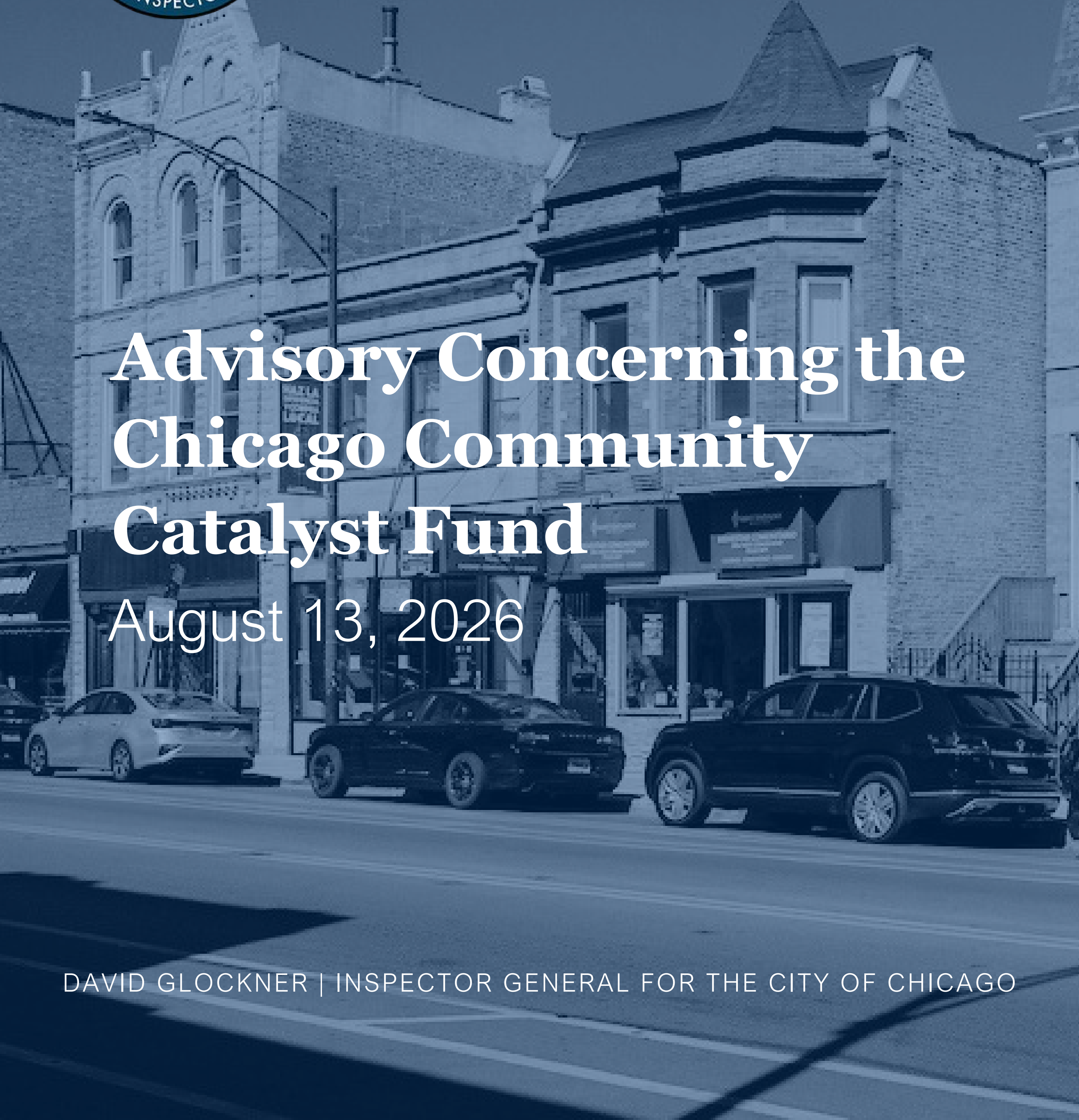
CITY OF CHICAGO
OFFICE OF INSPECTOR GENERAL

2026

Advisory Concerning the Chicago Community Catalyst Fund

August 13, 2026



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August 13, 2026

A core function of the City of Chicago Office of Inspector General (OIG) is to make recommendations for the improved economy, efficiency, effectiveness, and integrity of City operations.[1] As part of its proactive program and policy work, OIG identified concerns relating to the effective administration of the Chicago Community Catalyst Fund ("Catalyst Fund"). According to the Fund's structure, the City Treasurer is the *ex officio* Chair of the Catalyst Fund's Board of Directors.

In July 2026, OIG advised the Treasurer of these concerns and offered an opportunity for clarification or correction by the Board.

In response to OIG's advisory, the Fund, through its counsel, replied largely agreeing with OIG's suggestions. The response detailed corrective actions, including retroactive filing of the missing required annual reports. The response also stated that the Treasurer will seek to dissolve the Catalyst Fund.

OIG appreciates the Fund's response, which is attached as Appendix A. OIG has included a reply to the Fund's response as Appendix B.

I | Overview

When it was established a decade ago, the Catalyst Fund's legislated purpose was to increase access to investment capital in economically underserved areas of the city by pooling public and private funds. In addition, the MCC sets the expectation that Catalyst Fund investments will benefit the City by obtaining investment returns commensurate with its overall portfolio investment returns.

It appears that the Fund received only half of the $100 million City investment originally proposed by former Mayor Rahm Emanuel, and of the $50 million received, it invested only $21 million, all in 2020. Since then, the Fund's balance has grown to over $57 million – primarily, it appears, through repayments of its 2020 investments. The Fund does not appear to be actively making or seeking new investments, has not filed required reports since 2021, and its governance structure is not in compliance with its establishing ordinance.

The City should use the Catalyst Fund as intended, complying with the governance and reporting requirements established by law. Alternatively, the City could liquidate the Fund and repurpose the money.

II | Background

The Catalyst Fund's purpose is to pool private and public capital for investment in economically underserved community areas of Chicago.[2] Specifically, Municipal Code of Chicago (MCC) § 2-32-622 directs that the Catalyst Fund use a "fund-of-funds" strategy to invest pooled public and private resources into other investment funds, which may in turn finance projects that,

[1] MCC § 2-56-030(c).
[2] MCC § 2-32-622(b)(i).

- sustain local economic growth;
- support improvements to public infrastructure;
- stimulate job creation and development;
- catalyze commercial, residential and industrial growth and development in economically underserved Community Areas;
- increase attractiveness for job creation and retention; or
- increase accessibility for Community Areas to capital funding.

In contrast to other economic development initiatives such as the City's grant-based Neighborhood Opportunity Fund, an explicit purpose of the Catalyst Fund is to "generate returns commensurate with the City's overall investment portfolio returns."[3]

A | Governance Structure

The Catalyst Fund's establishing ordinance directed its creation "as a separate legal entity" and its registration, to the extent required, "as a qualified investment vehicle for the receipt and investment of both City and private investment funds."[4] Accordingly, in 2017, the City established a Limited Liability Company named "Chicago Community Catalyst Fund LLC."[5] The LLC's Articles of Organization were filed with the Illinois Secretary of State.[6]

The MCC provides for management of the Catalyst Fund by a seven-member Board of Directors, which includes the City Treasurer, Chief Financial Officer, and Commissioner of the Department of Planning and Development as *ex officio* members.[7] The Mayor is directed to appoint four additional members, subject to City Council approval. By a majority vote of the Board, the Board may expand to include additional "Investor Voting Members," up to a maximum of 13 total members. Investor Voting Members represent private (i.e., non-City) investors in the Catalyst Fund.

