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GILBERT VILLEGAS

CITY COUNCIL
CITY OF CHICAGO
.....
COUNCIL CHAMBER
CITY HALL – 2ND FLOOR
121 NORTH LASALLE STREET
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

MONTHLY REPORT — APRIL 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 **April 2022**:

COMMITTEE MEETING HELD ON APRIL 19, 2022

On Tuesday, April 19, 2022, the Committee on Economic, Capital and Technology Development held a remote meeting pursuant to applicable law.

Chairman Villegas called the meeting to order at 1:05 PM CT

Roll Call

The following members of the Committee were present as determined during roll call: Aldermen Villegas, Mitchell, Sawyer, Lopez, Tabares, Scott, Burnett, Reboyras, Mitts, and Tunney. With 10 members present, quorum was established.

Approval of March 2022 Rule 45 Report (Monthly Report)

There were no corrections or comments. Alderman Lopez motioned to approve the report by the same number of votes as was used to determine quorum. The motion passed without objection.

Public Comment

No public comment

Items 1 - 10

Items one through ten on the agenda were a series of appointments to various Special Service Areas that were voted on collectively. They were:

- A2022-32** Appointment of Marilyn Del Valle as member of Special Service Area No. 2, Belmont Central Commission
- A2022-33** Appointment of David L. Garfield as member of Special Service Area No. 27, West Lakeview Commission
- A2022-41** Appointment of Lee Mosser as member of Special Service Area No. 29-2014, West Town Commission
- A2022-34** Appointment of Nadia Coronado as member of Special Service Area No. 29-2014, West Town Commission
- A2022-35** Appointment of Alexandra Shver as member of Special Service Area No. 29-2014, West Town Commission
- A2022-36** Appointment of Taylor Olds as member of Special Service Area No. 29-2014, West Town Commission
- A2022-37** Appointment of Michael J. Parker as member of Special Service Area No. 31, Greater Ravenswood Commission
- A2022-38** Appointment of Bradley A. Borowiec as member of Special Service Area No. 76, North Michigan Avenue Commission
- A2022-39** Appointment of John R. Gagliardo as member of Special Service Area No. 76, North Michigan Avenue Commission
- A2022-40** Appointment of Elizabeth L. Kilroy as member of Special Service Area No. 76, North Michigan Avenue Commission

- *Chairman Villegas asked if any of the appointees wanted to make a statement.*
 - *No hands were raised.*
- *Chairman Villegas asked the Committee members if they had any questions or wanted to make any statements. Alderman Reilly asked to speak and stated that he would like to be recognized for purposes of the quorum.*
 - *Chairman Villegas asked his staff to add Alderman Reilly.*
- *Chairman Villegas asked for a motion for approval of the appointments outlined by the same number of votes as was used to determine quorum.*
 - *Alderman Reilly so moved, the items passed without objection.*
- *Alderman Vasquez and Alderman O'Shea asked to speak and be recorded for purposes of the quorum.*

- *Chairman Villegas asked his staff to document their attendance.*
- *Chairman Villegas thanked the appointees and stated that they could leave the meeting or watch their government at work. Chairman Villegas also thanked the appointees for their volunteer efforts and stated that the Committee looked forward to working with them.*

Item 11

Item 11 on the agenda was a resolution calling for a subject matter hearing that addressed the following item in which no vote was taken

R2021-1127 Call for hearing(s) on Department of Assets, Information and Services regarding current data sharing practices and tools and establishment of plan to improve and implement effective data sharing platforms

- *Chairman Villegas asked for a motion to hear the Resolution.*
- *Alderman Harris asked to be recorded for purposes of the roll.*
- *Alderman Sawyer moved for a motion to hear the Resolution, since there were no objections it was so ordered.*
- *Chairman Villegas stated that the Committee had invited the following participants for the subject matter hearing:*
 - *1. Office of Inspector General: overview discussion and issues presented in report “Advisory Concerning the City of Chicago’s Data Quality” as it relates to data-sharing and relative reports directed to the Department of Assets, Information and Services*
 - *2. Department of Assets, Information and Services (AIS): discussion of current efforts and response to report, including any issues getting in the way of achieving successful data-sharing across the City Departments and with meeting the OIG suggestions outlined in their report.*
 - *3. Office of Budget Management: discussion on response to report and meeting the outlined OIG suggestions, including any budgetary issues with achieving said suggestions.*
- *Alderman Cardenas raised his hand and Chairman Villegas acknowledged him for purposes of the roll.*
- *Chairman Villegas introduced the following individuals from the Office of Inspector General who spoke on the matter:*

- *Darwyn Jones - Deputy Inspector General of Audit and Program Review*
- *Kevin Smith - Chief Performance Analyst*
- *Justin Gutierrez, Performance Analyst*

