



# City of Chicago Office of the City Clerk

City Hall  
121 North LaSalle Street  
Room 107  
Chicago, IL 60602  
www.chicityclerk.com

## Legislation Referred to Committees at the Chicago City Council Meeting 2/10/2016 Section 1a - Mayoral Introductions

File #	Title	Sponsor(s)	Committee Referral
<b>Agreement(s) - Intergovernmental</b>			
1	O2016-632	Intergovernmental agreement with Chicago Board of Education regarding "Room to Grow" Program	Emanuel (Mayor) Budget
<b>Appointment(s)</b>			
2	A2016-14	Appointment of Arriel Gray, Jr. as member of Electrical Commission	Emanuel (Mayor) Zoning
3	A2016-15	Appointment of Richard C. Ford II as member of Chicago Emergency Telephone System Board	Emanuel (Mayor) Public Safety
<b>Municipal Code Amendment(s)</b>			
4	O2016-630	Amendment of Municipal Code Section 7-12-010 by increasing Commission on Animal Care and Control membership and requiring members to be City of Chicago residents	Emanuel (Mayor) Health & Environment
5	O2016-631	Amendment of Municipal Code Section 2-92-390 by modifying equal employment opportunity regulations for local contracts	Emanuel (Mayor) Budget
6	O2016-699	Amendment of Municipal Code by replacing Chapter 9-104 and revising Chapters 9-108, 9-110 and 9-112 regarding public chauffeur and pedicab licenses	Emanuel (Mayor) License
<b>Reappointment(s)</b>			
7	A2016-16	Reappointment of Benjamin Dieterich as member and chair of Chicago Emergency Telephone System Board	Emanuel (Mayor) Public Safety
<b>Water</b>			
8	O2016-667	Partial easement release for sewer and water mains at 3800-3858 S Vernon Ave	Emanuel (Mayor) Housing



# City of Chicago



O2016-632

Office of the City Clerk

## Document Tracking Sheet

<b>Meeting Date:</b>	2/10/2016
<b>Sponsor(s):</b>	Emanuel (Mayor)
<b>Type:</b>	Ordinance
<b>Title:</b>	Intergovernmental agreement with Chicago Board of Education regarding "Room to Grow" Program
<b>Committee(s) Assignment:</b>	Committee on Budget and Government Operations

BUDG.



OFFICE OF THE MAYOR  
CITY OF CHICAGO

RAHM EMANUEL  
MAYOR

February 10, 2016

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

Ladies and Gentlemen:

At the request of the Commissioner of Water Management, I transmit herewith an ordinance authorizing the execution of an intergovernmental agreement with the Board of Education regarding the "Room to Grow" Program.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

A handwritten signature in cursive script that reads "Rahm Emanuel".

Mayor



## ORDINANCE

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

WHEREAS, the Board of Education of the City of Chicago (the "**Board**") is a body politic and corporate, organized under and existing pursuant to Article 34 of the School Code of the State of Illinois; and

WHEREAS, the City Council passed a Stormwater Management Ordinance on December 13, 2006, as found in Section 11-18 of the Municipal Code of the City of Chicago, which established a policy to promote programs that minimize the negative stormwater impacts of new developments and redevelopments; and

WHEREAS, in 2014 Mayor Emanuel released the Green Stormwater Infrastructure Strategy, a plan that committed \$50,000,000.00 to build green stormwater infrastructure to capture rainfall runoff before it enters the City's sewer system; and

WHEREAS, the City, the Board, and the Metropolitan Water Reclamation District of Greater Chicago, a unit of local government and body politic, organized and existing under the laws of the State of Illinois (the "**District**") have partnered with Openlands and the Healthy Schools Campaign to create Space to Grow, a program that transforms Chicago schoolyards into vibrant outdoor spaces that benefit students, community members and the environment (the "**Program**"); and

WHEREAS, for purposes of this Ordinance "**Green Stormwater Infrastructure**" shall mean the range of stormwater control measures that use plant/soil systems, permeable pavement, stormwater harvest and reuse, or native landscaping to store, infiltrate, and/or evapotranspire stormwater and reduce flows to the sewer systems or surface waters as more fully set forth at 415 ILCS 56/5; and

WHEREAS, the City, the Board, and District desire to cooperate and use their joint efforts and resources to promote the design, construction, and maintenance of Green Stormwater Infrastructure at various Chicago Public School ("**CPS**") sites to implement the Program (the "**Project**"); and

WHEREAS, the City, the Board, and the District agreed that the initial phase of the Project ("**Phase I**") would consist of a pilot program to design, construct, and maintain Green Stormwater Infrastructure at four CPS sites; and

WHEREAS, on or about November 1, 2014, Phase I of the Project was completed at four CPS sites as follows: (i) Virgil Grissom Elementary School, 12810 S Escanaba Ave, Chicago, IL 60633, (ii) Theophilus Schmid Elementary School, 9755 S Greenwood Ave, Chicago, IL 60628, (iii) Donald Morrill Math & Science Elementary School, 6011 S Rockwell St, Chicago, IL 60629, and (iv) George Leland Elementary School, 512 S Laverne Ave, Chicago, IL 60644. These four sites are collectively referred to herein as the "**Phase I Sites**"; and;

WHEREAS, due to the success of Phase I, the Board will collaborate with the district and the City for a second phase of the Project ("**Phase II**"). The Board anticipates identifying up to six additional sites (or more additional sites as may be agreed between the parties) each year for the next five years. It is anticipated that Phase II of the Project will consist of the design, construction, and maintenance of Green Stormwater Infrastructure at approximately thirty CPS sites (the "**Phase II Sites**") over the next five years commencing with the Board's 2016 fiscal year ("**Phase II**"); and



WHEREAS, the Board entered into an Intergovernmental Agreement between the Board and the District, effective September 16, 2014 (as amended, the "**District Phase I IGA**"), whereby the District agreed to reimburse the Board for up to \$2,000,000 for Phase I; and

WHEREAS, the City desires to use certain revenues from the City's Sewer System ("**Pay-Go Funds**") to reimburse the Board for up to \$500,000 for each of the Phase I Sites; and

WHEREAS, the Board anticipates entering into an Intergovernmental Agreement between the Board and the District (the "**District Phase II IGA**"), whereby the District will agree to reimburse the Board for Phase II in an amount of up to \$500,000 per Phase II Site (assuming six Phase II Sites per year or \$3,000,000 per year (or such other timing as may be agreed between the Board and the District) for five years, for a possible maximum reimbursement of \$15,000,000; and

WHEREAS, the City desires to use Pay-Go Funds to reimburse the Board for up to \$500,000 for each of the Phase II Sites, for a possible maximum reimbursement of \$15,000,000 over five years; and

WHEREAS, the Intergovernmental Cooperation Act, 5 ILCS 220/1 et seq., and Section 10 of Article VII of the Illinois Constitution, allow and encourage intergovernmental cooperation; now, therefore,

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

SECTION 1. The above recitals are incorporated here by this reference.

SECTION 2. Subject to the approval of the Corporation Counsel as to form and legality, the Commissioner of the Department of Water Management or his designee is authorized to execute an agreement and such other documents as are necessary, between the City and the Board in substantially the form attached as Exhibit A (the "**Agreement**"). The Agreement shall contain such other terms as are necessary or appropriate.

SECTION 3. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code of Chicago, or part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall control. 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 4. This ordinance takes effect upon passage and approval.

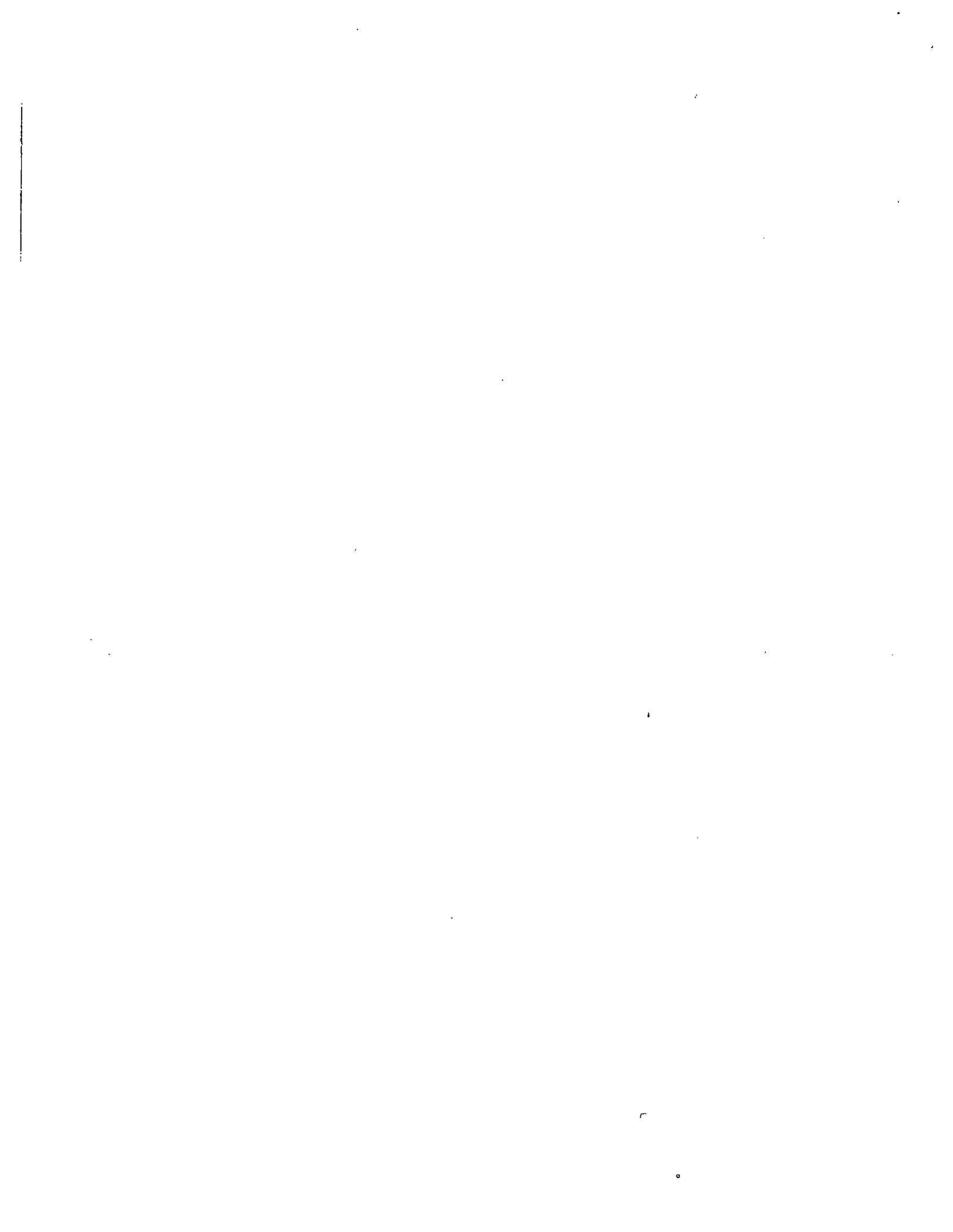


EXHIBIT A

INTERGOVERNMENTAL AGREEMENT BETWEEN  
THE CITY OF CHICAGO, BY AND THROUGH  
ITS DEPARTMENT OF WATER MANAGEMENT,  
AND THE BOARD OF EDUCATION OF THE CITY OF CHICAGO  
FOR DESIGN, CONSTRUCTION AND MAINTENANCE OF GREEN STORMWATER  
INFRASTRUCTURE AT VARIOUS CHICAGO PUBLIC SCHOOLS

This Intergovernmental Agreement (this "Agreement") is effective as of the \_\_\_\_\_ day of \_\_\_\_\_, 2016 (the "**Effective Date**") by and between the City of Chicago (the "**City**"), a municipal corporation and home rule unit of government under Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois, by and through its Department of Water Management (the "**Department**"), and the Board of Education of the City of Chicago (the "**Board**"), a body politic and corporate, organized under and existing pursuant to Article 34 of the School Code of the State of Illinois.

RECITALS

WHEREAS, the City Council passed a Stormwater Management Ordinance on December 13, 2006, as found in Section 11-18 of the Municipal Code of the City of Chicago, which established a policy to promote programs that minimize the negative stormwater impacts of new developments and redevelopments (the "Stormwater Management Ordinance"); and

WHEREAS, in 2014 Mayor Emanuel released the Green Stormwater Infrastructure Strategy, a plan that committed \$50,000,000.00 to build green stormwater infrastructure to capture rainfall runoff before it enters the City's sewer system; and

WHEREAS, the City, the Board, and the Metropolitan Water Reclamation District of Greater Chicago, a unit of local government and body politic, organized and existing under the laws of the State of Illinois (the "**District**") have partnered with Openlands and the Healthy Schools Campaign to create Space to Grow, a program that transforms Chicago schoolyards into vibrant outdoor spaces that benefit students, community members and the environment (the "Program"); and

WHEREAS, for purposes of this Agreement "**Green Stormwater Infrastructure**" shall mean the range of stormwater control measures that use plant/soil systems, permeable pavement, stormwater harvest and reuse, or native landscaping to store, infiltrate, and/or evapotranspire stormwater and reduce flows to the sewer systems or surface waters as more fully set forth at 415 ILCS 56/5; and

WHEREAS, the City, the Board, and District desire to cooperate and use their joint efforts and resources to promote the design, construction, and maintenance of Green Stormwater Infrastructure at various Chicago Public School ("**CPS**") sites to implement the Program (the "**Project**"); and

WHEREAS, the City, the Board, and the District agreed that the initial phase of the Project ("**Phase I**") would consist of a pilot program to design, construct, and maintain Green Stormwater Infrastructure at four CPS sites; and

WHEREAS, on or about November 1, 2014, Phase I of the Project was completed at four CPS sites as follows: (i) Virgil Grissom Elementary School, 12810 S Escanaba Ave, Chicago, IL 60633 ("Grissom"), (ii) Theophilus Schmid Elementary School, 9755 S Greenwood Ave, Chicago, IL 60628 ("Schmid"), (iii) Donald Morrill Math & Science Elementary School, 6011 S Rockwell St, Chicago, IL 60629 ("Morrill"), and (iv) George Leland Elementary School, 512 S Lavergne Ave, Chicago, IL 60644 ("Leland"). These four sites are collectively referred to herein as the "**Phase I Sites**"; and;

