

City of Chicago

Budget 101



Agenda

- 1 Budget Overview
- 2 2025-2027 Budget Forecast
- 3 2025 Annual Appropriation
- 4 2024-2028 Capital Improvement Program
- 5 2024-2028 Housing & Economic Development Bond
- 6 Questions

Budget Overview



Enabling Statutes



65 ILCS 5/8 – Illinois Municipal Code

- **Requires:**
 - **Mayors in municipalities within the State with populations of 500k+ to submit an executive budget recommendation to the legislature of that municipality prior to Nov. 15th of each year.**
 - **That the executive budget recommendation be available to public inspection and subject to at least one public hearing.**
 - **That the legislature pass an annual appropriation ordinance within the last 60 days of each fiscal year.**

Executive Order 2023-19

- **Requires the publication of a Budget Forecast by September 30th each year.**
 - **Is developed in collaboration with the Chief Financial Officer and the Comptroller.**
 - **Identifies the gap between revenues and expenditures within the corporate budget.**
 - **Presents historical data regarding the City's financial condition and long-term forecasts related to the City's debt, pension and corporate fund obligations.**
- **Requires the introduction of the Executive Budget Recommendation by no later than October 31st each year.**



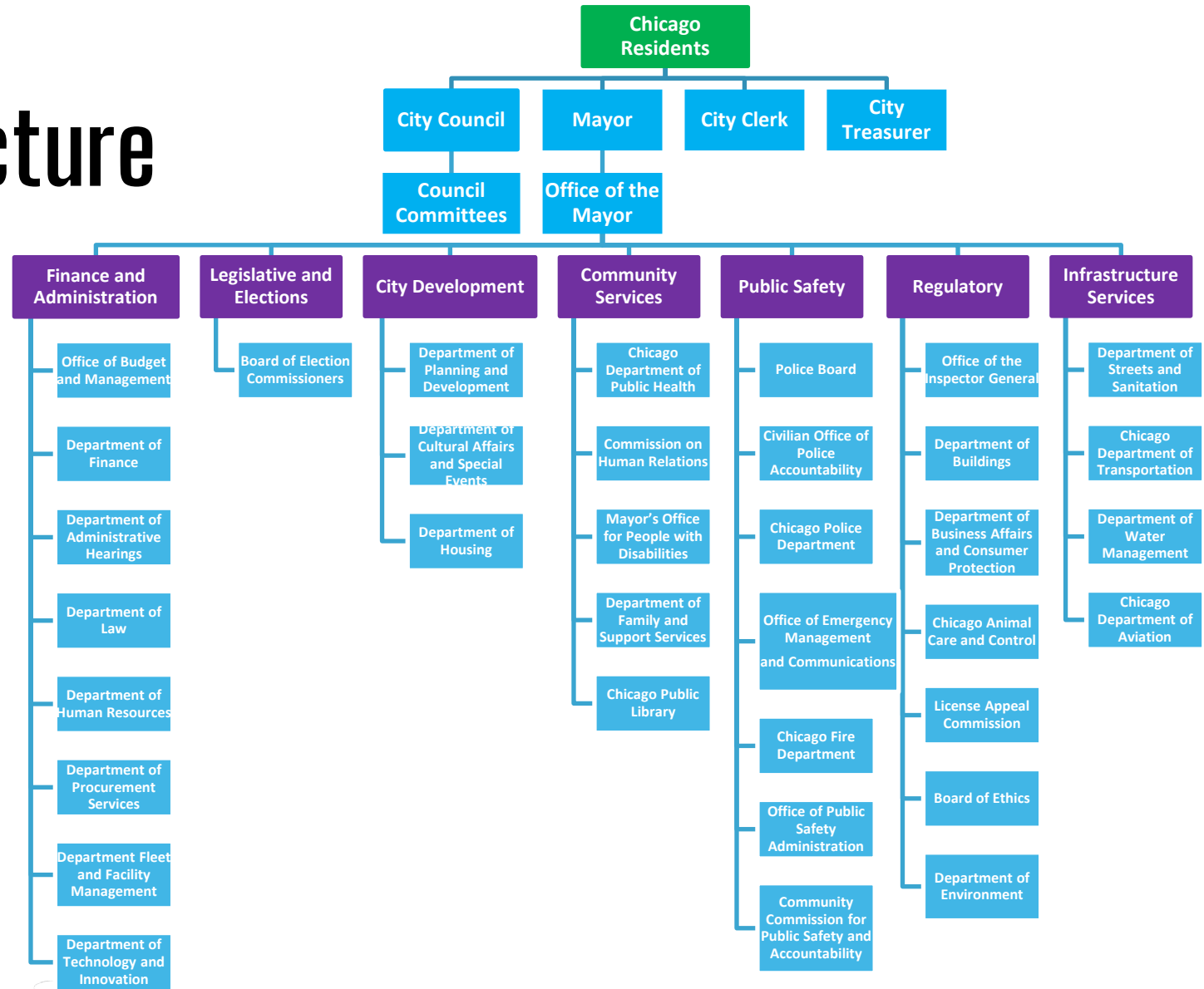
MCC 2-4-055 and 2-4-057

- **Requires:**
 - **The submission of a Mid-Year Budget Report from the Budget Director to the Committee on Budget & Government Operations by no later than July 30th.**
 - **Mid-Year Budget Hearings to take place by no later than September 15 each year to discuss the Mid-Year Budget Report.**
 - **The submission of the Executive Budget Recommendation by no later than October 30th each year.**



City of Chicago Organizational Structure

Descriptions of all departments and their programs can be found in the annual Budget Overview Book.



Sister Agencies

Sister Agencies are not in the City's Annual Appropriation



Each sister agency has its own ability to tax, and a Board that manages its budget.

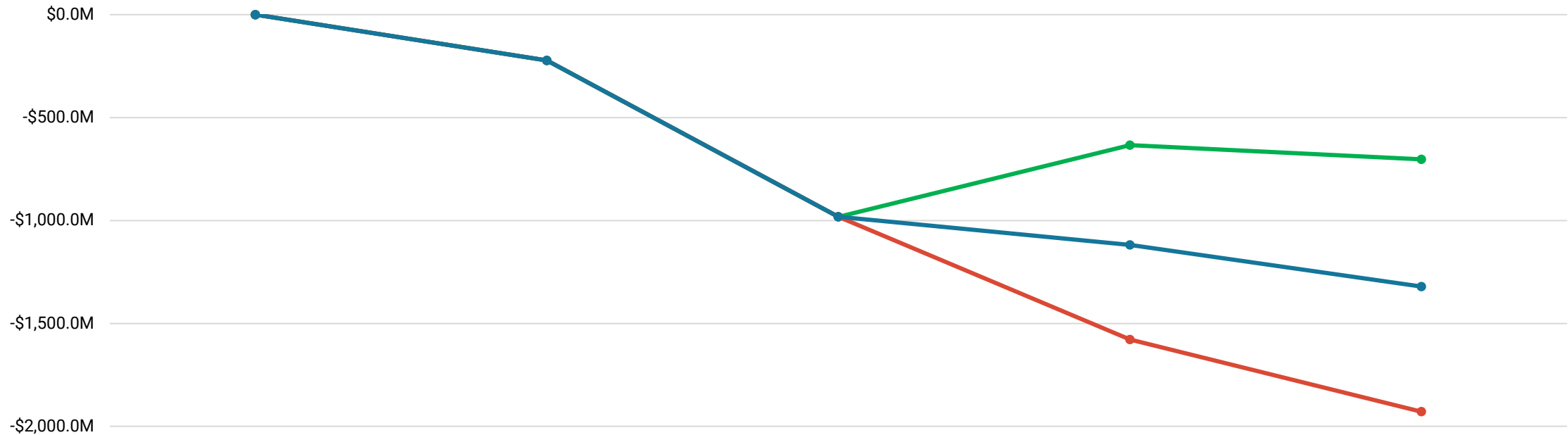
**As of January 15, 2025, the Board of Education began its transition to a fully elected board away from Mayoral control. Shifts its governance structure to align with all other school districts in the State*