- *Deputy Inspector General Darwyn Jones introduced the team who worked on the report titled, "Advisory Concerning the City of Chicago's Data Quality".*

- *Kevin Smith - Chief Performance Analyst and Justin Gutierrez, Performance Analyst presented on the matter.*
 - **NOTE:** *Report shared with Committee members and publicly available on the Office of Inspector General's website.*

- *Chairman Villegas asked Committee members if they had any questions for OIG staff*
 - *Alderman Cardenas asked to speak and stated that while he had no questions, he wanted to ensure that the Committee and members of the media acknowledged that he was present and in attendance.*
 - *Chairman Villegas asked staff to note his attendance.*
 - *Alderman Sposato asked to speak and requested his attendance be noted for the record as well.*

- *Alderman Vasquez asked to speak and was acknowledged. Alderman Vasquez stated that he is aware that when they first took office, 2FM was merged with IT to create AIS. Given all the data challenges, were there any recommendations given to AIS to separate IT and Data from other AIS departments, such as fleet and facilities?*
 - *Darwyn Jones - Deputy Inspector General of Audit and Program Review, responded and stated that they did not go into that in their report but noted that the placement of those functions are considered operational decisions and that was not their focus. Instead, the effectiveness of where that placement is was their focus. He further noted that where the function lives is not for their office to determine.*

- *Alderman Reboyras asked to speak and was acknowledged. Alderman Reboyras wanted to congratulate the OIG for their report and commended the office for its work. Moreover, he stated that since the Chief Operating Officer (COO) and Chief Data Officer (CDO) know the issues, he was curious as to what the dollar amount would look like to enact all the recommendations and suggestions presented.*
 - *Darwyn Jones answered and stated that while the Office of Inspector General goes back to each department to try and work with them, the level of follow-up done is on a case by case basis. Here, the OIG created a framework for the office to subsequently follow up with the CDO. Mr. Jones stated that a two pronged approach has been established.*

- 1. They will continue to work with the department and perform analysis on collected data and their practices
 - 2. They will share the accountability with the Chief Data Officer to ensure that everyone is notified and so that everyone can work collaboratively on addressing the issues.
- *Alderman Sawyer asked to speak and was acknowledged. Alderman Sawyer asked if the City Council would be receiving periodic updates in specific departments as he has always had concerns with the Department of Mental Health and their recordkeeping requirements as he does not believe they are keeping up with demands.*
 - *Darwyn Jones stated that he could not say whether they would keep up with every single department as the reports they generate are resource driven. He additionally added that the OIG does put out an annual audit plan and they are trying to gather ideas for their audit plan. Moreover, he added that the office is open to suggestions and that their office does try to gather ideas from those who are decision makers.*
- *Chairman Villegas noted no other hands were raised, thanked the Office of the Inspector General and introduced the Department of Assets, Information, and Services and those who would speak on the matter:*
 - *Sandra Blakemore - Acting Commissioner*
 - *Kurt Peterson - Chief Information Officer*
 - *Bruce Coffing - Chief Information Security Officer*
- *Acting Commission Blakemore introduced Kurt Peterson, Chief Information Officer (CIO) and stated that he would be sharing the presentation with the Committee.*
- *CIO Peterson presented on the matter and noted that he has been in the role for less than six months as he was appointed on January 1, 2022. CIO Peterson recapped the Gartner Assessment that was shared with the Committee and the City last year. The assessment may be viewed via the AIS City of Chicago website.*
- ***The main goals of the assessment were as follows:***
 - *Assess and benchmark the current state of the City's information technology resources, processes, and systems to address high priority improvement areas and capability gaps*
 - *Identify opportunities to reduce risk, lower operational costs, and secure City data*

- *Establish an approach for optimizing the City's application portfolio and improve IT service delivery overall*
- *Define a citywide vision that promotes technology opportunity, inclusion, engagement, and innovation for City departments and external stakeholders*
- *Identify an approach for expanding the skill sets and competencies of the City's IT workforce*
- *Develop a forward-looking strategic roadmap to align the City's IT efforts and resources with business goals and objectives as well as best practices and industry standards*
- ***Main observations and summary of transformative change after enacting changes***
 - *AIS IT will need to have the authority to drive needed changes across the enterprise*
 - *A capital expenditure of an additional \$350M - \$400M is likely needed for application modernization (beyond the current IT Budget)*
 - *It is estimated that this upfront investment can save the city \$500M+ over the next decade as it eliminates and reduces support costs for legacy systems*
 - *Digital transformation will lead to increased productivity of the citywide workforce and provide easier-to-use, digitally-accessible, and equitably-distributed city services*
 - *Building and strengthening the capabilities of the internal IT staff at the City will reduce risk and lead to better utilization of the talent available, including our IT vendor-partners*
 - *Expanding integration and data-sharing capabilities across departments and using analytics and automation will improve operations and provide a more seamless and responsive experience for Chicagoans*
- *Chairman Villegas thanked CIO Peterson and asked Committee members if they had any questions for OIG staff. Alderman Vasquez asked to speak and was acknowledged.*
 - *Alderman Vasquez thanked the Department of AIS for having the Gartner study conducted to understand what is preventing the City from being successful in the space of IT. He further added that when looking at other technology issues, as it relates to 311, it took an inordinate amount of time to connect with someone from Salesforce. He specifically noted that it is difficult to hold vendors accountable to the contracts they have signed,*