Members of the Board appointed by the Mayor (excluding *ex officio* members and Investor Voting Members) serve for three-year terms and "may be re-appointed by the Mayor but such re-appointment shall be approved by the City Council."[8] The Board's bylaws state that "[a]ny appointment and associated approval of Additional Voting Managers subsequent to the initial appointment of Additional Voting Managers shall occur within one (1) year of any vacancy created."[9]

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[3] MCC § 2-32-622(b)(iii).
[4] MCC § 2-32-622(a)(i).
[5] According to the City's financial reports, the Catalyst Fund is a 'blended component unit' that is "legally separate from the City" but "reported as if [it were] part of the City because, in addition to being financially accountable for these, the [fund] provide[s] services exclusively to the City." City of Chicago, "Annual Comprehensive Financial Report 2023," 20, accessed July 6, 2026, https://www.chicago.gov/content/dam/city/depts/fin/supp_info/CAFR/2023CAFR/ACFR_2023.pdf.
[6] City of Chicago, "City Treasurer's Annual Report on Chicago Community Catalyst Fund LLC (2019)," PDF p. 3, April 22, 2020, accessed July 6, 2026, https://occprodstoragev1.blob.core.usgovcloudapi.net/lsmatterattachmentspublic/2c7af1e5-ae14-4faa-a4e9-2f10ef7d1ef0.pdf.
[7] MCC § 2-32-622(c)(i)
[8] MCC § 2-32-622(c)(i).
[9] Chicago Community Catalyst Fund LLC, "Limited Liability Agreement of Chicago Community Catalyst Fund LLC," Article IV.9, November 3, 2017, https://occprodstoragev1.blob.core.usgovcloudapi.net/lsmatterattachmentspublic/2c7af1e5-ae14-4faa-a4e9-2f10ef7d1ef0.pdf.

MCC § 2-32-622(c)(ii) also establishes a non-voting Advisory Board to consist of "three (3) members of the City Council, selected by that body (the 'City Council Advisory Board Members'), and four (4) other members, appointed by the Board by majority vote at a meeting in which a quorum of Voting Members is present." The members of the Advisory Board "shall be representative of the diversity of the Community Areas" and "provide guidance to the Board to ensure that the Catalyst Fund's investment strategy remains aligned with its original purpose."[10]

B | Investment History

The Catalyst Fund's authorizing ordinance was passed in 2016 under the administration of Mayor Rahm Emanuel and City Treasurer Kurt Summers. At that time, the City stated its intention to allocate $100 million for economic development initiatives through the Catalyst Fund.[11] However, between 2016 and April 2020, the Catalyst Fund did not make a single investment. Public documents show that as of July 31, 2019, the balance of the Catalyst Fund was $270,904.[12]

In 2020, then-Mayor Lightfoot and Treasurer Conyears-Ervin announced that in response to the Covid-19 crisis, the City would use up to $50 million in Catalyst Fund assets to seed a new Small Business Resiliency Loan Fund (SBRLF).[13] According to a Mayor's Office statement, the SBRLF was structured to "complement the new federal Paycheck Protection Program."[14] The SBRLF offered five-year loans of up to $50,000 for small businesses whose revenues were impacted by the pandemic.[15]

Publicly available documents show that the Catalyst Fund's investment in the SBRLF initiative ultimately totaled approximately $21 million via three loan-servicing agencies: $10 million with Accion, $1 million with CNI Micro Finance Group, and $10 million with CRF CSBRF II, LLC.[16] These entities collectively issued 762 loans, which were itemized in the Treasurer's 2020 annual report on Catalyst Fund performance (excerpted in Figure 1).

[10] MCC § 2-32-622(c)(ii).
[11] The $100 million transfer did not take place. According to the City Treasurer's report on Catalyst Fund performance for the year 2019, former Treasurer Summers transferred $75 million to the Catalyst Fund on May 20, 2019. Due to procedural concerns about the transfer, the Catalyst Fund Board voted to return most of these funds in June and July of 2019, leaving a balance for administrative costs. City of Chicago, "City Treasurer's Annual Report on Chicago Community Catalyst Fund LLC (2019)," PDF p. 2; City of Chicago Office of the Mayor, "Chicago City Council Moves One Step Closer to Launching Chicago Community Catalyst Fund," September 6, 2017, accessed July 6, 2026, https://www.chicago.gov/content/dam/city/depts/mayor/Press%20Room/Press%20Releases/2017/August/090617_CommunityCatalystFundRelease.pdf.
[12] City of Chicago, "City Treasurer's Annual Report on Chicago Community Catalyst Fund LLC (2019)."
[13] City of Chicago Office of the Mayor, "City of Chicago Launches Applications for Small Business Resiliency Fund as Part of Unprecedented Effort to Support Local Entrepreneurs Impacted by Covid-19 Outbreak," March 31, 2020, accessed July 6, 2026, https://www.chicago.gov/city/en/depts/mayor/press_room/press_releases/2020/march/SmallBusinessResiliencyFund.html.
[14] City of Chicago Office of the Mayor, "City of Chicago Launches Applications."
[15] Other eligibility requirements included that the businesses employed fewer than 50 employees, 50% of whom were Chicago residents; that they had a realized gross annual revenues of less than $3 million pre-Covid-19; that they had suffered revenue decreases of at least 25% due to Covid-19; and that they were located in the City of Chicago and had been in business for one year prior to the date of application. Connect2Capital, "Chicago Small Business Resiliency Loan Fund," n.d., accessed July 6, 2026, https://www.connect2capital.com/partners/chicago-small-business-resiliency-fund/terms-and-requirements/.
[16] According to the Illinois Secretary of State's Business Entity Search, CRF CSBRF II, LLC is managed by Community Reinvestment Fund, Inc., a national non-profit small business lender.

Figure 1: The 2020 Catalyst Fund Annual Report Contained an Itemized List of Loan Recipients and Loan-servicing Agencies

Loan Servicer	Business Name	Primary ContactName		Actual Loan Amount
Accion/Chicago Inc	Cornell Group LLC	matthew szontagh		$50,000 00
Accion/Chicago Inc	(PLUS)KAM LLC	Michael Kelley		$50,000 00
Accion/Chicago Inc	'Laine's Bake Shop LLC	Rachel Bernier-Green		$32,700 00
Accion/Chicago Inc	2755 West Harrison LLC	Helen Shiller		$16,900 00
Accion/Chicago Inc	3 Daughters Productions	Kimberly Dixon		$50,000 00

Source: Excerpt of the first entries of the Treasurer's 2020 Catalyst Fund Annual Report. Columns related to address of project omitted for space.[17]

SBRLF loans were issued for terms of up to 5 years at an interest rate of 1% for the first 18 months and 5.75% thereafter. Recipients agreed to monthly repayment of interest and principal.[18] In remarks during a budget hearing in October 2023, the City Treasurer reported that more than $17 million of the $21 million in loans had been repaid.[19]

III | Analysis

Since the Board's 2020 investment in SBRLF, a lack of reported activity related to the Catalyst Fund has made it difficult to determine whether it is achieving its objectives. As discussed below, OIG identified several concerns relating to the administration of the Fund. OIG reviewed publicly available information and, in December 2025, sent document requests to the Office of the City Clerk (Clerk's Office), Department of Finance (DOF), and City Treasurer's Office (CTO) to address these concerns. The six conclusions presented below are offered for clarification or correction by the Treasurer and Catalyst Fund Board.

A | The Treasurer's Office has not filed required annual reports on Catalyst Fund investments for the years 2022 through 2025.

MCC § 2-32-622(g)(ii) requires the City Treasurer to make annual reports to City Council including,

- a description of eligible City funds transferred by the Treasurer to the Catalyst Fund;
- the names of other investors in the Catalyst Fund and their amounts invested;
- the identity of funds receiving Catalyst Fund investments and the amounts invested; and,
- the identity of project investments made by the Catalyst Fund and amounts invested.

The City's Electronic Legislative Management System (ELMS) indicates that CTO filed the required annual reports with the Clerk's Office for the years 2019, 2020, and 2021. The reports for years 2020 and 2021 both appear to have been published on November 16, 2022.

