



City of Chicago



O2015-4194

Office of the City Clerk

Document Tracking Sheet

Meeting Date:	5/20/2015
Sponsor(s):	Emanuel (Mayor)
Type:	Ordinance
Title:	Issuance of 2015 General Obligation bonds and associated authority to select dissemination agent
Committee(s) Assignment:	Committee on Finance



OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

May 20, 2015

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Chief Financial Officer, I transmit herewith an ordinance authorizing inducement language for an issuance of 2015 General Obligation bonds and associated authority to select a dissemination agent.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Mayor



AN ORDINANCE expressing official intent regarding expenditures from the funds of the City of Chicago to be reimbursed from proceeds of obligations to be issued by the City of Chicago and providing for the selection and retention of one or more dissemination agents in connection with continuing disclosure requirements pertaining to certain City of Chicago debt obligations.

* * *

WHEREAS, the City of Chicago (the "*City*") has financed and further intends to finance the costs described in Exhibit A hereto (collectively, the "*Reimbursement Costs*"); and

WHEREAS, all or a portion of the expenditures relating to the Reimbursement Costs (the "*Expenditures*") (i) have been paid within sixty days prior to the date of passage and approval of this Ordinance or (ii) will be paid on or after the date of passage and approval of this Ordinance; and

WHEREAS, the City reasonably expects to reimburse itself or pay for the Expenditures with proceeds of an obligation or obligations (the "*Obligations*") expected to be issued as general obligation bonds of the City, some or all of which will be tax-exempt under the provisions of the Internal Revenue Code of 1986, as amended; and

WHEREAS, pursuant to Rule 15c2-12 of the Securities and Exchange Commission, the City has entered into continuing disclosure agreements (the "*Continuing Disclosure Agreements*") with respect to certain outstanding general obligation bonds and revenue bonds issued by the City, under which the City has agreed to provide annual disclosure of financial information as well as disclosure of certain material events upon the occurrence of such events, and it is anticipated that the City may enter into additional Continuing Disclosure Agreements with respect to future issues of City debt obligations as required under Rule 15c2-12; and

WHEREAS, the City desires to retain one or more dissemination agents from time to time for purposes of ensuring timely compliance with the requirements of the Continuing Disclosure Agreements; now, therefore,

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

Section 1. The City Council of the City hereby finds that all of the recitals contained in the preambles to this Ordinance are full, true and correct and does incorporate them into this Ordinance by this reference.

Section 2. The City reasonably expects to reimburse or pay the Expenditures with proceeds of one or more series of Obligations.

Section 3. The maximum principal amount of the Obligations expected to be issued for the Reimbursement Costs is \$300,000,000.

Section 4. Section 2-32-031 of the Municipal Code of Chicago (the "*Municipal Code*") is hereby amended by inserting the language underscored, as follows:

2-32-031 Debt Management Policies; retention of rebate calculation agents, financial advisors, dissemination agents and qualified independent representatives.

(Omitted text is not affected by this ordinance)

(e) The chief financial officer shall have authority to retain, in connection with debt obligations issued by the City, such dissemination agents to assist with continuing disclosure requirements under continuing disclosure agreements entered into by the City in connection with City debt obligations as deemed necessary or desirable in order to ensure ongoing compliance with Rule 15c2-12 of the Securities and Exchange Commission and any successor or similar disclosure requirements of the federal or state government.

Section 5. All actions of the officers, agents and employees of the City that are in conformity with the purposes and intent of this Ordinance, whether taken before or after the adoption hereof, are hereby ratified, confirmed and adopted.

Section 6. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code, or part thereof, is in conflict with the provisions of this Ordinance, the provisions of this Ordinance shall be controlling. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance.

Section 7. This Ordinance shall be in full force and effect from and after its adoption and approval by the Mayor.

EXHIBIT A

REIMBURSEMENT COSTS

1. Public right-of-way infrastructure improvements in City neighborhoods, including street and alley construction and improvements, lighting improvements, sidewalk improvements and replacement, and curb and gutter repairs and replacement.

2. Infrastructure improvements to enhance the development of economic activity, including industrial street construction and improvements, streetscaping, median landscaping, demolition of hazardous, vacant or dilapidated buildings that pose a threat to public safety and welfare, shoreline reconstruction, riverbank stabilization, residential and commercial infrastructure redevelopment and railroad viaduct clearance improvements.

3. Transportation improvements (to City facilities and to facilities located within the City limits which are owned by other governmental entities), including street resurfacing, bridge and freight tunnel rehabilitation, traffic signal modernization, new traffic signal installation, intersection safety improvements and transit facility improvements.

4. Grants to assist not-for-profit organizations or educational or cultural institutions, or to assist other municipal corporations, units of local government, school districts or the State of Illinois.

5. The acquisition of personal property, including, but not limited to, computer hardware and software, vehicles or other capital items useful or necessary for City purposes.

6. The duly authorized acquisition of improved and unimproved real property within the City for municipal purposes, and the improvement, demolition and/or remediation of any such property.

7. Constructing, equipping, altering and repairing various municipal facilities including fire stations, police stations, libraries, senior and health centers and other municipal facilities.