thus asked what kind of measures are available to ensure vendors are sticking to their agreements.

- *CIO Peterson stated that each agreement that is signed with the Department of Procurement services does have standards that the vendor must abide by. If the vendor fails to follow standards set, there are remedial measures that can be taken.*
 - *Alderman Vasquez stated that he felt as if in the past, the challenge came with accountability and holding vendors to their agreements, thus focus should be on ensuring vendors are accountable on current existing contracts.*
 - *CIO Peterson noted the feedback and stated that AIS would be looking at vendor management in their continuing improvements.*
- *Chairman Villegas asked CIO Peterson if the \$500 million on the return on investment takes into account the quicker turnaround time for businesses to get up and running and creating economic activity.*
 - *CIO Peterson stated that the \$500 million figure did not take that into account, hence actual return on investment and for the City could be significantly higher.*
- *Chairman Villegas asked CIO Peterson that there had been reports concerning the water department and the lack of quality data gathering and its impact on Chicagoans and wanted to know what if anything had been done on that issue.*
 - *CIO Peterson stated that he was unaware of that issue specifically but that he could look into that and connect with the Water Department and the comptroller and follow-up, but that he was unaware of a specific technology issue.*
 - *AIS's Deputy Inspector General of Audit and Program Review, Darwyn Jones jumped in and noted that they did have the item Chairman Villegas mentioned as one of the audit subjects in their annual plan.*
 - *Chairman Villegas thanked the team from AIS and Acting Commissioner Blakemore for the information shared.*
- *Chairman Villegas introduced Budget Director Susie Parks with the City's Office of Budget and Management.*
 - *Director Parks thanked Chairman Villegas and noted that CIO Peterson already disclosed the budget numbers surrounding investment and ROI. She mentioned that the only thing she would add is that this is a priority and the total amount allocated is over \$100 million and a significant investment. This is in contrast to budget allocation in the past that has been more piecemeal.*

- *Chairman Villegas thanked Director Parks and asked the Committee if there were any questions for any of the presenters.*
 - *Alderman Scott asked to speak and was acknowledged. Alderman Scott asked CIO Peterson to clarify where savings would come from and whether the savings were a floor or a ceiling.*
 - *CIO Peterson responded and stated that he thinks it is an early estimate and that the numbers came from Gartner's early assessment. He also stated that while Gartner's assessment looked at a large portion of the City's IT infrastructure, it did not look at its entirety, additionally stating that there are pieces that are separate. However, the savings would primarily come from addressing legacy systems*
 - *Alderman Scott asked CIO Peterson to clarify how large of a "chunk" of our systems were not looked at and whether those figures on return on investment were fully accurate as he thought figures would be higher.*
 - *CIO Peterson stated that it is likely that the figures provided do not fully account for savings when taking into account the full scope of impacted areas. Additionally, the "chunk" comes in through entities like the airport and public safety that do not necessarily work under AIS's wing and that have separate funding sources.*
- *Chairman Villegas thanked CIO Peterson and Alderman Scott and then thanked the presenters for speaking and presenting on the resolution. He added that he is very optimistic that the City is moving in the right direction for efficiency and providing businesses with the ability to succeed. Lastly, he thanked the work that is to come from AIS and the work that the OIG highlighted in their report.*
- ***NOTE: Item was mistakenly held, to be voted for passage at May 2022 Committee meeting***

Adjournment

There being no further business Chairman Villegas asked for a motion to adjourn. Alderwoman Scott so moved.

The meeting was adjourned at 2:16PM CT

The members of the Committee on Economic, Capital and Technology Development in attendance included: Aldermen Villegas (36), Mitchell (7), Sawyer (6), Cardenas (12), Lopez (15), O'Shea (19), Tabares (23), Scott (24), Burnett (27), Reboyras (30), Mitts (37), Vasquez (40), Reily (42), Tunney (44)

Non-members of the Committee in attendance included:
Cardona (31)

Respectfully submitted by
Sergio Navarrete
For the Committee on Economic, Capital and Technology Development