2024 -2027 Budget Forecast



FY2024 – FY2027 Gap Forecast

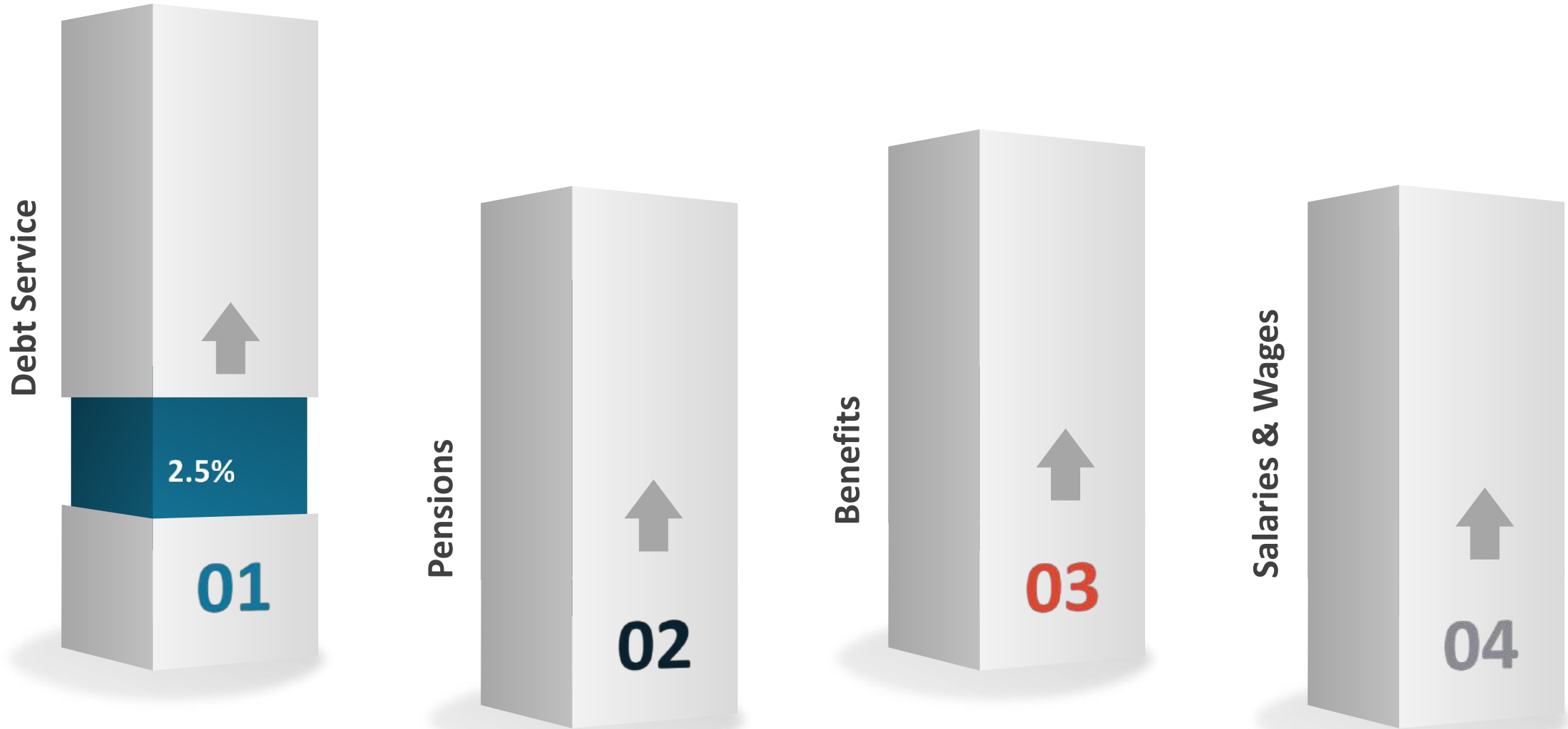
Through 2027, the City’s budget gap ranges from (\$702.6M) in the positive outlook to (\$1.9B) in the negative outlook, based on the impact of future economic conditions and state and federal statutes known at this time.



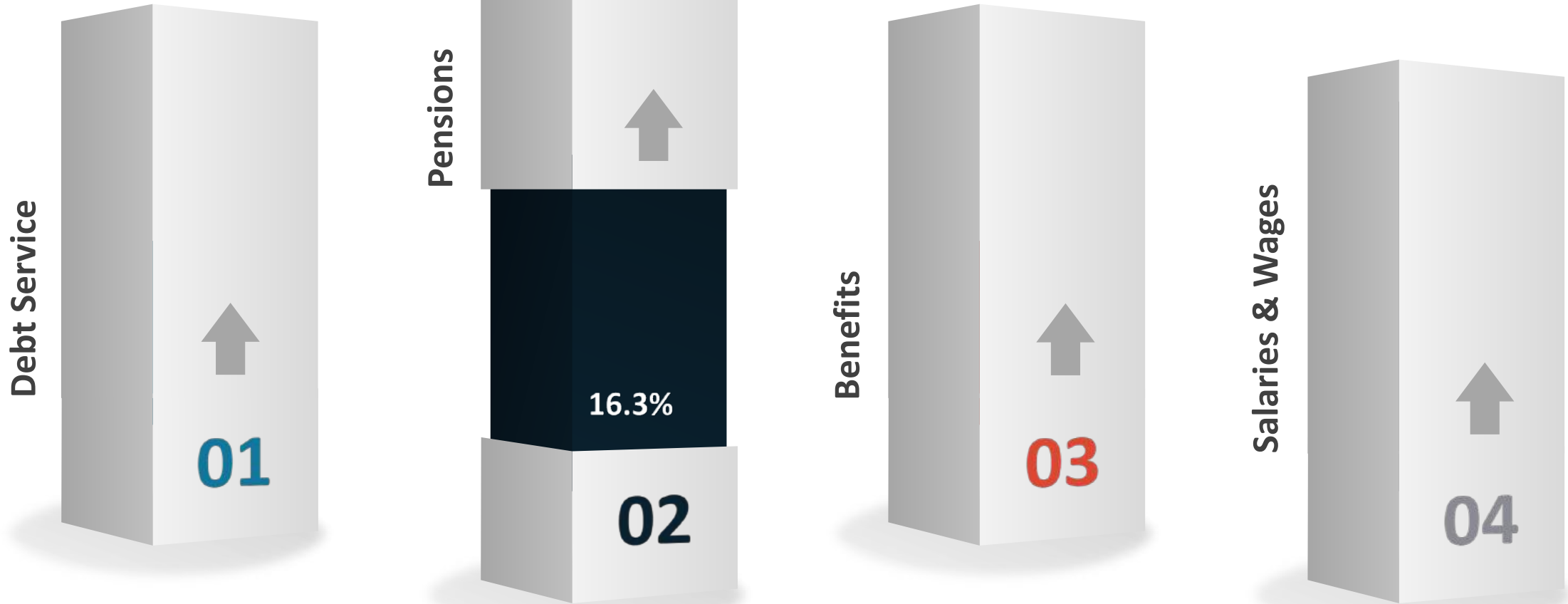
	2024 Budget	2024 YE Est	2025	2026	2027
Positive Outlook	0	-\$222.9M	-\$982.4M	-\$633.8M	-\$702.6M
Negative Outlook	0	-\$222.9M	-\$982.4M	-\$1,578.6M	-\$1,928.9M
Base Outlook	0	-\$222.9M	-\$982.4M	-\$1,118.9M	-\$1,320.9M

