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City Hall
121 N. LaSalle St.
Room 107
Chicago, IL 60602
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Legislation Details (With Text)

File #: SO2014-5872
Type: Ordinance **Status:** Failed to Pass
File created: 7/30/2014 **In control:** City Council
Final action: 5/20/2015

Title: Annual Appropriation Ordinance Year 2014 amendment within Fund No. 0100 and amendment of Municipal Code Titles 2 and 3 by adding new Chapter 2-54 and modifying Section 3-32-050 regarding City Council Legislative Office of Minority- and Women-Owned Business Participation and Compliance and personal property lease transaction tax

Sponsors: Colón, Rey, Brookins, Jr., Howard

Indexes: Ch. 32 Chicago Personal Property Lease Transaction Tax, Ch. 54 City Council Legislative Office of Minority - Women-Owned Business Participation and Compliance, Year 2014

Attachments: 1. O2014-5872.pdf, 2. SO2014-5872.pdf

Date	Ver.	Action By	Action	Result
5/20/2015	1	City Council	Failed to Pass	Fail
7/30/2014	1	City Council	Referred	

SUBSTITUTE

ORDINANCE

WHEREAS, racial minorities make up more than sixty percent (60%) of the population of the City of Chicago; and

WHEREAS, to reverse many years of discrimination against minority and women-owned businesses, the City of Chicago and its sister agencies have established goals for participation in public contracts by minority and women-owned business; and

WHEREAS, to the detriment of minority communities, the City of Chicago and sister agencies have fallen short of published goals for minority and women-owned business participation in public contracts; and

WHEREAS, without professional assistance, the City Council has been unable to effectively and objectively assess, monitor, and assure compliance with established goals for participation in public contracts; and

WHEREAS, the City Council is a duly-elected body, it is their obligation to provide oversight and monitoring of agencies that have unelected boards; and

WHEREAS, the creation of a City Council Legislative Office of Minority and Women-Owned Business Participation and Compliance will enable the City Council to provide ongoing oversight of compliance with established goals for participation in public contracts; and

WHEREAS, the City Council has an obligation to identify funding for the City Council Legislative Office of Minority and Women-Owned Business Participation and Compliance; and

WHEREAS, elimination of the exemption from personal property lease transaction taxes for car-sharing

organizations is appropriate inasmuch as car-sharing organizations have changed from not-for-profit to for-profit entities; and

WHEREAS, elimination of the exemption from personal property lease transaction taxes for car-sharing organizations will generate additional annual revenue sufficient to effectively fund the City Council Legislative Office of Minority and Women-Owned Business Participation and Compliance; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. Recitals.

The above recitals are expressly incorporated herein and made part hereof as though fully set forth herein.

[1]

SECTION 2. City Council Legislative Office of Minority and Women-Owned Business Participation and Compliance Established.

Title 2 of the Municipal Code of Chicago is hereby amended by inserting a new chapter 2-54 as follows:

2-54-010 Establishment - Composition.

There is hereby established a City Council Legislative Office of Minority and Women-Owned Business Participation and Compliance, which shall include an Auditor General for Minority and Women-Owned Business Participation and Compliance and such additional deputies, assistants, and other employees as may be provided by the City Council.

2-54-020 Auditor General for Minority and Women-Owned Business Participation and Compliance - Appointment and Qualifications.

a) The Auditor General For Minority and Women-Owned Business Participation and Compliance shall be appointed by a vote of two-thirds (%) of all the aldermen entitled by law to be elected solely on the basis of integrity and demonstrated ability. Any alderman may nominate a qualified individual for the position.

b) The Auditor General For Minority and Women-Owned Business Participation and Compliance shall have the following minimum qualifications:

- 1) Has not been convicted of any felony under the laws of the state of Illinois, another state, or the United States; and
- 2) Has a minimum of ten years of experience as a law enforcement officer, attorney, judge, accountant, or auditor.

c) No Auditor General for Minority and Women-Owned Business Participation and Compliance or employee of such office may, during his or her term of appointment or employment:

- 1) hold, or become candidate for, any other elective or appointed public office except for appointments to governmental advisory boards or study commissions or as otherwise expressly authorized by law; or
- 2) actively participate in any campaign for any elective office.

d) No Auditor General For Minority and Women-Owned Business Participation and Compliance, for one year after the termination of his or her appointment for any reason, shall:

- 1) become a candidate for any elective office in the City of Chicago; or
- 2) hold any elected public office in the City of Chicago.

e) Neither the Auditor General For Minority and Women-Owned Business Participation and Compliance, nor any employee of the office minority and women-owned business participation and compliance shall engage in any political activity as defined in Chapter 2-156 of the Municipal Code of Chicago while so employed.

[2]

2-54-030 Term Of Office.

The auditor general for minority and women-owned business participation and compliance shall be appointed for a term of two years, which may be renewed at the discretion of the city council by a vote of two-thirds of all the aldermen entitled by law to be elected.

2-54-040 Removal From Office.

The Auditor General For Minority and Women-Owned Business Participation and Compliance may be removed prior to the expiration of his or her term at the discretion of the city council by a vote of two-thirds of all the aldermen entitled by law to be elected.

2-54-050 Powers and Duties.

