

REMARKS AS PREPARED

COVID-19 State of the City

March 19, 2020

Opening

Good evening, my fellow Chicagoans.

Tonight, I want to discuss how our great, strong, and resilient city is responding to the unprecedented coronavirus, the impact it is already having on our daily lives, as well as things we should be doing to weather this fierce storm.

We start, by not forgetting who we are as a people. As Chicagoans, we have faced down many challenges before.

We have seen heat waves and polar vortexes.

Fought through recessions, depressions, and two World Wars.

And when our city burned to the ground in a great fire, a fire that one historian noted started on DeKoven street near Halsted and Roosevelt road, it burned over “four square miles of our city, from the central business district and government buildings, slum areas and neighborhoods of the wealthy. . .theatres, churches and sporting houses. .

.” and more, we rose from the ashes *the very next day* to grow bigger and stronger than we had ever been before.

We learned from each of these challenges over the decades and we baked in the lessons learned into our preparedness efforts.

In each of these tragedies and crises, every single time, heroic Chicagoans, of every stripe – young, old, of every race, color and creed have risen up, said “how can I help,” and we have united and moved forward together.

Resiliency and resolve are baked into our DNA and as a people this is our moment to prove to ourselves and a nation, that in Chicago, we may get bent, but we will never be broken.

Specifics About Readiness

Let’s talk some specifics about the virus itself and our efforts to combat it.

The threat posed by the coronavirus or COVID19 is real and growing.

I want you to know that we have been and will continue to aggressively tackle the threat this poses to you and your loved ones.

Our Department of Public Health started tracking this virus when the first reports started coming from China in December, almost four months ago.

As we prepared for this virus coming to the US and specifically Chicago, our Public Health and emergency management teams drew upon lessons learned last summer, when many city departments and partners participated in a full scale drill in which we were called upon to respond to a pandemic virus, whose circumstances closely mirrored the challenge we are facing today.

Public Health's daily work consists of gathering and analyzing data on this outbreak from hospitals, physicians, labs and working in coordination with our counterparts at the county and the state – an all-in full out, comprehensive effort to contain the spread of this virus and protect those most vulnerable to it.

This data analysis and investigative work has and will continue to inform our response, ensuring it is as effective as possible, and allowing us to direct our resources where they are most needed.

I want you to be able to lay your head down at night comforted by the fact that we are ready to meet this

challenge. We prepare all year long for crises so that when it comes to our door, we are tested and ready. And we have and will continue to rise up to meet this unprecedented challenge.

Our incredible public health Commissioner, Dr. Allison Arwady, has built her career around addressing infectious diseases all over the world, working to tackle Ebola in West Africa, MERS (merse) in Saudi Arabia, and HIV and tuberculosis in Botswana. She worked on responses to H1N1, and SARS – remember those? – and Allison and her incredible team at Public Health are ready.

Tune in to her daily updates on FB live on “the Doctor Is In” at 11:00 am daily, and do check Chicago.gov/coronavirus for the most up to date information.

And our first responders – police, fire, EMTs, call takers and dispatchers – they run to danger every day and meet you in your most distressed moments. They too are ready.

And I must also acknowledge our fearless health care workers – doctors and nurses, yes, but also, the aides and orderlies, the cooks and janitors, the volunteers and every one in the health care chain who are making great

personal sacrifices every day on our behalf – thank you, thank you, thank you.

And last, but certainly not least, special thanks and prayers go to our people who are the fabric of our social safety net. Our libraries, parks, community service centers, and the social workers and others – all of the people who staff these facilities are vital in providing a place for people in need, now more than ever.

What do we see as the next steps in fighting this virus?

A couple important things that I will mention here.

Stay Home If Sick Order

First, we have repeatedly asked throughout this crisis that if you are sick, stay home. Most of you have listened, but some have not. And those of you that have not, have not only put yourselves at risk, you are endangering the public. We have documented an increasing number of cases in which sick people, went to their workplace, and got other people sick with the coronavirus.

Today, at my direction, the Department of Public Health issued an order that until further notice, if you are sick with respiratory symptoms like cough, fever, or shortness

of breathe, but also, and importantly if you are beginning to feel sick – body aches, fatigue, sore throat – you too are ordered to stay home unless seeking medical care, or other essentials like food. If you violate this order, there will be consequences. Be smart, be safe, and stay home if you are sick. That’s an order.