Positive Outlook Negative Outlook Base Outlook

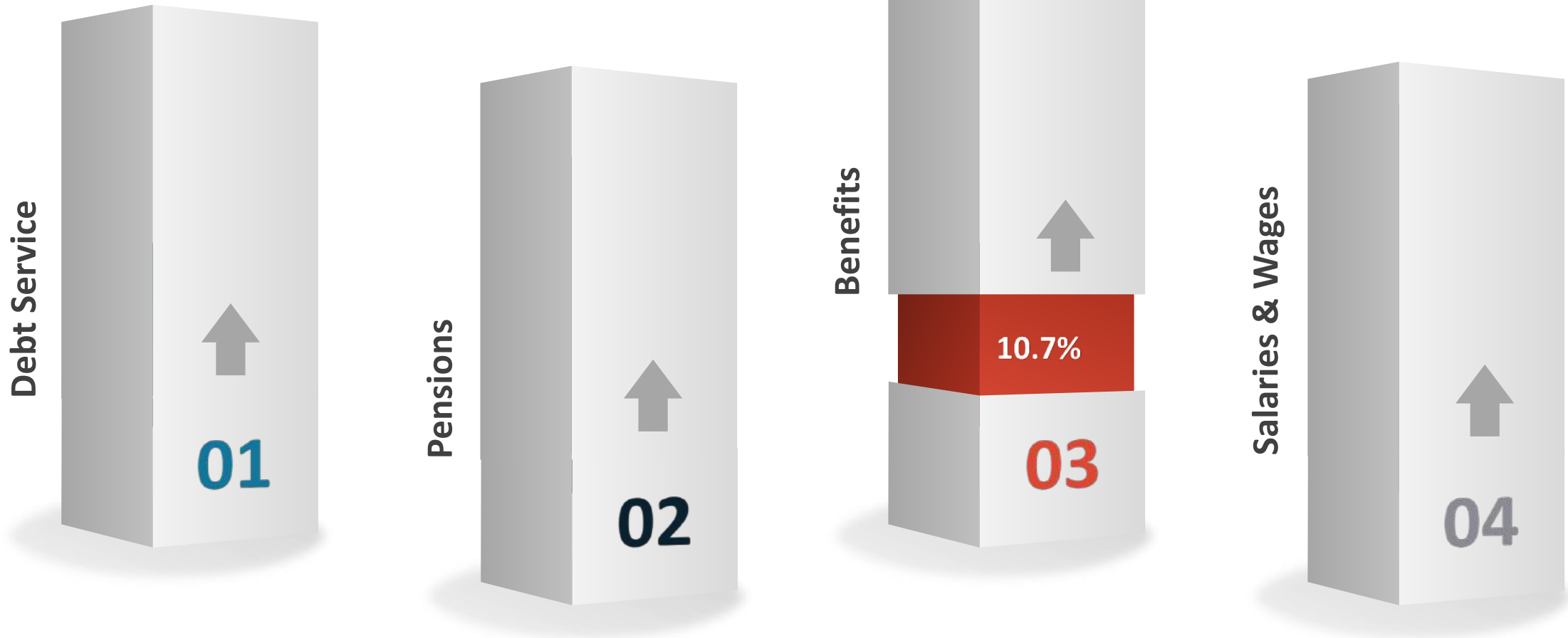
Largest Forecast Drivers



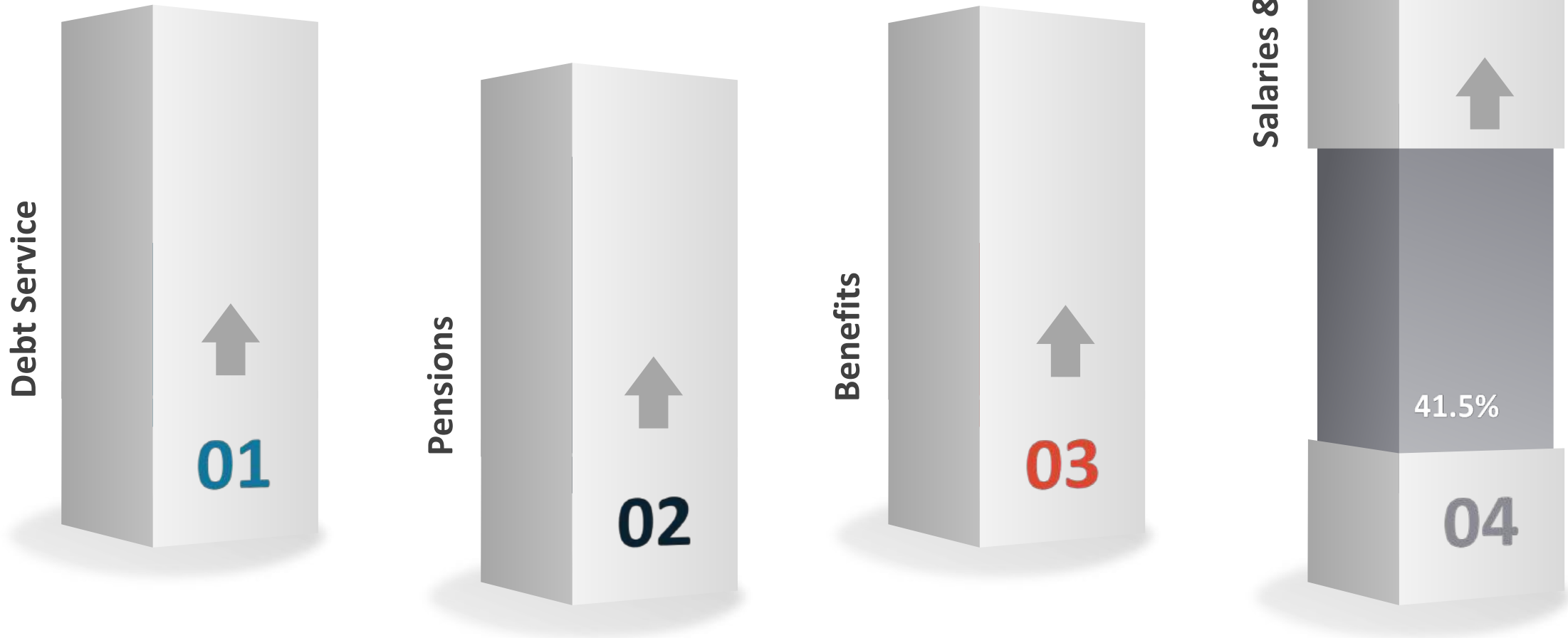
Largest Forecast Drivers



Largest Forecast Drivers



Largest Forecast Drivers

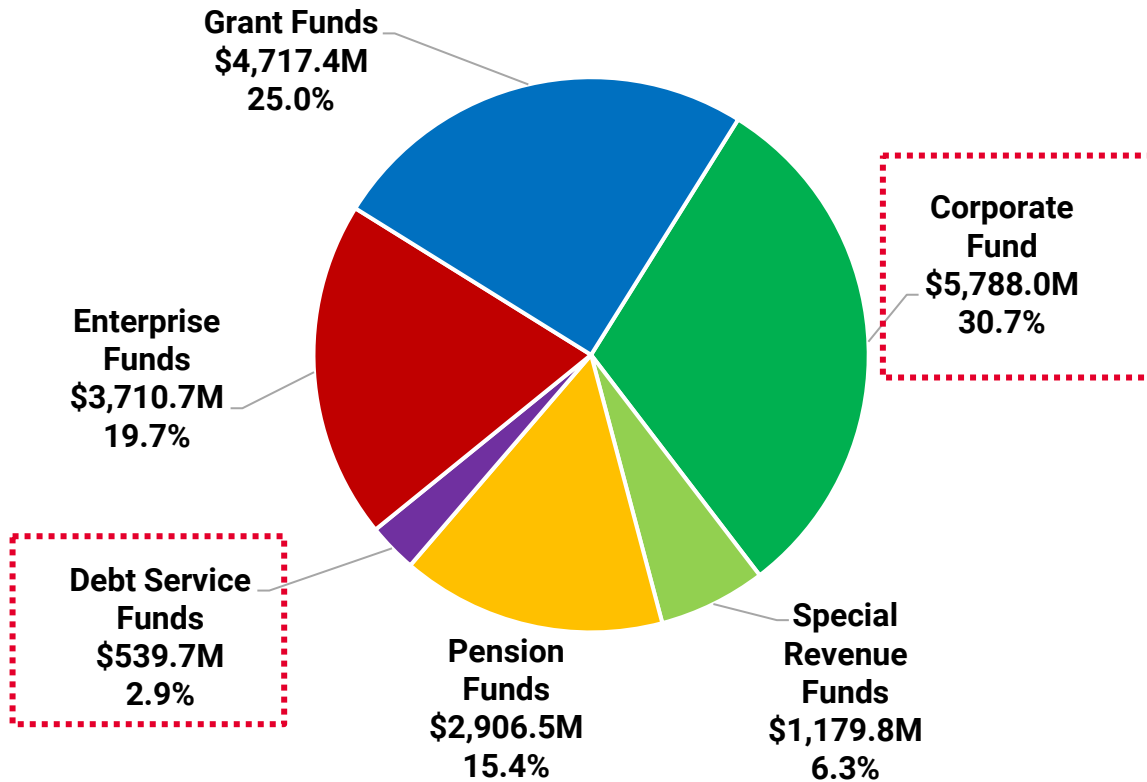


2025 Annual Appropriation



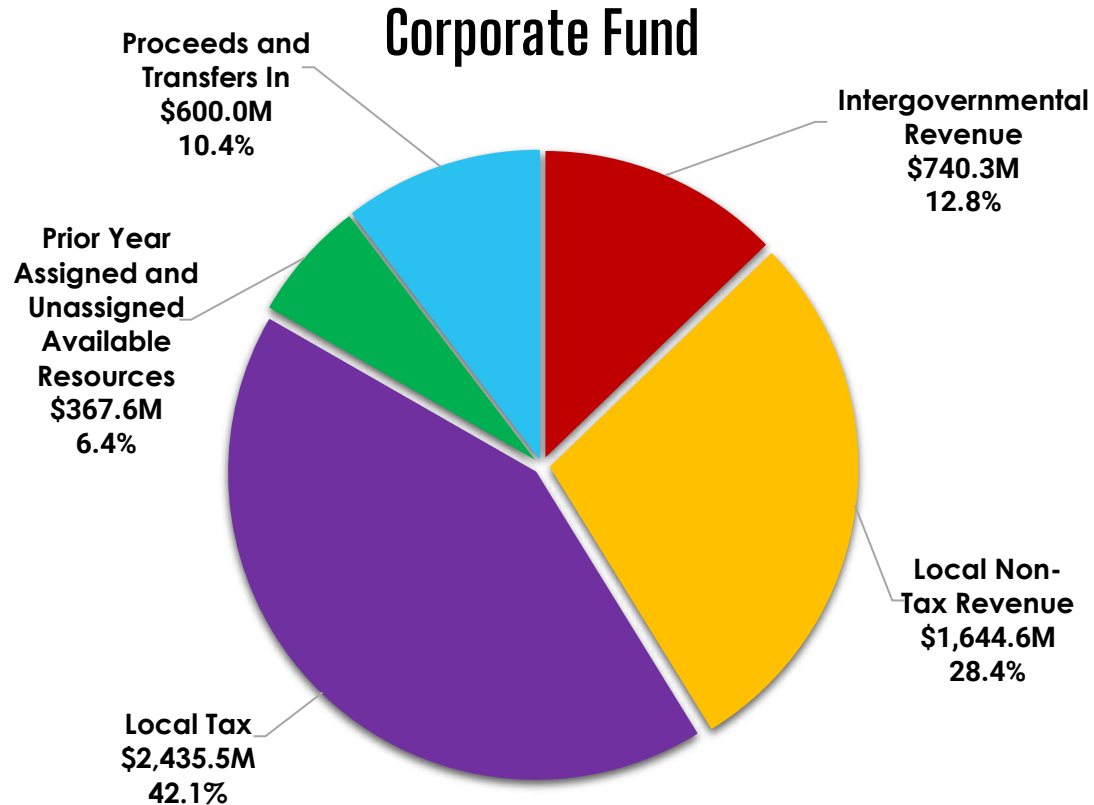
FY2025 Appropriation Ordinance

FY2025 Appropriation by Fund Type








- **Corporate Fund:** General operating fund, supporting basic city operations and services
- **Special Revenue Funds:** Used to account for revenue from specific taxes and other sources that, by law, are designated to finance particular functions
- **Pension Funds:** Accounts for the City's contributions to four pension funds. These funds are established, administered, and financed pursuant to the Illinois Pension Code
- **Debt Service Funds:** Pay principal and interest on general obligation bond issues. Long-term debt finances infrastructure projects
- **Enterprise Funds:** Support the operation, maintenance, and capital costs of the City's water and sewer systems and airports
