

2015 CHICAGO SUN-TIMES CANDIDATE QUESTIONNAIRE

Name: **Michele Smith**

Ward: **43**

Occupation: **Full Time Alderman**

Education:

J.D., University of Chicago 1979

B.A. Political Science magna cum laude SUNY Buffalo 1976

Previous political and civic experience:

Current Alderman, 43rd Ward (2011-present)

Current Democratic Committeeman, 43rd Ward (2008-present)

Law Clerk, Hon. William J. Bauer, Seventh Circuit United States Court of Appeals, 1979-1981

Assistant United States Attorney for the Northern District of Illinois, 1981-1989

1) City Pensions

Chicago's fire and police pensions are greatly underfunded, and the city is required by the state to make a \$550 million payment into the pension funds by the end of 2015. Do you support restructuring the pension systems, inevitably reducing benefits, to put the funds on sound financial footing?

Yes

There is no doubt that the current level of pension underfunding is completely unsustainable. Funding the current level of pensions at actuarial levels would require a 60% increase in property taxes – and that would be a catastrophic event for our city. The alternative would be to cut virtually every city service except police and fire – clearly an unacceptable alternative.

I have written extensively about the pension crisis in my newsletter beginning in 2012, calling for [hearings](#), which later I [led](#). Surprisingly, at those hearings, many of the trustees admitted that the funds were dramatically underfunded, but had no plan to deal with the impact of funds running out of money, or more importantly, had not informed their membership of the funding status. Since those hearings, I also led community meetings, explaining in a presentation that unilateral actions ranging from raising property taxes 60% to defaulting on obligations could be potential outcomes of the crisis, and calling instead for a collaborative solution.

Since changes to pensions cannot be unilaterally imposed, but must be the outcome of negotiations, I would support a combination of changes to pensions and new sources of revenue that would result in a total pension liability to the City that is sustainable for the taxpayers, results in a restoration of a good credit rating, and provides retirement security to the retirees.

Chicago's pension systems for municipal workers and laborers already have been restructured, reducing benefits, but the city has yet to identify where it will find the revenue to sufficiently fund those systems. Under what circumstances would you support a property tax increase to raise the needed revenue for the fire and police pensions and/or the municipal workers and laborers pensions?

I would not consider any property tax increase until every single possible alternative has been exhausted.

2) Chicago Public Schools pensions

Large and growing payments required to keep the Chicago Teachers' Pension Fund solvent are squeezing CPS' budget, forcing cuts elsewhere and limiting investment. The Chicago Board of Education has increased property taxes, but it is not enough to keep up with the high annual costs. What measures do you support to ensure a solvent retirement system and to improve the district's finances?

I believe that the Municipal Employees and Laborers Pension Fund is a model for reform for other pension funds. Collaboration and good-faith negotiation are necessary.

The unions involved in the Municipal Employees and Laborers Pension Fund did collaborate with the City, resulting in a deal reducing the overall liability for that fund by \$3 Billion. I expressed **strong support for the deal, which should form a model for changes to the City's other pension funds. That transaction relied heavily on reductions to the Cost of Living Adjustments that balloon the liability and yet do not affect the core benefits on which the retirees rely, as well as modest increases in employee contributions, plus increases in the City's portion to bring it up to actuarially-sound amounts.**

***3) Revenue**

In light of the financial issues discussed above, do you support any or all of the following measures, each of which would require, at a minimum, approval by the Illinois Legislature?

* A statewide expansion of the sales tax base to include more consumer services

Prior to increasing taxes of any kind, the City needs to spend within its means and increase the efficiency with which it spends each tax dollar. Any tax expansion is an increased burden on residents and businesses in the City.

* A tax on non-Chicago residents who work in the city

A commuter tax or city-only income tax would reverse the good work being done to bring corporate jobs back to the city.

* A tax on electronic financial transactions on Chicago's trading exchanges, known as the "LaSalle Street tax"

No. The financial sector is a major economic driver in Chicago: significantly raising the cost of doing business will force this industry elsewhere.

Please explain your views, if you wish, on any of these three revenue-generating measures.

These revenue grabs could put the city into a downward cycle of disinvestment, with too few people to support ever-increasing payments.

***4) Crime**

Do you support hiring more police officers to combat crime and gun violence in Chicago?

Please explain:

I have supported steps to move officers from desk-duty back out on the street. This is a way to increase police presence and promote public safety without incurring additional cost to the taxpayer. Further, as of this year's budget, I supported additional hiring to replace those officers lost to attrition

I also support community-based public safety initiatives. In my tenure as alderman, I have participated in roll calls, organized public safety seminars, identified crime hotspots, and worked with the 18th district to prevent crime on North Avenue Beach. We have seen an 11.9% decrease in overall crime in the 43rd Ward from 2010 to 2012 (the most recent year in which data is available).

What legislation in Springfield would you support to try to stem the flow of illegal guns into Chicago?

I support commonsense gun control laws that would require stricter background checks, tighter oversight of gun sales, and a ban on military-style assault weapons that have no business in civilian hands.

