



# City of Chicago



R2014-449

Office of the City Clerk

## Document Tracking Sheet

**Meeting Date:** 6/25/2014

**Sponsor(s):** Fioretti (2)  
Arena (45)  
Sawyer (6)  
Sposato (36)  
Foulkes (15)  
Waguespack (32)  
Munoz (22)  
Zalewski (23)  
Brookins (21)

**Type:** Resolution

**Title:** Call for expeditious appointment of council taskforce to undertake substantive review and revision of Municipal Code Chapter 2-14 concerning in-house adjudication of ordinance violations

**Committee(s) Assignment:** Committee on Finance

**RESOLUTION**

WHEREAS, A recent court decision, as well as a spate of cases that are currently in litigation, has brought to light the urgent need for this legislative body to focus its attention on what Illinois First District Appellate Court Justice Mathias W. Delort called “deficiencies in the manner in which the City of Chicago handles in-house adjudication of ordinance violations” in his majority opinion in the case of Stone Street Partners, LLC v. The City Of Chicago Department Of Administrative Hearings; and

WHEREAS, Through a series of enactments in the course of the late two decades, the Illinois legislature has allowed the removal of ordinance enforcement hearings from the judiciary to the local administrative level. Illinois Public Act 90-516, sponsored by Barack Obama, who was at that time an Illinois State Senator, established such in-house administrative adjudication and raised their judgments to equal court judgments. However the act was silent concerning the mechanism for how awarded monetary damages could be collected; and

WHEREAS, The municipalities developed a mechanism whereby they would file their administrative judgments with the circuit court, asking that they be registered as court judgments thereby making any monetary damages awarded collectible. In his opinion, Justice Delort noted that the “process has been so successful that the City of Chicago has established a large central hearing facility that rivals Illinois county courthouses in its size and case volume”; and

WHEREAS, Futhermore, and perhaps most significantly, the appellate court held that “representation of corporations at administrative hearings - particularly those which involve testimony from sworn witnesses, interpretation of laws and ordinances, and can result in the imposition of punitive fines - must be made by a licensed attorney at law”. Although the city’s Department Of Administrative Hearings (DOAH) allows non-attorneys to represent corporations at administrative hearings and argued several reasons why non-attorneys should be allowed to represent corporations during their procedures but Delort states “none is meritorious”; and

WHEREAS, The enormity of the adverse effect this would have is best expressed by a footnote in the appeal filed by the city’s corporation counsel that states “In 2010, 523,092 cases were filed in DOAH, 476,001 of which involved an amount under \$10,000. In 2011, 466,928 cases were filed, 415,424 of which were under \$10,000. In 2012, 460,999 cases were filed, 394,777 of which were under \$10,000. In 2013, 503,541 cases were filed, 422,802 of which were under \$10,000. In the first quarter of 2014, 101,848 cases were filed, 91,051 of which were under \$10,000. In total, of the 2,056,408 cases filed in DOAH since the beginning of 2010, 1,800,055 - a whopping 87.5% - involved an amount less than \$10,000.” It would be safe to assume a major portion of those proceedings had one or more parties represented by non-attorneys. This case, if upheld, will effectively nullify all administrative hearing adjudications where non-attorneys have represented either the corporate respondents or the city; and

WHEREAS, Justice Delort as well as the two other Appellate Justices concurred “that the City's actions in this case are troubling and that its system of adjudicating ordinance violations deserves to be reviewed”. Similar cases are currently working their way through the courts. It is vitally incumbent upon this legislative body to immediately cure the deficiencies of the city’s administrative hearing practices cited in Stone Street Partners, LLC v. The City Of Chicago Department Of Administrative Hearings before more time and resources are needed to defend against further litigation; now therefore

BE IT RESOLVED, That we, the undersigned members of the City of Chicago City Council, gathered here this 25<sup>th</sup> Day of June, 2014 AD, do hereby call for the expeditious appointment of a council taskforce to undertake the substantive review and revision of Chapter 2-14 of the City of Chicago Municipal Code.

Paul W. H. - 2nd

Bob 45

Roll 7 (6)

Michael Grant 36th

John G. Guffey

Edt Wagner

Rob. M. G. 22nd

Howard P. G. 21

James G. G. - 23