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MAYOR LIGHTFOOT RELEASES 2022 BUDGET PROPOSAL

Budget includes \$1.9 billion in key investments and no new taxes—an investment-based recovery strategy with a foundation set on greater opportunities for rebuilding Chicago into a safer, stronger, and more prosperous city for all of Chicago's residents

CHICAGO — Mayor Lori E. Lightfoot presented to the City Council the 2022 Budget Recommendations today - the result of a rigorous budget process involving conscientious due diligence and a broad, inclusive, multi-faceted series of community engagement sessions. This process culminated in a fiscally responsible plan that prioritizes public safety, economic recovery, and the continued delivery of essential public services vital to the residents of Chicago.

“Chicago’s 2022 ‘Recovery Budget’ will allow us to not only fulfill the obligation we have to our residents, but future generations—and that is to seize this once-in-a-lifetime opportunity to transform our city for the better,” said Mayor Lightfoot. “With \$1.9 billion in key and enhanced investments, we will develop Chicago into a safer, stronger and more prosperous place in which people can safely raise a family, build a business, and make a better life for themselves. As much as these investments are a commitment to our city’s immediate and most urgent needs, they are also bridges to the brighter future that is just over the horizon.”

The \$16.7 billion Recovery Budget meets several critical objectives integral to rebuilding the city, such as improving public safety, increasing economic opportunity, supporting pandemic-affected families in need, opening up the city to Chicagoans and more visitors, and strengthening access to city services.

“The City’s economic development strategy recognizes the importance of investing in specific areas, communities, and programs to uplift those who have been disenfranchised for decades,” said 3rd Ward Alderman Pat Dowell, Chairman of Budget and Government Relations. “Constituent engagement, community-based development, and transparency have long been part of my focus to ensure that the interests of Chicago residents are well-represented, especially in the process of budget planning.”



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Beginning the community engagement process earlier than ever, the City held meetings with citywide institutional organizations, regional roundtables with community and neighborhood organizations, focus groups with subject matter experts, and Budget Engagement Forums with the general public. More than 400 community-based organizations, faith and equity leaders, labor partners, and neighborhood stakeholders were invited to participate, and nearly 200 residents attended the Budget Forums and another 72 participated online. This year's approach combined internal and external stakeholders, in large groups and small groups, in-person, and virtual. As part of the process, participants were invited to collaborate not just with City representatives but with each other to identify priorities for the City. The full results of these efforts can be found at [Chicago.gov/2022budget](https://chicago.gov/2022budget). The Office of Budget and Management also held two sets of aldermanic working groups over 12 meetings in partnership with City Council's Budget Committee Chairman Pat Dowell.

“Across all of these discussions what we learned was that there was a lot of consistency amongst all of our communities and stakeholders on the priorities the City should be addressing,” said Budget Director Susie Park. “The broad consensus was the urgency of public safety and the investments that our communities need to be safe, which includes addressing the root causes of violence through programs, services, resources, jobs, and infrastructure— all of which are addressed in the 2022 Budget.”

Over \$400 million is allocated to priority investment areas identified by Chicago's violence reduction and community safety plan, “Our City, Our Safety,” in addition to ongoing investments and efforts by the City of Chicago and its partners. Since 2019, the City has tripled violence prevention and intervention investments. This represents a \$35 million increase over two years from \$15 million to \$50 million— putting Chicago's anti-violence investment on par with New York City and L.A., proportionate to our population. The current proposal increases violence prevention and intervention investments by \$85 million in conjunction with other investments important to community safety.

The 2022 proposed budget closes the projected \$733 million gap and an additional \$56.3 million in new Corporate Fund investments with \$298.2 million in savings and efficiencies, and \$491.1 million in new or increased revenues – including leveraging American Rescue Plan (ARP) Local Fiscal Recovery Fund (LFRF) resources for essential City services. These gap closing measures result in a 2022 Budget with no new tax or significant fee increases for our residents.



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Importantly, the 2022 Recovery Budget includes investments that build a better Chicago by increasing safety and opportunities. To make those conditions a reality, the investment strategy is driven by two key principles: investment in families and neighborhoods will increase community safety; and investment in Chicago's economic engine will support an equitable recovery.

Along with the 2022 budget, the City is also introducing the Chicago Recovery Plan, which outlines the strategy for how the City will employ resources to respond to the negative impacts of COVID-19 and drive economic recovery. By providing investments in the hardest-hit neighborhoods and industries, the budget presents an opportunity to reverse underlying disparities exacerbated by the COVID-19 pandemic.

Leveraging resources from the City's Corporate and other local funds, ARP LFRF, and bonding authority, the 2022 budget and Chicago Recovery Plan create a once-in-a-generation series of investments of more than \$1.9 billion to invest in building a better Chicago. Some key investments include:

- \$635 million to maintain and expand affordable housing
- \$26 million in arts & culture investments to expand place-based arts and events opportunities
- \$86 million for mental health to increase access to mental health services
- \$135 million for direct violence prevention initiatives to increase community safety
- \$188 million in environmental justice and climate investments
- \$150 million for youth services and jobs to expand opportunity for youth to access employment and out-of-school programming
- \$166 million in community development initiatives to drive equitable growth and job creation.
- \$87 million in workforce and small business support to expand economic opportunity
- \$144 million in assistance to families to connect families with critical resources to improve health outcomes and increase opportunity
- \$202 million for homelessness initiatives to expand services and housing opportunities for those experiencing homelessness.
- \$144 million in other key initiatives including parks and infrastructure, food equity, and tourism and industry support

The historic Chicago Recovery Plan is expected to make catalytic investments that seek to have the following strategic impacts, including over 40,000 jobs created



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including youth jobs, 100,000 residents connected to mental health supports, activate and clean over 4,000 vacant lots cleaned, 75,000 trees planted, 5,000 students served, 300,000 provided with internet access, over 4,000 affordable housing units created and preserved, and over 175 new community amenities including grocery stores, commercial spaces and parks, among many other impacts.

The 2022 budget also includes a proposal to fund all four pension funds on an actuarially determined basis and debt service without the effect of scoop and toss.

“In the 2022 budget, the City will have finally climbed the pension ramp for all four of the City’s pensions funds. Beyond climbing the pension ramp, the City will also have climbed the scoop and toss ramp, which means that the City can start investing in critical infrastructure assets necessary for economic growth and improvement of quality of life,” said Chief Financial Officer Jennie Huang Bennett. “These are incredible financial accomplishments for the City, especially when you layer on over \$1 billion in structural solutions over the last three years, a forthcoming casino and recovering revenues from a one in a lifetime pandemic.”

The Budget reveals the City’s commitment to continue its fight against the COVID-19 pandemic and rebuild Chicago through an investment-based equitable economic recovery strategy to enhance public safety, creating economic opportunities for residents and businesses, and strengthening Chicago’s neighborhoods.

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