



improvements; transportation improvements to City property and facilities including street resurfacing, bridge and freight tunnel rehabilitation, traffic signal modernization, new traffic signal installation, intersection safety improvements and transit facility improvements; the acquisition and/or construction of other capital items useful or necessary for City purposes; the duly authorized acquisition of improved and unimproved real property within the City for municipal, industrial, commercial or residential purposes, or any combination thereof, and the improvement, demolition and/or remediation of any such property; and constructing, equipping, altering and repairing various municipal facilities including fire stations, police stations, libraries, senior and health centers, water and sewer facilities and other municipal facilities, (ii) refund any outstanding bonds, notes, lines of credit, and any other obligations of the City, (iii) refund outstanding Corporation Obligations on such terms as shall be determined from time to time by the City and the Corporation, (iv) fund capitalized interest, and (v) pay all costs related thereto; and

Whereas, it is in the best interest of the City to provide for the assignment, sale, transfer or conveyance by the City to the Corporation of specified revenue sources of the City in consideration for the issuance of such Corporation Obligations and the transfer to, or upon the order of, the City of (i) the net proceeds of such Corporation Obligations and (ii) any portion of the revenue sources remaining from time to time after satisfying the contractual provisions of the Corporation Obligations; and

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Whereas, it is anticipated that the interest component of certain of such Corporation Obligations may be excludable from gross income of the owners thereof for federal income tax purposes; and

Whereas, in order for the Corporation to issue Corporation Obligations on such a tax-exempt basis, it is necessary that the City grant to the Corporation the power to be an "on behalf of issuer" of the City and to provide that the Corporation Obligations must be approved by the City Council of the City (the "City Council") prior to issuance; and

Whereas, the repayment of any Corporation Obligation will not be an obligation, general or special, of the City and will not be secured by the City's full faith and credit;

*Now, Therefore, Be It Ordained by the City Council of the City of Chicago:*

### **SECTION 1. Incorporation of Recitals.**

The City Council, after a public meeting heretofore held on this Ordinance by the Committee on Finance of the City Council (the "Finance Committee"), pursuant to proper notice and in accordance with the findings and recommendations of the Finance Committee, 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. Organization and Qualification of the Corporation.**

The Chief Financial Officer of the City (the "Chief Financial Officer"), the Budget Director of the City (the "Budget Director"), the Comptroller of the City (the "Comptroller") and the Corporation Counsel of the City

(each, an "Authorized Officer") are each authorized and directed to take such steps as may be necessary to establish the Corporation and to enable the Corporation to become duly organized and qualified as an Illinois not-for-profit corporation.

### **SECTION 3. Composition and Appointment of Board of Directors.**

(a) The affairs of the Corporation shall be managed by a Board of Directors (the "Board"). The Board shall have the power and authority to do or perform all acts or functions not inconsistent with the Bylaws of the Corporation (the "Bylaws"), the Articles of Incorporation of the Corporation or this Ordinance.

(b) Except as described in the following sentence, the Board shall have five voting members, being: (i) ex officio, the Chief Financial Officer, (ii) ex officio, the Budget Director, (iii) ex officio, the Comptroller, (iv) the Chair (the "Finance Chair") of the Finance Committee or, in lieu of the Finance Chair, a member of the Finance Committee (the "Finance Committee Designee") designated by the Finance Chair and approved by the Mayor of the City (the "Mayor"), and (v) the Chair (the "Budget Chair") of the Committee on Budget and Government Operations of the City Council (the "Budget Committee") or, in lieu of the Budget Chair, a member of the Budget Committee (the "Budget Committee Designee") designated by the

Budget Chair and approved by the Mayor. The size of the Board shall be increased to six voting members in the event that the Board determines to take an action that would constitute a Specified Vote (as hereinafter defined), in which case the sixth voting member of the Board (the "Independent Director") shall be a person independent of the City who has not been, in the preceding five years: (i) a direct or indirect legal or beneficial owner in the Corporation or any of its Affiliates (as hereinafter defined); (ii) a creditor, supplier, employee, officer, family member, manager, or contractor of the Corporation or any of its Affiliates; or (iii) a person who controls (whether directly, indirectly or otherwise) the Corporation or any of its Affiliates. In the event that any of the positions of Chief Financial Officer or Budget Director are terminated or cease to exist for any reason, a replacement director (a "Replacement Director") shall be appointed by the Mayor with the approval of the City Council. As used herein, the term "Affiliate" means a person or entity that, directly or indirectly through one or more intermediaries, has a 10 percent or more voting or economic interest in the Corporation or controls, is controlled by or is under common control with the Corporation.

