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**JOURNAL of the PROCEEDINGS
of the
CITY COUNCIL
of the
CITY of CHICAGO, ILLINOIS**

Special Meeting--Wednesday, October 8, 1997

at 10:00 A. M.

(Council Chambers--City Hall--Chicago, Illinois)

OFFICIAL RECORD.

RICHARD M. DALEY
Mayor

JAMES J. LASKI
City Clerk

Attendance At Meeting.

Present -- The Honorable Richard M. Daley, Mayor, and Aldermen Granato, Haithcock, Tillman, Preckwinkle, Holt, Steele, Beavers, Dixon, Shaw, Buchanan, Huels, Frias, Olivo, Burke, Jones, Coleman, Peterson, Murphy, Rugai, Troutman, Evans, Munoz, Chandler, Solis, Ocasio, Burnett, E. Smith, Burrell, Wojcik, Suarez, Gabinski, Colom, Banks, Giles, Allen, Laurino, O'Connor, Natarus, Hansen, Levar, Shiller, Schulter, M. Smith, Moore, Stone.

Absent -- Zalewski, Mell, Austin, Doherty, Bernardini.

Call To Order.

On Wednesday, October 8, 1997 at 10:00 A.M., The Honorable Richard M. Daley, Mayor, called the City Council to order. The Honorable James J. Laski, City Clerk, called the roll of members and it was found that there were present at that time: Aldermen Granato, Haithcock, Tillman, Preckwinkle, Holt, Steele, Beavers, Dixon, Shaw, Buchanan, Huels, Frias, Olivo, Burke, Jones, Peterson, Murphy, Rugai, Evans, Munoz, Chandler, Solis, Burnett, E. Smith, Burrell, Wojcik, Suarez, Colom, Banks, Giles, Allen, Laurino, O'Connor, Natarus, Hansen, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 41.

Quorum present.

Invocation.

Reverend Richard J. Klajbor of Holy Innocents Church opened the meeting with prayer.

Placed On File -- CALL FOR SPECIAL MEETING.

The Honorable James J. Laski, City Clerk, informed the City Council that the following call for a special meeting was filed in his office on October 3, 1997, at 2:02 P.M.:

OFFICE OF THE MAYOR
CITY OF CHICAGO

October 3, 1997.

*Honorable James J. Laski
City Clerk
City Hall, Room 107
121 North LaSalle Street
Chicago, Illinois 60602*

DEAR MR. LASKI -- I hereby call a special meeting of the City Council of the City of Chicago, to be convened at 10:00 A.M. on Wednesday, October 8, 1997, in the City Council Chambers in City Hall, for the following purposes and for no other purpose whatsoever:

1. To receive the Executive Budget for the year beginning January 1, 1998, and ending December 31, 1998, and the Mayor's Budget Message relating thereto; and
2. To receive the Year XXIV Community Development Block Grant recommendations; and
3. To consider a resolution calling for publication of the Executive Budget and setting the date, time and place of the public hearing thereon.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

Referred -- EXECUTIVE BUDGET FOR YEAR 1998.

The Honorable Richard M. Daley, Mayor, submitted the following communication which was, together with the Executive Budget for fiscal year 1998, Program and Budget Summary for 1998, Revenue Estimates for 1998 and Draft Action Plan for 1998, *Referred to the Committee on the Budget and Governmental Operations:*

OFFICE OF THE MAYOR
CITY OF CHICAGO

October 8, 1997.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- I transmit herewith the Executive Budget for the fiscal year beginning January 1, 1998, and the Year XXIV Community Development Block Grant recommendations.

Your favorable consideration of these items will be appreciated.

Very truly yours,

(Signed) RICHARD M. DALEY,
Mayor.

BUDGET ADDRESS OF
THE HONORABLE RICHARD M. DALEY, MAYOR.

Members of the City Council:

Every day, in every neighborhood in Chicago, I see signs of hope.

We still have problems that must be addressed day by day -- and we are always looking to do better.

But overall, our economy is strong -- we're holding the line on taxes -- we're investing in neighborhoods at historic levels -- and we are delivering more and better services, more efficiently.

The Midwest economy is the strongest in the nation.

And Chicago is the economic power of the region. People are buying new homes in Chicago at a record pace -- all across the city.

Thanks to a strong economy and to city programs like New Homes for Chicago, thousands of Chicagoans in all parts of the city have become new homeowners in the past few years.

The Chicago area also has gained more than 360,000 jobs since 1991, leading the Midwest.

One out of every six jobs in the Chicago metropolitan area is in Chicago's Loop.