[17] City of Chicago, "City Treasurer's Annual Report on Chicago Community Catalyst Fund LLC (2020)," 3, November 16,2022, accessed July 6, 2026, https://occprodstoragev1.blob.core.usgovcloudapi.net/lsmatterattachmentspublic/0ad8ced6-b181-4bb3-94b0-5ad9288e16ca.pdf.
[18] Connect2Capital, "Chicago Small Business Resiliency Loan Fund."
[19] Chicago City Clerk, "2023 Oct 27 - Committee on Budget and Government Operations," (42:42), accessed July 6, 2026, https://vimeo.com/showcase/8925576?video=878483537.

OIG requested any additional annual reports from the Clerk's Office and CTO. The Clerk's Office provided the same three annual reports for years 2019 through 2021 that were available online. CTO responded with the publicly available report for the year 2019.[20] Therefore, it appears that CTO has not created or filed annual reports on the Catalyst Fund's investment performance for the years 2022 through 2025 (Figure 2).

Figure 2: CTO Has Not Filed Required Annual Reports on the Catalyst Fund's Performance

Reporting Year	Date Filed
2019	April 22, 2020
2020	November 16, 2022
2021	November 16, 2022
2022	Unavailable
2023	Unavailable
2024	Unavailable
2025	Unavailable

Source: ELMS.

Additionally, while the 2020 annual report describes SBRLF investments and mentions "the funds inception date of 04/30/2020 as reported on city records" (sic), it does not include a "description of eligible funds transferred by the Treasurer to the Catalyst Fund" as required by the MCC.[21] The report is therefore silent on the transfer of eligible City funds to the Catalyst Fund that enabled the Fund's 2020 investment in SBRLF. DOF told OIG that it had no records of transactions related to the Catalyst Fund.

The MCC also requires recipients of Catalyst Fund investments to make quarterly performance reports to the Catalyst Fund Board.[22] This requirement would apply to the loan-servicing agencies Accion, CNI Micro Finance, and CRF CSBRF II that received Catalyst Fund investments through the SBRLF. No such quarterly reports appear in ELMS and the CTO did not provide any such reports in response to OIG's document request. In a January 2026 email exchange with OIG, the City's Chief Investment Officer (CIO) wrote,

> To my knowledge, we have not reported performance on a quarterly basis. [. . .] There is no method I am aware of that can accurately track and monitor performance. Factors to weigh: Legal Fees, Consultant Fees, Bank Fees, LLR. We simply tracked payback of Principal and Interest for reconciliation purposes. No "Investments" that would produce a ROR [rate of return] or Loss of Principal have been made by CCCF [the Catalyst Fund] in the Observation Period.

Thus, in addition to the missing annual reports, recipients of Catalyst Fund investments have not completed the quarterly reports detailing investment performance required by the MCC.

[20] In its response, CTO included annual filings with the Illinois Secretary of State for Chicago Community Catalyst Fund LLC. These were not pertinent to the MCC-mandated annual reports by the Treasurer to City Council.
[21] MCC § 2-32-622(g)(ii).
[22] MCC § 2-32-622(g)(i).

B | Although the original purpose of the Catalyst Fund was to pool public funds with private capital, no private investors have contributed to date.

A key purpose of the Catalyst Fund is "to enable investment funds from other investors ('Other Investors') to be invested in one pooled investment vehicle to increase the overall amount of capital available for economic development throughout the City."[23]

However, the annual reports for 2019, 2020, and 2021 state that no other investors made investments in the Catalyst Fund during those years (Figure 3), and the current Board does not include any Investor Voting Members. Thus, since it was established in 2016, the Catalyst Fund does not appear to have served as a pooled investment vehicle for private and public capital.

Figure 3: According to Available Records, the Catalyst Fund Has Never Obtained Private Investment

During 2019, no other Investors made an investment in the CCCF.

During 2020, no other Investors made an investment in the CCCF.

During 2021, no other Investors made an investment in the CCCF.

Source: Catalyst Fund Annual Reports, 2019 through 2021.

In 2020, a City press release announcing the SBRLF stated that Goldman Sachs, Fifth Third Bank, Clayco, and other private sources would contribute to the initiative in addition to the Catalyst Fund's investment. Therefore, while private funders may have separately contributed to the loan program, any such investments were not pooled by the Catalyst Fund and thus were not subject to the Fund's reporting and governance requirements.

C | The Treasurer reported a negative rate of return on Catalyst Fund investments for years 2021 and 2020 (the most recently available information), and there are no more recent reports on investment performance. The Catalyst Fund has made no new investments since 2020.

An explicit purpose of the Catalyst Fund is to "generate returns commensurate with the City's overall investment portfolio returns."[24] Using available reporting, it is difficult for decision-makers and the public to understand whether the Fund is meeting this benchmark.

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[23] MCC § 2-32-622(b)(ii).
[24] MCC § 2-32-622(b)(iii).

The overall return on the City's investment portfolio can be estimated using figures provided by the Treasurer in annual reports of "the total holdings across all funds held by the [T]reasurer's [O]ffice," which are required by MCC § 2-32-610.[25]

The rates of return on Catalyst Fund investments are available for the years 2019 through 2021 in the corresponding annual reports filed by the Treasurer. As shown in Figure 4, the Catalyst Fund does not appear to have obtained a rate of return commensurate with the return on the City's overall investment portfolio, which ranged from 1.5 to 3.5% between 2020 and 2025.

Figure 4: Due to Incomplete Reporting, it is Not Possible to Determine Whether the Catalyst Fund Has Obtained a Rate of Return Commensurate with the Return on the City's Overall Investment Portfolio

Year	Overall Income	Total Asset Allocation	Total Cash Position	Overall Rate of Return (income divided by the sum of investments and cash)[26]	Rate of Return on Catalyst Fund Investments
2020	$129,146,778	$7,822,729,980	$1,060,563,933	1.5%	-0.18%
2021	Not reported				-0.19%
2022	180,264,881	10,150,289,216	44,896,175	1.8%	Not reported
2023	318,713,716	10,757,760,910	221,992,745	2.9%	Not reported
2024	372,740,422	10,193,270,708	436,297,264	3.5%	Not reported
2025	324,564,552	10,026,159,955	248,018,046	3.2%	Not reported

Source: City Treasurer's Annual Report of Financial Position published via ELMS.

The single investment made by the Catalyst Fund is described in the Treasurer's 2020 report, which stated that the Fund invested $21 million in SBRLF (Figure 5). These investments followed a transfer of $50 million in City funds to the Catalyst Fund in April 2020, according to the CIO.

Figure 5: In 2020, the Catalyst Fund Invested $21 Million in SBRLF

3) CCCF invested $21mln through Small Business Resiliency Loan Fund Program ("SBRLF"), the program invested as followed:
   a. $10million to Accion/Chicago Inc., as follows:
      i. 04/30/20 - $2,500,000.00
      ii. 05/18/20 - $2,500,000.00
      iii. 06/01/20 - $5,000,000.00
   b. $1 million on 07/17/20 to Chicago Neighborhood Initiatives Micro Finance Group, Inc.
   c. $10 million on 11/2/2020 to CRF CSBRF II, LLC

Source: 2020 Catalyst Fund Annual Report.

According to the CIO, the SBRLF investment was intended for five-year loans issued at "Well Below Market Rates," similar to federal Paycheck Protection Program (PPP) loans. The loans were "accompanied by a 25% Loan Loss Reserve issued as a non-recourse grant." That is, the City

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[25] These reports are available online via ELMS; the report language states that the figures are subject to change until the City issues its audited Annual Comprehensive Financial Report (ACFR) each year.
[26] Although cash assets are reported separately from other investments, they are part of the City's overall portfolio. Including cash assets in the denominator of the rate of return yields a more conservative estimate for comparison to the Catalyst Fund because cash assets typically create little or no income.

anticipated that up to 25% of the loan amounts might not be repaid and agreed to make the loan-servicing agencies whole for unrecovered amounts.

According to the City's Annual Comprehensive Financial Reports (ACFRs) for 2020-2024, the loans receivable balance for the Catalyst Fund (i.e., the sum of loans that had not yet been repaid) decreased each year (Figure 6). This could indicate repayment of five-year SBRLF loans over time.