- **Grant Funds:** Comes from various federal, state, and local government agencies, as well as private organizations. Restricted in use by grantors for specific purposes

FY2025 Corporate Fund: *Revenue*



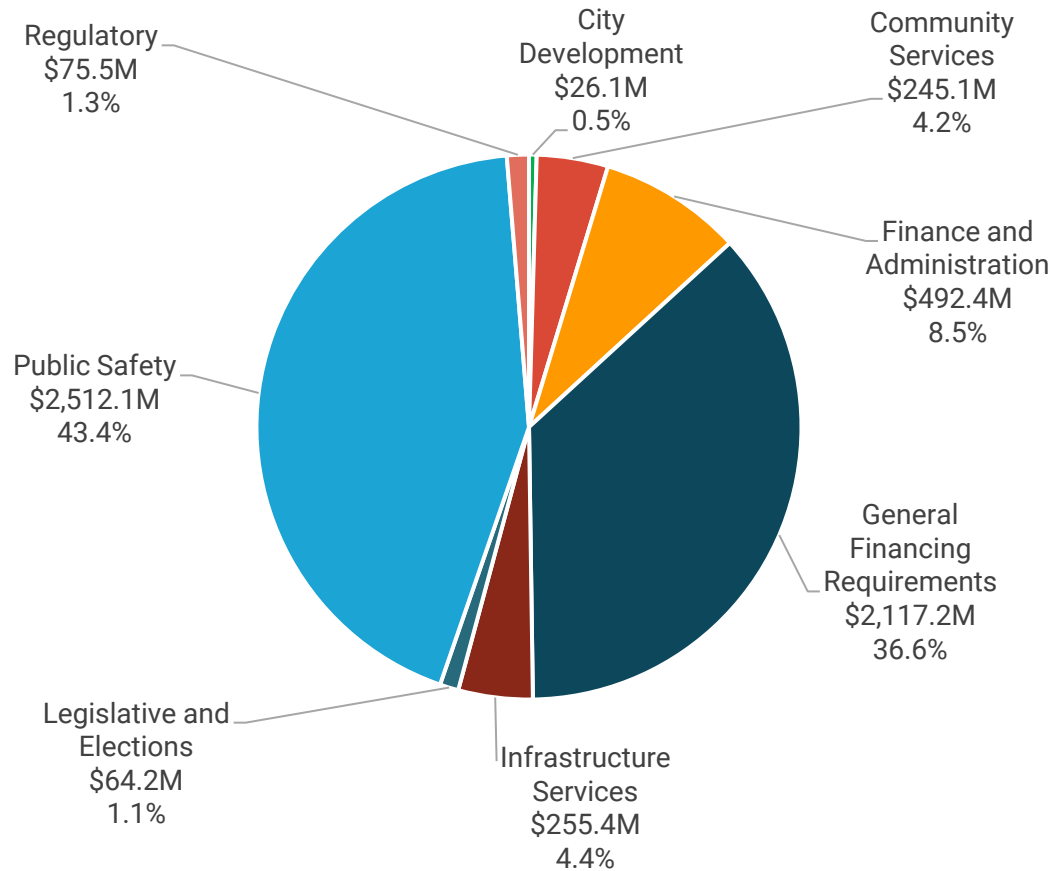
- Intergovernmental Revenue:** Consists of the City of Chicago's share of State Income Tax, Personal Property Replacement Tax and Municipal Auto Rental Tax received through the State of Illinois
- Local Non-Tax Revenue:** Consists of fees charged for the issuance of licenses and permits; fines, forfeitures and penalties for traffic or other violations; various charges for services; municipal parking; leases, rentals, and sales of City-owned property
- Local Tax Revenue:** Consists of taxes collected by the City of Chicago, including utility, transportation, transaction, recreation, and business taxes
- Prior Year Available Resources:** The result of savings and sustainable revenue growth, along with spending controls and other efficiencies, resulting in healthy growth of the Corporate Fund balance
- Proceeds and Transfers:** Consists of amounts transferred into the Corporate Fund from outside sources