WHEREAS, due to the success of Phase I, the Board will collaborate with the district and the City for a second phase of the Project ("**Phase II**"). The Board anticipates identifying up to six additional sites (or more additional sites as may be agreed between the parties) each year for the next five years. It is anticipated that Phase II of the Project will consist of the design, construction, and maintenance of Green Stormwater Infrastructure at approximately thirty CPS sites (the "Phase II Sites") over the next five years commencing with the Board's 2016 fiscal year ("Phase II"); and

WHEREAS, the Board entered into an Intergovernmental Agreement between the Board and the District, effective September 16, 2014, as amended by that certain "First Amendment To Intergovernmental Agreement Between The Board Of Education Of The City Of Chicago And The Metropolitan Water Reclamation District Of Greater Chicago For Design, Construction, And Maintenance Of Green Infrastructure At Leland Elementary School, Schmid Elementary School, Morrill Math And Science Elementary School, And Grissom Elementary School In Chicago" (the "**District Phase I IGA**"), whereby the District agreed to reimburse the Board for up to \$2,000,000 for Phase I; and

WHEREAS, the City desires to use certain revenues from the City's Sewer System (the "**Pay-Go Funds**") to reimburse the Board for up to \$500,000 for each of the Phase I Sites, pursuant to the terms and conditions of this Agreement; and

WHEREAS, the Board anticipates entering into an Intergovernmental Agreement between the Board and the District (the "**District Phase II IGA**"), whereby the District will agree to reimburse the Board for Phase II in an amount of up to \$500,000 per Phase II Site (assuming six Phase II Sites per year or \$3,000,000 per year (or such other timing as may be agreed between the Board and the District) for five years, for a possible maximum reimbursement of \$15,000,000; and

WHEREAS, the City desires to use Pay-Go Funds to reimburse the Board for up to \$500,000 for each of the Phase II Sites, for a possible maximum reimbursement of \$15,000,000 over five years; and

WHEREAS, the Intergovernmental Cooperation Act, 5 ILCS 220/1 et seq., and Section 10 of Article VII of the Illinois Constitution, allow and encourage intergovernmental cooperation; and

WHEREAS, the Board executed the District Phase I IGA and anticipates executing this Agreement and the District Phase II IGA pursuant to applicable Board Rules, including Rule Sec. 7-15.d.; and

WHEREAS, on \_\_\_\_\_, \_\_\_\_ 201\_\_ City Council authorized the Department to enter into this Agreement with the Board; and

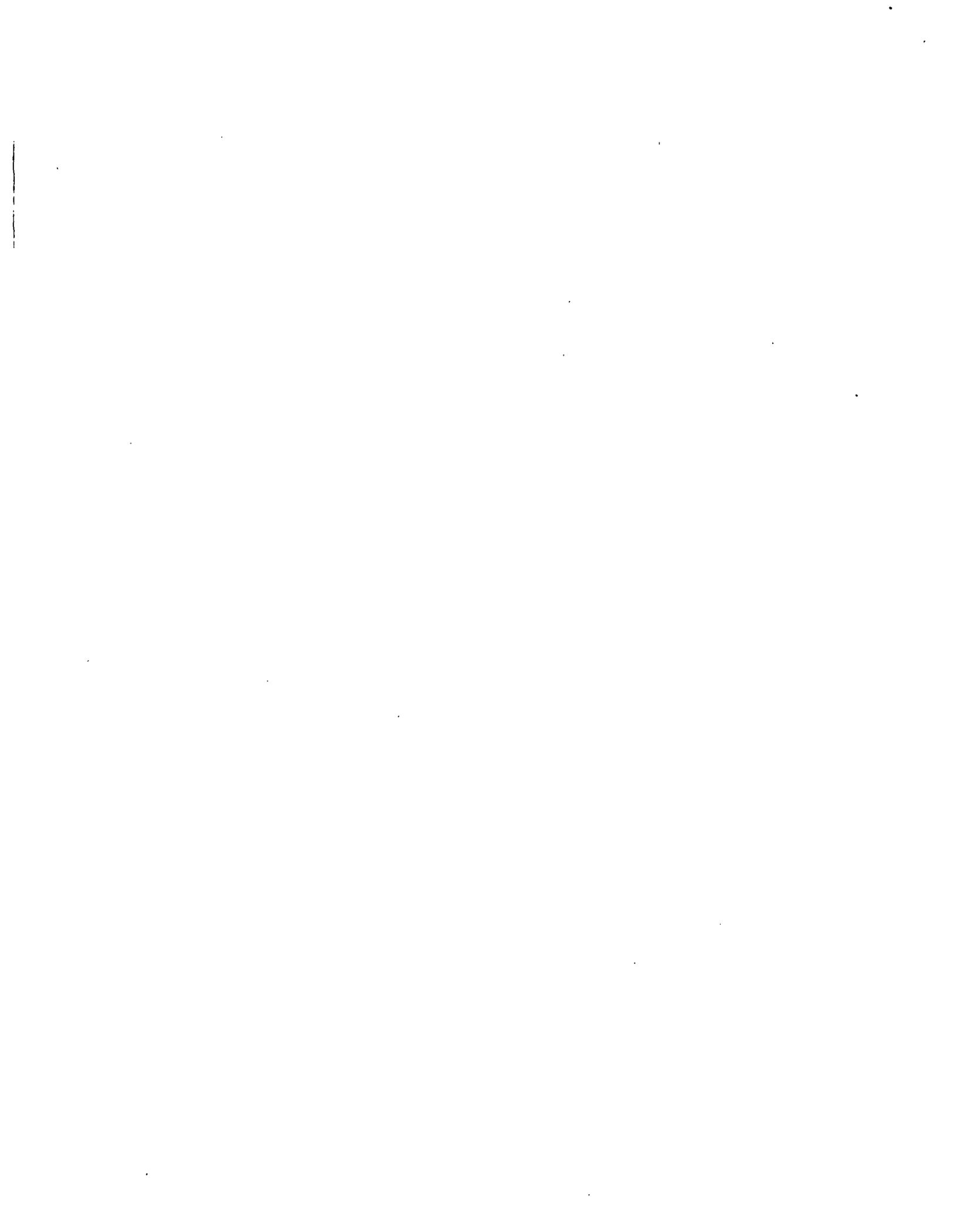
NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Article One: Incorporation of Recitals

The recitals set forth above are incorporated herein by reference and made a part hereof.

Article Two: The Project - Scope of Work.

1. The Project will include design, construction, and maintenance of Green Stormwater Infrastructure and recreational improvements.



- A. For Phase I, at the Phase I Sites, as described in the Project Description for Phase I set forth on **Exhibit 1**.
- B. For Phase II, at the Phase II Sites to be identified by the Board as is more fully set forth herein. It is contemplated that the Project Descriptions for the Phase II Sites will be substantially similar to those for Phase I.
2. The Green Stormwater Infrastructure improvements of the Project for Phase I and for Phase II shall be designed to exceed the requirements of the City's Stormwater Management Ordinance and cost-effectively maximize retention of rainfall runoff from impervious areas on each school site.
3. The Board caused to be prepared construction drawings, specifications, and details (hereinafter "**Construction Documents**"), Cost Estimates, and an Operations and Maintenance Plan ("**O & M Plans**") for each of the Phase I Sites. The City acknowledges and agrees that it reviewed the Construction Documents, Cost Estimates, and O & M Plans for each of the Phase I Sites and that it accepted those Construction Documents, Cost Estimates, and O & M Plans. The City further acknowledges and agrees that it has inspected the completed improvements on each of the Phase I Sites and has found them to be constructed in accordance with the Construction Documents for the respective Phase I Sites and otherwise acceptable to the City.
4. The Board has caused to be prepared the Construction Documents, Cost Estimates, O & M Plans, and "out to bid" documents for each of the Phase II Sites identified in Section 2.10 herein, has provided copies thereof to the Department, and the Department has accepted and approved same and provided comments thereon. For the remainder of the Phase II Sites yet to be identified, the Board shall cause to be prepared the Construction Documents, Cost Estimates, O & M Plans, and "out to bid" documents for each such to-be-identified Phase II Site and shall provide the Department and the District with a copy of 30%, 60%, and 100% complete Construction Documents, including Cost estimates and "out to bid" documents, for the to-be-identified Phase II Sites for the Department's and the District's respective approvals.
5. The Department shall review and provide comments to the Board in writing within 14 calendar days of receipt of the 30%, 60% and 100% complete Construction Documents referenced in Section 2.4 of this Agreement for the to-be-identified Phase II Sites.
6. The Department's and the District's review and comment on the Construction Documents for the Phase II Sites shall be limited to those components applying to Green Stormwater Infrastructure. The Board shall incorporate the Department's and the District's review comments into the Construction Documents for the to-be-identified Phase II Sites and has done so for the Phase II Sites identified in Section 2.10 herein.
7. The Board shall construct Phase II of the Project in accordance with the final Construction Documents up to the budgeted amount agreed upon prior to bidding and provided funding is in place as set forth in Section 2.9 in this Agreement.
8. The Board shall provide construction oversight and administrative support for Phase II of the Project up to the budgeted amount agreed upon prior to bidding and provided funding is in place as set forth in Section 2.9 in this Agreement, and further provided that the Board may include design and project management expenses in the site budgets and submitted as part of the Board's request for reimbursement from the Department hereunder.

9. Notwithstanding anything to the contrary elsewhere in this Agreement, the Board's obligations under this Agreement are contingent on the securing of available funding either through Board-approved capital plan(s) or third party sources other than the City under this Agreement and the District. The Board shall have no obligation to utilize Board funds to fund any obligations hereunder, and the Board's obligations hereunder are further contingent on the Board's entry into the District Phase II IGA upon terms acceptable to the Board and the District.

10. At least ten (10) months prior to the beginning of each fiscal year of the Board commencing for the fiscal year 2017, the Board, the Department, and the District shall meet to agree upon the proposed Phase II Sites for each respective fiscal year of the Board. It is anticipated that such site selection will be based upon prioritization of sites in accordance with the criteria for the Space To Grow program as agreed upon among the Board, the Department and the District.

While it is contemplated that Green Stormwater Infrastructure improvements will be designed and constructed for thirty Phase II Sites within the Board's fiscal years 2016 through 2020, the exact number of Phase II Sites per fiscal year may vary, such that more or less than six per year may be included within Phase II of the Project. For example, for the Board's fiscal year 2016, it is anticipated that the Board, the Department, and the District will agree to construct or cause to be constructed the Green Stormwater Infrastructure improvements solely on the following sites: (i) Cather Elementary, 2908 W. Washington Blvd., Chicago, IL 60612; (ii) Orozco Academy, 1940 W. 18<sup>th</sup> St., Chicago, IL 60608; and (iii) Wadsworth Elementary, 6650 S. Ellis Ave., Chicago, IL, 60637, provided funding is in place as set forth in Section 2.9 in this Agreement.

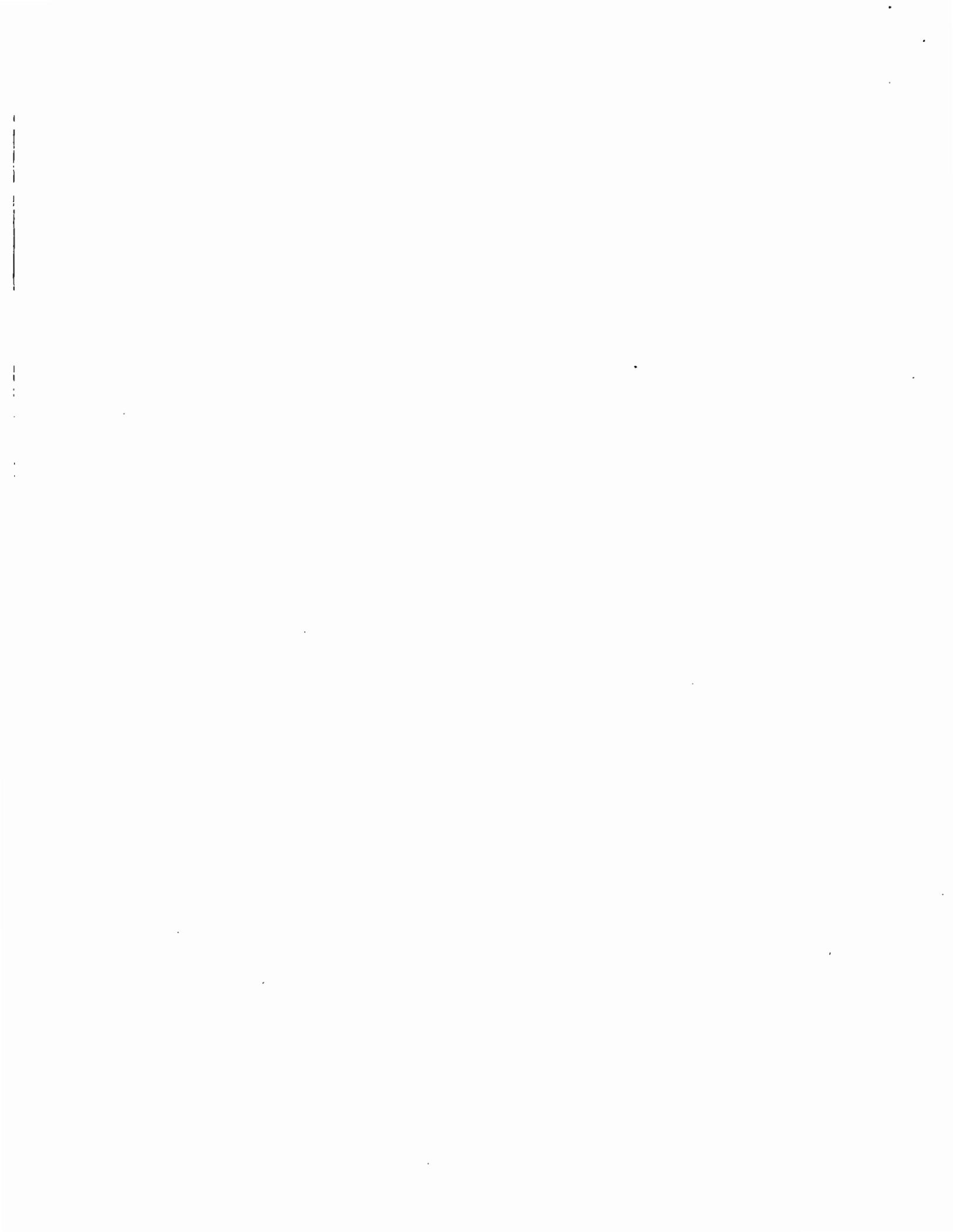
Notwithstanding anything to the contrary contained in this Agreement, if the Green Stormwater Infrastructure and recreational improvements are constructed at fewer than six Phase II Sites in any particular Board fiscal year, that shall not reduce the City's commitment for the total maximum possible reimbursement of \$15,000,000 to be allocated over the five-year period (Board's fiscal years 2016 through 2020); any City funds that would have been used to reimburse the Board for Phase II Sites that were not completed in any particular Board fiscal year shall be available for reimbursement in subsequent years.