Figure 6: Loans Receivable Owed to the Catalyst Fund Have Decreased Year-over-Year

Year	Year-End Loans Receivable
2020	$18.9 million
2021	18.4 million
2022	13.6 million
2023	4.5 million
2024	3.1 million

Source: City of Chicago Annual Comprehensive Financial Reports, 2020-2024.

OIG also requested from CTO the quarterly balance of the Catalyst Fund's account between 2020 and 2025, which CTO provided (Figure 7).[27] Taken together with publicly available investment information, these balances show that the major inflows to and outflows from the Catalyst Fund's account match transfers associated with the SBRLF program:

- The initial inflow of $50 million from the City in Q2 2020 was followed by the issuance of $10 million to loan-servicer Accion in the same quarter, resulting in a quarter-ending balance of approximately $40 million.
- The Catalyst Fund issued $1 million to CFI Microfinance Group, Inc. in Q3 2020.
- The Catalyst Fund issued $10 million to CRF CSBRF II, LLC in Q4 2020.

Figure 7: The Quarterly Ending Balances of the Catalyst Fund from January 2020-December 2025 Show SRBLF Transfers (Amounts Not Adjusted for Inflation)

Year	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
2020	$274,289	$40,178,775	$39,121,729	$28,937,044
2021	29,959,560	31,199,049	31,388,765	31,479,241
2022	32,795,594	34,084,469	35,549,383	37,206,728
2023	38,715,647	47,037,951	48,037,568	49,215,748
2024	50,381,301	51,628,490	52,696,469	53,689,903
2025	54,712,039	55,710,517	56,658,568	57,204,975

Source: OIG visualization of CTO report.

The nature and amounts of the transactions underlying the increasing balances from Q4 2020 onwards are not clear from the CTO's reporting. However, the CIO stated that in calculating the rate of return on Catalyst Fund investments, CTO has simply tracked the payback of principal and interest on SBRLF loans for reconciliation purposes.

[27] Figure 7 does not adjust for inflation between January 2020 and December 2025, which exceeded 25% according to the Bureau of Labor Statistics. U.S. Bureau of Labor Statistics, "CPI Inflation Calculator," https://www.bls.gov/data/inflation_calculator.htm.

Without further information, it is not possible to determine whether Catalyst Fund investments have obtained a rate of return commensurate with the return on the City's overall investment portfolio, which is one of the Fund's express purposes.

Though the Catalyst Fund's account holds over $57 million, it does not appear that the Fund has used these funds to make any investments in community economic development initiatives since the 2020 SBRLF transfers. SBRLF applications are closed,[28] and the CTO's internet page regarding the Catalyst Fund provides no information about how entities can seek investments from the Fund.[29]

D | Loan-servicing agency CRF CSBRF II, LLC may have erroneously awarded $167,700 in Catalyst Fund loans to non-Chicagoans.

MCC § 2-32-622(f)(i) states that all project investments "shall be made within one or more of the Community Areas" of the city of Chicago. Figure 8, based on itemized loan data from the 2020 Catalyst Fund annual report, shows that five SBRLF loans using Catalyst Fund money were awarded to recipients located outside of Chicago. Each of these loans was issued by CRF CSBRF II, LLC.

Figure 8: Records Show that Catalyst Fund Investment Loans Were Issued to Recipients in Suburban Cook County, and in One Case, Colorado

Loan Servicer	Project Address City and State	Actual Loan Amount
CRF CSBRF II, LLC	Buffalo Grove, IL	$50,000
CRF CSBRF II, LLC	Hoffman Estates, IL	50,000
CRF CSBRF II, LLC	Winnetka, IL	45,000
CRF CSBRF II, LLC	Glenwood Springs, CO	12,800
CRF CSBRF II, LLC	Northbrook, IL	9,900
TOTAL		$167,700

Source: Loan recipient data from the 2020 Catalyst Fund Annual Report.

In a 2022 budget hearing response, CTO wrote, "Any zip codes recorded outside of the city were mistakes on the report since the process/system was set-up to screen out any zip codes outside of the city. The loans were issued by mistake to non-Chicagoans, but they are still holdings of the Catalyst Fund."[30] This statement supports the conclusion that some Catalyst Fund holdings were awarded contrary to the requirements of the MCC.

The 2020 annual report shows that the value of these non-Chicago loans totaled $167,700.

[28] Connect2Capital, "Chicago Small Business Resiliency Loan Fund."

[29] Chicago Treasurer's Office, "Catalyst Fund," accessed July 1, 2026, https://chicagocitytreasurer.com/catalyst-fund/.

[30] City Treasurer's Office, "Memorandum Re: 028 CTO Request for Information from Annual Appropriation Committee Hearing," October 13, 2022, 3, accessed July 6, 2026, https://www.chicago.gov/content/dam/city/depts/obm/supp_info/2023Budget/2023TTCResponses/28%20-%20CTO%20TTCs.pdf.

E | According to City records, the Catalyst Fund Board currently includes a Voting Member whose term lapsed on December 31, 2021. The Voting Member's term has not been renewed by mayoral or Council action.

In addition to the three Catalyst Fund Board Members who serve *ex officio* (the City Treasurer, the Chief Financial Officer, and the Commissioner of the Department of Planning and Development), the MCC provides that the Mayor "shall" appoint up to four Catalyst Fund Board Voting Members for three-year terms, subject to approval by the City Council. Current Board members may be re-appointed by the Mayor at the conclusion of their terms, but re-appointment is subject to Council approval. [31] A Voting Member may serve until their appointed successor is approved.

The City's website identifies one appointed Voting Member of the Chicago Community Catalyst Fund Board of Directors as of April 6, 2026 (Figure 9).[32]

Figure 9: Current Membership of the Catalyst Fund Board Includes Three Ex Officio Members and One Additional Voting Member

Board Information

Name	**CATALYST FUND BOARD OF DIRECTORS, CHICAGO COMMUNITY**
Function	To govern the Chicago Community Catalyst Fund, a neighborhood economic development investment fund.
Composition	Mayoral Appointments: 4 Ex Officio Members: 3 Other: 0
City Council Approval	Required for Mayoral Appointments
Legal Authority	Chicago Municipal Code, Section 2-32-622.

Membership

Member Name	Term Expires	Appointed by
Juan C **Avila**	Continuing Appointment	Mayor
Ciere J **Boatright**	No Expiration Date	Ex Officio
Honorable Melissa **Conyears-Ervin**	No Expiration Date	Ex Officio
Steven **Mahr**	No Expiration Date	Ex Officio
Vacancy		Mayor
Vacancy		Mayor
Vacancy		Mayor

The information on this site is current as of **April 6, 2026.**

Source: City of Chicago, "Boards and Commissions" (OIG highlight).

The one appointed Voting Member is listed as serving under a Continuing Appointment. However, given its establishment of a three-year term and re-appointment requirement, the Catalyst Fund's ordinance does not contemplate a "continuing" designation. In fact, Clerk's Office records show

[31] MCC § 2-32-622(c)(i).
[32] City of Chicago, "Boards and Commissions: Catalyst Fund Board of Directors, Chicago Community," accessed July 6, 2026, updated June 17, https://webapps1.chicago.gov/moboco/board?boardID=1036.

that the appointed member's most recent term lapsed by operation of law more than four years ago, on December 31, 2021 (Figure 10).

Figure 10: The Term of the Catalyst Fund's Sole Appointed Board Member Has Expired

Ladies and Gentlemen:

I have reappointed Juan Carlos Avila as a member of the Chicago Community Catalyst Fund Board for a term effective immediately and expiring December 31, 2021.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Mayor

Source: Record Number A2020-8, ELMS (OIG highlight).