5) Elected school board

An advisory referendum on switching Chicago to an elected school board, rather than an appointed board, is expected to be on the ballot in more than 30 wards on Feb. 24. Currently, the mayor appoints all seven board members and the Schools CEO. Do you support a change to an elected school board?

No

Please explain:

I believe that the school board should continue to be appointed by the Mayor of Chicago.

I can't speak for every school in the City, but Lincoln Park schools are thriving. Every school in the ward is rated 1 or 1+. Lincoln Park High School has recently become all-IB facility and an annex is being built to expand Lincoln Elementary School, one of the City's finest elementary schools, to house a booming population. The latest census showed an increase of 28% in the number of children under 5 in my ward's zip code, and a 38% increase in children 5-9.

These results are the outcome of decades of work by committed principals, teachers, and parents, who constantly fought for quality education, often by organizing for educational support. I believe that fine schools are critical to keeping and attracting corporate headquarters and keeping young families from moving to the suburbs.

But these advances need to be replicated city-wide. While significant progress has been made, we must continue to stress excellent principals, and teachers and continue to promote parental involvement in the schools. And we must take our commitment to education to the pre-school level, as studies (and common sense) demonstrate that early learning contributes mightily to academic, and adult, success.

6) Tax-increment financing districts

TIFs are the primary economic development tool of the city. In a TIF district, taxes from the growth in property values are set aside for 23 years to be used for public projects and private development. Do you support increasing the annual TIF surplus that the mayor and the City Council have declared in each of the last few years, money that goes to the schools and other city agencies?

Yes

What reforms would you propose for the city's TIF program?

I believe that the City Council and the public should play a larger role in how the TIF money is spent. In particular, TIF money should be considered alongside all other city spending. I co-sponsored the TIF Accountability Ordinance, which placed the information about TIF spending in a searchable database.

7) Neighborhood economic development

What would you do as alderman to boost economic development in your ward, and bring jobs to your community?

The 43rd Ward's largest employers are DePaul University followed by the cultural and hospitality industry. As the home to Steppenwolf, Victory Gardens, the Lincoln Park Zoo, History Museum, and many other such attractions, the 43rd Ward is the second-largest site of cultural attractions outside downtown. However, Lincoln Park is not a designated cultural hub in the City's Cultural Plan. I have been in contact with our arts organizations, the Lincoln Park Chamber of Commerce and the entertainment/culinary industry to address this problem. I will be rolling out a draft economic development plan later in 2015 to be studied by my ward. Since I have been Alderman, I have worked to promote our in-line shopping districts of Halsted/Armitage, Clark Street, and Lincoln Avenue. I had an Italian trade mission visit Armitage, which was reported on as a vibrant and exciting destination in an Italian magazine. I also have actively promoted local shopping through my online newsletter, which has a circulation of 12,000 people.

I also negotiated the redevelopment of the Children's Memorial Hospital site, which will bring a new retail and residential development to the heart of Lincoln Park while creating roughly an acre of open space. I worked closely with ward residents to address congestion and density concerns, securing major concessions from the developer.

8) Size of the Chicago City Council

The City Council has 50 members, but civic groups and other regularly argue for reducing the size of the Council. What should the size of the Council be? Please provide a specific number. And why?

While of course we have to consider all cost-savings measures, our current form of government depends on the alderman to be accountable for the delivery of all city services, and it depends on the alderman to vet zoning matters. Accordingly, a reduction in the number of aldermen could only be considered in conjunction with major changes in how our government is organized. Certain things, like routine applications for signs, could be handled

administratively. In addition, certain City Council committees could be combined, but I believe we must allocate money for oversight.

***9) A Chicago casino**

Do you support, in general concept, establishing a gambling casino in Chicago?

No.

Please explain:

I believe that state-sanctioned gambling, including casinos, cheapens our City. Chicago needs to streamline spending and manage its finances more effectively. Building casinos is not an effective or realistic way to solve our City's financial problems.

***10) Red light and speed cameras**

Does the city have an acceptable number of red light and speed cameras currently, and are they properly employed?

I voted in favor of the speed camera program after soliciting input from my constituents. The administration of specific cameras needs to be evaluated on a case-by-case basis.

11) Ward issues

What are the top three issues in your ward — the ones you talk about most on the campaign trail?

An alderman's job is to provide excellent constituent service, make informed legislative decisions and guide good development. Our greatest concerns from residents include the drive for continued school excellence, by focusing on making Lincoln Park High School an excellent choice for all of our residents.

We also want to continue our efforts in public safety which have helped reduce crime overall by 11.9% between 2010 and 2012 (the most recent year for which data is available). I will continue in my role as a fiscal watchdog to ensure that property taxes are affordable for our residents.

We must replace some of the economic activity lost when Children's Memorial Hospital closed in Lincoln Park. The construction of the Children's site will begin

the process of revitalizing Lincoln Avenue, which will be buttressed by the economic development plans we are investigating.