c) Any Independent Director shall be appointed by the Mayor with the approval of the City Council prior to the taking by the Board of any Specified Vote. Once appointed, the Independent Director shall serve for a three-year term and shall serve until his or her successor is duly qualified and appointed. Any person or entity serving as Independent Director may be re-appointed to such position for one or more terms. In the event that an Independent Director has been appointed and the position thereafter becomes vacant due to the resignation of the Independent Director or for some other cause, then, prior to the consideration by the Board of a Specified Vote, a new Independent Director shall be appointed and be subject to the provisions of this subsection (c) and subsection (b) of this Section. Any Independent Director so appointed need not be a

resident of the City or the State of Illinois (the "State"). Any Independent Director who has any interest in any entity that is currently performing work for the Corporation or for the City, or is being considered by the Corporation to perform work for the Corporation or for the City, to receive funds from the Corporation or from the City, or to provide funds to or otherwise make an investment in the Corporation, shall recuse himself or herself from any vote of the Board regarding said entity. If said vote is a Specified Vote, the Specified Vote may not be held while such interest of the Independent Director persists. For the purposes of this paragraph, the term "interest" shall include any "financial interest" as defined in Chapter 2-156 of the Municipal Code of Chicago (the "Municipal Code"), subject to the exceptions to such definition set forth in said definition.

d) Any Replacement Director shall serve an initial term of three years and shall serve until such time as his or her successor is duly qualified and appointed. Any person serving as Replacement Director may be re-appointed to such position for one or more terms. Any individual who is a director because of his or her position as the Chief Financial Officer, the Budget Director, the Comptroller, the Finance Chair or the Budget Chair shall cease to be a director if such individual no longer holds such position, and any successor in any such position shall either (i) serve as a director; or (ii) in the case of the Finance Chair, appoint a Finance Committee Designee or, in the case of the Budget Chair, appoint a Budget Committee Designee, in either case to serve as director upon approval by the Mayor as described in subsection (b) to this Section 3. In the event that the Finance Committee Designee is no longer a member of the Finance Committee, such individual shall no longer be a director and another

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member of the Finance Committee (which may include the Finance Chair) shall be designated by the Finance Chair and approved by the Mayor as the new Finance Committee Designee. In the event that the Budget Committee Designee is no longer a member of the Budget Committee, such individual shall no longer be a director and another member of the Budget Committee (which may include the Budget Chair) shall be designated by the Budget Chair and approved by the Mayor as the new Budget Committee Designee.

(e) Any vote of the Board to (1) cause the Corporation to file, consent to the filing of, or join in any filing of a petition for bankruptcy or commence a proceeding to liquidate, wind up or otherwise cease operations (in taking such action, the Board shall consider the interests of the creditors of the Corporation in connection with all such actions); (2) dissolve, liquidate, consolidate, combine, merge or sell substantially all of its assets; (3) amend the Bylaws or any other organizational documents of the Corporation in a manner adverse to the interests of the holders of any Corporation Obligations then outstanding; or (4) take any other action which could be adverse to the interests of any holders of then-outstanding Corporation Obligations shall be considered a "Specified Vote." Any Specified Vote shall become effective only upon the affirmative vote of all members of the Board (including, for the avoidance of doubt, the Independent Director), and such Specified Vote may not be taken or become effective during any period in which the Independent Director is not presently seated.

f) All members of the Board are strictly prohibited from making decisions or recommendations on behalf of the Corporation for personal gain.

g) The members of the Board shall not be entitled to compensation for their services as members of the Board, but shall be entitled to reimbursement from funds of the Corporation for all necessary expenses

incurred in connection with the performance of their duties as members of the Board.

h) The Corporation shall hold meetings of the Board at least annually or as otherwise determined pursuant to the Bylaws, and the Corporation shall comply with the provisions of the Open Meetings Act of the State, as amended, with respect to the conduct of the meetings of the Board.