The bylaws of the Catalyst Fund Board state that any Board vacancy shall be filled within one year of being created.[33] Yet, since the appointed member's term expired on December 31, 2021, and the terms of three previous appointed Voting Members expired on December 31, 2022, the Mayor has not introduced appointments for City Council consideration. In an email to OIG, the CIO stated that they were unsure whether any Board meetings took place after the SBRLF loans were made in 2020, and that "the entire Board resigned some time in 2022." OIG requested any minutes or agendas associated with meetings of the Board between 2020 and 2025; the most recent document returned by CTO dated to July 21, 2020.

Therefore, the Board is potentially in non-compliance with its bylaws and with the governance structure described by the MCC. These issues, in combination with a statement by the CIO that meetings have not been held since 2020, raise concerns about the activity of the Board and its management of the Catalyst Fund.

F | Based on available evidence, the non-voting Advisory Board required by the MCC does not exist.

MCC § 2-32-622(c)(ii) requires that the Catalyst Fund Board appoint a seven-member non-voting Advisory Board of three alderpersons and four other members. The Advisory Board's purpose is to "provide guidance to the Board to ensure that the Catalyst Fund's investment strategy remains aligned with its original purpose," as well as representing the diversity of the City's community areas.[34]

The Treasurer's 2019 annual report, published April 22, 2020, stated, "Members of the Advisory Board have not been selected as of the date of this report."[35] Neither the 2020 nor 2021 annual reports mentions the selection of Advisory Board members.

[33] "Limited Liability Company Agreement of Chicago Community Catalyst Fund LLC," §4.9: Vacancies on Board of Managers, November 3, 2017.
[34] MCC § 2-32-622(c)(ii).
[35] City of Chicago, "City Treasurer's Annual Report on Chicago Community Catalyst Fund LLC (2019)", 2.

Based on available evidence, the non-voting Advisory Board required by MCC § 2-32-622(c)(ii) does not exist. As a result, the Board has not received input from this body, which is intended to represent the diversity of the City's community areas and provide assurance that "the Catalyst Fund's investment strategy remains aligned with its original purpose."[36]

IV | Suggestions

According to its establishing ordinance, the Catalyst Fund is intended to combine private and public funding to spur economic development and obtain investment returns. To ensure that the City complies with the requirements of the Catalyst Fund's establishing ordinance,

1. the Board should use available funds to pursue eligible economic development investments that achieve the Fund's legislated purposes and obtain returns commensurate with the City's overall investment portfolio returns;
2. the Treasurer should submit required annual reports containing each element required by the MCC for the years 2022 through 2025 and going forward;
3. the Treasurer and Board should ensure that entities receiving Catalyst Fund investments submit the quarterly performance reports required by the MCC;
4. the Board should engage with relevant City stakeholders to ensure that Voting Members are appointed and approved according to legal requirements and Board bylaws; and
5. the Board should establish the non-voting Advisory Board with the composition and processes set forth in the MCC. The Board bears responsibility for four seats and should work with City Council to ensure that Council fills its three seats.

Alternatively, MCC § 2-32-622(j)(iii) provides that "the liquidation, bankruptcy, merger, or sale of all or a substantial portion of the assets of [the Catalyst Fund] shall be subject to City Council approval." If the Catalyst Fund is not achieving its goals, the City could liquidate it and allocate over $57 million in assets for other investments or general municipal purposes.

[36] MCC § 2-32-622(c)(ii).

Appendix A | The Fund's Response

The following pages are the Fund's response to the advisory.

CROKE FAIRCHILD DUARTE & BERES
191 N. WACKER DR.
SUITE 3100
CHICAGO, IL 60606
(312) 641-0881

ADAM VAUGHT
AVAUGHT@CROKEFAIRCHILD.COM

Via Electronic Mail

August 10, 2026

David Glockner
Inspector General
City of Chicago — Office of Inspector General
231 S. LaSalle Street, 12th Floor, Chicago, IL 60604
dglockner@igchicago.org

Re: Response of Chicago Community Catalyst Fund LLC to the July 6, 2026 Advisory

Dear Inspector General Glockner:

On July 6, 2026, the City of Chicago's Office of Inspector General issued a twelve-page advisory on the Chicago Community Catalyst Fund ("the Fund"). The advisory drew six conclusions and made five suggestions. However, it was not addressed to the Fund. Instead, it was addressed to City Treasurer Melissa Conyears-Ervin at the Office of the City Treasurer.

I represent the Fund, and this is the Fund's response.

Your office spent seven months preparing the advisory. On December 2, 2025, an analyst in your Audit and Program Review Section wrote to the Treasurer, stating that the office was "conducting research" on the Fund and requesting three items: the annual reports filed with the Clerk's Office, quarterly performance reports, and minutes of Board meetings she attended (O'Donovan Letter, Dec. 2, 2025). The advisory followed on July 6, addressed to the Treasurer and asking her to respond by August 3. You have since granted a one-week extension, and this response is submitted by that date.

The Fund accepts most of the advisory report's findings. Part I explains what the Fund is and why it is not the Treasurer's office. Part II addresses the six conclusions and five suggestions in turn. Part III sets out the matters we ask the office to reconsider before publication. Part IV states what the Fund asks.

I. The Fund and the Office of the City Treasurer are separate entities.

The Chicago Community Catalyst Fund is a limited liability company. The City created it in 2016 to pool public and private funds and invest them in neighborhoods that conventional lenders overlook (MCC § 2-32-622(a), (b)). The City is its sole member, acting through the Corporation Counsel, who signed the Fund's operating agreement on November 3, 2017 (LLC Agreement §§ 1.1, 5.2, signature page). The agreement designates the Fund's principal place of business as the Department of Law, 121 N. LaSalle Street, Room

600 (§ 1.3). The agreement is public — it was filed with the City Clerk as an attachment to the Fund's 2019 annual report.

The Fund's business is managed by a Board of Managers: the City Treasurer, the Chief Financial Officer, the Commissioner of Planning and Development, and four additional Managers appointed by the Mayor and confirmed by the City Council (MCC § 2-32-622(c)(i)). The Treasurer chairs the Board, and she retained me in that role. My client is the company, not any of its officers.

The Fund has never held private dollars and has made only one investment. In April 2020, the City transferred $50 million to the Fund, and the Board committed $21 million of that amount to the Chicago Small Business Resiliency Loan Fund. Three lenders — Accion, CNI Micro Finance Group, and CRF CSBRF II, LLC — issued 762 loans at one percent interest for the first eighteen months to Chicago businesses that could not borrow elsewhere (Advisory at 3–4). Those loans have been repaid in full. The remaining balance, now more than $57 million, has stayed in a Treasury money market account since.

The distinction between the Fund and the Treasurer's Office matters for how the advisory reads. The advisory directs its suggestions to “the Board,” “the Treasurer and Board,” and “the City and Board” (Advisory at 12), yet it was sent only to the Treasurer at Suite 106. For example, your July 29, 2026 letter granting the one-week response extension refers throughout to “the Treasurer's Office” as the responding party and to “the Treasurer's choice to rely on outside counsel” (Letter of David Glockner, July 29, 2026, attached as Exhibit A). I was retained by the Treasurer as Chair of the Fund's Board, and the client is the Fund. The same letter notes that “City departments and agencies typically rely on knowledgeable and competent staff to provide timely responses to our reports.” The Fund is not a department or an agency and has no staff. The advisory itself says so: the ordinance directed its creation “as a separate legal entity” (Advisory at 2), and the City's financial reports, which the advisory quotes, describe it as “legally separate from the City” (Advisory at 2 n.5).

II. The conclusions and suggestions, and the Fund's response.

The Fund accepts four of the six conclusions without reservation and asks the office to reconsider two. Regarding the suggestions, the division is different and worth stating plainly at the outset. Suggestion 1 is addressed to the Board, which can act on it. Suggestion 2 is addressed to the Treasurer, who has now acted on it. Suggestion 3 is addressed to the Treasurer and the Board, and the Fund accepts it prospectively. Suggestion 4, and the portion of Suggestion 5 concerning the City Council's seats, ask the Board to do things the Board has no power to do: a board does not appoint its own members, and it cannot seat aldermen. We ask that the office reconsider those two because compliance is not within the Fund's control.

