

GILBERT VILLEGAS

CITY COUNCIL
CITY OF CHICAGO

COUNCIL CHAMBER
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ECONOMIC, CAPITAL, AND TECHNOLOGY DEVELOPME

COMMITTEE VICE CHAIRMAN
COMMITTEES AND RULES

COMMITTEE MEMBERSHIPS
ZONING, LANDROMARIS, AND BUILDING STANDARDS
BUDGET AND GOVERNMENT OPERATIONS
CONTRACTING OVERSIGHT AND EQUALITY
LICENSE AND CONSUMER PROTECTION
WORKFORCE DEVELOPMENT
AVIATION

MONTHLY REPORT — MAY 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 **May 2022**:

COMMITTEE MEETING HELD ON May 17, 2022

On Tuesday, May 17, 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 1:01 PM CT

Roll Call

The following members of the Committee were present as determined during roll call: Aldermen Villegas, Sawyer, Harris, O'Shea, Tabares, Scott, Burnett, Reboyras, Mitts, Sposato, Reilly, Tunney and Hadden. With 13 members present, quorum was established.

Approval of April 2022 Rule 45 Report (Monthly Report)

There were no corrections or comments. Alderman Reboyras 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

<u>Items 1 - 7</u>

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

- Chairman Villegas asked if any of the appointees or 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.
 - No hands were raised.
- Chairman Villegas asked for a motion for approval of the appointments and reappointments outlined by the same number of votes as was used to establish quorum.
 - Alderman Mitts 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 on May 23, 2022.
- Chairman Villegas congratulated and thanked the appointees and reappointees and stated that they could leave the meeting or watch their government at work.

Item 8

Item 8 on the agenda was an ordinance in support of a Class 6(b) tax incentive for property located at 3125 South Kolin Avenue in the 22nd Ward.

O2022-1280 Support of Class 6(b) tax incentive for property at 3125 S Kolin Ave

- Alderman Vasquez asked to speak and be recorded for purposes of quorum and attendance.
 - Chairman Villegas acknowledged him and asked his staff to reflect his attendance.
- Chairman Villegas stated that Emmett Morrissey, Financial Planning Analyst from the Department of Planning and Development would be presenting and would be available to answer any questions.
- Emmett Morrissey presented on the matter.
 - Major details provided on the project include:
 - Applicant: Modern Process Equipment
 - Location: 3125 S. Kolin Avenue, 22nd Ward Alderman Rodriguez, Little Village Community Area, TIF District - Little Village Industrial Corridor
 - DPD Support Reason:
 - 1. **Jobs**: Currently there are 99 full-time employees at the property.
 - 2. **Investment:** The applicant invested an additional \$1,037,000 on tenant build outs.
 - Mr. Morrissey requested favorable consideration of the item and introduced **Daniel Ephraim** owner of Modern Process Equipment who could answer any questions.
- Chairman Villegas thanked Mr. Morrissey and asked if there were any questions from members of the Committee.
- Chairman Villegas stated that the Committee confirmed Alderman Rodriguez's support for the project and introduced Alderman Rodriguez.
 - Alderman Rodriguez thanked the Chairman and highlighted the fact that Modern Process Equipment has been in the Little Village community for several generations. He noted that throughout the years they have been an employer of people within the community and the average salary is \$75,000 making it a staple of the community and a company that Chicago should be proud of. He also stated that the company supports the community through sponsorships of little league baseball teams and other efforts. Alderman Rodriguez concluded by requesting favorable consideration of the item from the Committee.

- Chairman Villegas thanked Alderman Rodriguez and asked the Committee if there were any questions.
 - Alderman Curtis moved for passage of the item by the same roll call vote as was determined to establish quorum.
 - Alderman Scott raised his hand to speak and congratulated Alderman Rodriguez and the applicant.
 - As there were no objections, the motion passed.

Item 9

Item 9 on the agenda was an ordinance in support of a Class 6(b) SER (Sustainable Emergency Relief) tax incentive for properties located at 3130 and 3136 South Kolin Avenue in the 22nd Ward.