#### **SECTION 4. Staffing and Personnel; Professional Services.**

The Office of the Chief Financial Officer, the Department of Finance and the Office of Budget and Management are each authorized to provide such staff support to the Corporation established pursuant hereto as may be required to accomplish its purposes and mission. The Chief Financial Officer, the Budget Director and the Comptroller are each authorized to transfer, from legally available funds of the City, an amount not to exceed an aggregate of \$250,000 to the Corporation for professional services and otherwise to assist the Corporation in accomplishing its purposes. Each Authorized Officer is hereby authorized to negotiate agreements with the Corporation that set forth the terms and conditions pursuant to which staff support and/or funding authorized by this Section would be provided to the Corporation.

#### **SECTION 5. Powers and Limitations on Powers of the Corporation.**

a) The Corporation shall have all of the general powers set forth in the provisions of the General Not for Profit Corporation Act of 1986 of the State, as amended, together with the power to solicit and receive grants, contributions and bequests for any corporate purpose and the power to maintain a fund or funds of real or personal property for any corporate purposes; provided, however, that the Corporation shall not have the power to engage in any activities which are not in furtherance of its purposes as set forth in the preambles hereto. The Corporation shall have the right to exercise such other powers as now are, or may be, conferred by law upon a corporation organized for the purposes set forth in this Ordinance, or that are necessary or incidental to the powers so conferred, or conducive to the furtherance thereof.

b) The Corporation is being organized as an instrumentality of the City and shall be operated for the governmental purposes described herein. Subject to the limitations in subsection (d) to this Section, the City hereby grants to the Corporation the power to issue tax-exempt Corporation Obligations "on behalf of the City," within the meaning of U.S. Treasury Regulation Section 1.103-1 (b) and the power to issue non-tax-exempt Corporation Obligations on behalf of the City. No Corporation Obligation may be validly issued or entered into by the Corporation without the prior approval of the City Council as described in subsection (d) to this Section, except for the Corporation Obligations specified in Section 6 of this Ordinance which are expressly approved in this Ordinance. The City's grant of power to the Corporation pursuant to this subsection is subject to the agreement by the Corporation to comply with the following conditions:

i) The Corporation shall at all times do and perform all acts permitted by law and necessary to assure that interest on tax-exempt Corporation Obligations shall be and remain excludable from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code") and U.S. Treasury Regulations and rulings issued thereunder; and no funds of the Corporation shall at any time be used in a manner that causes tax-exempt Corporation Obligations to be "arbitrage bonds" within the meaning of Section 148 of the Code.

ii) In furtherance of the foregoing provisions, but without limiting their generality, the

Corporation shall agree: (1) through its officers, to make such further specific covenants, certifications and representations as shall be truthful and assurances as may be necessary or advisable; (2) to comply with all representations, covenants and assurances contained in certificates or agreements as may be prepared by counsel approving the tax-exempt Corporation Obligations; (3) to consult with such counsel and to comply with such advice as may be given; (4) to file such forms, statements and supporting documents as may be required and in a timely manner; and (5) if deemed necessary or advisable by its officers, to employ and pay fiscal agents, financial advisors, attorneys and other persons to assist the Corporation in such compliance.

iii) The Corporation agrees that title to any property financed or refinanced by tax-exempt Corporation Obligations, including any additions to such property, if not already so vested, shall vest in the City or its designee(s) when such tax-exempt Corporation Obligations are discharged.

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c) The Corporation shall not have any power to pledge the full faith and credit of the City nor shall any Corporation Obligation be an obligation, general or special, of the City. No revenues or taxes of the City shall be assigned, sold, transferred or otherwise conveyed by the City to the Corporation as authorized by Section 6 hereof if the assignment, sale, transfer or conveyance of such revenues or taxes would violate applicable federal or state law or City ordinance or an existing City contract.