That's important -- because in many parts of the country, most of the jobs are out in the suburbs, away from public transportation.

The regional economy is focused right here in the city -- accessible to all neighborhoods.

Michigan Avenue has more than 1 Billion Dollars a year in retail sales. And our airports contribute more than 14 Billion Dollars a year to the economy.

To put this in perspective, the revenue and jobs created by the airports is bigger than the gross domestic product of 35 countries.

New jobs are being created in neighborhoods every day.

Every type of job imaginable is being created -- from new factory jobs on Goose Island and in the Stockyards, to new small businesses like web site design firms in Near West Side lofts and new retail jobs in revitalized neighborhoods like Homan Square.

The 3.9 Billion Dollar budget that I am presenting today will build on these strengths.

The budget will take important new steps to protect property taxpayers -- and give our citizens the tools they need to make their neighborhoods alive.

It is a balanced budget, with no tax increases.

When I say no tax increases, I mean no new or higher taxes and no new fees.

Eight years ago I made a commitment to the taxpayers of this city to improve city services and to lower the cost of government.

And since 1989 -- while the national inflation rate has risen more than 30 percent -- Chicago taxes have risen by little over nine percent, just one percent a year.

We imposed a tax cap on ourselves, substantially cut the head tax on small to medium sized businesses and strengthened our city bond rating, so that future generations will not have to pay higher taxes.

This budget finds even more ways to deliver city services better -- and at a lower cost to taxpayers.

We have changed the way the city manages all legal liabilities -- and this has saved the city millions.

We are providing employee health benefits at a lower cost -- without affecting the quality of employee health care.

And we will begin a new early retirement plan next year.

These three changes alone will save more than 30 Million Dollars in 1998.

Two weeks ago, I announced a series of new initiatives that will improve the way we do business here in Chicago.

We will eliminate 150,000 street signs to reduce clutter and driver confusion -- and lower costs.

We will make it easier for people to pay parking tickets and obtain building permits, cutting down on bureaucracy and improving city service.

We will streamline procedures at the building and purchasing departments, making government operate more efficiently, like most businesses.

And we will make several reforms to the building code that will save homeowners up to \$5,000 on a new home or major repair.

I have also put the managers of every city department and agency on notice: We must continue to do better, to find new ways to make government deliver city services better and at a lower cost to taxpayers.

I know we can do better -- because every day in Chicago I see people willing and eager to take on the greatest challenges around us.

I see people who fight back to keep gangs, guns and drugs from taking over their communities.

This summer, I took part in several community policing marches, in neighborhoods like Chicago Lawn, Garfield Park and Englewood.

I saw people willing to spend their Saturday sending a message -- that they will stand up and join with police to fight for safe streets in their neighborhoods.

Two weeks ago I was out at the block of 800 North Harding Avenue. Residents of that block were fed up with the gang activity and drug dealing in their neighborhood.

So the block club worked together with community police officers and the city. They kicked gang members out of vacant properties and turned that land into a park.

People are willing to take part in these marches because they know that community police are working with them.

They see every day that the vast majority of Chicago police are hard working men and women, committed to making all neighborhoods safer.

Recent events have undermined the confidence of some in the Chicago Police Department. A small handful of our 13,000 police officers have been accused of various forms of misconduct in recent weeks. This troubles me as much as it does you.

That's why I've asked the task force headed by former United States Attorney Dan Webb to take a closer look at this issue.

One thing I want to make clear, and I know you agree with me on this -- there is no place in our city for intolerance, excessive force or any form of illegal activity by police officers.

We take these events seriously -- and will deal with every incident aggressively. We are also acting to ensure that Chicago has the best possible system to deal with officer misconduct.

The best way to keep police officers in touch with community values is through community policing.

I know we will overcome these problems -- because police officers and citizens are committed to working together to make our streets safer.

We live in a time of great challenges. And today more than ever, I feel proud to live in a city willing to confront every challenge before us.

I am never satisfied with the state of our city, because I know that Chicagoans are never satisfied.

As all of you know, we have invested hundreds of millions of dollars in neighborhoods over the past several years rebuilding neighborhood infrastructure like streets, sidewalks, viaducts and sewers.

But these numbers don't tell the whole story. If you want to see how our neighborhood improvements have helped the quality of life in our city, go out to Gage Park and visit the Calderon family.

Lorenzo Calderon, his wife, Bayola, and their six children moved into a new house in Gage Park a little over a year ago.

Since they moved in, the alley behind their house has been repaved, the sewer down the street has been replaced, the play lot at Gage Park has been renovated and -- best of all -- the new Carson School has opened just blocks from their home.