O2022-1281 Support of Class 6(b) SER (Sustainable Emergency Relief) tax incentive for property at 3130 S Kolin Ave and 3136 S Kolin Ave

- Chairman Villegas stated that Emmett Morrissey, Financial Planning Analyst from the Department of Planning and Development would be presenting and would be available to answer any questions.
- Emmett Morrissey presented on the matter.
 - Major details provided on the project include:
 - Applicant: Modern Process Equipment
 - Location: 3130 S. Kolin Avenue and 3136 S. Kolin Avenue, 22nd Ward Alderman Rodriguez, Little Village Community Area, TIF District Little Village Industrial Corridor
 - DPD Support Reason:
 - 1. **Jobs**: 13 new full-time jobs will be created and 91 full-time jobs will be retained (\$74,524 average wage and 59 minorities).
 - 2. **Investment:** The applicant is investing an additional \$1,175,000 in construction related costs.
 - 3. **Chicago Business:** The incentive will help retain a historic Chicago business.
 - Mr. Morrissey noted that this was a 6(b) SER and not a 6(b) renewal due to an issue with the Cook County ordinance, hence the reasoning for this 6(b) SER. Mr. Morrissey requested favorable consideration of the item and introduced **Daniel Ephraim** owner of Modern Process Equipment who could answer any questions.
- Chairman Villegas asked if this was the same business as the item previously heard.
 - o Mr. Morrissey said yes and that 13 jobs were created with this expansion.

- Chairman Villegas' staff jumped in to note that the City Clerk's website was not streaming and therefore continuing the Committee meeting would be a violation of the Open Meetings Act. The Committee recessed at 1:19PM CT.
- Tech Support noted that the entire meeting had been recorded and that operations could resume.
- Chairman Villegas reconvened the meeting at 1:22PM and asked his staff to note that Aldermen Curtis and Mitchell were present for purposes of the roll.
- Chairman Villegas resumed questioning on Item 9 above and asked Mr.
 Morrissey to clarify the total number of jobs created.
 - Mr. Morrissey stated that 91 full-time people worked at the location previously. After the expansion the applicant plans to hire 10-20 additional jobs.
- Chairman Villegas thanked Mr. Morrissey, and stated that the Committee confirmed Alderman Rodriguez's support for the project.
- Chairman Villegas asked Alderman Rodriguez if he wanted to make another statement.
 - Alderman Rodriguez reiterated his prior points on the benefits the company has provided the area and requested favorable support for the tax incentive.
- Chairman Villegas thanked Alderman Rodriguez and asked the Committee if there were any questions. As there were none, Chairman Villegas requested a motion to recommend passage of the item by the same roll call as was used to establish quorum.
 - Alderman Sposato so moved and the item passed.

Item 10

Item 10 on the agenda was an ordinance in support of a Class 6(b) tax incentive for property located at 2800-2850 West Columbus Avenue in the 18th Ward.

O2022-1283 Support of Class 6(b) tax incentive for property at 2800-2850 W Columbus Ave

- Chairman Villegas stated that Emmett Morrissey, Financial Planning Analyst from the Department of Planning and Development would be presenting and would be available to answer any questions.
- Emmett Morrissey presented on the matter.
 - Major details provided on the project include:
 - Applicant: Gateway Park, LLC
 - Location: 2800-2850 W. Columbus Ave, 18th Ward Alderman Curtis, Ashburn Community Area, TIF District Greater Southwest Industrial (East) District

■ DPD Support Reason:

- 1. **Jobs**: Assemblers currently directly employs 261 full-time people and 309 independent contractors.
 - Assemblers will hire 50 new people if they expand into the new space.
 - The vacating tenant, ITL, employed 45 full-time people.
 - Assemblers currently employs 95% minority and 58% women workers.
- 2. **Investment:** The applicant plans to invest \$5,950,000 on the property.
- Mr. Morrissey requested favorable consideration of the item and introduced William Bailes - one of the property owners, and Jonathan Lyon - a representative from Assemblers, Inc. who could answer any questions.
- Chairman Villegas stated that the Committee confirmed Alderman Curtis's support for the project and asked Alderman Curtis if he had any comments.
 - Alderman Curtis stated that he wanted to congratulate the applicant for the project and noted that the owners are always active in the community.
 - Alderman Curtis requested favorable consideration for the item.
- Chairman Villegas thanked Alderman Curtis and asked if the Committee had any questions or comments.
 - As there were none, Chairman Villegas requested a motion for recommendation of passage of the item by the same roll call vote as was used to establish quorum.
 - o Alderman O'Shea so moved, the item passed.
- Chairman Villegas thanked Alderman O'Shea and congratulated Alderman Curtis and the company.

<u>Item 11</u>

Item 11 on the agenda was a resolution calling for hearings on the Department of Assets, Information and Services regarding the current data sharing practices and tools and establishment of a plan to improve and implement effective data sharing platforms. This item was previously heard at the last Economic, Capital, and Technology Development Committee on April 19, 2022.

NOTE: Item previously held, now to be voted on for passage after the Committee's April 19, 2022 Subject Matter Hearing on the Resolution.

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 platform

- Chairman Villegas asked if the Committee had any questions or comments.
 - As there were none, Chairman Villegas requested a motion for recommendation of passage of the item by the same roll call vote as was used to establish quorum.
 - Alderwoman Hadden so moved. As there were no objections Chairman Villegas noted that the due pass recommendation would be reported out at the next City Council meeting.

Item 12

Item 12 on the agenda was a resolution calling for subject matter hearings on fleet electrification implementation.

R2022-267 Call for subject matter hearing(s) on fleet electrification implementation.

- Chairman Villegas asked for a motion to hear the Resolution.
 - Alderman Scott moved for a motion to hear the Resolution, since there were no objections it was ordered.
- Chairman Villegas asked for a motion to pass the Resolution by the same roll call vote as was applied to establish quorum.
 - o Alderman Scott so moved, as there were no objections it was ordered.
- Chairman Villegas made opening statements regarding the Resolution and the importance of electrification to address climate change, pollution, air quality and economic development. Chairman Villegas noted that the Chicago Department of Transportation (CDOT), Chicago Transit Authority (CTA) and the Department of Assets, Information and Services (AIS) would be presenting.
- Chairman Villegas introduced the Chicago Department of Transportation and Samantha Bingham, Program Director who presented on the matter.
 - o The presentation covered the following areas:
 - Strategic Plan for Transportation
 - Reducing Emissions from CDOT's Fleet
 - Supporting Fleet Electrification Citywide
 - New E-Fleet and Infrastructure Funding
 - Fleet Electrification Efforts Next Steps

- Chairman Villegas thanked Ms. Bingham and introduced the Chicago Transit Authority (CTA) and the following individuals were available to present on the matter:
 - o (Presenter) Michael Connelly Chief Planning Officer
 - o Samuel Smith Vice President, Government and Community Relations
 - The presentation covered the following areas:
 - CTA's Charging Forward Study
 - Electric Bus Charging Technology
 - Equity and Health Benefits
 - Potential Facility Transition Timeline to Meet CTA's 2040 Conversion Goal
 - Near-term Electric Bus Deployment Steps
- Chairman Villegas thanked Mr. Connelly and introduced the Department of Assets, Information and Services (AIS) and the following individuals were available to present on the matter:
 - Kevin Campbell Manager of Fleet Services and Automotive Procurement
 - Giordy Lem Manager of Vehicle Maintenance
 - (Presenter) John Wedel Deputy Commissioner
 - The presentation covered the following areas:
 - Present Day charging capabilities in the City (serviced by AIS)
 - Goals for the end of 2023
 - Other Green Initiatives
- Chairman Villegas thanked Deputy Commissioner John Wedel for his presentation and asked how many vehicles the city has in its fleet.
 - Deputy Commissioner Wedel stated that the City has approximately 9,000
 heavy trucks, and about 1,300 light-duty vehicles. If the city includes police then the light-duty vehicles increase to 3,300.
- Alderman Curtis asked Deputy Commissioner Wedel how many of the vehicles are loaned versus leased by the City.
 - Deputy Commissioner Wedel stated that the city leases 711 vehicles, most are owned and since they are leased it presents an opportunity to change the vehicles to electric once the lease term is up.
- Chairman Villegas asked the Committee if they had any questions.
 - Alderwoman Hadden raised her hand and was acknowledged. Alderwoman Hadden thanked the Committee for bringing the hearing and asked what other initiatives or rollouts exist surrounding electric vehicle charging stations.