d) No Corporation Obligations (other than those described in Section 6 hereof) shall be issued by the Corporation except pursuant to the following procedure: Upon a determination by the Mayor of a financing need for the City utilizing the Corporation, the Mayor shall file a request with the City Council identifying the financing need, the recommended revenues or taxes to repay the proposed Corporation Obligations, and the uses for the net proceeds of such Corporation Obligations. Such request may only be approved by the adoption of an ordinance of the City Council approving such financing. Upon City Council approval of the request by the Mayor, the Mayor and each Authorized Officer are each hereby authorized to execute and deliver one or more agreements with the Corporation for the purpose of assigning, selling, transferring or otherwise conveying to the Corporation such revenues or taxes of the City as identified in the City Council approval, in consideration for the issuance by the Corporation of the proposed Corporation Obligations and the transfer to the City of the net proceeds of such Corporation Obligations, and to take any such actions as necessary to effectuate any such assignment, sale, transfer or other conveyance, including, but not limited to any irrevocable direction by the City to any department of the State to send such revenues or taxes directly to the Corporation as is currently provided by law or as may be provided by law in the future. In connection with the issuance of any such Corporation Obligations, the City may covenant for the benefit of the holders of such Corporation Obligations that the City shall not cause the dissolution, termination or bankruptcy of the Corporation issuing such Corporation Obligations prior to the payment in full of such Corporation Obligations. The Mayor, each Authorized Officer and the City Clerk are each hereby authorized to execute and deliver such other documents and agreements and perform such other acts prior to or following the issuance by the Corporation of such Corporation Obligations as may be necessary or desirable in connection with the issuance of such Corporation Obligations and any transactions contemplated herein related to the application of the net proceeds of such Corporation Obligations or other purposes hereunder, but subject to any limitations on or restrictions of such power or authority as herein set forth, and any such actions heretofore taken by the Mayor, an Authorized Officer or the City Clerk in accordance with the provisions hereof are hereby ratified and approved.

e) Any funds or assets of the Corporation shall be transferred to the City and become property of the City upon dissolution or termination of the Corporation.

f) The Corporation shall require completion of disclosure statements that will be substantially similar to the economic disclosure statements required of third parties for transactions with the City. The Corporation shall make each such disclosure statements available online for public review.

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g) The Corporation shall be responsible for overseeing preparation and auditing of its financial statements, including full compliance with applicable generally accepted accounting principles.

h) *The Corporation shall provide public access to books, records, minutes and documents, in accordance with the Illinois Freedom of Information Act, 5 ILCS 140/1 etseq., as now enacted or as hereafter amended ("FOIA").*

(i) The Corporation shall cooperate with the City with respect to compliance with the requirements of FOIA concerning any public documents or records that are in the possession of the Corporation but are nonetheless subject to the City's obligation to provide public access under FOIA.

(j) Subsequent to the sale of any series of Corporation Obligations, an Authorized Officer shall file in the office of the City Clerk a notification of sale directed to the City Council setting forth (i) the series designation, the aggregate principal amount and authorized denominations of, maturity schedule and redemption provisions for the Corporation Obligations sold, (ii) the interest rates on the Corporation Obligations sold and whether such interest is tax-exempt or taxable, (iii) the specific maturities, series and amounts of any City bonds, notes, lines of credit or other obligations (the "Refunded Obligations") to be refunded with proceeds of such Corporation Obligations, (iv) the date on and price at which the Refunded Obligations shall be redeemed (if such redemption shall occur prior to stated maturity or pursuant to mandatory sinking fund redemption), (v) the disposition of the revenues pledged and/or the taxes levied or imposed, if any, for the Refunded Obligations for the years following the date of issuance of such Corporation Obligations, (vi) the identity of the insurer or insurers issuing the bond insurance policy or policies, if any, for such Corporation Obligations, (vii) the identity of the underwriters, placement agents or direct purchasers selected for such Corporation Obligations, (viii) the identity of the applicable trustee, if any, selected for such Corporation Obligations, (ix) the compensation paid to the underwriters or placement agents in connection with such sale, (x) the identity of any refunding escrow agent appointed by an Authorized Officer in connection with the refunding of the Refunded Obligations, (xi) the purpose(s) for which the Corporation Obligations were issued, and (xii) any other matter authorized by this Ordinance to be determined by an Authorized Officer at the time of the sale of the Corporation Obligations of each series.

