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Office of the City Clerk

City Council Document Tracking Sheet

Meeting Date:	4/18/2012
Sponsor(s):	Emanuel, Rahm (Mayor)
Type:	Ordinance
Title:	Amendment of Small Business Development Fund Ordinance to address other loan programs restrictions
Committee(s) Assignment:	Committee on Finance

FIN.



OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

April 18, 2012

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

Ladies and Gentlemen:

At the request of the Treasurer, I transmit herewith an ordinance amending the Small Business Development Fund Ordinance to address other loan programs restrictions.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Mayor

ORDINANCE

WHEREAS, the City of Chicago (the "City") is a home rule unit of government under Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois; and

WHEREAS, pursuant to an ordinance adopted by the City Council of the City (the "City Council") on September 13, 2006 and published at pages 83440 through 83479 of the Journal of Proceedings of the City Council (the "Journal") for said date, and an amending ordinance adopted by the City Council on July 29, 2009 and published at pages 66460 through 66462 of the Journal for said date, and another amending ordinance adopted by the City Council on May 12, 2010 and published at pages 89594 through 89596 of the Journal for said date, the City authorized the establishment of a small business development fund program (the "SBDF Program"), to be operated by and through the City's Office of the City Treasurer (the "Office of the Treasurer"), pursuant to which the City may grant certain proceeds derived from the long-term rental of the Chicago Skyway Toll Bridge ("Skyway Proceeds") to qualified community-based lenders or community development financial institutions ("Qualified Lenders"), each of which Qualified Lender will use its portion of the Skyway Proceeds to create new or supplement existing revolving loan pools for the purpose of making capital funds loans in amounts ranging from \$500 to \$150,000 ("Qualified Loans") to qualified small businesses or early-stage emerging companies located within the City; and

WHEREAS, the Office of the Treasurer has determined that, to permit Qualified Lenders to reach a larger group of small businesses and early-stage emerging companies with the SBDF Program, and to increase the efficacy of the SBDF Program generally, a clause should be removed from the SBDF Program that currently prevents those potential borrowers that have previously received direct financial assistance from other City programs, such as, but not limited to, the City's Small Business Improvement Fund, from receiving a loan under the SBDF Program; now, therefore,

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

SECTION 1. The SBDF Program is hereby revised to strike clause "w" of the Eligible Applicant definition in the SBDF Program description, which definition appears both on page 83446 and on page 83464 of the Journal for September 13, 2006, as follows:

"Eligible Applicant" shall not include:

~~(w) any person or entity that received direct City financial assistance from any other program within three [3] years before the date of the Application, is now receiving direct City financial assistance, or is now under a signed contract to receive direct City financial assistance at any time in the future;~~

[the remainder of the Eligible Applicant definition in the SBDF Program is unchanged]

SECTION 2. The City Treasurer or his or her designee within the Office of the Treasurer is authorized to implement this ordinance and to reconfigure any aspect of the SBDF

Program in furtherance hereof.

SECTION 3. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code of Chicago (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. No provision of the Municipal Code or violation of any provision of the Municipal Code shall be deemed to impair the validity of this ordinance or the instruments authorized by this ordinance, or shall render any agreement or instrument authorized hereby voidable at the option of the City; provided further that the foregoing shall not be deemed to affect the availability of any other remedy or penalty for any violation of any provision of the Municipal Code.

SECTION 4. This ordinance shall be in full force and effect immediately upon its passage and approval.