Conclusion A. “The Treasurer's Office has not filed required annual reports on Catalyst Fund investments for the years 2022 through 2025.” This was accurate when the advisory was issued. The Treasurer has since filed all four reports with the City Clerk on August 6, 2026. Copies are attached as Exhibits B through E. As you can see, the Fund received no further funds from the city or private donors, nor did the Fund make any further loans after the COVID loans.

Conclusion B. “Although the original purpose of the Catalyst Fund was to pool public funds with private capital, no private investors have contributed to date.” Correct. The private half never materialized.

Conclusion C. “The Treasurer reported a negative rate of return on Catalyst Fund investments for years 2021 and 2020 ..., and there are no more recent reports on investment performance. The Catalyst Fund has made no new investments since 2020.” The reports were not filed, and no new investments have been made. The rate-of-return finding is a separate matter. The heading states that the Fund's return was negative. The caption to Figure 4, on the following page, states that incomplete reporting makes it impossible to determine the Fund's return at all. Both cannot be right, and Part III, below, sets out the figures the Fund can supply.

Conclusion D. “Loan-servicing agency CRF CSBRF II, LLC may have erroneously awarded $167,000 in Catalyst Fund loans to non-Chicagoans.” This is correct, but it is unclear why the office raises the issue with the Fund. The Fund did not select the borrowers or issue the loans. The advisory says so: its heading names CRF CSBRF II, LLC as the entity that awarded them, and its text states that “[e]ach of these loans was issued by CRF CSBRF II, LLC” (Advisory at 9). Under the ordinance, the Fund invests in Investment Funds, and it is the Investment Funds that make Project Investments; the geographic requirement runs to “[a]ll Project Investments by Investment Funds” (MCC § 2-32-622(f)(i)). CRF CSBRF II issued the five loans through a system designed to screen out non-Chicago applicants, and the Treasurer's Office disclosed the error publicly in 2022, in the document the advisory cites (Advisory at 9 & n.30). The total is $167,700, or eight tenths of one percent of the $21 million deployed. The heading states $167,000; the text and Figure 8 state $167,700.

Conclusion E. “According to City records, the Catalyst Fund Board currently includes a Voting Member whose term lapsed on December 31, 2021. The Voting Member's term has not been renewed by mayoral or Council action.” The term did lapse. However, he remains a lawful Manager because the ordinance provides that a Voting Member serves “until his or her successor is duly qualified and appointed” (MCC § 2-32-622(c)(i)), and the operating agreement says the same (§ 4.4(b)).

Conclusion F. “Based on available evidence, the non-voting Advisory Board required by MCC § 2-32-622(c)(ii) does not exist.” Correct. Three of its seven seats are “three (3) members of the City Council, selected by that body” (MCC § 2-32-622(c)(ii)). The Council has not made those selections.

Suggestion 1. “[T]he Board should use available funds to pursue eligible economic development investments that achieve the Fund's legislated purposes and obtain returns commensurate with the City's overall investment portfolio returns.” Two points bear on this. The Fund was designed to pool City money with private capital and to receive annual transfers up to the annual limit set by the ordinance. No private investor ever contributed, and no transfer has been made since April 2020. The pooled vehicle described in the ordinance was never assembled, and that is not something the Board could remedy. As to returns, the Fund's assets are held in a Treasury money market fund. In January 2026, the account yielded 3.5575%[1] (Northern Trust account statement, Jan. 2026) — above the City's overall portfolio returns for every year the advisory reports, which it gives as 1.5% to 3.2% in the text and 3.5% for 2024 in Figure 4

[1] 3.5575% is the rate reported on the Fund's Northern Trust account statement for January 2026. The Fund's cash is held in the Northern Trust Institutional Funds Treasury Portfolio. The statement is available on request.

(Advisory at 7 & Fig. 4). The Fund does not contend that money market interest fulfills its community-development purpose. On the measure this suggestion uses, however, the Fund's return is not below the City's.

Suggestion 2. "[T]he Treasurer should submit required annual reports containing each element required by the MCC for the years 2022 through 2025 and going forward." The Treasurer filed those four reports with the City Clerk on August 6, 2026, and copies are attached as Exhibits B through E. This suggestion has been implemented. As noted above, the Fund received no further funds from the city or private donors, nor did the Fund make any further loans after the COVID loans.

Suggestion 3. "[T]he Treasurer and Board should ensure that entities receiving Catalyst Fund investments submit the quarterly performance reports required by the MCC." The ordinance places that duty on the Investment Funds that receive the money, and those reports are owed to the Board (MCC § 2-32-622(g)(i)). The Fund accepts the suggestion for any future investment. For the period reviewed, there is nothing to collect: the loans were repaid in full, the Fund's loan balance was zero on December 31, 2025, and the City's Chief Investment Officer advised your office in writing that the Fund made no investment in that period capable of producing a return (Advisory at 5).

Suggestion 4. "[T]he City and Board should ensure that Voting Members are appointed and approved according to legal requirements and Board bylaws." The Board cannot do this. Under the ordinance, the Treasurer recommends ten names; the Mayor selects four "in his sole discretion"; and the City Council confirms (MCC § 2-32-622(c)(i)). When a seat opens, the Fund's member fills it (LLC Agreement § 4.9). We ask that this suggestion be reconsidered and directed to the Mayor and the City Council.

Suggestion 5. "[T]he Board should establish the non-voting Advisory Board with the composition and processes set forth in the MCC." The Board will fill the four seats it holds at its next meeting. It cannot fill the remaining three, which the City Council selects from its own membership (MCC § 2-32-622(c)(ii)). We ask that this suggestion be reconsidered with respect to those three seats.

III. Matters we ask the office to reconsider.

Whether an advisory falls within the office's authority. Chapter 2-56 authorizes the Inspector General to report the results of "investigations, audits and program reviews" (MCC § 2-56-030(d)). It does not address advisories. The December 2 letter states that the Audit and Program Review Section was "conducting research" and requests documents under Section 2-56-030(e), which authorizes requests for information "related to an investigation, audit or program review." Since July 16, 2025, the Code has also required that the office's "audits, investigations, inspections, and performance reviews" conform to professional standards for inspectors general (MCC § 2-56-190(a)). We raise this point because the characterization determines which standards govern the work and which process the Fund was owed, and we would welcome the office's view.

The Board's membership is described in two ways. Page 2 correctly names the three ex officio Managers: the Treasurer, the Chief Financial Officer, and the Commissioner of Planning and Development. Page 10 substitutes the Comptroller for the Chief Financial Officer (Advisory at 2, 10). These are separate City offices held by different people.

The vacancy obligation runs to the Mayor and the Council. The advisory quotes the clause requiring that vacancies be filled within a year and applies it to the Board (Advisory at 11 & n.33). The operating agreement gives the City, not the Board, the authority to fill a Manager's seat (LLC Agreement § 4.9).

The holdover rule. Page 10 of the advisory states that "[a] Voting Member may serve until their appointed successor is approved." That is the rule, and it answers Conclusion E. Later on the same page, the advisory states that the ordinance "does not contemplate a 'continuing' designation," which is the opposite of the first statement (Advisory at 10). We ask that the two be reconciled in favor of the first.

The ordinance never committed the City to $100 million. The advisory's first page states that the Fund "received only half of its originally planned $100 million investment." No ordinance required, appropriated, or committed $100 million; the figure traces to a mayoral announcement, as the advisory's footnote reflects (Advisory at 1, 3 & n.11). The ordinance permits transfers, leaves their size and timing to the Mayor, and caps them from 2020 forward at "the positive difference, if any," between what the City's investments earned the prior year and what it budgeted (MCC §§ 2-32-622(e), (j)(ii); 2-32-520(r)(1)). In a year the City misses its investment budget, no transfer is permitted. The City sent $75 million in May 2019, and the Fund's Board voted the following month to return it over concerns about the transfer; $74.6 million went back the same day. The City sent $50 million in April 2020 and has sent nothing since.