## **SECTION 6. Authorization for Initial Transaction.**

(a) Pursuant to the authorization contained in the Act, each Authorized Officer is each hereby authorized to execute and deliver one or more agreements (the "Sales Tax Transaction Agreements") with the Corporation in such form as the Authorized Officer so executing may deem appropriate under which the City shall assign, sell, transfer or convey some or all of the Sales Tax Revenues (as hereinafter defined) to the Corporation in an amount and under such terms as are deemed necessary or advisable by the Authorized Officer so executing in connection with the issuance by the Corporation from time to time of tax-exempt or taxable Corporation Obligations (the "Sales Tax Obligations"), in one or more series, in an aggregate ' principal amount not to exceed \$3,000,000,000, with a term not exceeding 40 years, bearing interest at a rate or rates not exceeding 10 percent per annum, and sold at a price of not less

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than 85 percent of the aggregate principal amount thereof. On an annual basis, Sales Tax Revenues shall be used first to pay operating expenses of the Corporation for such year, not to exceed \$250,000 per year. Each series of Sales Tax Obligations shall not be issued unless the Sales Tax Revenues for the most recently completed fiscal year are at least 150 percent of the aggregate maximum annual debt service for such proposed series of Sales Tax Obligations plus all other Sales Tax Obligations previously issued and outstanding upon issuance of such series of Sales Tax Obligations. For purposes of this Ordinance, "Sales Tax Revenues" means, collectively the Home Rule Sales Tax Revenues and the Local Share Sales Tax Revenues, each as defined below. "Home Rule Sales Tax Revenues" means, for any period of time, all amounts payable upon the order of the State Comptroller to or upon the order of the City resulting from the collection of those taxes imposed by the City pursuant to its home rule powers as currently authorized by the Home Rule Municipal Retailers' Occupation Tax Act, the Home Rule Municipal Service Occupation Tax Act, and the Home Rule Municipal Use Tax Act, each as supplemented and amended, or any successor or substitute law, ordinance or other legislation subsequently enacted (which taxes are currently imposed by the City pursuant to Sections 3-40-010, 3-40-430 and 3-28-030, respectively, of the Municipal Code), or successor or substitute taxes therefor as provided by law in the future. "Local Share Sales Tax Revenues" means, for any period of time, all amounts payable upon the order of the State Comptroller to or upon the order of the City resulting from the collection of those taxes imposed by the State pursuant to the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act and the Retailers' Occupation Tax Act, each as supplemented and amended, or successor or substitute taxes therefor as provided by law in the future. In connection with such assignment, sale, transfer or conveyance of some or all of the Sales Tax Revenues as authorized hereby, each Authorized Officer is hereby authorized to execute one or more written directions to the Department of Revenue or other appropriate State official to distribute the Sales Tax Revenues in accordance with the instructions contained in such written direction, which instructions should be in accordance with Section 6(d) hereof.

b) Pursuant to the Sales Tax Transaction Agreements, the Corporation shall transfer to the City, or upon the order of the City, (i) the net proceeds of the Sales Tax Obligations, and (ii) the right to receive any portion of the Sales Tax Revenues remaining from time to time after satisfying the contractual provisions of the Sales Tax Obligations. The net proceeds of the Sales Tax Obligations shall be used by the City to finance any of the purposes described in the preambles hereto.

c) The Mayor, each Authorized Officer, the City Clerk and the Deputy City Clerk are each hereby authorized to execute and deliver such other documents and agreements and perform such other acts prior to or following the execution and delivery of the Sales Tax Transaction Agreements (including, without limitation, effecting amendments, modifications or supplements to any of the documents or agreements authorized hereunder as may be deemed necessary or desirable by an Authorized Officer in order to implement the

transactions or other purposes authorized hereunder) as may be necessary or desirable in connection with the Sales Tax Transaction Agreements, and the transactions or other purposes authorized hereunder, including, but not limited to, the exercise following the delivery date of the Sales Tax Transaction Agreements of any power or authority delegated to such official under this Ordinance with respect to the Sales Tax Transaction Agreements upon original execution and

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delivery, but subject to any limitations on or restrictions of such power or authority as herein set forth. All of the acts of each such officer which are in conformity with the intent and purposes of this Ordinance, whether heretofore or hereafter taken or done, shall be and the same are in all respects ratified, confirmed, authorized and approved.