FY2025 Revenue Changes

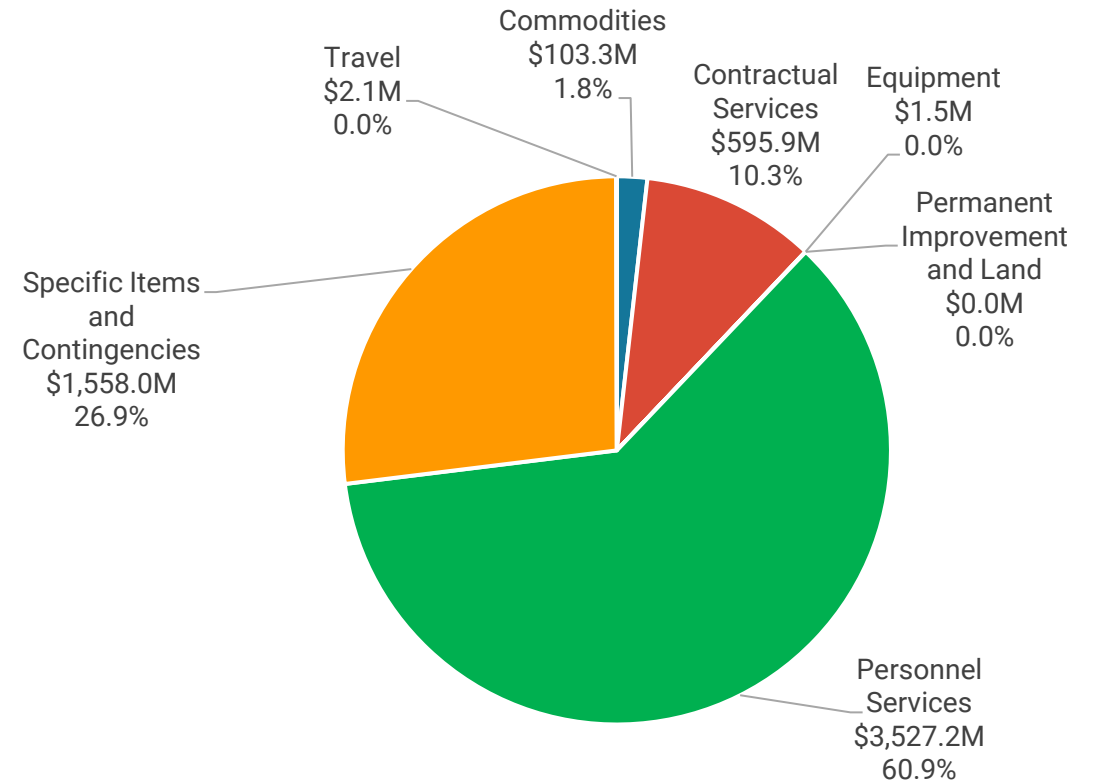
	Revenue Item	Avg. Monthly Consumption	2024 Tax Rate	2025 Proposed Tax Rate	2024 Monthly Cost	2025 Monthly Cost	Cost Difference
	Lease Transaction Tax	\$221 in lease or rental charges	9% of lease or rental charge	11% of lease or rental charge	\$19.89	\$24.31	\$4.42
	TNP Congestion Surcharge	7 trips	\$1.75 weekdays	\$1.50 weekdays and weekends	\$5.25	\$10.50	\$5.25
	Amusement Tax – Streaming and Cable	\$46 for three streaming services, \$50 for cable	9.0% of receipts	10.25% of receipts	\$8.64	\$9.84	\$1.20
	Parking Tax	\$223 base charge for one monthly pass	22% weekdays 20% weekends & valet	23.25% for all days and parking types	\$49.15	\$51.94	\$2.79
	Bag Tax	29 bags	\$0.07 per bag	\$0.10 per bag	\$2.00	\$2.86	\$0.86
	Total				\$84.93	\$99.45	\$14.52

FY2025 Corporate Fund: *Expenditures*

Corporate Fund by Department Function



Corporate Fund by Expenditure Category



2025 Strategic Investments



One System Initiative

\$55M

The **expansion of the City Shelter Network** is a part of the One System Initiative, a collaboration between the City and State to expand shelter options for unhoused Chicagoans.



Rapid Rehousing Program

\$29M

Supports households moving from shelter/street to a housing unit with wraparound services.



Community Violence Prevention

>\$100M

Offers case management, outreach and diversion services to individuals at highest risk of participating in violence.



Mental Health Equity Initiative

\$1.5M

The **Mental Health Equity Initiative** provides mental health services to Chicago residents of high need who faced barriers to service in the past..



Family Connects Program

\$13M

Promotes maternal healthcare through home visits to families and newborns 3-5 weeks post-partum.



One Summer Chicago

\$50M

Youth Opportunity Programs provides opportunities for unemployed and vulnerable youth who have difficulties securing employment and career advancement to foster work experience and confidence.



Cultural Grants/Neighborhood Programming

\$10M

Furthering grants to **individual artists** while also enhancing neighborhood festivals throughout the City.