The Auditor General For Minority and Women-Owned Business Participation and Compliance shall have jurisdiction over all City Departments and agencies, and to any governmental agency whose contract are prepared, reviewed or administered by the City.

In addition to other powers and duties specifically mentioned in this chapter, the auditor general for minority and women-owned business participation and compliance shall have the following powers and duties:

- a) To investigate compliance with published targets for minority and women-owned business participation and compliance in public contracts;
- b) To receive and register complaints relating to failure to comply with published targets for minority and women-owned business participation and compliance;
- c) To promulgate rules for the conduct of audits, including procedural rules consistent with the requirements of due process of law;
- d) *To investigate claims of exclusion of minority and women-owned businesses from public contracts;*
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- e) To investigate claims of improper certification, denial of certification, and decertification of any business as a minority-owned or women-owned business enterprise;
- f) To prepare and publish, from time to time but at least semi-annually, reports summarizing the activities and findings of the auditor and to present such reports to the City Council and Mayor;
- g) To issue subpoenas to compel testimony and/or production of documents as may be necessary to allow the Auditor to perform his or her duties

- h) To negotiate cooperation agreements with agencies, the appointment of whose governing board members are subject to approval by the City Council; such agreements shall be subject to the approval of the City Council.

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2-54-060 Scope of Audit.

Audits by the Auditor General for Minority and Women-Owned Business Participation and Compliance may include, without limitation:

- a) Requests for cooperation and information from City officers, employees, departments, and agencies subject to the jurisdiction of the auditor and office;
- b) Requests for cooperation and information from any contractor, subcontractor and licensee of a public contract reasonably related to the subject of any audit;
- c) Interviews with or requests for information from any complainant, respondent, or any other person reasonably related to an audit.

2-54-070 Cooperation In Audits.

It shall be the duty of every officer, employee, department, agency, contractor, subcontractor and licensee of the City, and every agency listed as subject to the investigative power of the Auditor General for Minority and Women-Owned Business to cooperate in any audit undertaken pursuant to this chapter.

Every city contract and every bid, proposal, application or solicitation for a city contract, and every application for certification of eligibility for a city contract or program shall contain a statement that the person understands and will abide by all provisions of this chapter.

2-54-080 Obstructing or Interfering With Audits - Penalty.

No person shall wilfully refuse to comply with or obstruct an audit authorized by this chapter. Any person who wilfully violates the provisions of this section shall be subject to a fine of not less than Three Hundred Dollars (\$300.00) and not more than Five Hundred Dollars (\$500.00) for each day of such offense; and/or may be prohibited from conducting business with the City of Chicago and/or sister agencies; and/or may lose women or minority business enterprise certification from the City of Chicago.

2-54-150 Severability.

If any provision, clause, section, part or application of this chapter to any person or circumstance is declared invalid by any court of competent jurisdiction, such invalidity shall not affect, impair or invalidate the remainder hereof or its application to any other person or circumstance. It is hereby declared to be the legislative intent of the City Council that this chapter would have been adopted had such invalid provision, clause, section, part or application not been included herein. Nothing contained in this chapter is intended otherwise to alter or amend the rights or obligations of the city or any person affected by this ordinance.

SECTION 3. Elimination of Exemption.

Section 3-32-050 of the Municipal Code of the City of Chicago is hereby amended by deleting the language struck through, as follows:

[4]

3-32-050 Exempt leases, rentals or uses.

A. Notwithstanding any other provision of this chapter, the following leases, rentals or uses shall be exempt from the tax imposed by this chapter:

(Paragraphs (1) through (12), inclusive, of this subsection are not affected by this amendment and are not shown here, for editorial convenience.)

~~(13) The lease, rental or use of a passenger automobile by a natural individual, where the individual is a member of a car sharing organization, where the lease or rental is from the car sharing organization and where the automobile is picked up from a location in the City other than an airport, to the extent of all initiation fees, membership dues and lease or rental charges paid by the member to the car sharing organization for a lease or rental that takes place on an hourly basis, but not including any lease or rental charges that are paid for leases or rentals that take place on a daily or weekly basis.~~

B. For purposes of applying any of the exemptions contained in this section, every lease or rental payment period shall be deemed a separate transaction or privilege. Any person claiming an exemption shall have the burden of proving entitlement to the exemption for each lease or rental payment period for which the exemption is claimed.

SECTION 4. Amendment of Annual Appropriation Ordinance.

The sum of \$300,000 not previously appropriated, representing additional revenues of the personal property lease transaction tax, is hereby appropriated for the purposes set forth in the attached Exhibit A, and the Annual Appropriation Ordinance for the Year 2014 is hereby amended by striking certain words and figures, and by adding certain words and figures, as indicated in the Exhibit A, which is incorporated herein and made a part hereof by this reference.

SECTION 5. Effect on Prior Ordinances.

To the extent of any conflict between this ordinance and any other or prior ordinance or resolution, the provisions of this ordinance shall take precedence.

SECTION 6. Effective Date.

This ordinance shall become effective upon passage and approval.

1 9082

For expenses related to establishment, staffing and operation of Office of Minority and Women-Owned Business Participation and Compliance; to be expended under the agreed direction of the Chairman of the Black Caucus of the City Council and the Chairman of the Latino Caucus of the City Council

300,000

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