- Sam Bingham at CDOT responded and stated that the public charging infrastructure network has mostly been market driven. Today there are electric vehicles registered in every one of Chicago's 77 community areas, however 70% of public chargers are found in only 3 community areas. CDOT is looking at opportunities with the bipartisan infrastructure bill to fill gaps to identify communities where the market will not be moving and will not be supported by private charging stations. There is approximately 2.5 billion dollars in the bipartisan infrastructure bill allocated for competitive community charging investments (a 5 year program), annually there will be more funding year after year.
- Alderwoman Hadden followed up and stated that based on the models that exist in the private market, is the market observing these EV stations used to generate revenue? And if so, wouldn't that provide the City with a great opportunity to capture revenue?
 - Sam Bingham stated that these questions are some that CDOT has and they are considering while they seek to develop an EV framework. The framework is being worked on, however they are seeking help from a consultant to assist with this analysis to determine how EV charging stations may be economical for the City. She added that there has been observation of insolvency with some of the EV charging networks due to unmaintained infrastructure. To make charging affordable for all residents of Chicago CDOT is looking to support people in multi-unit dwellings.
- Alderwoman Hadden asked if there was an anticipated date that research would be completed?
 - Sam Bingham stated that approximately eight months to a year. Once that research is complete CDOT will be in good standing to be able to competitively access funding from the federal government for those public charging station grants.
 - Alderwoman Hadden thanked Ms. Bingham and Chairman Villegas
- Chairman Villegas asked Sam Bingham if the City was offering incentives to developers to include free charging stations in their garages if they have them.
 - Sam Bingham stated that at this time it is a requirement for new developments during construction to make ready 20% of parking spaces for future EV usage. The City has been silent on whether charging should be free.

- Chairman Villegas referenced an earlier statement made during Ms. Bingham's presentation and asked what the Buy America Waiver is and what the City is seeking.
 - Sam Bingham stated that all agencies have Buy America requirements. For the Federal Highway administration who typically funds bridges and roadways, the requirements for projects are that they have 100% U.S. sourced steel and iron. No manufacturer can abide by Buy America requirements for vehicles since manufacturing vehicles is so multifaceted. The Trump administration put a pause on waivers, however the current Biden administration is working on a scheme to allow waivers again to allow funding projects that may not necessarily meet the 100% US sourced requirement. This is impacting charging stations and clean vehicle funding across the country.
- Chairman Villegas thanked Sam Bingham and asked the Committee if they had any other questions.
- Since there were no questions raised, Chairman Villegas thanked the Chicago Department of Transportation, Chicago Transit Authority and the Department of Assets, Information and Services for the information shared and education provided to the Committee. He further emphasized the importance of electric vehicles for the economy and most importantly for addressing climate change and the environment.

Adjournment

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

The meeting was adjourned at 2:19PM CT

The members of the Committee on Economic, Capital and Technology Development in attendance included: Aldermen Villegas (36), Mitchell (7), Sawyer (6), Harris (8), Curtis (18), O'Shea (19), Tabares (23), Scott (24), Burnett (27), Reboyras (30), Mitts (37), Sposato (38), Vasquez (40), Reily (42), Tunney (44), Hadden (49).

Non-members of the Committee in attendance included: Cardona (31) Rodriguez (33)

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