Every neighborhood in Chicago has seen improvements like these. That's what Neighborhoods Alive is all about.

In addition to the new city investments, the Chicago Public Schools is in the midst of the most aggressive capital improvement program in any big city school system.

Thanks to the new building fund approved here in City Council last week, more than 1.5 Billion Dollars will be invested to build new schools and rebuild old ones.

Last week, the Chicago Park District announced a record 90 Million Dollar investment in new neighborhood parks for 1998. And the Park District is doing this without raising property taxes.

This year, the park started a major renovation project of South Side beaches, including a restoration of the 63rd Street beach house and improvements to Rainbow Beach.

We're spending our own money to make these improvements.

Sometimes we don't appreciate how important public parks and beaches are to Chicago. But consider how others manage their public land.

Many cities across the country have residency requirements -- or charge admission for public beaches.

Some states have relied almost exclusively on federal aid to keep their beaches from eroding.

I'm proud of the fact that Chicago, for generations, has preserved its own coastline -- and that all Chicago beaches are free and open to everyone, every day.

That's why we need to keep our parks and beaches in the best condition. Parks and beaches improve the quality of life in neighborhoods.

Neighborhoods Alive is about improving the quality of life in neighborhoods.

Through Neighborhoods Alive, the City of Chicago will have invested 2 Billion Dollars by the year 2000. No other city in the country is making this commitment to neighborhoods -- and it all comes from local funding.

Not state funding from Springfield.

Not federal funding from Washington.

Local funding.

For 1998, we will do even more to improve our neighborhoods.

We will resurface 275 blocks of main arterial streets. That is twice as many as we have done on average over the past eight years.

We will double the funding for our projects on older streets without curbs, adding new curbs and resurfacing these streets.

We will double the vaulted sidewalk program.

And we will resurface 1,200 streets, 1,400 alleys, 100 blocks of curbs and 180 blocks of new sidewalks.

More streetscaping projects will be added across the city.

Twenty-five miles of sewer replacements and pavement restoration will be made over the next two years.

We will begin phase two of a three year park lighting project, which will improve the safety and appearance of neighborhood parks.

We are also making a major commitment to programs that help remove neighborhood eyesores.

We are adding three paint crews next year that will help clean graffiti off buildings.

We are increasing funding for commercial and housing facade programs.

The Department of Streets and Sanitation -- as always -- is doing an outstanding job of keeping our streets clean.

We will continue our successful programs to hand sweep business districts in neighborhoods and to keep our boulevards clean.

For 1998, we will commit 1 Million Dollars to removing trash and debris from major dumpsites throughout the city.

And we will begin a new program to clean up abandoned gas stations around the city.

Owners of these properties will be held responsible for the safe and proper closure of their businesses.

An important part of Neighborhoods Alive is my commitment to create more jobs in neighborhoods -- more industrial jobs and more neighborhood retail jobs.

Our brownfields strategy is already a model for the nation.

We will improve more than 500 acres of industrial or commercial property through our 50 Million Dollar brownfield fund -- turning this property into productive, job producing industrial sites.

Planned manufacturing districts have already proven to be a great success.

The Chicago Industry Tech Park will create more than 200 jobs and generate about 2.8 Million Dollars in annual tax revenue. The Goose Island industrial park will create or retain more than 1,000 industrial jobs.

These two parks have been so successful, in fact, that they are running out of sites.

So this year, we will create five new industrial tax increment financing districts to further expand Chicago's industrial space.

These T.I.F. districts will strengthen existing industrial areas, and will provide improvements and incentives for companies to create new neighborhood industrial jobs.

Chicago has the best industrial infrastructure in the nation. Our new industrial programs are helping to create good paying industrial jobs -- the kinds of jobs that have always been an important part of our city.

Our neighborhood jobs program goes beyond industrial jobs -- we are also working to expand retail opportunities in neighborhoods.

We have begun a major neighborhood retail program that will promote and encourage more retail shops in local neighborhoods.

This program is in a pilot stage -- and seven communities have been chosen to receive targeted city assistance to attract new retailers and to encourage new neighborhood small businesses.

Most of the new jobs created in Chicago come from small businesses -- and this program should help keep those jobs close to home, in our neighborhoods.

For some Chicagoans, good jobs are already available. But these potential workers need better job training.

Moving people from welfare to work is one of the greatest challenges faced by our country today. Soon, Congress will give local governments authority over new welfare-to-work block grant funds.

