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**CITY COUNCIL APPROVES MAYOR EMANUEL'S 2016 BUDGET**

*Budget Secures Police and Fire Pension Funds, While Protecting Working Families and Residents, and Invests in a Stronger Future for All Chicago Residents*

The City Council today approved Mayor Rahm Emanuel's 2016 budget plan that continues his record of reform and investment, while taking essential steps to secure the retirements of police officers and firefighters and continuing to right the City's financial ship.

"Four years ago we began charting a new course for Chicago's future and with today's vote we took a big step toward finally finishing the job," said Mayor Emanuel. "I want to thank the members of the Council who voted to take decisive and determined action to right our financial ship and put progress ahead of politics. We have a lot more work to do and I look forward to continuing working together to create jobs and ensure that economic opportunities reach every neighborhood of Chicago."

With Mayor Emanuel's fifth budget, the City continues to implement reforms and government efficiencies that are strengthening Chicago's economy and building a solid foundation for the future. The Mayor's 2016 budget continues to make investments in Chicago's youth, neighborhood services, and infrastructure, while continuing to reduce the City's structural deficit. Finally, it secures the retirements of police officers and firefighters in a way that does not burden those who can least afford it.

With a vote of 35-15, City Council's approval of the budget ends years of kicking the can down the road and ensures the pensions of police and firefighters are stabilized and funded. The phased-in property tax increase is solely committed to the City's pension obligations to first responders.

To ensure that the property tax burden is borne by those who can best afford it, the City Council authorized a doubling of the homeowners' exemption from \$7,000 to \$14,000. Mayor Emanuel is working on approval of a bill in Springfield that will finalize the increase.

All homeowners will see relief once the \$14,000 homeowners' exemption is enacted however, any resident whose home is valued at \$250,000 or less will be held nearly harmless over the four year phase in of the property tax increase, with many seeing a decrease in their bill.

“With the doubling of the homestead exemption that’s contained in this budget, the most vulnerable residents of our city will be protected,” said Mayor Emanuel. “Now, it’s up to Springfield to do its part, and we will continue working hard to make that happen.”

The doubling of the homeowners’ exemption passed the Illinois House Revenue Committee earlier this month and will be considered by the full House next month.

The budget includes \$170 million in savings and reforms, bringing the total saved over the past five years to \$600 million. Some of those savings and reforms in 2016 include:

- Substantial healthcare reforms and savings for active employees and retirees, saving \$40 million
- Eliminating 150 vacant positions, saving \$14 million
- Putting street sweeping on a grid, saving \$3 million
- Closing Central Business District TIFs and other TIF reforms will provide \$113 million to the City, CPS and other local governments, the largest in years.
- Moving to “Grid 2.0” to further enhance garbage collection efficiency, saving an additional \$9.5 million
- Utilizing zero-based budgeting to reduce non-personnel costs by \$21 million
- Through greening of city building infrastructure and energy hedging contracts, saving \$16 million in energy costs

The budget also continues and expands important investments in youth, infrastructure, and services to ensure that Chicago remains a world-class city:

- More than \$50 million supporting critical youth services that will support 27,000 youth afterschool opportunities, 25,000 summer youth jobs, 5,500 pre-school slots, and open 15 new early learning centers at Chicago Public Library Branches.
- A \$2 million investment over 4 years to transform 5 CPS School-Based Clinics into Health Clinics serving 3,000 patients annually per site.
- Repaving 300 miles of neighborhood and arterial streets.
- Provide an additional 5,000 uninsured women with access to free breast health services and mammography screenings.
- Expanding primary care health services to 2,000 low-income individuals living with HIV/AIDS.
- A \$500 million investment to replace 90 miles of water, 72 miles of sewer and install 14,000 sewer structures and 20,000 water meters.
- Moving 319 police officers from behind desks to the beat.
- Investing in more responsive city services by adding 5 additional rodent baiting crews ensuring all rodent requests are closed in 5 days, and adding 10 additional tree trimming crews to eliminate the backlog of requests by the end of 2016.
- Protecting hundreds of seniors through new units of affordable housing, and retrofitting homes and transit for accessibility.

The 2016 budget goes into effect January 1, 2016. The full budget can be viewed at [www.cityofchicago.org/obm](http://www.cityofchicago.org/obm).

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