#### Article Three: Funding

1. Upon the execution hereof, the Board shall provide the Department with a **Requisition Form** for reimbursement for Phase I in the form of **Exhibit 2** hereto, along with: (i) evidence of the expenditures for Phase I of the Project for which the Board seeks reimbursement attached as **Exhibit 3** hereto; and (ii) all other documentation described in **Exhibit 2**, if any. The City shall reimburse the Board within **fifteen (15) days** after the City's approval of the Requisition Form for Phase I.

2. The cost of Phase I is approximately \$5,870,017.00. The Board has delivered to the Commissioner of the Department (the "Commissioner"), and the Commissioner hereby approves the approximate project expenditures for the Phase I Sites attached hereto and incorporated herein as **Exhibit 3**. The Board agrees that the City will only contribute up to \$500,000 for each of the Phase I Sites, as identified on **Exhibit 1**, attached hereto, from the Pay-Go Funds for the Phase I Sites.

3. Attached as **Exhibit 4** and incorporated herein is a list of the estimated design and construction costs for each Phase II Sites, subject to reimbursement by the City from the Pay-Go Funds.



4. The estimated cost of Phase II is \$1,500,000 per Phase II Site. The Board has delivered to the Commissioner of the Department (the "Commissioner"), and the Commissioner hereby approves, an estimated project budget for each of the Phase II Sites, attached hereto and incorporated herein as **Exhibit 4**. The Board agrees that the City will only contribute up to \$500,000 for each of the Phase II Sites from the Pay-Go Funds.

Requisition for reimbursement of Phase II costs from the Pay-Go Funds shall be made not more than **four (4) times per year** (or as otherwise permitted by the Department). The City shall reimburse the Board within **fifteen (15) days** after the City's approval of a Requisition Form.

5. If requested by the City, the Board shall provide to the City reasonable access to its books and records relating to the Project.

6. The Board shall be solely responsible for all costs associated with the recreational equipment component of the Project, provided funding is in place as set forth in Section 2.9 in this Agreement.

7. The Board shall return all funds provided by the City with regard to any particular Phase II Site if such particular Phase II Site is not completed within two years of award of the construction contract for that particular Phase II Site, unless the City approves extension(s); such approvals shall not be unreasonably withheld.

8. The Board shall use the completed Project to educate students and the community about green stormwater infrastructure.

#### Article Four: Permits and Fees

1. Federal, State, and County Requirements. Provided funding is in place as set forth in Section 2.9 in this Agreement, the Board shall: a) Obtain all federal, state, and county permits required by law for the construction of the Project, and shall assume any costs in procuring said permits; and b) Additionally, obtain all consents and approvals required by federal, state, and/or county regulations for the construction of the Project, and shall assume any costs incurred in procuring all such consents and approvals.

2. Maintenance. The Board shall obtain any and all permits necessary for the performance of the maintenance work set forth in the O & M Plans attached hereto as **Exhibit 5** and hereby incorporated into this agreement and in accordance with Section 6.1 of this Agreement

#### Article Five: Property Interests

The Project shall be constructed on property beneficially owned and controlled by the Board. The Board shall own all of the improvements, including Green Stormwater Infrastructure, constructed for this Project and pursuant to this Agreement.

#### Article Six: Maintenance

1. Provided funding is in place as set forth in Section 2.9 in this Agreement, the Board, at its sole cost and expense, shall maintain the Green Stormwater Infrastructure comprising part of the Project, including any other appurtenances associated with this Project in accordance with the O&M Plans, for A) The respective Actual Useful Lives of the Exterior Components and the Green Stormwater Infrastructure Components (all as defined below); or B) Such shorter period during which the Board is the beneficial owner and controls each respective school and each respective school is used for school purposes. However, if such period set forth in 1 B herein is less than five (5) years from:



- (i) For each respective Phase I Site, September 16, 2014; or
- (ii) For the Phase II Sites, the date of substantial completion for each respective Phase II Site;

then the Board shall reimburse the City for the amount of funds received from the City for Green Stormwater Infrastructure for that particular school or schools that did not remain so controlled and beneficially owned by the Board and used for school purposes for said five (5)-year period.

For purposes of this Section 6.1, "Exterior Components" shall mean: "permanent" artificial turf; "permanent" rubber surfacing under playground equipment/structures; and planters installed at each particular Site. "Green Stormwater Infrastructure Components" shall mean: plantings and subsurface sewer and drainage systems installed as part of each particular Site. "Actual Useful Life" shall mean the period in which a particular improvement continues to be functional in the manner required for safe and effective use for its particular purpose.

Provided funding is in place as set forth in Section 2.9 in this Agreement, at the expiration of the Actual Useful Live of the respective Exterior Components at any particular Site, if the Board in its sole discretion elects to replace such Exterior Components, it shall use reasonable efforts to replace such Exterior Components with materials that do (or in a manner that does) not negatively impact the permeability of the surfaces above the Green Stormwater Infrastructure Components at such respective Site.

2. The Board and the City shall conduct joint annual inspections to ensure adequate maintenance.

3. In the event of failure of the Board to maintain the Project as described above to the reasonable satisfaction of the City, the City may issue a sixty (60)-day written notice by certified or registered mail to the Board directing the Board to perform such maintenance. If maintenance required by the O&M Plan has not been accomplished on or before sixty (60) days after such notice, the City may cause such maintenance to be performed and the Board shall reimburse the City for any costs incurred to perform the required maintenance, with such reimbursement being paid by the Board to the City within 60 days after the City submits its invoices to the Board.

#### Article Seven: Notification.

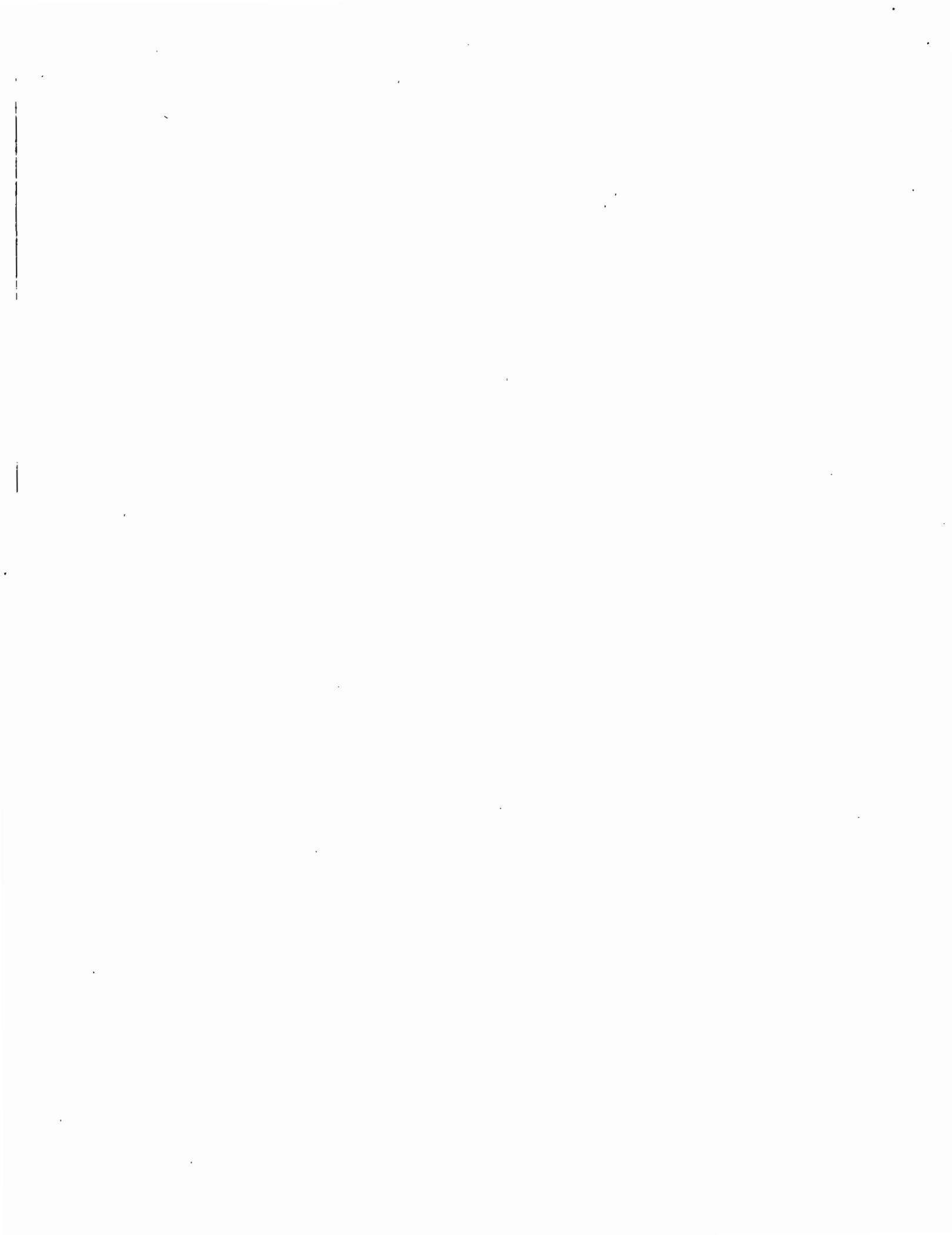
1. Bid Advertisement. For Phase I Sites and the Phases II Sites identified in Section 2.10 hereof the Board has, and for the to-be-identified Phase II Sites the Board shall, provide the City with 30 days of notice prior to Bid Advertisement for the particular to-be-identified Phase II Sites in the Project.

2. Construction. For Phase I Sites and the Phase II Sites identified in Section 2.10 hereof the Board has, and for the to-be-identified Phase II Sites the Board shall, provide the City with a construction schedule and provide the City a minimum of 72 hours of notice before the following project milestones for the particular selected Phase II Sites:

- Substantial completion; and
- Completion of work.

#### Article Eight: Termination

1. The Term of the Agreement shall commence as of the Effective Date. Subject to the terms and conditions of Sections 8.2 and 8.3, this Agreement shall remain in full force and effect for the respective Actual Useful Lives of the Exterior Components and Green Stormwater Infrastructure Components (for those respective components) or for such shorter period as is set forth in Section 6.1.B with regard to each respective Site comprising part of the Project



2. Termination by the Board. Prior to commencement of Construction of the Phase II Sites identified in Section 2.10 hereof, the Board may, at its option, and upon giving notice to the City in the manner provided in Article 25 below, terminate this Agreement as it pertains to the entire Project.

3. Termination by the City. Prior to Bid Advertisement of the construction of the Phase II Sites identified in Section 2.10 hereof, the City may, at its option, and upon giving notice to all parties in the manner provided in Article 25 below, terminate this Agreement as it pertains to Phase II of the Project.

#### Article Nine: Effective Date

This Agreement becomes effective on the date that the last signature is affixed hereto.

#### Article Ten: Duration

Subject to the terms and conditions of Article 8 above, this Agreement shall remain in full force and effect for the respective Actual Useful Lives of the Exterior Components and Green Stormwater Infrastructure Components (for those respective components) or for such shorter period as is set forth in Section 6.1.B with regard to each respective Site comprising part of the Project.

#### Article Eleven: Additional Sites

Subject to the formal approval of the City Council, and in conformance with the requirements for amendments set forth in Article 27 of this Agreement, the parties may amend this Agreement to add additional sites (above the thirty currently contemplated for Phase II) for the Program.

#### Article Twelve: Signage

For every location of the Project, signs shall be prominently displayed setting forth the following information: "This Project is a joint effort between the City of Chicago, the Chicago Public Schools and the Metropolitan Water Reclamation District of Greater Chicago, designed to promote the use of green infrastructure as an effective means of stormwater management."