The Fund's rate of return can be calculated. The Advisory makes two claims about the Fund's return that are inconsistent. Section III.C opens with the statement that the Treasurer "reported a negative rate of return" (Advisory at 6). The caption to Figure 4 on the next page states that "Due to Incomplete Reporting, it is Not Possible to Determine Whether the Catalyst Fund Has Obtained a Rate of Return Commensurate…" (Advisory at 7, Fig. 4), and the body agrees (Advisory at 9). On the same page, the text puts the City's portfolio returns at "1.5 to 3.2%," while Figure 4 beneath it reports 3.5% for 2024.

The calculation can be made, and the advisory covers most of what is required. The measure the ordinance sets is aggregate — interests that "in the aggregate, generate returns that are commensurate with the City's overall investment portfolio returns" (MCC § 2-32-520(r)). Figure 7 provides the Fund's quarter-by-quarter balances over six years, and the text provides the April 2020 transfer (Advisory at 7–8 & Fig. 7). The Fund provides the rest. The 762 loans deployed approximately $21 million and were repaid in full. The loans-receivable balance was zero on December 31, 2025. In January 2026, the account yielded 3.5575% (Northern Trust account statement, Jan. 2026), above the rate reported in Figure 4 for every year. The Fund would have provided these figures in December had it been asked.

The statement that the Board resigned. The advisory reports the Chief Investment Officer's recollection that "the entire Board resigned some time in 2022" (Advisory at 11). One page earlier, it reproduces the City's boards-and-commissions record showing the appointed Manager still seated (Advisory at 10, Fig. 9). We have found no resignation document, and none is identified, though the operating agreement requires resignations to be in writing to the City and for permanent records of Manager actions (§§ 4.8, 4.5(d)). The advisory's footnote notes that the City record was updated on June 17, 2026 (Advisory at 10 n.32), three weeks before publication.

Individuals named in the advisory. The advisory names the appointed Manager, reproduces the record of his appointment, and prints alongside it the unverified statement that he resigned (Advisory at 10–11, Figs. 9–10). It also reproduces the names and business names of small-business owners who took pandemic loans (Advisory at 4, Fig. 1). We ask the office to consider whether Rule 10.1 is satisfied with respect to them.

IV. What the Fund asks.

The City Council will take up an ordinance concerning the Fund's future — on August 6, 2026, the City Treasurer asked the Council to dissolve the Fund and return its assets to the corporate fund (Press Release, Office of the City Treasurer, Aug. 6, 2026) — and this advisory will be in the record before the Council. The Fund therefore asks that your office reconsider the matters set out in Part III; redirect Suggestion 4, and the portion of Suggestion 5 concerning the Council's seats, to the Mayor and the City Council, who alone can act on them; furnish the advisory to the Fund and to the Corporation Counsel, as the City's member; and publish this response in full alongside the advisory. I recognize that you took office weeks before this advisory was issued and inherited an inquiry already underway. My client and I look forward to working with you.

Respectfully,

Adam R. Vaught
Croke Fairchild Duarte & Beres
Counsel to Chicago Community Catalyst Fund LLC

cc: Melissa Conyears-Ervin, Chair, Board of Managers

INDEX OF EXHIBITS

to the Response of Chicago Community Catalyst Fund LLC
to the July 6, 2026 Advisory of the Office of Inspector General
August 10, 2026

Exhibit A	Letter of Inspector General David Glockner to Adam R. Vaught, July 29, 2026 *Granting a one-week extension of the response deadline to August 10, 2026.*
Exhibit B	City Treasurer's Annual Report on Chicago Community Catalyst Fund LLC for 2022 *Filed with the City Clerk on August 6, 2026.*
Exhibit C	City Treasurer's Annual Report on Chicago Community Catalyst Fund LLC for 2023 *Filed with the City Clerk on August 6, 2026.*
Exhibit D	City Treasurer's Annual Report on Chicago Community Catalyst Fund LLC for 2024 *Filed with the City Clerk on August 6, 2026.*
Exhibit E	City Treasurer's Annual Report on Chicago Community Catalyst Fund LLC for 2025 *Filed with the City Clerk on August 6, 2026.*

EXHIBIT A

Letter of Inspector General David Glockner to Adam R. Vaught, July 29, 2026

Granting a one-week extension of the response deadline to August 10, 2026.

David Glockner | Inspector General
City of Chicago
Office of Inspector General
231 S. LaSalle St., 12th Floor
Chicago, IL 60606
dglockner@igchicago.org
Phone: (773) 491-5191

July 29, 2026

Adam R. Vaught
Croke Fairchild Duarte & Beres
Via email

Re: Chicago Community Catalyst Fund Advisory Response

Dear Mr. Vaught,

Thank you for your letter, and I am sorry for the loss of your mother. While I am sympathetic to your circumstances, we do not believe it is appropriate for us to delay publication of our report by 30 days. Instead, we are willing to agree to a one-week extension, to August 10, 2026.

We sent our report to the Treasurer's Office on July 6, 2026, and invited a response by August 3, 2026. The Treasurer's Office now seeks a one-month extension less than a week before the response deadline.

The report is a straightforward discussion of facts surrounding the operation and oversight of the Catalyst Fund, relying significantly on information provided and publicly reported by the Treasurer's Office. Our primary recommendations are that the Treasurer's Office comply with existing requirements regarding administration of the Catalyst Fund.

OIG initiated this inquiry with a request for various reports related to the Catalyst Fund on December 2, 2025. The information in OIG's report should not be surprising, and we have heard nothing from the Treasurer's Office to suggest that the report contains any errors. We also note that the report concerns a matter of substantial public interest, regarding management and oversight of $57 million in public funds.

We have provided the Treasurer's Office ample time to respond, particularly given the nature of the report. In our experience, City departments and agencies typically rely on knowledgeable and competent staff to provide timely responses to our reports. While we respect the Treasurer's choice to rely on outside counsel, that choice should not materially delay the report's publication.

For these reasons we will agree to extend the response deadline to August 10, 2026, but respectfully decline to extend it further. We will publish our report without a response if the Treasurer's Office chooses not to provide one by August 10, 2026.

Respectfully,

David Glockner
Inspector General
City of Chicago

EXHIBIT B

City Treasurer's Annual Report on Chicago Community Catalyst Fund LLC for 2022

Filed with the City Clerk on August 6, 2026.

OFFICE OF THE CITY TREASURER

MELISSA CONYEARS-ERVIN · TREASURER · CITY OF CHICAGO

To: Members of the City Council From: Treasurer Melissa Conyears-Ervin
Date: August 05, 2026
Re: Treasurer's Annual Report on Chicago Community Catalyst Fund LLC for 2022

As required by Section 2-32-622(g)(ii) of the Municipal Code of Chicago (the "Municipal Code"), the City Treasurer hereby reports to the City Council on the performance of the Chicago Community Catalyst Fund LLC (the "CCCF") for 2022, as set forth below

1) The investment performance of 2021 was 18.20%.

2) During 2022, no other Investors made an investment in the CCCF.

3) No funds from the CCCF were invested in in any additional Investment Funds during 2022.

Finally, there were no additional Project Investments made by any Investment Funds during 2022 with funds from the CCCF.

Chicago City Clerk-Council Div.
2026 AUG 6 PM2:15

121 NORTH LASALLE STREET, ROOM 106 • CHICAGO, IL 60602 • TELEPHONE: 312.744.3356

EXHIBIT C

City Treasurer's Annual Report on Chicago Community Catalyst Fund LLC for 2023

Filed with the City Clerk on August 6, 2026.

OFFICE OF THE CITY TREASURER

MELISSA CONYEARS-ERVIN · TREASURER · CITY OF CHICAGO

To: Members of the City Council From: Treasurer Melissa Conyears-Ervin
Date: August 05, 2026
Re: Treasurer's Annual Report on Chicago Community Catalyst Fund LLC for 2023

As required by Section 2-32-622(g)(ii) of the Municipal Code of Chicago (the "Municipal Code"), the City Treasurer hereby reports to the City Council on the performance of the Chicago Community Catalyst Fund LLC (the "CCCF") for 2023, as set forth below

1) The investment performance of 2023 was 32.30%.