And let me also repeat, if you are a member of a vulnerable population – that means people over 60, but especially people with underlying medical conditions, stay home if at all possible. Put your health first and don’t put yourselves or others at risk.

I know these restrictions are causing hardships, but we are doing this to save lives, pure and simple. We have seen what these extreme measures have yielded in places like Japan and Singapore. Those countries have started bending the arc of the virus. And China is reporting progress for the first time. These measures work and we need them now as this virus progresses here in Chicago.

Extending the Closure of CPS

Next let me address, the anxiety that many are feeling about the status of our schools. As you know, on Tuesday of this week, schools were closed through March 30th by

order of the governor who closed all schools – public and private -- across the state.

In consultation with Dr. Arwady, and Dr. Janice Jackson and her team at CPS, given what we anticipate as the continued upward trajectory of the virus spread, I am announcing now that Chicago Public Schools will be closed through April 20th with students returning on Tuesday, April 21st, 2020. We need to give parents and guardians plenty of advance notice about this reality and the ability to plan. CPS and the city will continue to support you in the ways that they have through these early days of the school closures. A thousand thanks of gratitude to everyone inside and outside of CPS who have been stepping up for our kids and our families. I want to especially thank those who have contributed to the fund to support food services for CPS families, notably Ken Griffin who today donated \$2.5 million -- \$1m to CPS and \$1.5m to the Greater Chicagoland Food Depository. Ken and others are exhibiting extraordinary civic leadership at its finest.

Chicago Economy

Let's talk dollars and cents for a moment. No question that our local economy is being hit hard by this crisis.

Most notable is our hospitality industry – conventions, hotels, restaurants, bars and other forms of entertainment and services are suffering. Many have shared the immediate issues of cash shortages, concerns with making payroll, and for many, the very survival of your business is in question.

We also see needs for our airlines, airports and the related businesses that depend upon air transportation every day.

Our mass transit is also being hit as people appropriately follow the directives to stay home and employers have activated teleworking options for their employees.

Know this, we have the incredible benefit of being a strong and diverse economy. In other instances where similar industries were hit here – as a result of 9/11, and more recently, the Great Recession of 2008 and 2009 -- our local economy in Chicago and the region bounced back strong and quickly from those downturns. We are working at all levels of government – local, county and state, to make sure that the final tale of this economic challenge will be the same – a strong comeback. I will talk more about this in a moment.

City Revenues

I have also received a number of questions about city finances and revenue. While this crisis is certainly adversely affecting many parts of our local economy, I want to assure you that our city finances remain strong. And here's why:

- By design, no single revenue stream is more than 13% of our overall revenues;
- Also, what we call “economically sensitive taxes” meaning those that are most sensitive to potential downturns like sales taxes, our share of state income taxes, recreational and hotel taxes – in the aggregate, these taxes make up less than 25% of the revenue streams for our City budget.
- We have more than sufficient cash on hand and we prepared for a potential economic downturn as part of the projections we released last year for our 2020 budget.
- Finally, it helps that we received an unexpected \$100 million windfall from refinancing our debt earlier this year and we are looking at other opportunities to leverage the low interest rates that currently exist.

- Be aware that we continue to monitor this situation on a daily basis and our Chief Financial Officer, Jenny Bennett and her team are on the case.

Fines and Fees Relief

So, while city government finances are weathering this storm, for many individuals, this is the financial challenge of a lifetime.

Here's some immediate steps we have taken to help relieve the burden on you.

We have suspended many of the debt collection, ticketing and impound practices that the city engages in until April 30th. This includes suspending:

- Booting of cars,
- Late fees and defaults on payment plans for *all* city debt – this includes parking tickets, red light cameras speed violations, and utility bills. We will not make any collection efforts until April 30th at the earliest and we will not be referring you to debt collectors;
- And accordingly, the Chicago Administrative Courts is continuing all court dates until at least April 30th without any interest penalties;

- No city debt checks for rideshare and taxi drivers;
- And we are limiting ticketing, towing and impounding of vehicles to public safety-related issues.