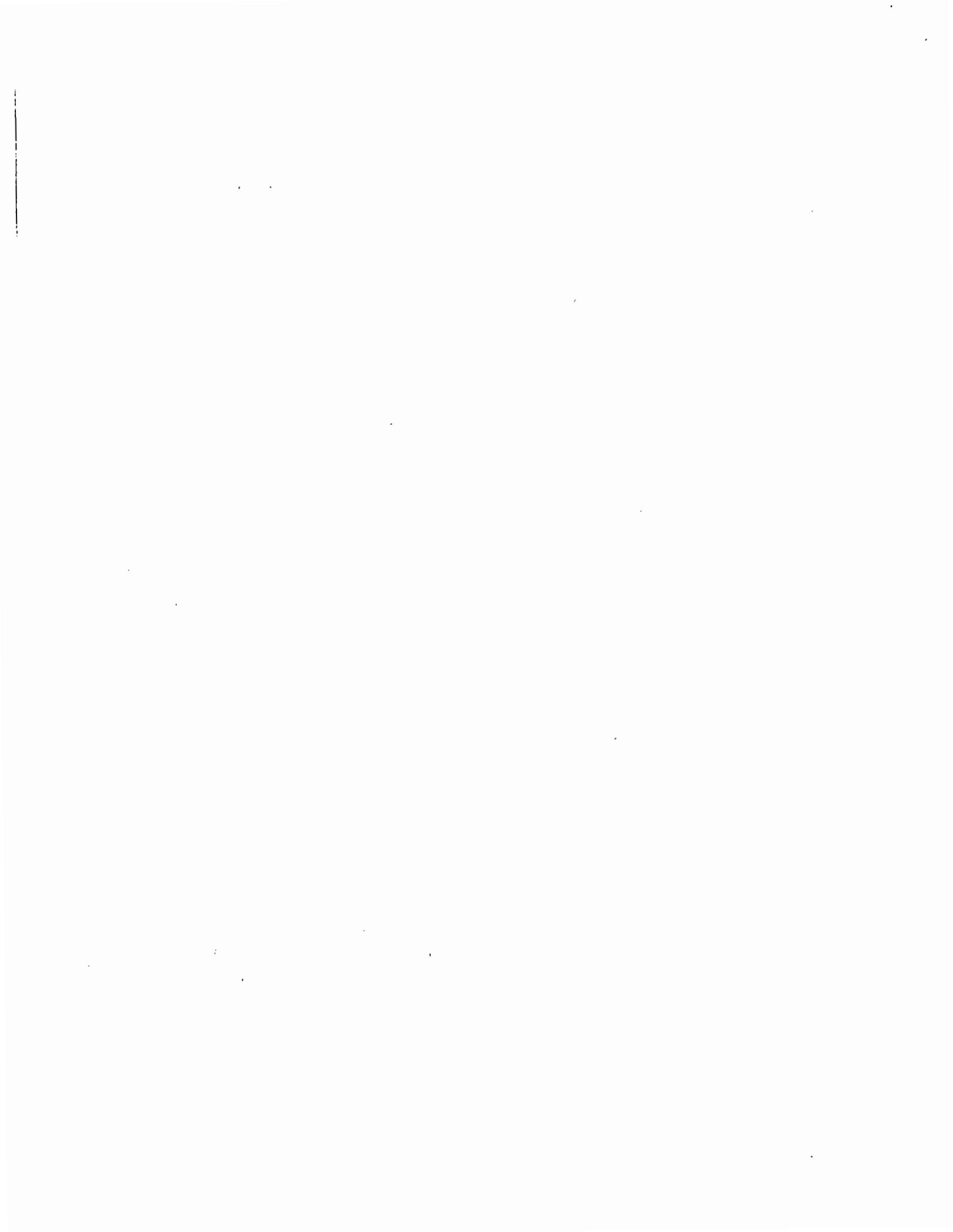
#### Article Thirteen: Non-Assignment

No party may assign its rights or obligations hereunder without the written consent of the other parties.

#### Article Fourteen: Indemnity; Default

1. The Board agrees to indemnify, defend and hold the City, its officers, officials, members, employees and agents harmless from and against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses (including, without limitation, reasonable attorneys' fees and court costs) suffered or incurred by the City arising from or in connection with (i) the Board's failure to comply with any of the terms, covenants and conditions contained within this Agreement, or (ii) the Board's or any contractor's failure to pay general contractors, subcontractors or materialmen in connection with the Project.

2. The failure of the Board to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Board under this Agreement shall constitute an "Event of Default" by the Board hereunder. Upon the occurrence of an Event of Default, the City may terminate this Agreement and may suspend disbursement of its funds hereunder. The City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to injunctive relief or the specific performance of the agreements contained herein



In the event the Board shall fail to perform a covenant which the Board is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the Board has failed to cure such default within thirty (30) days of its receipt of a written notice from the City specifying the nature of the default; provided, however, with respect to those defaults which are not capable of being cured within such thirty (30) day period, the Board shall not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such thirty (30) day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

3. The failure of the City to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the City under this Agreement or any other agreement directly related to this Agreement shall constitute an "Event of Default" by the City hereunder. Upon the occurrence of an Event of Default, the Board may terminate this Agreement and any other agreement directly related to this Agreement. The Board may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure injunctive relief or the specific performance of the agreements contained herein.

In the event the City shall fail to perform a covenant which the City is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the City has failed to cure such default within thirty (30) days of its receipt of a written notice from the Board specifying the nature of the default; provided, however, with respect to those defaults which are not capable of being cured within such thirty (30) day period, the City shall not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such thirty (30) day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

#### Article Fifteen: Representations of the Board

The Board covenants, represents, and warrants as follows:

(1) The Board has full authority to execute, deliver, and perform or cause to be performed this Agreement;

(2) The individuals signing this Agreement and all other documents executed on behalf of the Board are duly authorized to sign same on behalf of and to bind the Board;

(3) The execution and delivery of this Agreement, consummation of the transactions provided for herein, and the fulfillment of the terms hereof will not result in any breach of any of the terms or provisions of or constitute a default under any agreement of the Board or any instrument to which the Board is bound or any judgment, decree, or order of any court or governmental body or any applicable law, rule, or regulation.

(4) The Board has secured a minimum of \$2,000,000.00 in funds for the Project in addition to funds to be provided by the City under this Agreement.

#### Article Sixteen: Representations of the City

The City covenants, represents, and warrants as follows:

(1) The Commissioner has full authority to execute, deliver, and perform or cause to be performed this Agreement;

(2) The execution and delivery of this Agreement, consummation of the transactions provided for herein, and the fulfillment of the terms hereof will not result in any breach of any of the

terms or provisions of or constitute a default under any agreement of the City or any instrument to which the City is bound or any judgment, decree, or order of any court or governmental body or any applicable law, rule, or regulation.

#### Article Seventeen: Disclaimers

Nothing contained in this Agreement, nor any act of the City or the Board shall be deemed or construed by any of the parties hereto or by third persons, to create any relationship of third party beneficiary, principal, agent, limited or general partnership, joint venture, or any association or relationship involving the City and the Board (other than contractual between the City and the Board).

#### Article Eighteen: Waivers

Whenever a party to this Agreement by proper authority waives the other party's performance in any respect or waives a requirement or condition to performance, the waiver so granted, whether express or implied, shall only apply to the particular instance and shall not be deemed a waiver for subsequent instances of the performance, requirement, or condition. No such waiver shall be construed as a modification of this Agreement regardless of the number of times the performance, requirement, or condition may have been waived.

#### Article Nineteen: Governing Law And Severability

This Agreement shall be governed by the laws of the State of Illinois. If any provision of this Agreement shall be held or deemed to be or shall in fact be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all cases because it conflicts with any other provision or provisions hereof or any constitution, statute, ordinance, rule of law or public policy, or for any reason, such circumstance shall not have the effect of rendering any other provision or provisions contained herein invalid, inoperative or unenforceable to any extent whatsoever. The invalidity of any one or more phrases, sentences, clauses, or sections contained in this Agreement shall not affect the remaining portions of this Agreement or any part hereof.

#### Article Twenty: Necessary Documents

Each party agrees to execute and deliver all further documents, and take all further action reasonably necessary to effectuate the purpose of this Agreement. Upon the completion of the Project, the Board shall provide the City with an electronic PDF version of the as-built drawings.

#### Article Twenty-One: Deemed Inclusion

Provisions required (as of the effective date) by law, ordinances, rules, regulations, or executive orders to be inserted in this Agreement are deemed inserted in this Agreement whether or not they appear in this Agreement or, upon application by either party, this Agreement will be amended to make the insertions. However, in no event will the failure to insert such provisions before or after this Agreement is signed prevent its enforcement.

#### Article Twenty-Two: Entire Agreement

This Agreement, and any exhibits or riders attached hereto, shall constitute the entire agreement between the parties. No other warranties, inducements, considerations, promises, or interpretations shall be implied or impressed upon this Agreement that are not expressly set forth herein.

#### Article Twenty-Three: References to Documents

All references in this Agreement to any exhibit or document shall be deemed to include all supplements and/or authorized amendments to any such exhibits or documents to which all parties



hereto are privy.

#### Article Twenty-Four: Judicial and Administrative Remedies

The parties agree that this Agreement and any subsequent Amendment shall be governed by, and construed and enforced in accordance with, the laws of the State of Illinois in all respects, including matters of construction, validity, and performance. The parties further agree that the proper venue to resolve any dispute which may arise out of this Agreement is the appropriate Court of competent jurisdiction located in Cook County, Illinois.

This Agreement shall not be construed against a party by reason of who prepared it. Each party agrees to provide a certified copy of the ordinance, bylaw, or other authority to evidence the reasonable satisfaction of all other parties that the person signing this Agreement for such party is authorized to do so and that this Agreement is a valid and binding obligation of such party. The rights and remedies of the Board, or the City shall be cumulative, and election by the Board or the City of any single remedy shall not constitute a waiver of any other remedy that such party may pursue under this Agreement.

#### Article Twenty-Five: Notice

Immediately upon execution of this Agreement, the following individuals will represent the parties as a primary contact and receive notice in all matters under this Agreement:

Notice to Board shall be addressed to:

Chief Facilities Officer  
Board of Education of the City of Chicago  
**42 West Madison Street, 2nd Floor**  
**Chicago, Illinois 60602**  
**(773) 553-2900**

and

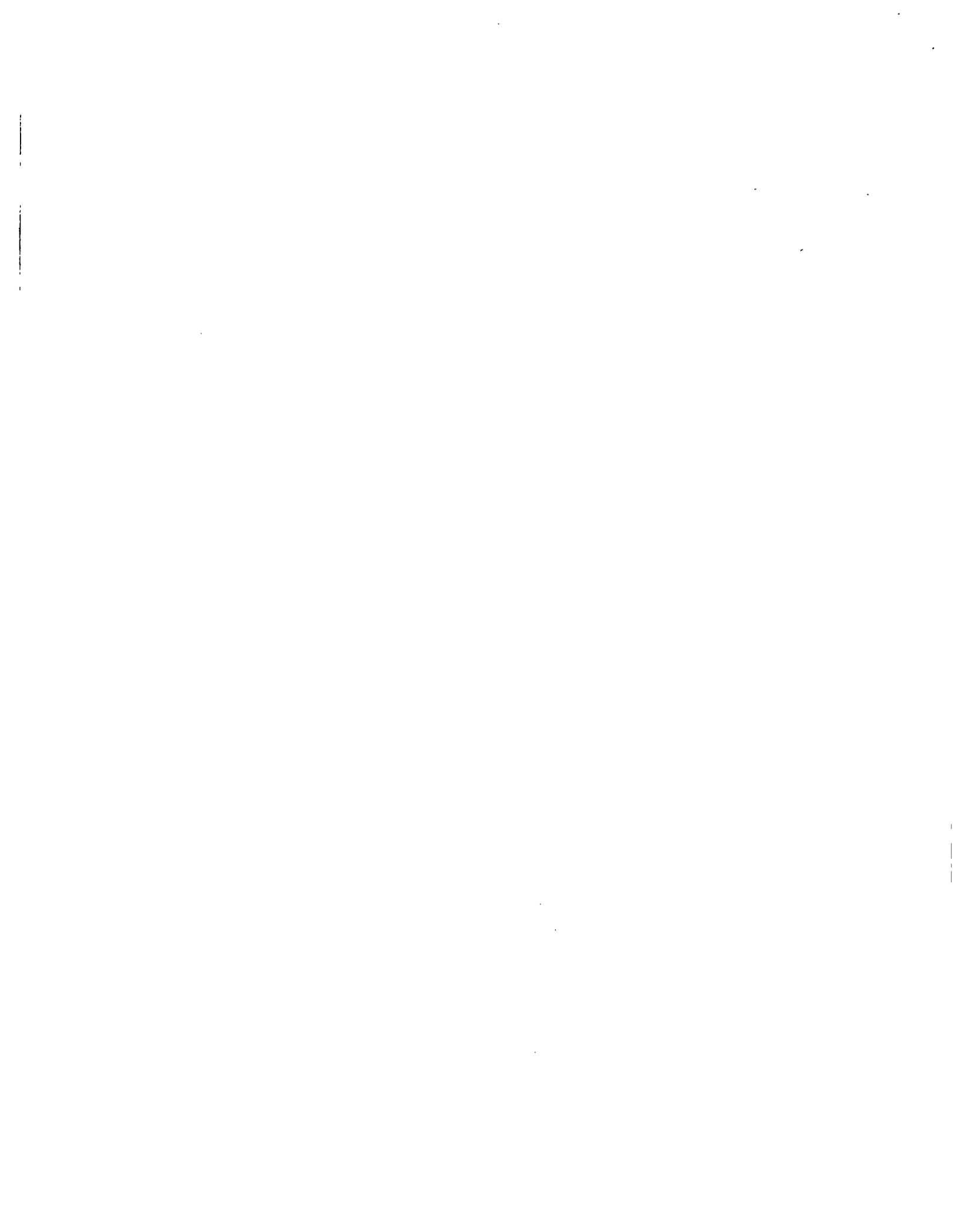
General Counsel  
Board of Education of the City of Chicago  
**One North Dearborn Street, 9<sup>th</sup> Floor**  
**Chicago, Illinois 60602**  
**(773) 553-1700**

Notice to the City shall be addressed to:

Commissioner  
City of Chicago Department of Water Management  
1000 East Ohio  
Chicago, Illinois 60611  
**(312) 744-7001**

and

Corporation Counsel  
City of Chicago  
Department of Law  
121 North LaSalle Street, Room 600  
Chicago, Illinois 60602  
Attention: Finance and Economic Development Division  
**(312) 744-1574**



Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the addresses set forth above, by any of the following means: (a) personal service; (b) electronic email communications; (c) overnight courier; or (d) registered or certified mail, return receipt requested.

Such addresses may be changed when notice is given to the other party in the same manner as provided above. Any notice, demand or request sent pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon transmission confirmed by electronic means. Any notice, demand or request sent pursuant to clause (c) shall be deemed received on the day immediately following deposit with the overnight courier and, if sent pursuant to subsection (d) shall be deemed received two (2) days following deposit in the mail.

#### Article Twenty-Six: Assignment; Binding Effect

This Agreement, or any portion thereof, shall not be assigned by either party without the prior written consent of the other.

This Agreement shall inure to the benefit of and shall be binding upon the City, the Board and their respective successors and permitted assigns. This Agreement is intended to be and is for the sole and exclusive benefit of the parties hereto and such successors and permitted assigns.

#### Article Twenty-Seven: Modification

This Agreement may not be altered, modified or amended except by written instrument signed by all of the parties hereto.

#### Article Twenty-Eight: Compliance With Laws

The parties hereto shall comply with all federal, state and municipal laws, ordinances, rules and regulations relating to this Agreement.