2) During 2023, no other Investors made an investment in the CCCF.

3) No funds from the CCCF were invested in any additional Investment Funds during 2023.

4) Finally, there were no additional Project Investments made by any Investment Funds during 2023 with funds from the CCCF.

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EXHIBIT D

City Treasurer's Annual Report on Chicago Community Catalyst Fund LLC for 2024

Filed with the City Clerk on August 6, 2026.

OFFICE OF THE CITY TREASURER

MELISSA CONYEARS-ERVIN · TREASURER · CITY OF CHICAGO

To: Members of the City Council From: Treasurer Melissa Conyears-Ervin
Date: August 05, 2026
Re: Treasurer's Annual Report on Chicago Community Catalyst Fund LLC for 2024

As required by Section 2-32-622(g)(ii) of the Municipal Code of Chicago (the "Municipal Code"), the City Treasurer hereby reports to the City Council on the performance of the Chicago Community Catalyst Fund LLC (the "CCCF") for 2024, as set forth below

1) The investment performance of 2024 was 9.10%.

2) During 2024, no other Investors made an investment in the CCCF.

3) No funds from the CCCF were invested in any additional Investment Funds during 2024.

4) Finally, there were no additional Project Investments made by any Investment Funds during 2024 with funds from the CCCF.

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EXHIBIT E

City Treasurer's Annual Report on Chicago Community Catalyst Fund LLC for 2025

Filed with the City Clerk on August 6, 2026.

Office of the City Treasurer

Melissa Conyears-Ervin · Treasurer · City of Chicago

To: Members of the City Council From: Treasurer Melissa Conyears-Ervin
Date: August 05, 2026
Re: Treasurer's Annual Report on Chicago Community Catalyst Fund LLC for 2025

As required by Section 2-32-622(g)(ii) of the Municipal Code of Chicago (the "Municipal Code"), the City Treasurer hereby reports to the City Council on the performance of the Chicago Community Catalyst Fund LLC (the "CCCF") for 2025, as set forth below

1) The investment performance of 2025 was 6.50%.

2) During 2025, no other Investors made an investment in the CCCF.

3) No funds from the CCCF were invested in any additional Investment Funds during 2025.

4) Finally, there were no additional Project Investments made by any Investment Funds during 2025 with funds from the CCCF.

121 North LaSalle Street, Room 106 • Chicago, IL 60602 • Telephone: 312.744.3356

Appendix B | OIG's Reply

The Fund's response included several requests for clarification, which OIG has replied to and incorporated into the advisory as follows.

I. The Fund and the Office of the City Treasurer are separate entities.

- No reply necessary.

II. The conclusions and suggestions, and the Fund's response.

- Conclusion A. No reply necessary.
- Conclusion B. No reply necessary.
- Conclusion C. The advisory provides the rates of return that were available for years with filings that had been made prior to issuance of the advisory. The advisory states that OIG could not determine the rate of return for unreported years. These statements are not incompatible.
- Conclusion D. OIG included information about loans made to non-Chicagoans in the interest of transparency about the use of public funds. The manager selected by the Fund made these loans, and this information is appropriate for a description of the history and activities of the Fund. OIG corrected the header on page 10 of the advisory.
- Conclusion E. The existence of a re-appointment requirement suggests that indefinite appointments are not in the spirit of the ordinance's legislative intent. The advisory describes the apparent contradiction between the Board re-appointment process and the holdover clause, which has apparently allowed a Board member to serve for almost five years after expiration of the term for which the member was appointed.
- Conclusion F. No reply necessary.
- Suggestion 1. OIG appreciates the information about the Fund's non-Project Investment returns. Without the required annual reports, this information was not previously publicly available.
- Suggestion 2. No reply necessary.
- Suggestion 3. OIG appreciates the clarification that no Project Investment activity took place that would have required quarterly performance reports.
- Suggestions 4 & 5. OIG clarified that the intent of these suggestions is to recommend that the Board, and the Treasurer as *ex officio* Chair of the Board, take prudent, practical actions to fulfill their obligations and communicate with other relevant stakeholders.

III. Matters [The Fund] ask[s] the office to reconsider.

- Whether an advisory falls within the office's authority. OIG has authority to issue advisories and other non-audit public written products. MCC § 2-56-030 provides OIG with the authority to "report to the ultimate jurisdictional authority concerning results of investigations, audits **and** program reviews[.]" (OIG emphasis)

  MCC § 2-56-190 provides that "[a]udits, investigations, inspections, and performance reviews conducted by the Office of Inspector General shall comply with applicable laws and regulations and shall conform to the applicable professional standards for inspectors general, including, but not limited to, standards promulgated by the Association of Inspectors General."

The Principles and Standards for Offices of Inspectors General, provide (in essence) that "[i]nspections, evaluations, or reviews should result in a timely written report to appropriate officials. All reports should present evidence accurately, fairly, and objectively, and present findings, conclusions, and recommendations in a clear and concise manner" (3.10).[37]

OIG's Rules explicitly contemplate advisories, stating, "[a]n advisory is a report providing observations concerning a problem that hinders the effective and efficient execution of City operations and programs, or opens the City up to liability or risk, and merits City action, but upon which OIG has not conducted an inquiry sufficient to issue a performance audit" (10.2.(B)(3)). OIG's Rules also contemplate other public products (10.2(B)(5)).[38]

- **The Board's membership is described in two ways.** OIG corrected the title of the *ex officio* member of the Catalyst Fund Board on page 11.
- **The vacancy obligation runs to the Mayor and the Council.** See reply to Suggestions 4 & 5.
- **The holdover rule.** See reply to Conclusion E.
- **The ordinance never committed the City to $100 million.** The advisory did not assert that the City made legal commitments to contribute $100 million. OIG edited the report to ensure clarity on this point.
- **The Fund's rate of return can be calculated.** OIG relied on the statements of the Chief Investment Officer, who provided the following information in a January 7, 2026 production to OIG: "No 'Investments' that would produce a ROR [rate of return] or Loss of Principal have been made by CCCF in the Observation Period." Thank you for the information regarding the non-Project Investment returns of the money market account.
- **The statement that the Board resigned.** OIG notes that the appointment of previous Catalyst Board members is a matter of public record listed on the City's ELMS website. Given that these Board Members no longer appear to serve and have not been replaced, OIG relied on the Chief Investment Officer's written statement, included in a January 7, 2026 production to OIG, that "the entire Board resigned some time in 2022." Regarding the member whose term lapsed, see reply to Conclusion E.
- **Individuals named in the advisory.** Assuming that counsel refers to OIG Rule 10.1 ("General Quality Standards"), the rule states that "OIG shall assure the utility, objectivity, and integrity of its public and non-public work products." OIG is satisfied that reproducing the name of an appointed Board member (as a screenshot of a public ordinance) and the recipients of City-funded loans (as a screenshot of the City Treasurer's publicly filed Annual Report on Chicago Community Catalyst Fund LLC (2020)) meets these standards. The Chief Investment Officer's statement reflects the relevant knowledge of a City official, and therefore OIG is also satisfied that its inclusion, with attribution, is appropriate.

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[37] Association of Inspectors General, "Principles and Standards for Offices of Inspectors General," effective July 1, 2024, accessed August 12, 2026, https://inspectorsgeneral.org/newly-revised-aig-green-book-principles-and-standards-for-offices-of-inspector-general-is-now-available-for-download/.
[38] City of Chicago, Office of Inspector General, "City of Chicago, Rules of the Office of Inspector General," effective March 12, 2018, accessed August 12, 2026, https://igchicago.org/wp-content/uploads/2023/07/OIG-Rules-and-Regulations.pdf.

Anne O’Brien
Senior Performance Analyst

Kathleen O’Donovan
Chief Performance Analyst

John VanDeventer
Assistant Inspector General

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