23), Burnett (27), Sposato (38), Tunney (44), Hadden (49)

Non-members of the Committee in attendance included:

None

Respectfully submitted by

Sergio Navarrete

Gianna Muñoz

For the Committee on Economic, Capital, and Technology Development