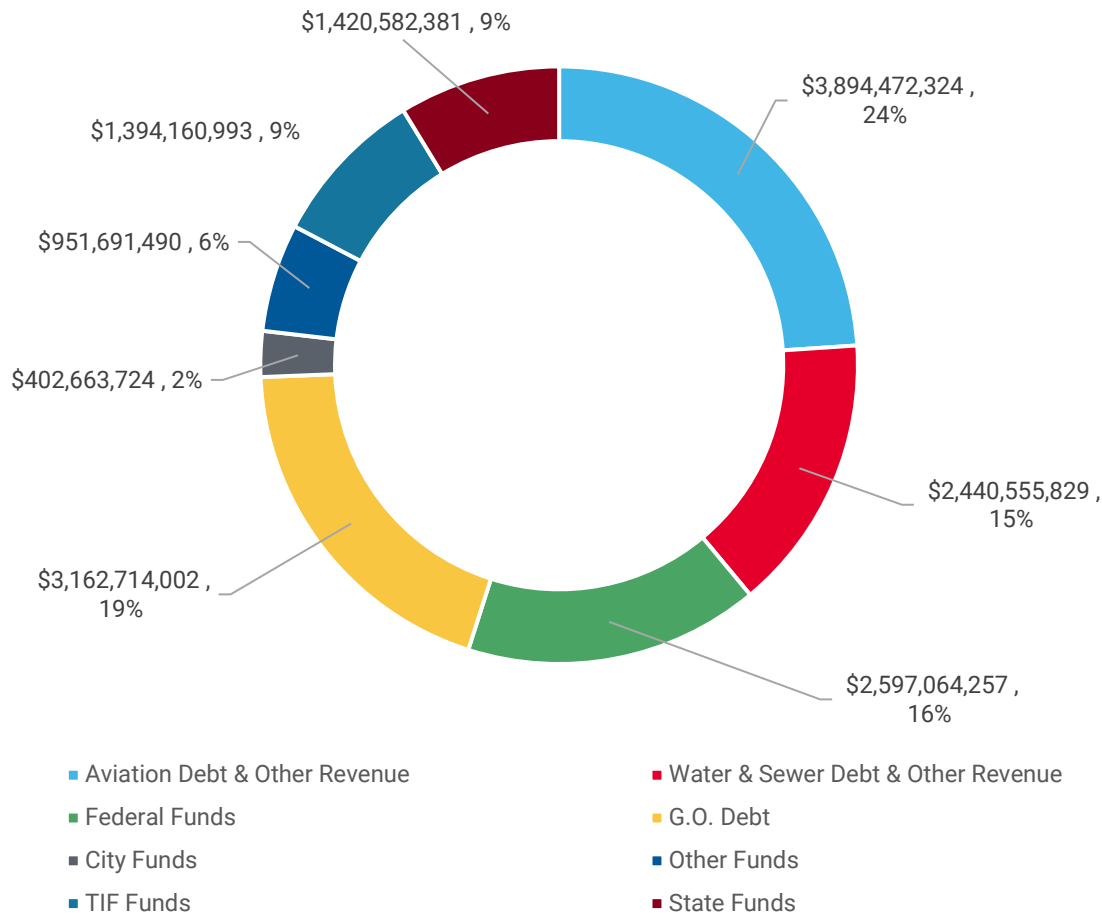
2024 - 2028

Capital Improvement Program

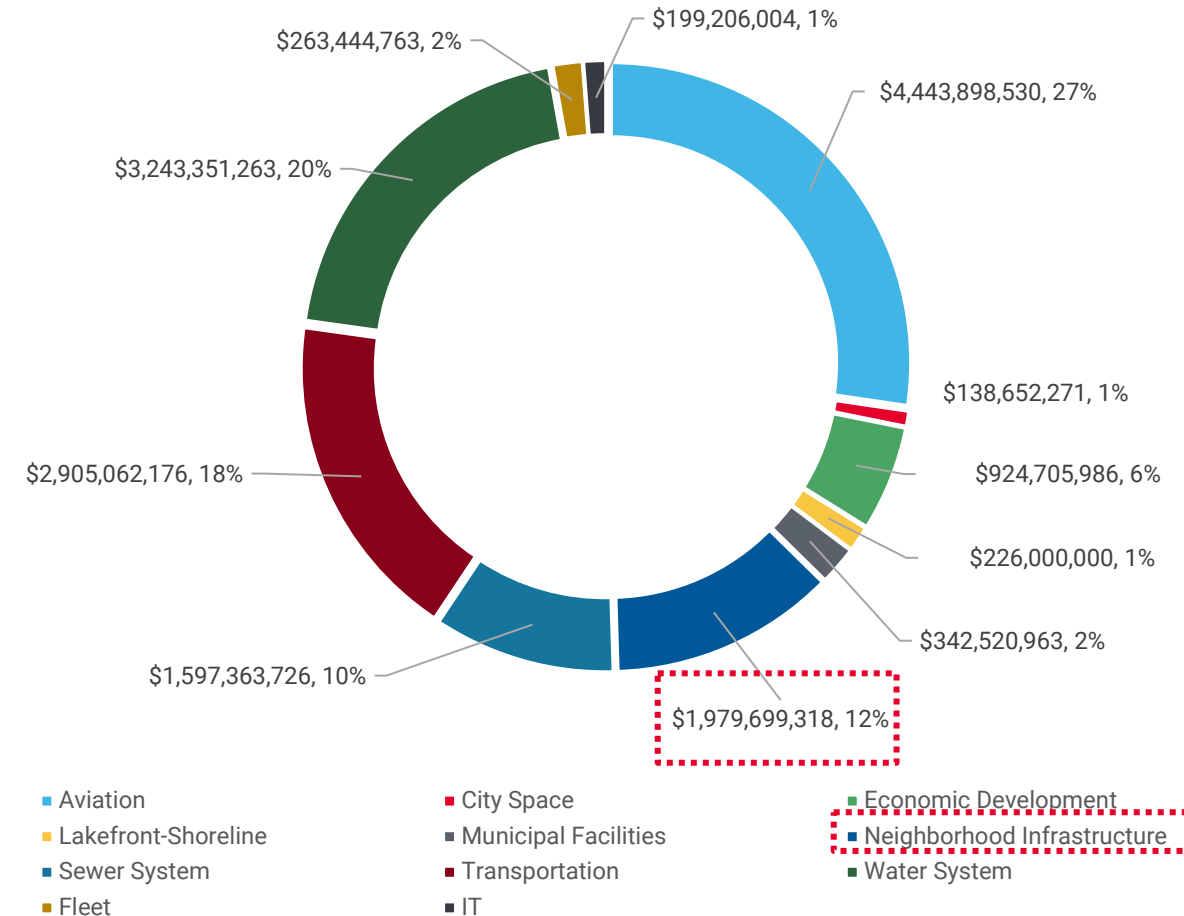


2024-2028 \$16.3B Capital Improvement Program

2024-2028 CIP by Funding Source

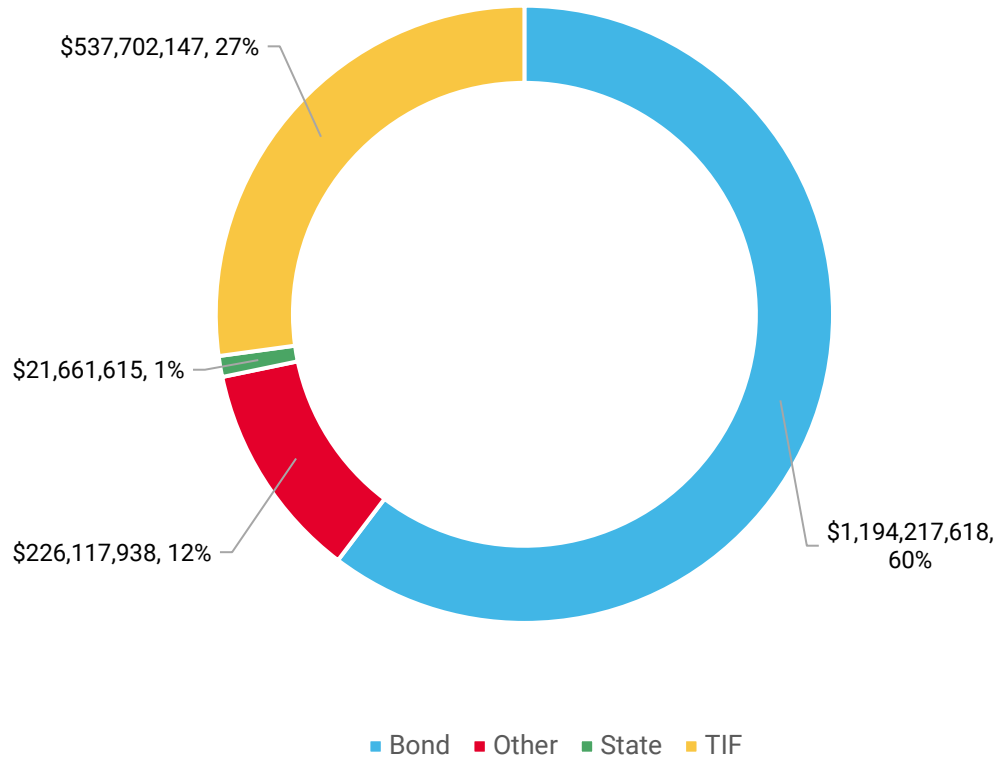


2024-2028 CIP Programs

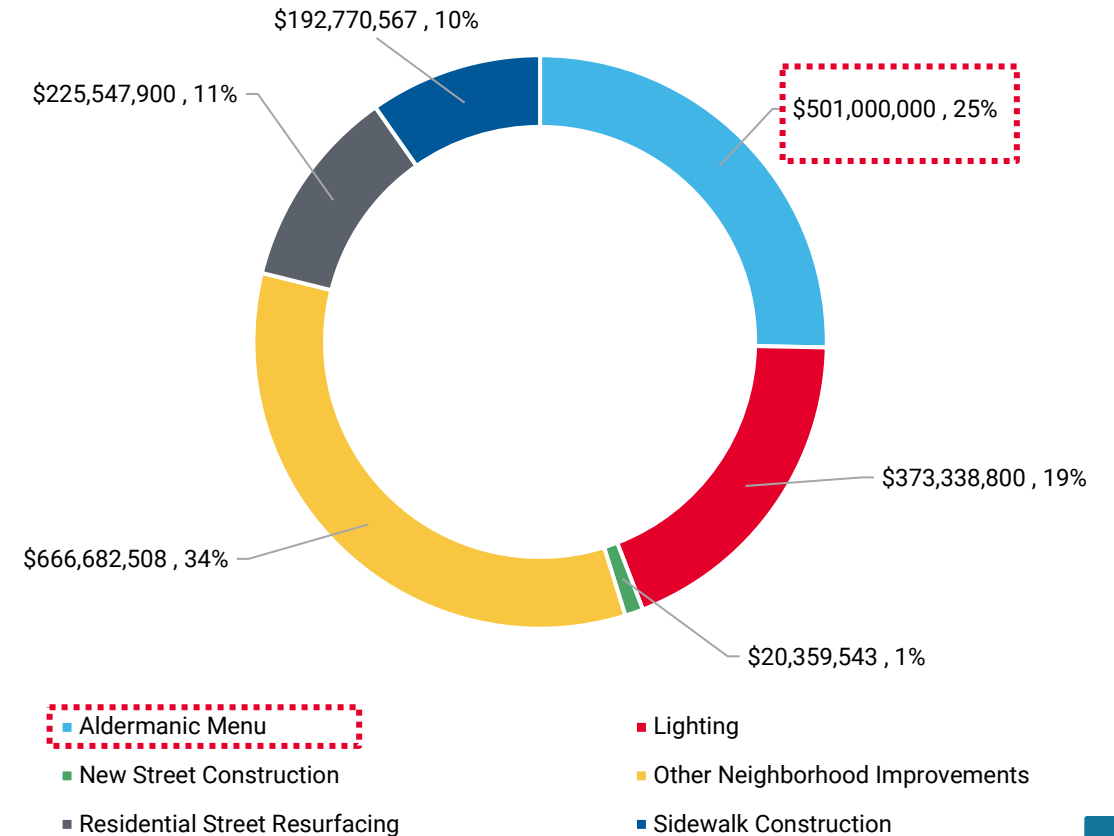


2024-2028 \$16.3B Capital Improvement Program

Neighborhood Infrastructure (Funding) \$2 Billion



Neighborhood Infrastructure (Programs) \$2 Billion



Aldermanic Menu Program

The aldermanic menu is a community-based and directed infrastructure program where capital improvements may be chosen from a menu based on community need.