Chicago will receive 25 Million Dollars in funds, and I have designated the Chicago Workforce Board, led by Dr. Leo Henikoff, to design and deliver Chicago's initiative.

This program should emphasize job placement activities. Industry experts, like those who make up the board, must set the direction not only for these new block grant funds but for all public employment and training dollars.

This will insure that funds are spent wisely. It will link trainees to real jobs and then continue to help them remain employed.

Wherever possible, we will look for ways to expand job training programs for current welfare recipients.

Next year, we will expand an employer-driven program called Workforce Solutions.

Through this program the Mayor's Office of Employment and Training and the Department of Planning and Development will work with corporations to identify and place local residents into newly created jobs.

This strategy has already been successful in providing youth job opportunities at three new multiscreen movie theaters.

Good jobs are the key to rebuilding neighborhoods and providing hope for all Chicago communities. Expanding neighborhood homeownership is also important.

That's why we are expanding our New Homes program by 50 percent -- to encourage more families to buy homes, two-flats and condos.

We are also increasing assistance for our City Mortgage program -- and starting a new advertising campaign to encourage more low-income families to take part.

And we will also spend 5 Million Dollars to upgrade homeless shelters across the city. We will also construct more than 700 single-room occupancy units across the city.

This year's budget will build on all the principles of our Neighborhoods Alive program -- working harder to build safe neighborhoods, helping all Chicagoans to become partners in our growing economy and doing more to protect children.

Modern, accessible police stations are some of the most important crime fighting tools in our city. Last year, our budget committed to building a new police headquarters plus three new stations.

In this year's budget, I propose to build two more new police stations.

These stations will help to rebuild communities and improve our community policing program.

Protecting children continues to be one of the most important duties of public office.

As part of our ongoing Crusade for Children, three years ago we created YouthNets, one stop centers that help protect children during non-school hours by bringing together a wide range of services and activities.

In the past years, YouthNets have greatly expanded their after-school reading and homework assistance programs. And for next year, we will expand YouthNets by adding five new centers.

Our infant and family wellness programs will be expanded, with 2 Million Dollars in new funding for prenatal care and education.

These programs will be designed to help lower the risks of infant mortality by increasing birth weights.

In every community in our city, too many children are threatened by domestic violence.

Earlier this week, my domestic violence coordinator Leslie Landis outlined a series of new steps that will help protect children and families from this epidemic.

Our new Family Violence Initiative will provide new parenting skills, substance abuse and violence prevention and job readiness programs.

It will also provide respite care services -- helping to reduce the abuse of the elderly and providing new domestic violence services for women who are the victims of abuse.

These are the great challenges facing our city -- protecting the quality of life in our neighborhoods, fighting gangs, guns and drugs, expanding economic opportunity and nurturing families.

The challenges continue to be great -- but we are clearly on the right track. But even more importantly, we are willing to acknowledge where we need to do better and then act.

Still, not everything that happens in Chicago can be fixed by city government alone.

Citizens have to become involved. Whether it is going to C.A.P.S. beat meetings, helping out your local school or cleaning your neighborhood park, everyone can do something to help.

And other levels of government have to do their fair share.

As I have said on many occasions, the future of our city will depend on the quality of our public schools.

We have taken great strides to improve our schools on our own.
We balanced the budget and ensured schools will stay open.

We set higher standards and provided more help to the schools that need the most help.

We ended social promotions and expanded summer school programs.

And when the federal and state governments wouldn't act to help us continue our school improvement and construction plan, we took matters into our own hands and created our own school construction fund.

Overall, we are meeting our obligations to our citizens and our neighborhoods. We keep our streets and alleys paved and our parks in good condition.

Other cities are cutting back on their library budgets -- but we are building and improving more libraries than any city in the country.

Reading is the cornerstone of education -- and our commitment to libraries is an important part of our education reform efforts.

The vast majority of these investments are coming from local funds.

But now we must ask the State of Illinois -- are you living up to your responsibilities to the people of Chicago?

And we must ask the federal government -- are you doing your fair share?

We must make sure that our schools continue to improve -- and we must make sure that our transportation system is viable in the future.

As Mayor, I do not believe that we can always place larger and larger burdens on taxpayers because the state and federal governments won't accept their responsibilities.

The fact is, the Chicago Board of Education has been forced to ask taxpayers to shoulder more of the burden. And there is only one reason why this has happened -- Springfield has failed to accept its constitutional responsibility to fund education.

Springfield can reform the way education is funded and provide needed property tax relief. I urge our leaders in Springfield to both find new funds and provide property tax relief during this year's veto session and solve this problem -- once and for all.

But education isn't the only issue.