#### Article Twenty-Nine: Counterparts

This Agreement may be executed in counterparts, each of which shall be deemed an original.

#### Article Thirty: Authority

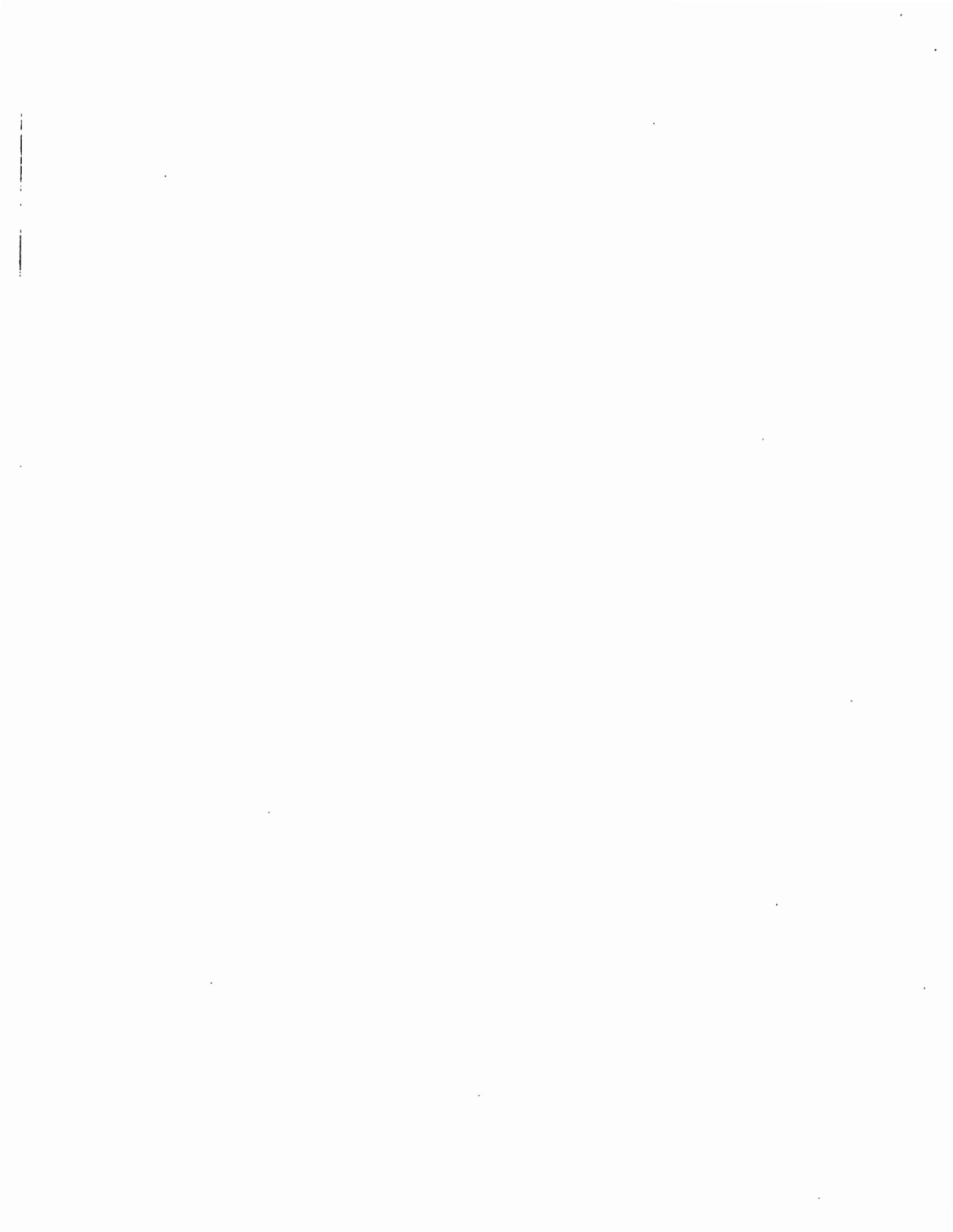
Execution of this Agreement by the City is authorized by an ordinance passed by the City Council of the City on \_\_\_\_\_, 201\_\_\_. Execution of this Agreement by the Board is authorized by Board Resolution \_\_\_\_\_. The parties represent and warrant to each other that they have the authority to enter into this Agreement and perform their obligations hereunder.

#### Article Thirty-One: Headings

The headings and titles of this Agreement are for convenience only and shall not influence the construction or interpretation of this Agreement.

#### Article Thirty-Two: Construction of Words

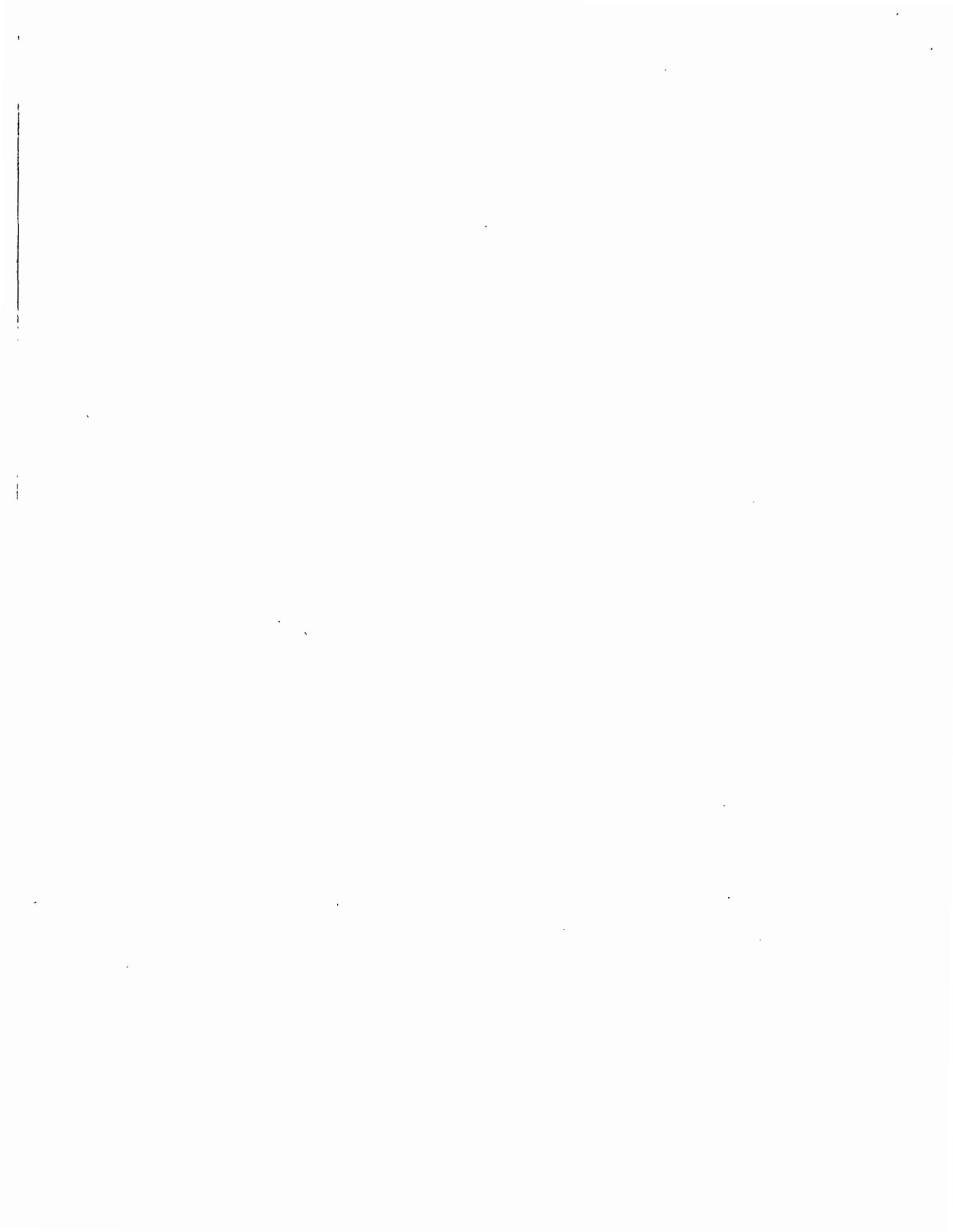
The use of the singular form of any word herein shall also include the plural, and vice versa. The use of the neuter form of any word herein shall also include the masculine and feminine forms, the masculine form shall include feminine and neuter, and the feminine form shall include masculine and neuter.



Article Thirty-Three: No Personal Liability

No officer, member, official, employee or agent of the City or the Board shall be individually or personally liable in connection with this Agreement.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]



IN WITNESS WHEREOF, each of the parties has caused this Agreement to be executed and delivered as of the date first above written.

CITY OF CHICAGO, ILLINOIS, by and through the  
Department of Water Management

By: \_\_\_\_\_  
Commissioner  
Department of Water Management

THE BOARD OF EDUCATION  
OF THE CITY OF CHICAGO

By: \_\_\_\_\_

Board Rule No.: 7-15.d.

Approved as to legal form:

\_\_\_\_\_  
General Counsel

## EXHIBIT 1

### Project Site Descriptions

#### **PHASE I:**

##### **Overall Description**

Space to Grow: Greening Chicago Schoolyards, a partnership led by Openlands and Healthy Schools Campaign, and supported by Chicago Public Schools, is an innovative program to transform Chicago schoolyards into spaces that provide students, their families and the broader community with the opportunity for active play, space for physical education classes, opportunities for outdoor learning, gardening and environmental literacy, and engagement with art. While the main objective of Space to Grow is to build schoolyards that meet the needs of students, these green schoolyards will have the added benefit of reconnecting communities with their local public schools; providing much-needed green space in otherwise heavily urbanized neighborhoods; and, significantly contributing to a reduction in stormwater runoff across the city

Improvements for the four Space to Grow pilot schools, Morrill, Grissom, Schmid and Leland Elementary Schools, have been substantially completed. All projects are meeting more stringent stormwater standards than current Chicago Stormwater Management Ordinance based on an agreement between DWM and MWRD. Projects are meeting stormwater storage for Bulletin 70 rainfall events instead of the TP40 rainfall events as currently required by Chicago Stormwater Management Ordinance, and are specifically designed to retain additional stormwater volume to meet Consent Decree requirements.

##### **Grissom**

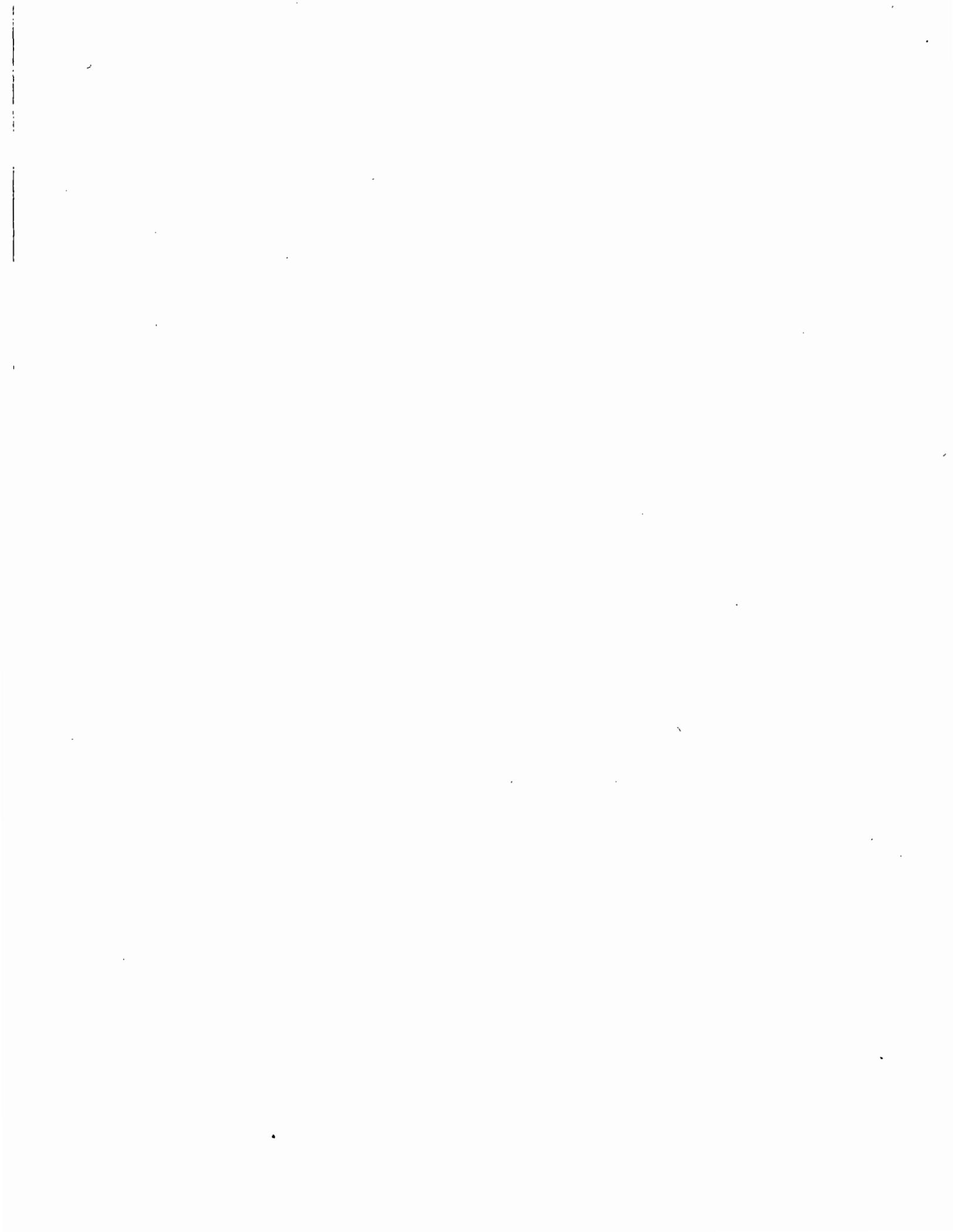
Grissom's scope of work includes removal of asphalt, playground, fencing, and utilities. Site improvements include a 2-5 and 5-12 year old playground on rubber play surfacing, basketball half courts and overlapping volleyball court on permeable asphalt, painted asphalt track, baseball backstop, artificial turf, an outdoor classroom, walkways and resurfaced asphalt; Landscape improvements including an edible Kitchen Community Garden, rain gardens, infiltration planters, and a butterfly garden; Site amenities including fencing, signage, and site furnishings; and Utility upgrades including stormwater storage and a lawn hydrant.