Eligible Projects

- Street Repairs
- Alleys, curbs and sidewalks
- ADA Ramps
- Traffic calming structures
- Traffic signal modernization
- Alley lighting
- Streetlight Upgrades & replacements
- Beautification projects
- Public use spaces for schools and parks

2024-2028

\$1.5M

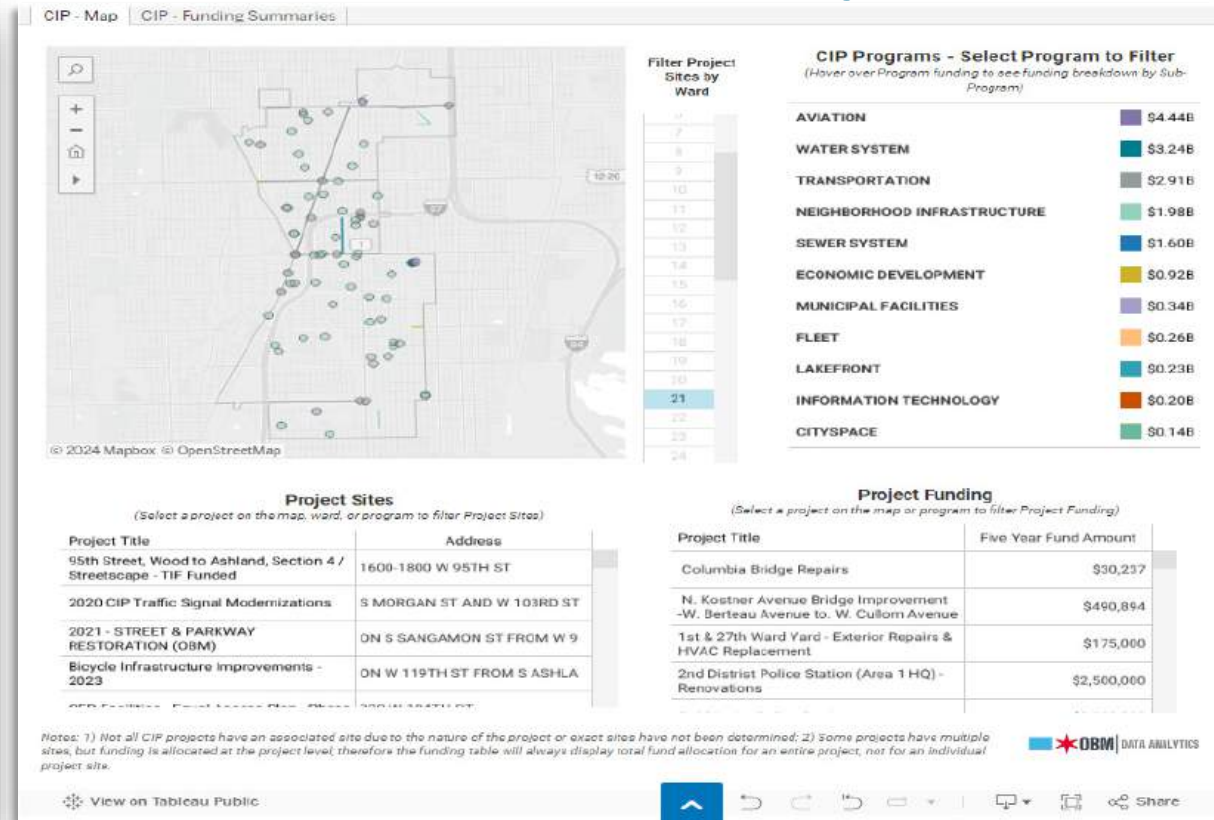
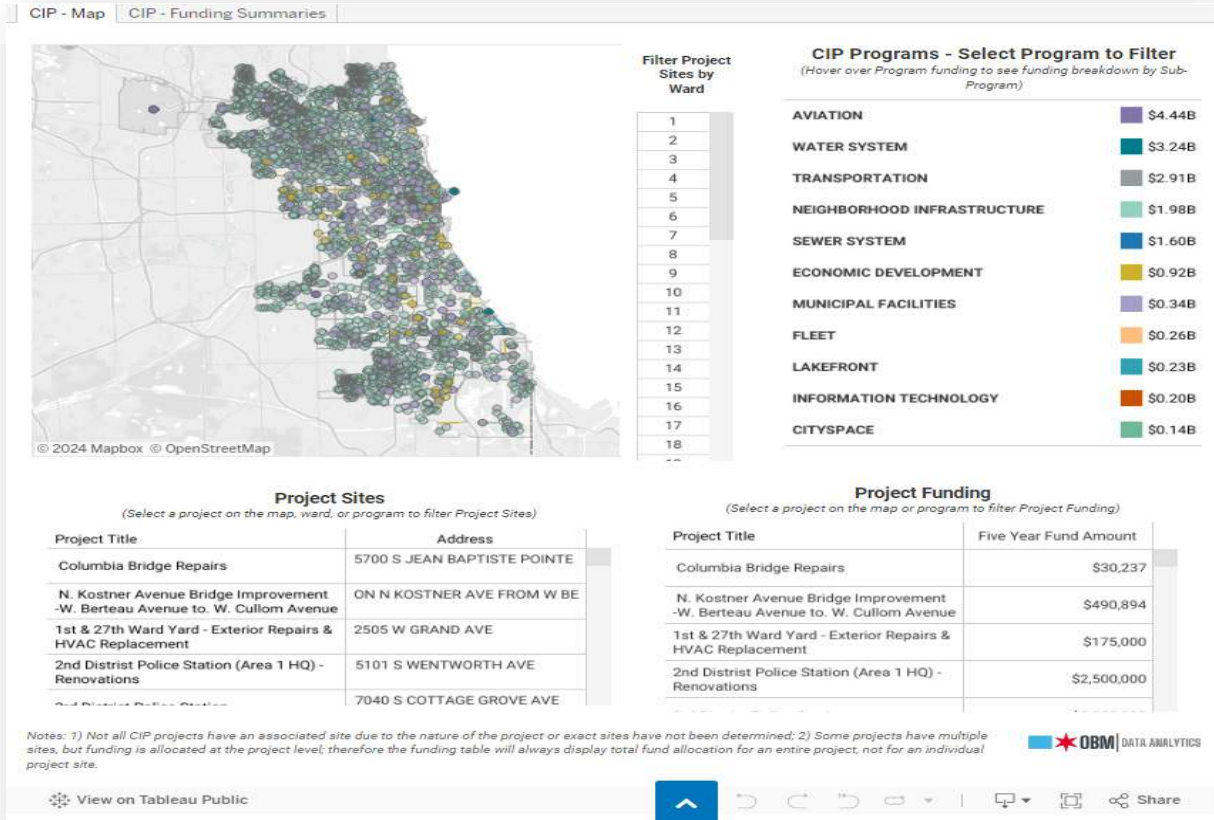
Per Ward Annually

Online Resources

Visit OBM's website to access budgetary data on capital improvement projects throughout the City and in your ward.

CIP Dashboard

Dashboard sorted by ward



https://www.chicago.gov/city/en/depts/obm/provdrs/cap_improve.html

Online Resources

Visit OBM's website to access budget publications on capital improvement projects funded by the Ward's Aldermanic Menu Program.