Given the economic pressures that many of you are facing, as a government, we are stepping up to do our part to take a brick off your back. We know that this temporary suspension will bring some measure of relief.

I want to also note and thank Sheriff Tom Dart who previously announced that he is delaying enforcement of all eviction orders until April 30th. I call upon all property owners to give tenants some grace, wherever possible during these trying times. No one needs the added stress of evictions, certainly not now.

Similarly, I call upon banks to grant relief from foreclosure efforts during this crisis.

Thanks also goes to the Chicago Community Trust and the United Way for setting up the Chicago Community COVID19 Response Fund which will provide help on food, rent, and other items of need.

Also, as you know, at the beginning of my Administration, we ended water shut offs for residential customers. Water is a basic human right.

Today, I took the additional steps and called upon all of our suburban water authority customers – that’s 125 suburban communities – to immediately take necessary action to also stop water service disconnections for non-payment as our state grapples with the COVID-19 pandemic. I applaud and thank those communities that have already taken this important step.

Chicago Small Business Resiliency Loan Fund

While we must address the individual needs of our residents during this challenging time, it is also important that at the city level, we also take a leading role in supporting our small businesses. When we support small businesses, we support their workers, who in turn help uplift the vibrancy of our neighborhoods.

That is why I am proud to announce the creation of the Chicago Small Business Resiliency Loan Fund. This Fund will start with more than \$100 million in targeted, low-interest loans to severely impacted small businesses. These loans are designed to provide much needed cash-flow relief for neighborhood entrepreneurs. This is a

public private partnership involving a \$25 million dollar grant by the City of Chicago, \$50 million in capital by the Chicago Community Catalyst Fund, as well as \$10 million from Goldman Sachs' Urban Investment Group. Thanks to City Treasurer Melissa Conyears-Ervin for her partnership in this effort, as well as the Goldman team.

I need to also acknowledge and thank 5/3rd Bank who has pledged \$1 million to the Fund, as well as Bob Clark and his colleagues at Clayco Construction who have pledged \$250,000.

We invite, actually urge others from business, philanthropy and individuals to contribute to this Fund. It is a meaningful way to help our small businesses meet payroll, avoid layoffs and survive under extraordinarily dire circumstances.

In addition, to the Resiliency Loan Fund, we are providing further relief to small businesses by extending the due dates for tax payments until April 30th for the following City taxes:

- Bottled Water Tax;
- Checkout bag tax;
- Amusement tax;

- Hotel Accommodation tax;
- Restaurant Tax;
- And the Parking Tax;

Federal Help

I finally want you to know that we are in daily conversations with our federal partners and particularly our Chicago-area Congressional delegation. Thanks to Senators Durbin and Duckworth and all of the Congresspeople who touch Chicago for being our champions in Washington, D.C. We have said and they know that federal stimulus packages must bring immediate relief to individuals, not just big businesses, through help like extending and increasing unemployment benefits and more grants and loans to small businesses. Localities like Chicago should not be shouldering this burden alone.

This is a B-sized problem, meaning something that can only be solved with billions in needed stimulus support from the federal government.

In closing, let me say this: I am your mayor of course, but I am also a wife and a mom. I am a friend to many and a neighbor. My team and I have worked tirelessly over these last 10 months to build an administration steeped in compassion and empathy. To reflect the realities of your lives in everything we do.

And now in this moment that challenges us all, I want you to know that far from abandoning these core principles, we are placing them front and center in everything we do.

I care about the people in this City that I may never meet just as I care about my own family, my beloved friends and my neighbors that I see every day.

We have not shied away from facing hard truths and speaking openly about the need for love.

And Chicago, need to love each other with all our hearts today and every day. While this is a time of physical isolation, we still need to stay connected. We need the warmth of smiles, hellos and thank yous. The words of comfort and acknowledgement that each of us, regardless of station or circumstances matters.

Gwendolyn Brooks got it right.

“We are each other’s harvest.”

“We are each other’s business.”

“We are each other’s magnitude and bond.”

Those words are truer today than they have ever been.

Our challenge is not over, and our work is not done.

But we will get through this together, because we can and we must.

Good bless you and our great city. Be safe.