##### **Schmid**

Schmid's scope of work includes removal of asphalt, playground, fencing, parking lot, and utilities. Site improvements include a permeable paver parking lot, 2-5 and 5-12 year old playground on rubber play surfacing, renovated tennis court, renovated basketball court, an outdoor classroom, and walkway upgrades; Landscape improvements including an edible Kitchen Community Garden, rain gardens, infiltration planters, and a butterfly garden; Site amenities including fencing improvements, signage, and site furnishings; and Utility upgrades including stormwater storage, roof drain stormwater capture and outfall through an educational tunnel, and lighting.

##### **Morrill**

Morrill's scope of work includes removal of asphalt, fencing, and utilities. Site improvements include a 2-5 year old playground and fitness station on rubber play surfacing, basketball half courts, artificial turf soccer field, painted asphalt track, an outdoor classroom, walkways, and asphalt with painted games; Landscape improvements including an edible Kitchen Community Garden, rain gardens, infiltration planters, and a butterfly garden; Site amenities including fencing, signage, and site furnishings; and Utility upgrades including stormwater storage, downspout disconnection on the



fieldhouse, lawn hydrants, and electrical renovations.

**Leland**

Leland's scope of work includes removal of asphalt, playground, fencing, and utilities. Site improvements include a 2-5 year old playground and 5-12 year old play mounds on rubber play surfacing, basketball half court, painted asphalt track, an outdoor classroom, walkways and new asphalt; Landscape improvements including an edible Kitchen Community Garden, rain gardens, infiltration planters, and a butterfly garden; Site amenities including fencing, signage, and site furnishings; and Utility upgrades including stormwater storage, downspout disconnection on the modular and a new hose bibb.

**PHASE II:**

It is contemplated that the Project Descriptions for the Phase II Sites will be substantially similar to those for Phase I.

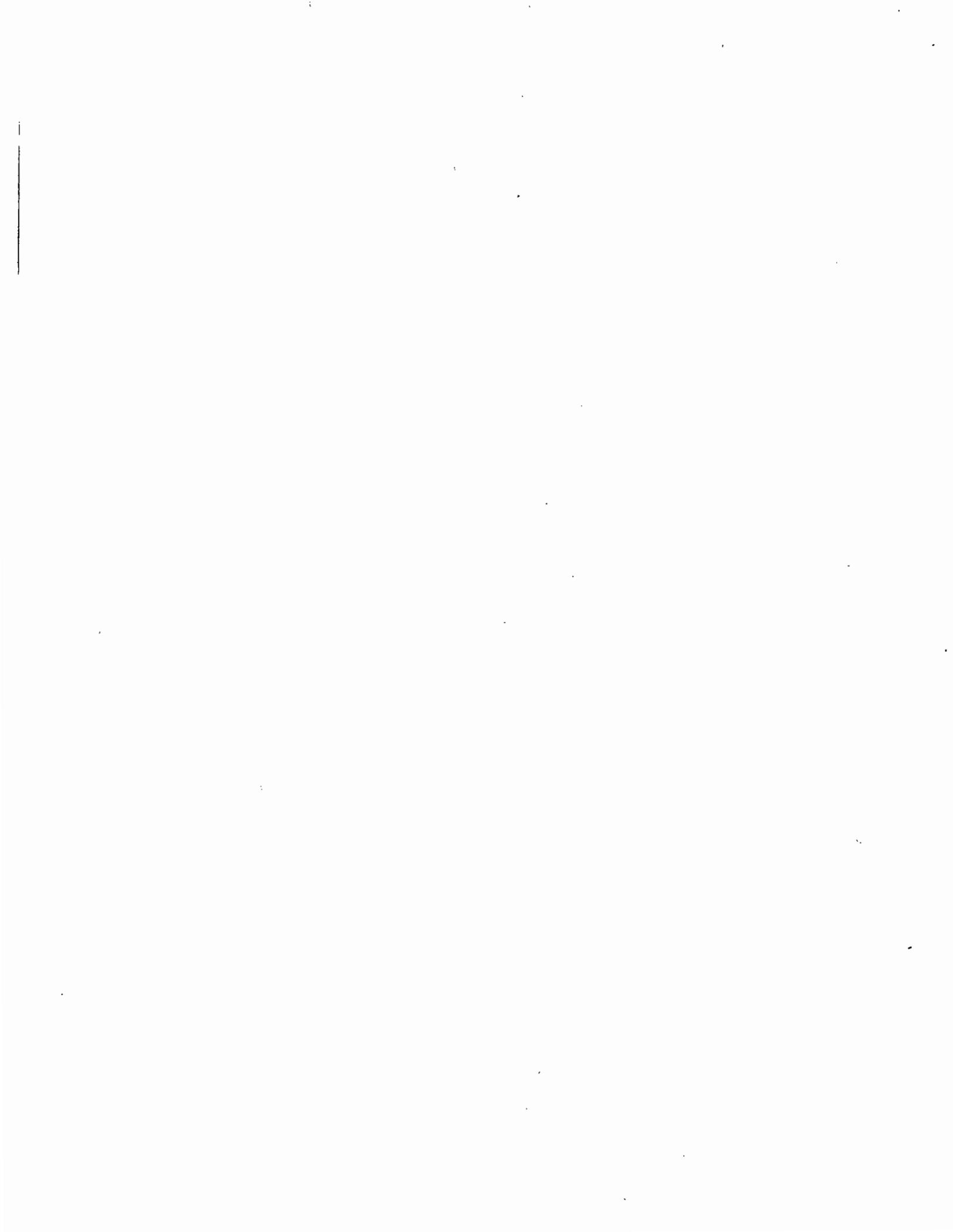


EXHIBIT 2

REQUISITION FORM

State of Illinois )
) SS
County of Cook )

The affiant, \_\_\_\_\_ of the Board of Education of the City of Chicago, a body corporate and politic (the "Board"), hereby certifies that with respect to that certain Intergovernmental Agreement between the Board and the City of Chicago dated \_\_\_\_\_, 2016, regarding \_\_\_\_\_ school (the "Agreement"):

A. The following is a true and complete statement of all expenditures for the Phase \_\_\_ of the Project at \_\_\_\_\_ to date:

TOTAL: \$ \_\_\_\_\_

B. This paragraph B sets forth and is a true and complete statement of all costs of Phase \_\_\_ of the Project at \_\_\_\_\_ reimbursed by the City to date:

\$ \_\_\_\_\_

C. The Board requests reimbursement for the following cost of Phase \_\_\_ of the Project at \_\_\_\_\_:

\$ \_\_\_\_\_

D. None of the costs referenced in paragraph C above have been previously reimbursed by the City.

E. The Board hereby certifies to the City that, as of the date hereof:

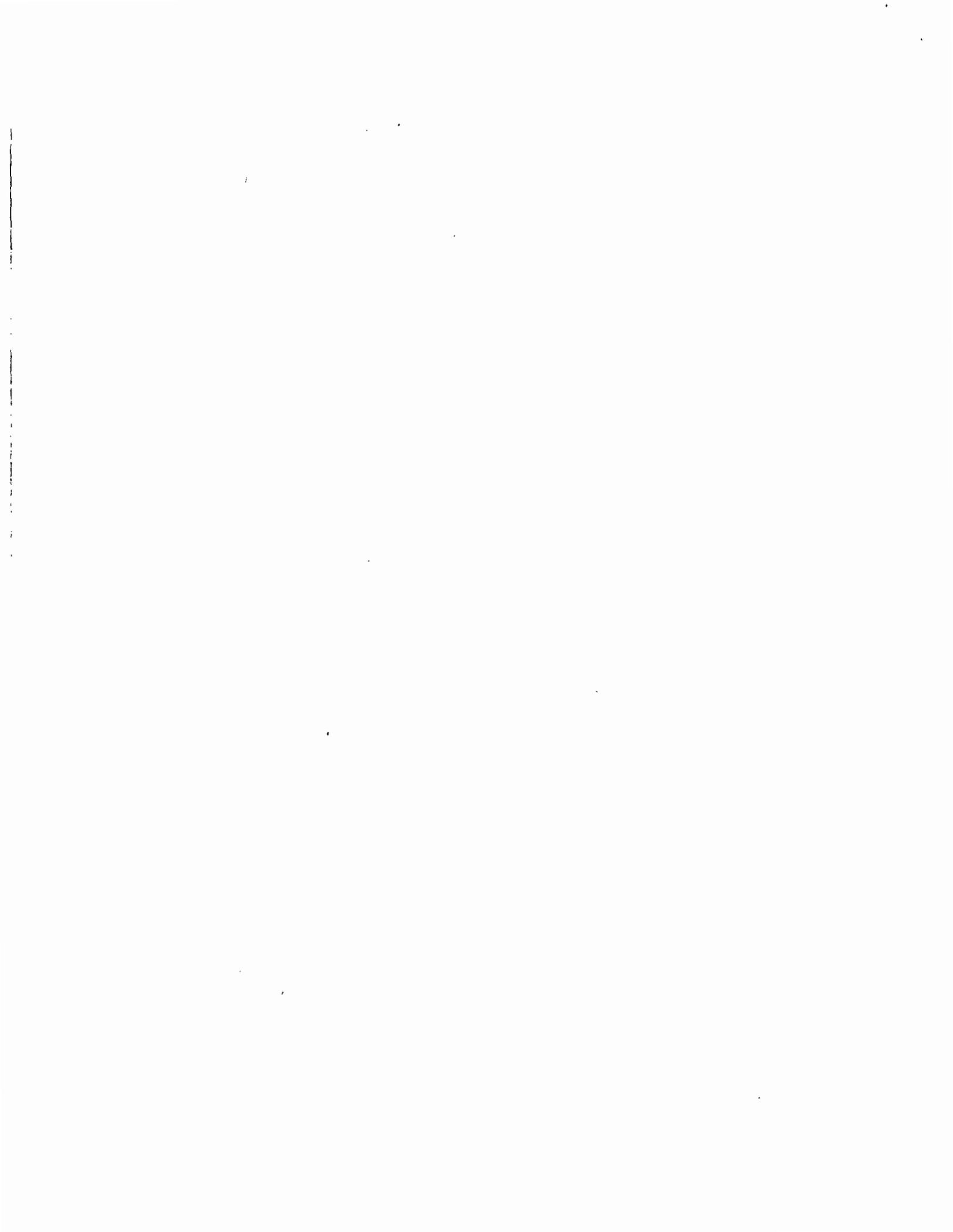
1. Except as described in the attached certificate, the representations and warranties contained in the Agreement are true and correct and the Board is in compliance with all applicable covenants contained therein.

2. No Event of Default or condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default exists or has occurred.

3. The Board is in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders, as well as all policies, programs and procedures of the Board, all as may be in effect or as amended from time to time, pertaining to or affecting Phase \_\_\_ of the Project at \_\_\_\_\_ or the Board as related thereto.

F. Attached hereto are: (1) a cost itemization of the applicable portions of the budget attached as Exhibit \_\_\_ to the Agreement; and (2) evidence of the expenditures for Phase \_\_\_ of the Project at \_\_\_\_\_ for which the Board hereby seeks reimbursement.

All capitalized terms which are not defined herein have the meanings given such terms in the



Agreement.

THE BOARD OF EDUCATION  
OF THE CITY OF CHICAGO, a body corporate and politic

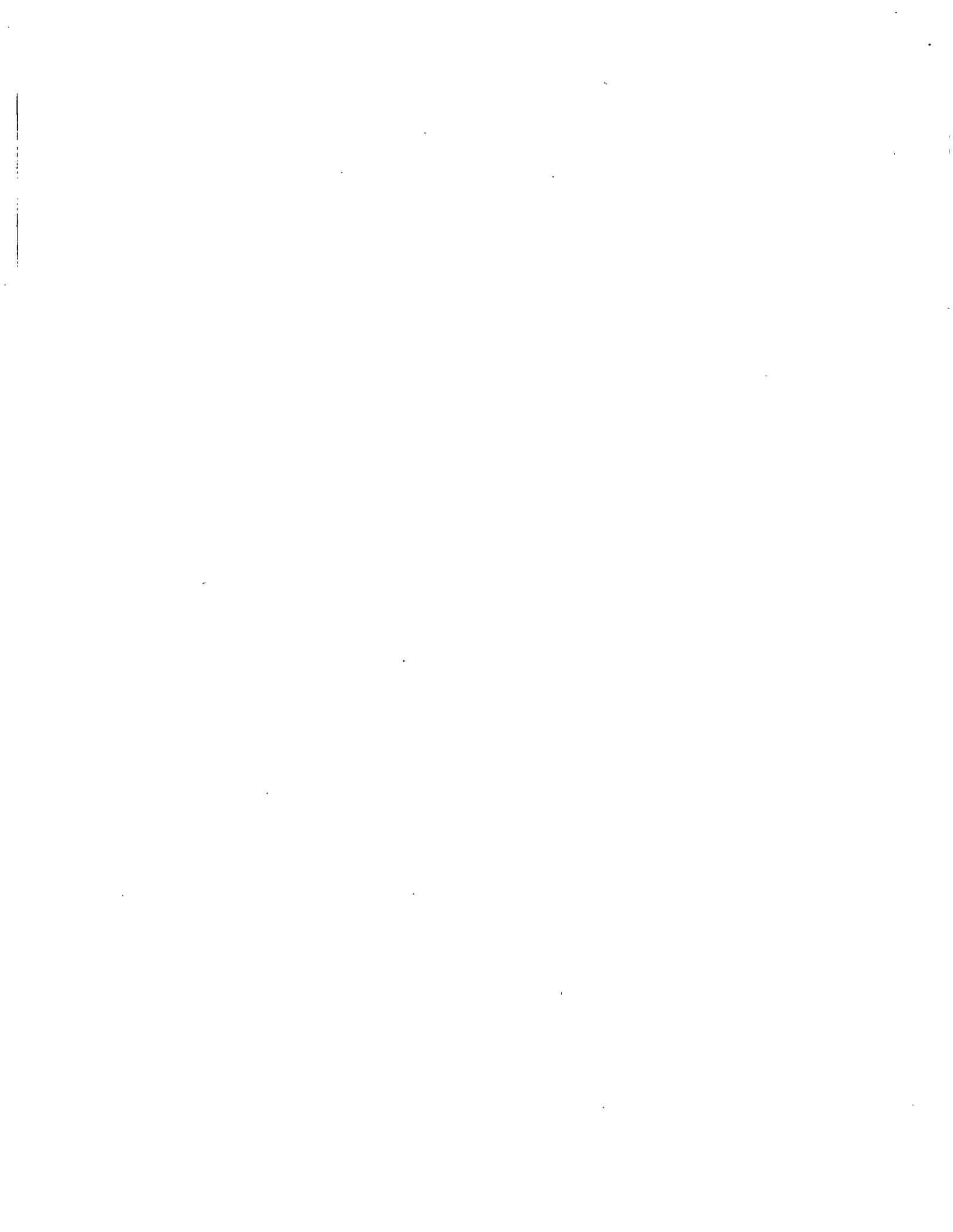
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Subscribed and sworn before me this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
My commission expires: \_\_\_\_\_