(d) In the event Sales Tax Obligations are to be issued at any time obligations of the City payable from the Sales Tax Revenues (the "City Sales Tax Revenue Bonds") remain outstanding under the Trust Indenture, dated as of March 1, 1997 between the City and The Bank of New York Mellon Trust Company, N.A., as successor Trustee, as heretofore supplemented and amended (the "City Sales Tax Revenue Bond Indenture"), each Authorized Officer is hereby authorized to take such actions necessary to cause the apportionment of distributions of the Sales Tax Revenues in such manner as they deem necessary and appropriate to secure the City Sales Tax Revenue Bonds in accordance with the City Sales Tax Revenue Bond Indenture and provide for the remainder of the Sales Tax Revenues to be sold, transferred or otherwise conveyed pursuant to the Sales Tax Transaction Agreements authorized hereunder. In connection therewith, each Authorized Officer is authorized to establish a special account, separate and segregated from all other funds and accounts of the City, which shall be maintained with a bank or trust company to be designated by an Authorized Officer pursuant to an escrow agreement (the "Sales Tax Master Escrow Agreement"), between the City and the applicable Escrow Agent named therein (the "Sales Tax Master Escrow Agent"), and each Authorized Officer is hereby authorized to execute and deliver the Sales Tax Master Escrow Agreement in such form as the Authorized Officer so executing may deem appropriate in accordance with the provisions of this Ordinance. The City may deposit any Pledged Sales Tax Revenues (as defined in the City Sales Tax Revenue Bond Indenture) received by the City with the Sales Tax Master Escrow Agent pursuant to the Sales Tax Master Escrow Agreement to pay the principal and redemption price of and interest on the City Sales Tax Revenue Bonds, as directed by an Authorized Officer and as provided in the Master Sales Tax Escrow Agreement. Further, each Authorized Officer is hereby authorized to covenant and agree on behalf of the City for the benefit of the holders of the City Sales Tax Revenue Bonds not to issue any additional City Sales Tax Revenue Bonds under the City Sales Tax Revenue Bond Indenture other than City Sales Tax Revenue Bonds to be issued for refunding purposes and satisfying the debt service savings test of Section 205(B)(3)(a) of the City Sales Tax Revenue Bond Indenture.

## **SECTION 7. Amendments to Municipal Code.**

(a) Section 2-32-130 of the Municipal Code is hereby amended by deleting the language stricken through and by inserting the language underscored, as follows:

"2-32-130 Reporting on bond transactions.

The chief financial officer or the comptroller shall report in writing to the committee on finance, by the first business day of each January, April, July and October, regarding bonds (as defined herein) as follows: (i) for bonds issued by the city during the immediately preceding quarter, the report shall describe the principal

amounts, interest rates, maturities, redemption terms and prices for such bonds and any other determinations made by the chief financial officer or the comptroller pursuant to authority granted by the ordinance authorizing such

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bonds; and (ii) for bonds for which an authorizing ordinance has been adopted by the city council but which have not yet been issued, the report shall describe the plans, if any, to issue such bonds during the next quarter. As used in this section, the term "bonds" shall mean (i) the following types of bonds issued or to be issued by the City: general obligation bonds, tax increment revenue bonds, special assessment revenue bonds, airport revenue bonds, sales tax revenue bonds, motor fuel tax revenue bonds, water revenue bonds and wastewater transmission revenue bonds and (ii) any obligations issued or to be issued by a corporation, trust, or other entity established by the City pursuant to an ordinance adopted by the City Council on October 11, 2017 and in accordance with Division 13 of Article 8 of the Illinois Municipal Code, codified at 65 ILCS 5/8-13-5 et seq., for the limited purpose of issuing obligations for the benefit of the City."

(b) Section 2-56-050 of the Municipal Code is hereby amended by deleting the language stricken through and by inserting the language underscored, as follows:

"2-56-050 Conduct of city officers, employees and other entities.