Aldermanic Menu Report

Ward Menu Detail Report (21st Ward)

Aldermanic Menu Program
 >> Annual Allocation and Project Overview
 Q1-Q2 2024 Update

CHICAGO
 MAYOR BRANSON JOHNSON

Return to TOC

CDOT CONSTRUCTION MANAGEMENT

2024 Menu Ward Detail Report

Ward: 21

Menu Package	Locations	Estimated 2024 Cost
ADA - Alley Resurfacing Menu (2024)	ON W 113TH PL FROM S MAY ST (1130 W) TO S RACINE AVE (1200 W)	\$12,600.00
ADA - Street Resurfacing Menu (2024)	ON W 106TH ST FROM S ABERDEEN ST (1100 W) TO S RACINE AVE (1200 W)	\$14,490.00
ADA - Street Resurfacing Menu (2024)	ON W 112TH PL FROM S ABERDEEN ST (1100 W) TO S MAY ST (1130 W)	\$10,897.50
Sidewalk Menu (2024)	12234 S GREEN ST	\$868.05
Sidewalk Menu (2024)	1657 W MONTEREY AVE	\$13,382.30
Sidewalk Menu (2024)	9142-S152 S ASHLAND AVE	\$13,971.86
Street Resurfacing Menu (2024)	ON S ADA ST FROM W 93RD ST (9300 S) TO W 95TH ST (9500 S)	\$22,815.08
Street Resurfacing Menu (2024)	ON S CARPENTER ST FROM W 101ST ST (10100 S) TO W 103RD ST (10300 S)	\$112,190.48
Street Resurfacing Menu (2024)	ON S ELIZABETH ST FROM W 99TH ST (8990 S) TO W 90TH ST (8999 S)	\$53,136.72
Street Resurfacing Menu (2024)	ON S EMERALD AVE FROM W 112TH ST (11200 S) TO W 113TH ST (11300 S)	\$80,944.71
Street Resurfacing Menu (2024)	ON S GREEN ST FROM W 101ST ST (10100 S) TO W 102ND ST (10200 S)	\$55,510.86
Street Resurfacing Menu (2024)	ON S GREEN ST FROM W 104TH ST (10400 S) TO W 105TH ST (10500 S)	\$58,314.29
Street Resurfacing Menu (2024)	ON S GREEN ST FROM W 107TH ST (10700 S) TO W 108TH ST (10800 S)	\$57,308.18
Street Resurfacing Menu (2024)	ON S JUSTINE ST FROM W 92ND ST (9200 S) TO W 93RD ST (9300 S)	\$53,103.38
Street Resurfacing Menu (2024)	ON S JUSTINE ST FROM W 92ND ST (9200 S) TO W 93RD ST (9300 S), ON S JUSTINE ST FROM W 93RD ST (9300 S) TO W 94TH ST (9400 S)	\$46,894.37
Street Resurfacing Menu (2024)	ON S LOOMIS ST FROM W 116TH ST (11500 S) TO W 116TH ST (11600 S)	\$51,790.16
Street Resurfacing Menu (2024)	ON S LOWE AVE FROM W 100TH ST (10000 S) TO W 101ST ST (10100 S)	\$59,958.42
Street Resurfacing Menu (2024)	ON S LOWE AVE FROM W 92ND ST (9200 S) TO W 93RD ST (9300 S)	\$54,571.35
Street Resurfacing Menu (2024)	ON S NORMAL AVE FROM W 103RD ST (10300 S) TO W 103RD PL (10330 S)	\$24,309.67
Street Resurfacing Menu (2024)	ON S NORMAL AVE FROM W 111TH ST (11100 S) TO W 112TH ST (11200 S)	\$55,583.86
Street Resurfacing Menu (2024)	ON S NORMAL AVE FROM W 111TH ST (11100 S) TO W 112TH ST (11200 S), ON S NORMAL AVE FROM W 112TH ST (11200 S) TO W 113TH ST (11300 S)	\$40,439.52

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2024 - 2028

Housing & Economic Development Bond



2024-2028 \$1.25B Housing and Economic Development Bond

\$1.25 Billion

Housing and Economic Development Bond

2024-2028
HOUSING AND ECONOMIC
DEVELOPMENT BOND

June 2024

Economic Development: \$625 million over 5 years



COMMUNITY DEVELOPMENT GRANTS (\$400-500M)

- Small (\$250k or less): \$50-75m
- Medium (\$250k-\$5m): \$225-250m
- Large (over \$5m): \$125-175m



SMALL BUSINESS CAPACITY BUILDING (\$82.5-115M)

- Small and emerging business loan fund: \$75-100m
- Pre-development grants: \$7.5-15m



JOBS AND WEALTH BUILDING (\$57.5-90M)

- Jobs and workforce training grants: \$7.5-15m
- Missing middle housing infill strategy: \$50-75m

Affordable Housing: \$625 million over 5 years



AFFORDABLE RENTAL HOUSING (\$360-390M)

- Build and preserve affordable rental homes: \$230-250m
- Social hsg revolving fund: \$115-135m
- Multifamily retrofit: \$10-15m



HOMEOWNERSHIP (\$210-240M)

- Purchase assistance, home repair, & promoting ownership: \$125-145m
- Rebuilding & preservation: \$65-80m
- Single family retrofit: \$20-25m



HOMELESSNESS (\$20-30M)

- SRO preservation: \$20-30m
- Permanent supportive housing included under Affordable Rental Housing

<https://www.chicago.gov/city/en/sites/business-and-neighborhood-development-strategy/home.html>



\$ 210M-240M Homeownership Program

To provide stability and wealth building for family retirement, college and future generations.

Down Payment Assistance, Home Repair and Homeowner Support



Program	Eligibility Criteria
Home Repair Program (HRP) <i>Improvements to roofs and porches</i>	<ul style="list-style-type: none"> Household must make at or below 50% AMI Priority given to long-term homeowners of single-family homes and two-flats Assistance based on need and available funding *Eligibility and prioritization subject to change for future application cycles.
Small Accessible Repairs for Seniors Program <i>Provides enabling devices and limited, non-emergency home improvements for senior citizens</i>	<ul style="list-style-type: none"> Seniors 60+ years of age Earn no more than 80% AMI Owner or renter residing in a one-to-four unit building *Additional requirements for renters.
Building Neighborhoods and Affordable Homes Program <i>Forgivable grants to qualifying buyers to assist in the purchase of primary, owner-occupied residences.</i>	<ul style="list-style-type: none"> Buyer of a newly constructed single-family residential building (built pursuant to City program) Household annual gross income is less than or equal to 140% AMI Homeowner must occupy home as principal residence for at least 10 years.



\$ 210M-240M Homeownership Program

To provide stability and wealth building for family retirement, college and future generations.

Home Retrofit and Energy Modernization

Program

Green Homes Chicago
Decarbonize existing single-family homes

Eligibility Criteria

- Homeowners at or below 80% AMI
- *Eligibility and prioritization subject to change for future application cycles.
- *Clients are selected during intake periods (similar to HRP) and intake periods are determined based on need and available funding.

2024-2028
HOUSING AND ECONOMIC
DEVELOPMENT BOND

June 2024





\$210M–240M Homeownership Program

To provide stability and wealth building for family retirement, college and future generations.

Rehabilitation and Preservation of Ownership Housing

Program

Chicago Neighborhood Rebuild Program

Rehabilitate vacant homes and expand employment and training opportunities for unemployed and at-risk youth.

Troubled Buildings Initiative

Reclaims troubled and abandoned buildings that create dangerous and hazardous conditions for communities.

Condo/Co-Op Preservation Fund

Provides owner-occupant grants for needed repairs and deferred maintenance to ensure longtime homeowners can remain affordably housed.

2024-2028
HOUSING AND ECONOMIC
DEVELOPMENT BOND

June 2024



Questions?



THANK YOU



[Chicago.gov/OBM](https://www.chicago.gov/obm)

[Chicago.gov/ARPA](https://www.chicago.gov/arpa)

[Chicago.gov/DOF](https://www.chicago.gov/dof)

www.cityofchicagoinvestors.com



Budget Publications

Visit OBM's website to access budget publications and budgetary data.



www.chicago.gov/obm