Agreed and accepted:  
CITY OF CHICAGO  
DEPARTMENT OF WATER MANAGEMENT

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



**EXHIBIT 3**

**PHASE I – PILOT PROJECT EXPENDITURES**

<b>Task</b>	<b>Leland Elementary Project Estimate</b>	<b>Morrill Elementary Project Estimate</b>	<b>Grissom Elementary Project Estimate</b>	<b>Schmid Elementary Project Estimate</b>
Design	\$15,000	\$88,000	\$19,800	\$93,800
Construction	\$1,140,000	\$1,350,000	\$1,390,650	\$1,385,000
Environ Remediation	\$23,500		\$12,000	
Administration	\$74,100	\$87,750	\$90,392	\$90,025
Contingencies	\$0	\$10,000		
<b>Total</b>	<b>\$1,252,600</b>	<b>\$1,535,750</b>	<b>\$1,512,842</b>	<b>\$1,568,825</b>

The City's commitment with respect to each site shall not exceed \$500,000.



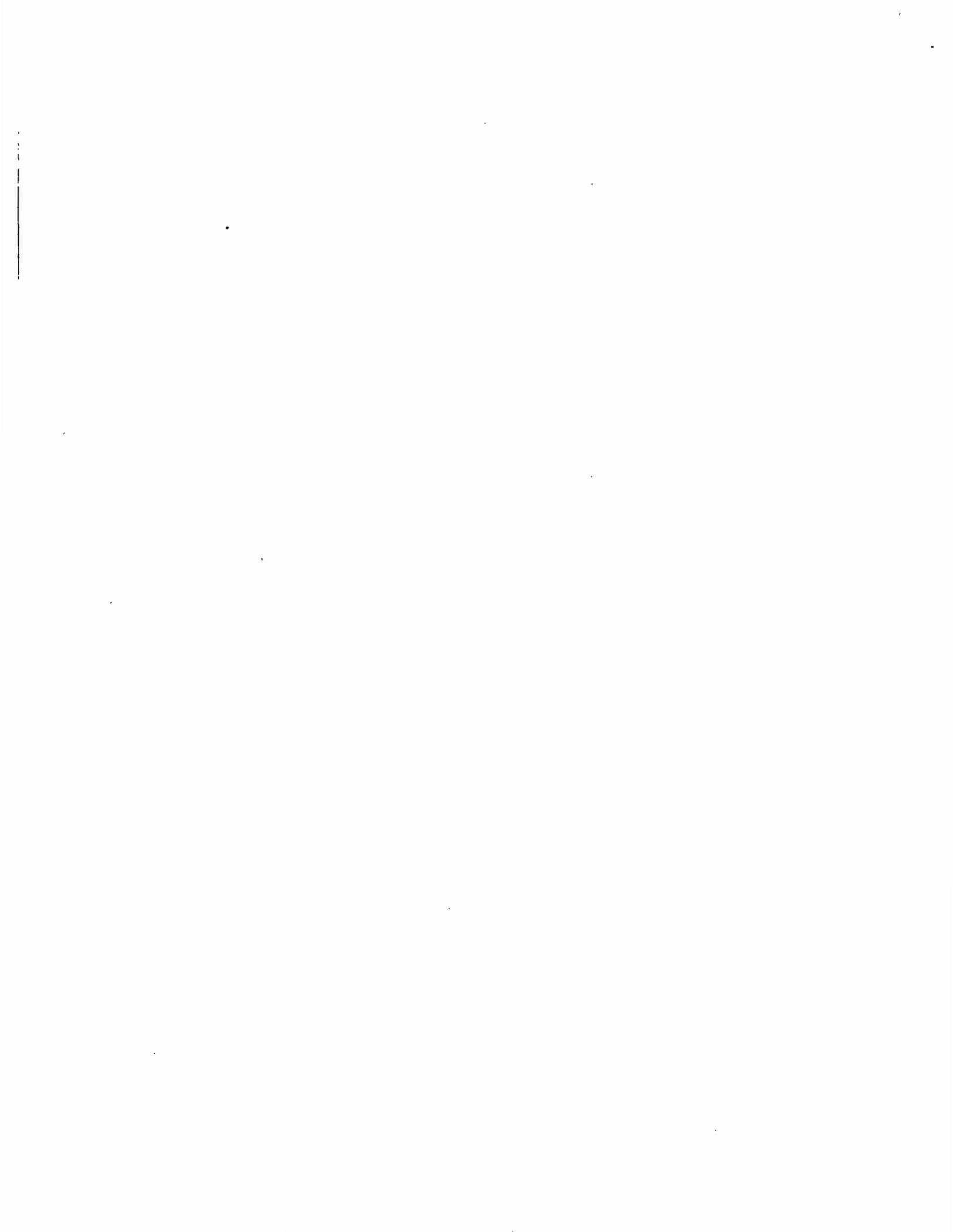
**EXHIBIT 4**

**ESTIMATED PHASE II PROJECT BUDGET FOR EACH PHASE II SITE**

<b>Task</b>	<b>Project Estimate</b>
Design	\$120,000
Construction	\$1,200,000
Environ Remediation	\$30,000
Administration	\$78,000
FF&E	\$0
Contingencies	\$72,000
<b>Total</b>	<b>\$1,500,000</b>

Costs may vary among the Phase II Sites due to individual differences in those sites, such as size of space and configuration.

The City's commitment with respect to each site shall not exceed \$500,000.



**EXHIBIT 5**

**OPERATIONS AND MAINTENANCE PLANS  
(CONTAINED WITHIN THE DRAWINGS FOR EACH RESPECTIVE SITE)**

**PHASE I:**

The Operations and Maintenance Plans for the Phase I Sites are on file with and have been approved by the Department.

**PHASE II:**

It is contemplated that the Operations and Maintenance Plans for the Phase II Sites will be substantially similar to those for Phase I and will be filed with the Department.





# City of Chicago



A2016-14

Office of the City Clerk

## Document Tracking Sheet

<b>Meeting Date:</b>	2/10/2016
<b>Sponsor(s):</b>	Emanuel (Mayor)
<b>Type:</b>	Appointment
<b>Title:</b>	Appointment of Arriel Gray, Jr. as member of Electrical Commission
<b>Committee(s) Assignment:</b>	Committee on Zoning, Landmarks and Building Standards

ZON.



OFFICE OF THE MAYOR  
CITY OF CHICAGO

RAHM EMANUEL  
MAYOR

February 10, 2016

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

Ladies and Gentlemen:

I have appointed Arriel Gray, Jr. as a member of the Electrical Commission for a term effective immediately.

Your favorable consideration of this appointment will be appreciated.

Very truly yours,

Mayor





# City of Chicago



A2016-15

Office of the City Clerk

## Document Tracking Sheet

<b>Meeting Date:</b>	2/10/2016
<b>Sponsor(s):</b>	Emanuel (Mayor)
<b>Type:</b>	Appointment
<b>Title:</b>	Appointment of Richard C. Ford, II as member of Chicago Emergency Telephone System Board
<b>Committee(s) Assignment:</b>	Committee on Public Safety

PUB. SAF.



OFFICE OF THE MAYOR  
CITY OF CHICAGO

RAHM EMANUEL  
MAYOR

February 10, 2016

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

Ladies and Gentlemen:

I have appointed Richard C. Ford, II as a member of the Chicago Emergency Telephone System Board for a term effective immediately and expiring July 1, 2018, to complete the unexpired term of Charles Stewart, III who has resigned.

Your favorable consideration of this appointment will be appreciated.

Very truly yours,

A handwritten signature in cursive script that reads "Rahm Emanuel".

Mayor





# City of Chicago



O2016-630

Office of the City Clerk

## Document Tracking Sheet

**Meeting Date:** 2/10/2016

**Sponsor(s):** Emanuel (Mayor)

**Type:** Ordinance

**Title:** Amendment of Municipal Code Section 7-12-010 by increasing Commission on Animal Care and Control membership and requiring members to be residents of City of Chicago

**Committee(s) Assignment:** Committee on Health and Environmental Protection

HEALTH



OFFICE OF THE MAYOR  
CITY OF CHICAGO

RAHM EMANUEL  
MAYOR

February 10, 2016

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

Ladies and Gentlemen:

At the request of the Executive Director of Animal Care and Control, I transmit herewith an ordinance regarding the membership of the Commission on Animal Care and Control.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

A handwritten signature in cursive script that reads "Rahm Emanuel".

Mayor



## ORDINANCE

**SECTION 1.** Section 7-12-010 of the Municipal Code of Chicago is hereby amended by deleting the language stricken and inserting the language underscored, as follows:

**7-12-010 Commission established – Executive director – Terms of members.**

There is hereby established a commission to be known as the “commission on animal care and control, City of Chicago”. Said commission shall consist of ~~nine~~11 members to be appointed by the mayor, three of whom shall be members, respectively, of the police department, health department, and the department of streets and sanitation; with the remaining ~~six~~eight members to include at least one representative of a humane society as hereinafter defined, at least one veterinarian licensed under the laws of the State of Illinois, at least one member of the local business community, and at least three private citizens. All commission members shall serve as such without compensation and shall be residents of the City of Chicago.

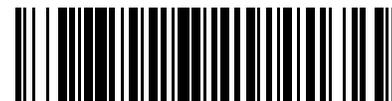
The mayor shall appoint an executive director who shall function as hereinafter set forth, subject to administrative and operating policies to be established by the commission. The salary of the executive director and other persons employed by the commission shall be as provided for in the annual appropriation ordinance. The commission shall function as an advisory body to the mayor and to the executive director and shall be responsible for the promulgation of such administrative policies and rules as are necessary to implement the enforcement of this ordinance. The mayor shall designate one of its members to act as chairman for a term of 12 months, subject to redesignation for any number of additional terms of two years. The commission shall meet at least once every three months, unless otherwise determined by the commission or when called upon to do so by the chairman.

Each commission member shall serve for a period of two years from date of appointment, subject to reappointment by the mayor for any number of additional terms of two years, except that four of the initial appointments as designated by the mayor shall be for a term of only one year. Each commission member shall serve until a successor has been appointed by the mayor. The mayor shall appoint members to fill vacancies which may occur due to death, resignation or incapacity.

**SECTION 2.** This ordinance shall take effect upon passage and publication.



# City of Chicago



**O2016-631**

## Office of the City Clerk Document Tracking Sheet

<b>Meeting Date:</b>	2/10/2016
<b>Sponsor(s):</b>	Emanuel (Mayor)
<b>Type:</b>	Ordinance
<b>Title:</b>	Amendment of Municipal Code Section 2-92-390 by modifying equal employment opportunity regulations for local contracts
<b>Committee(s) Assignment:</b>	Committee on Budget and Government Operations

BUDG.



OFFICE OF THE MAYOR  
CITY OF CHICAGO

RAHM EMANUEL  
MAYOR

February 10, 2016

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

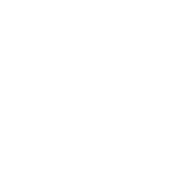
Ladies and Gentlemen:

At the request of the Chief Procurement Officer, I transmit herewith an ordinance amending Chapter 2-92 of the Municipal Code regarding local contractor hours.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Mayor



## ORDINANCE

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

**SECTION 1.** Section 2-92-390 of the Municipal Code of Chicago is hereby amended by adding the language underscored and by deleting the language struck through, as follows:

**2-92-390 Equal employment opportunity regulations for contracts – Enforcement.**

(a) If there exists evidence that minorities and/or women are under-represented in a contractor's work force, by comparison thereof to the labor force available within the population of the City of Chicago as established in the most recent federal census or in statistics compiled by the U.S. Department of Labor, if more recent, such contractor shall forthwith take appropriate remedial action to achieve compliance with applicable federal laws and regulations.

(b) (1) For any construction project having an estimated contract value of \$100,000.00 or more, and which is directly supervised by the City of Chicago, beginning with the calendar year 1984, the city shall have as its yearly equal employment opportunity goals the following percentages of construction aggregated work hours in each of the categories of construction journeyworker and apprentice:

- (1 A) At least 25 percent by minorities, as described in subsection (c) of this section;
- (2 B) At least seven percent by women.

(2) For any construction project having an estimated contract value of \$100,000.00 or more, which is directly supervised by the City of Chicago, beginning with the calendar year 1984, the city shall have as its yearly employment opportunity goals the following percentages of construction aggregated work hours in the category of construction laborer:

- (1 A) At least 40 percent by minorities, as described in subsection (c) of this section;
- (2 B) At least ten percent by women.

(3) In order to effectuate the achievement of these goals, the chief procurement officer shall employ the canvassing formula described in subsection (~~b~~ c) of this section in the bidding for and in the awarding of all contracts involving construction projects having an estimated contract value of \$100,000.00 or more and which are directly supervised by the City of Chicago.

These goals shall also apply to construction projects subsidized in part with federal revenues pursuant to congressionally created grant programs which are intended to encourage economic revitalization including improved opportunities for the poor, minorities, and unemployed within the municipality to which the grant was given (including, without limitation, Community Development Block Grants, Urban Development Action Grants and Economic Development Administration Grants), and shall be monitored by the supervising department.

