



Office of the City Clerk

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Legislation Details (With Text)

File #: SO2014-4252

Type: Ordinance **Status:** Passed

File created: 5/28/2014 **In control:** City Council

Final action: 11/19/2014

Title: Amendment of Municipal Code Chapter 2-154 by adding new Section 2-154-017 (Diversity in Firms Disclosure Ordinance)

Sponsors: Thomas, Latasha R., Burnett, Jr., Walter, Dowell, Pat, Beale, Anthony, Hairston, Leslie A., Suarez, Regner Ray, Burns, William D., Fioretti, Bob, Waguespack, Scott

Indexes: Ch. 154 Disclosure of Ownership Interest in Entities

Attachments: 1. O2014-4252.pdf, 2. SO2014-4252.pdf

Date	Ver.	Action By	Action	Result
11/19/2014	1	City Council	Passed as Substitute	Pass
11/18/2014	1	Committee on Finance	Recommended to Pass	Pass
5/28/2014	1	City Council	Referred	

SUBSTITUTE ORDINANCE

WHEREAS, the City of Chicago has long had a policy of encouraging the participation of firms owned and/or controlled by women and minorities in financial matters affecting the City, including the issuance of municipal debt; and

WHEREAS, the policy was adopted because firms owned and/or controlled by women and minorities have traditionally been smaller and lacked access to capital that can spur economic growth; and

WHEREAS, because its financial transactions tend to be large, the City's policy opens opportunities for firms owned and/or controlled by women and minorities to acquire valuable business experience that can lead to greater acceptance in the market; and

WHEREAS, many firms that are not owned and/or controlled by women and minorities and that participate in City financial matters employ women and members of minority groups; and

WHEREAS, the participation of such employees in city financial transactions can give them the type of professional and business experience that can lead to advancement, opening of management opportunities, and eventual ownership; and

WHEREAS, it is appropriate for the City Council of the City of Chicago to encourage the development of business skills that can enhance the City's business climate and growth; now, therefore,

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

SECTION 1. This ordinance shall be known as the "Diversity in Firms Disclosure Ordinance." The purpose of this ordinance is to promote full and accurate disclosure to the City of data about gender and race or ethnicity by type of job for firms that provide financial services to the City in connection with debt obligation transactions and brokerage services, and to encourage equal opportunities to develop professional expertise and experience and to participate in or otherwise work on such transactions and services.

SECTION 2. Chapter 2-154 of the Municipal Code of Chicago is hereby amended by adding new sections 2-154-017 and 2-154-018, as follows:

2-154-017 Diversity in firms - Debt obligation transactions.

(a) For purposes of this section the following definitions shall apply:

- 1) "Chief financial officer" has the meaning ascribed to the term in Section 1-4-090.
- 2) "Debt obligation transaction" means a transaction for the issuance of bonds by the city.

3) "Reporting firm" means any law firm, financial advisor or underwriter that provides professional services to the city in connection with a debt obligation transaction.

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b) (1) In connection with and before the introduction of an ordinance authorizing a debt obligation transaction, a reporting firm shall provide to the chief financial officer the gender, role and race or ethnicity of those who will directly provide services for any particular transaction. The chief financial officer shall provide the information received pursuant to this subsection (b) to the city council.

(2) A reporting firm shall certify the accuracy of the disclosures and information required by this subsection (b). The disclosures, and information required by this subsection (b) shall be provided in a form and manner approved by the chief financial officer.

c) The chief financial officer is authorized to adopt rules and regulations for the proper administration and enforcement of this section.

d) (1) Except as otherwise provided in subsection (d)(2), any reporting firm that fails to comply with this section may, as determined by the chief financial officer based on objective criteria, be declared ineligible to participate in future debt obligation transactions.

(2) Any reporting law firm that fails to comply with this section may, as determined by the corporation counsel based on objective criteria, be declared ineligible to participate in future debt obligation transactions.

2-154-018 Diversity in firms - Outside brokers.

a) (1) Any person providing brokerage services to the city pursuant to a service contract duly executed by the city treasurer (for purposes of this section, "reporting firm"), shall provide the gender, role and race or ethnicity of those who will directly provide brokerage services to the city. The city treasurer shall provide the information received pursuant to this subsection (a) to the city council.

(2) A reporting firm shall certify the accuracy of the disclosures and information required by this subsection (a). The disclosures and information required by this subsection (a) shall be provided in a form and manner approved by the city treasurer.

b) The city treasurer is authorized to adopt rules and regulations for the proper administration and enforcement of this section.

(c) Any reporting firm that fails to comply with this section may, as determined by the city treasurer based on objective criteria, be declared ineligible to participate in future brokerage service contracts.

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CHICAGO November 19, 2014

To the President and Members of the City Council:

Your Committee on Finance having had under consideration

A proposed substitute ordinance concerning the authority to amend Chapter 2-154 of the Municipal Code of Chicago by inserting language concerning the disclosure of diversity in non-minority firms.

02014-4252

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

**This recommendation was concurred in by
of members of the committee with**

Respectfully submitted

Chairman