(a) (1) The powers and duties of the inspector general shall extend to the conduct of the following: (1) all elected officers and appointed officers of the city government in the performance of their official duties; (2) all city employees in the performance of their official duties; (3) lobbyists engaged in the lobbying of elected or appointed city officers or employees; (4) all contractors and subcontractors in the providing of goods or services to the city, the city council, any city council committee or bureau or other service agency of the city council pursuant to a contract; (5) persons seeking contracts or certification of eligibility for contracts with the city, the city council, any city council committee or bureau or other service agency of the city council; and (6) persons seeking certification of eligibility for participation in any city program; and (7) any corporation, trust, or other entity established by the City pursuant to an ordinance adopted by the City Council on October 11, 2017 and in accordance with Division 13 of Article 8 of the Illinois Municipal Code, codified at 65 ILCS 5/8-13-5 et seq., for the limited purpose of issuing obligations for the benefit of the City. Nothing in this section shall preclude the inspector general from referring a complaint or information to the appropriate local, state or federal inspector general, the appropriate sister agency, or the appropriate federal, state or local law enforcement authorities."

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(Omitted text is unaffected by this ordinance)

(c) The definition of "Debt Transaction" in Section 2-165-020 of the Municipal Code is hereby amended by inserting the language underscored, as follows:

"2-165-020 Definitions.

(omitted text is unaffected by this ordinance)

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"Debt Transaction" means an issuance (Q by the City, acting in a non-conduit capacity, or by any corporation, trust, or other entity established by the City pursuant to an ordinance adopted by the City Council on October 11, 2017 and in accordance with Division 13 of Article 8 of the Illinois Municipal Code, codified at 65 ILCS 5/8-13-5 et sea., for the limited purpose of issuing obligations for the benefit of the City; of {ii} any bond, note or other debt instrument, with a maturity of longer than 271 days, that does not bear interest at a fixed rate for its entire term. For purposes of this definition, "Debt Transaction" shall not include tax anticipation warrants or notes, or letters or lines of credit (and related notes)."

### **SECTION 8. Construction.**

Pursuant to the home rule powers of the City, 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. No provision of the Municipal Code or violation of any provision of the Municipal Code shall be deemed to render voidable at the option of the City any document, instrument or agreement authorized hereunder or to impair the validity of this Ordinance or the instruments authorized by this Ordinance or to impair the rights of the Corporation or the owners of any Corporation Obligations issued by the Corporation to receive payment of the principal of or interest on such Corporation Obligations or to impair the security for such Corporation Obligations; 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. The documents, agreements and instruments authorized under this Ordinance shall not be deemed to be "city contracts" for the purposes of Section 11-4-1600(e) of the Municipal Code.

### **SECTION 9. Additional Authorization.**

The Mayor, the Authorized Officers and the City Clerk, for and on behalf of the City shall be, and each of them hereby is, authorized and directed to do any and all things necessary to effect the performance of all obligations of the City under and pursuant to this Ordinance and are hereby further authorized, empowered and directed for and on behalf of the City, to execute and deliver all papers, documents, certificates and other instruments that may be required to carry out the authority conferred by this Ordinance or to evidence said authority.

### **SECTION 10. Pamphlet Publication.**

This Ordinance shall be published by the City Clerk, by causing to be printed in special pamphlet form at least five copies hereof, which copies are to be made available in her office for public inspection and distribution to members of the public who may wish to avail themselves of a copy of this Ordinance.

### **SECTION 11. Effective Date.**

This Ordinance shall be in full force and effect upon its passage, approval and publication as provided herein.

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CHICAGO October 11.2017

**To the President and Members of the City Council:**

**Your Committee on Finance having had under consideration**

A substitute ordinance concerning the authority to establish a Special Purpose Entity, to authorize the issuance of Sales Tax Securitization Bonds by this Special Purpose Entity and to approve the amendment of Sections 2-32-130,2-56-050, and 2-165-020 of the Municipal Code of Chicago.

02017-6819 Amount of

Bonds

Not to exceed: \$3,000,000,000

Having had the same under advisement, begs leave to report and recommend that your Honorable Body pass the proposed Substitute Ordinance Transmitted Herewith

**This recommendation was concurred in by  
of members of the committee with 2  
lAren-and-Waguespjick^wjsh^**

**\ayiva <file:///ayiva> voce voje  
dissenting voletsjT Alder-menj**

rAlderm^Bl^ke abstained ffom^-yotingon this-matter pursuant to Rule-14^

**Respectfully submitted**

**Chairman**

**(signed^ ^ ^UXV-W^**