It is also time for both Springfield and Washington to step up to the plate and provide better funding for public transportation, to ensure that our transportation system is viable in the future.

In order to provide safe and reliable service in the coming years, the C.T.A. has outlined a list of needed improvements -- including upgrades to the rail system, new stations and railcars, new buses and improved maintenance programs.

The price tag for this five year plan is more than 2.7 Billion Dollars. But federal and state funding is expected to total only 855 Million Dollars. Our transit system is under-funded.

C.T.A. receives less public funding per rider than the transit systems in New York, Boston, Philadelphia and Washington. Under state law, more than half of all C.T.A. costs have to come from the farebox.

Illinois state government has been cutting support for mass transit in recent years. The State reimbursed C.T.A. for discounts given to senior citizen and student riders -- but it has been cutting back on this reimbursement.

In 1991, more than 80 percent of the discounts were reimbursed. Last year, less than half were reimbursed. This amounts to a 14 Million Dollar budget cut from Springfield.

Federal operating assistance has also been dropping in recent years -- and now is expected to be eliminated entirely.

I do not believe property taxpayers should be asked to pay more to the C.T.A.

That would require a property tax increase and service cuts, and it would also threaten the city's bond rating, raising the cost of government.

Any further city service cuts must be the last resort. Ridership must be increased.

And above all, there must be a commitment to manage the system to get the most out of every dollar.

But without new funds, the C.T.A. is in trouble.

It is the historic responsibility of the state and federal governments to fund mass transit. This is not just a transportation issue, it is also an economic issue.

Without reliable public transportation, there is no way we will be able to move people from welfare to work. Over the past 100 years, we have built an extensive and reliable public transportation network.

Springfield and Washington cannot let this system deteriorate. The future of our state's economy depends on a reliable mass transit system here in Chicago.

Chicago is -- and always will be -- the center of activity in Illinois and all the Midwest.

We should be proud of the great strides our city continues to make -- years after many of the experts said that Rust Belt cities had no chance to survive.

This budget sets a responsible course for our city's future. It focuses on the greatest challenges we face, and it does so without placing new burdens on taxpayers.

As we prepare for the 21st Century, Chicago is prepared to become an even greater city.

If we continue to demand more and to work harder, we can provide Chicagoans with the kind of city that we all want.

A city of strong neighborhoods.

A city of families.

A city of people working together.

Thank you.

Rules Suspended -- TIME FIXED FOR PUBLIC HEARING ON
EXECUTIVE BUDGET FOR YEAR 1998.

Alderman Dixon moved to introduce the following proposed resolution:

WHEREAS, Mayor Richard M. Daley, on October 8, 1997, submitted to the City Council the Executive Budget of the City of Chicago for the fiscal year beginning January 1, 1998, and ending December 31, 1998; and

WHEREAS, It is provided by law that at least one public hearing shall be held by the corporate authorities on the budget document not less than one week after publication thereof in such manner as the corporate authorities may determine, and prior to final action thereon; and

WHEREAS, It is further provided by law that notice of such hearing shall be given by publication in a newspaper having general circulation in the City of Chicago not less than one week prior to the time of such hearing; now, therefore,

Be It Resolved, That the budget document for the fiscal year beginning January 1, 1998, and ending December 31, 1998, as submitted by the Mayor to the City Council on October 8, 1997, be published in pamphlet form and made available for public inspection in the Office of the City Clerk and the Chicago Public Library no later than October 10, 1997; and

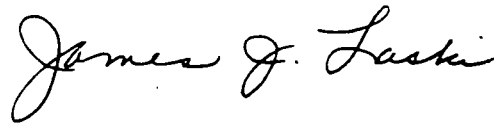
Be It Further Resolved, That the public hearing on said budget document be held by the City Council at 11:00 A.M. on October 28, 1997, in the City Council Chambers in City Hall; and the City Clerk is hereby directed to cause a notice of such hearing to be published in a newspaper having general circulation in the City of Chicago at least one week prior to the time of such public hearing.

Alderman Dixon moved to *Suspend the Rules Temporarily* for the immediate consideration of and action upon the foregoing proposed resolution. The motion *Prevailed* by a viva voce vote.

Thereupon, on motion of Alderman Dixon, the foregoing proposed resolution was *Adopted* by a viva voce vote.

Adjournment.

Thereupon, Alderman Burke moved that the City Council do *Adjourn*. The motion *Prevailed* and the City Council *Stood Adjourned*

A handwritten signature in cursive script that reads "James J. Laski".

JAMES J. LASKI,
City Clerk.