(c) Fulfillment of these equal employment opportunity goals for construction projects having an estimated contract value of \$100,000.00 or more which are directly supervised by the City of Chicago will be achieved through contracts which shall include the following language:

In accordance with Chapter 2-92 of the Municipal Code of Chicago, and in order to promote equality of opportunity for minority and female personnel on this project, the City of Chicago has established the following canvassing formula for the purpose of evaluating proposals and awarding the contract.

Each bidder is invited to propose the minority and female employee utilization goals for the project, as percentages of the journeyworker and apprentice and laborer hours to be expended in the construction of the project. Lines 2, 4, and 6 in the formula shall not be greater than ~~50~~ 70 percent in each category, for the purpose of canvassing only. The ~~50~~ 70 percent limit shall not deter or restrict the fuller utilization of minority employees for the project, but shall only serve as a limiting figure for use in the formula. Similarly, lines 8, 10, and 12 shall not be greater than ~~40~~ 15 percent in each category, for the purpose of canvassing only. Actual amounts of minority and female work will be measured for the total hours of construction workers employed on the projects within each of the categories of journeyworkers, apprentice, laborers by the contractor and all of the worksite subcontractors.

Canvassing Formula

Line 1.	Base bid, in figures	_____
Line 2.	Percentage of the total journeyworker hours that the contractor proposes to be worked by minority journeyworkers during construction of the project. Maximum figure <del>50</del> <u>70</u> .	_____
Line 3.	Multiply line 2 by line 1 by 0.04	_____
Line 4.	Percentage of the total apprentice hours that the contractor proposes to be worked by minority apprentices during construction of the project. Maximum figure <del>50</del> <u>70</u> .	_____
Line 5.	Multiply line 4 by line 1 by 0.03	_____
Line 6.	Percentage of the total laborer hours that the contractor proposes to be worked by minority laborers during construction of the project. Maximum figure <del>50</del> <u>70</u> .	_____
Line 7.	Multiply line 6 by line 1 by .01.	_____
Line 8.	Percentage of the total journeyworker hours that the contractor proposes to be worked by female journeyworkers during construction of the project. Maximum figure <del>40</del> <u>15</u> .	_____
Line 9.	Multiply line 8 by line 1 by 0.04.	_____
Line 10.	Percentage of the total apprentice hours that the contractor proposes to be worked by female apprentices during construction of the project. Maximum figure <del>40</del> <u>15</u> .	_____
Line 11.	Multiply line 10 by line 1 by 0.03.	_____

- Line 12. Percentage of the total laborer hours that the contractor proposes to be worked by female laborers during construction of the project. Maximum figure ~~40~~ 15. \_\_\_\_\_
- Line 13. Multiply line 12 by line 1 by 0.01 \_\_\_\_\_
- Line 14. Summation of lines 3, 5, 7, 9, 11, and 13. \_\_\_\_\_
- Line 15. Subtract line 14 from line 1 = award criteria figure. \_\_\_\_\_

The bidder shall complete the canvassing formula and transfer the final award criteria figure, line 15, to the space provided on the itemized proposal sheet. A contract in the amount of the total base bid will be awarded to the responsible bidder with the lowest award criteria figure. The city reserves the right to revise all arithmetic calculations for correctness. The contractor is obliged during the construction of the project to fulfill every numerical commitment made under the canvassing formula categories. Therefore, every limiting condition or circumstance which may affect referral, hiring, or deployment of construction trades employees must be taken into account by the bidder before the commitment is proposed. Limits imposed by the policies or circumstances of labor organizations or other referral resources, for example, should be anticipated by the bidder, since relief from the contractor's obligations as established under the canvassing formula is not available due to such circumstances found to exist during construction. Also, if journeyworkers will not be employed in the project, or apprentices, or laborers, then the proposal made in the appropriate lines, lines 2 and 8, or lines 4 and 10 or 6 and 12, should be entered as "0 percent", since no journeyworker or apprentice or laborer hours are reported after construction, this will be computed by the city as 0 percent minority/female hours achieved.

If commitments are made in the apprentice category, lines 4 and 10, the total apprentice hours to be employed on the project should be anticipated to be a substantial number of hours; since it is the intention of the city that where a commitment for a percentage of minority or female apprentices has been made, the percentage may be counted as fulfilled only as long as there were provided at least 40 actual hours of minority or female employment as apprentices. For this reason, where a minority or female percentage commitment has been made, if in the final audit of the performance of the contract there are less than 40 actual hours of minority or female apprentice work performed hours counted, then the number of minority or female apprentice hours will be counted by the City as "0" for the purpose of measuring the achievement towards the apprentice canvassing formula goal.

Therefore, notice that when the contractor is performing at a level under a minority or female apprentice goal, line 4 or line 10 above, the contractor will be subject to the full amount of liquidated damages, see lines 5 and 11, if at least 40 actual hours of minority or female apprenticeship work are not achieved. When the bidder foresees that this minimum amount of apprenticeship is not available to the project, then "0" should be put in lines 4 and 10 as the percentage commitment for apprentices.

The contractor is obligated to meet the total commitment made in each category, subject to liquidated damages as described below for noncompliance. The contractor hereby consents and agrees that, in the event of failure to comply with each of the minimum commitments submitted with the proposal on lines 2, 4, 6, 8, 10 and 12 of the canvassing formula, covering journeyworkers, apprentices, and laborers, respectively, the following shall apply to determine a monetary sum to be withheld from the final payment to the contractor.

In calculating the aggregated work hours toward the utilization goals for construction journeymen, apprentices, or laborers under this subsection, the contractor shall be given 150% credit for every work hour performed by a minority or woman worker residing within a socio-economically disadvantaged area. The criteria for designation of an area as socio-economically disadvantaged will be set forth in rules promulgated by the Commissioner of Planning and Development. Such criteria shall include, but not be limited to, the median family income of an area.

*(Omitted text is unaffected by this ordinance)*

(e) The chief procurement officer is authorized to adopt rules for the proper administration of this section.

**SECTION 2.** This ordinance shall take effect after its passage and approval and shall apply to contracts advertised after the effective date of this ordinance.



# City of Chicago



O2016-699

Office of the City Clerk

## Document Tracking Sheet

**Meeting Date:** 2/10/2016

**Sponsor(s):** Emanuel (Mayor)

**Type:** Ordinance

**Title:** Amendment of Municipal Code Chapter 9-104, 9-108, 9-110, and 9-112 regarding public chauffeurs and pedicab licenses

**Committee(s) Assignment:** Committee on License and Consumer Protection

LIC -



OFFICE OF THE MAYOR  
CITY OF CHICAGO

RAHM EMANUEL  
MAYOR

February 10, 2016

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

Ladies and Gentlemen:

At the request of the Commissioner of Business Affairs and Consumer Protection, I transmit herewith an ordinance amending Chapter 9-104 of the Municipal Code regarding public chauffeurs.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

A handwritten signature in cursive script that reads "Rahm Emanuel".

Mayor



## ORDINANCE

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

**SECTION 1.** Title 9 of the Municipal Code of Chicago is hereby amended by repealing Chapter 9-104, in its entirety, and replacing it with a new Chapter 9-104, as follows:

#### **CHAPTER 9-104**

#### **PUBLIC CHAUFFEURS**

##### **9-104-010 Definitions.**

For purposes of this chapter the following definitions shall apply:

“Commissioner” means the city's commissioner of business affairs and consumer protection.

“Compensation” means any payment or donation received, or economic or business benefit obtained, for providing transportation of passengers.

“Department” means the city's department of business affairs and consumer protection.

“Driver's license” means a permanent license to drive a motor vehicle issued by any state, district or territory of the United States.

“Licensee” or “public chauffeur licensee” means a person that is required to hold a public chauffeur license issued pursuant to this chapter.

“License” means a public chauffeur license issued pursuant to this chapter.

“Public chauffeur license” means a restricted chauffeur license or a taxi chauffeur license.

“Public passenger vehicle” has the meaning ascribed to the term in Section 9-114-010.

“Restricted chauffeur license” means a public chauffeur license issued under this chapter that restricts or limits the licensee to operating only public passenger vehicles licensed pursuant to Chapter 9-114, or transportation network vehicles affiliated with a Class B transportation network provider. Restricted chauffeur licensees shall not operate taxicabs licensed pursuant to Chapter 9-112.

“Taxi chauffeur license” means a license issued under this chapter that permits the licensee to operate taxicabs licensed pursuant to Chapter 9-112, public passenger vehicles licensed pursuant Chapter 9-114, or transportation network vehicles affiliated with a Class B transportation network provider.

“Transportation network provider” and “transportation network vehicle” shall have the meanings ascribed to these terms in Section 9-115-010.

**9-104-020 License – Required.**

(a) Any person operating a taxicab licensed pursuant to Chapter 9-112 for compensation for the transportation of passengers within the corporate limits of the City of Chicago must hold a valid taxi chauffeur license. Any person who violates this subsection shall be fined no less than \$500.00 nor more than \$1,000.00 for each offense.

(b) Except as otherwise provided in subsection (c), any person operating a public passenger vehicle or transportation network vehicle affiliated with a Class B transportation network provider for compensation for the transportation of passengers within the corporate limits of the City of Chicago must hold a valid restricted chauffeur license or taxi chauffeur license. Any person who violates this subsection shall be fined no less than \$500.00 nor more than \$1,000.00 for each offense.

(c) Drivers that can prove that they are qualified to drive motor vehicles as, for, or on behalf of motor carriers under the Federal Motor Carriers Safety Regulations issued by the U.S. Department of Transportation Federal Highway Administration or comparable Illinois agency may drive charter vehicles within the corporate limits of the city without a restricted chauffeur license.

**9-104-030 License – Fee.**

(a) Upon qualification of the applicant, and payment of a non-refundable license fee, the department shall issue a public chauffeur license in form prescribed by the commissioner. Public chauffeur licenses must have the photograph, name, and license number of the licensee.

(b) No person shall alter, modify, or replicate a public chauffeur license without authorization by the department.

(c) The fee for the issuance of a new, renewed or duplicate public chauffeur license shall be \$5.00.

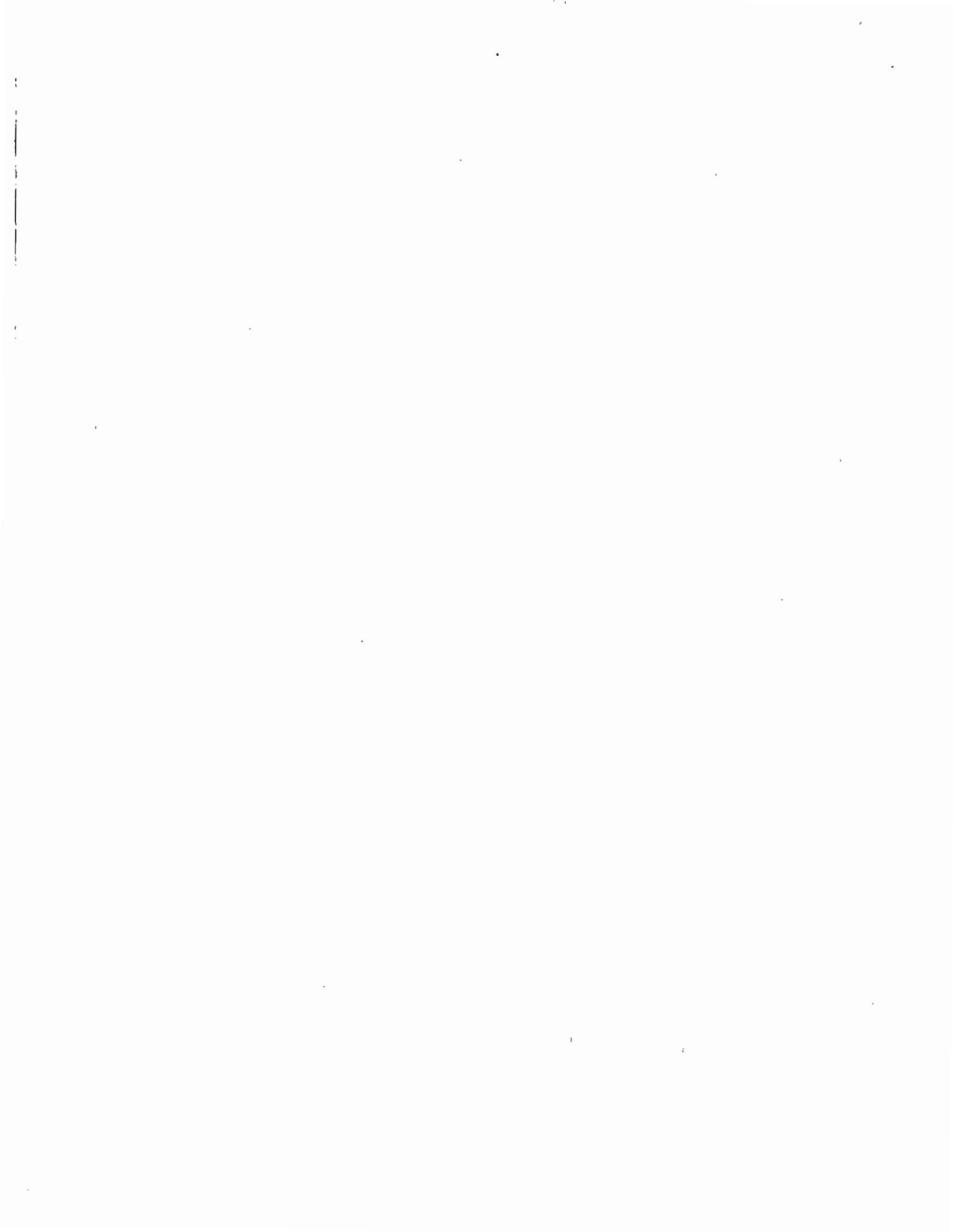
**9-104-040 License – Term.**

(a) A public chauffeur license shall be issued for a two-year period: provided, however, the commissioner is authorized to issue initial public chauffeur licenses or renewals for less than a two-year period to establish a system for renewing chauffeur licenses on a staggered basis in a manner that the commissioner determines by rule.

(b) All licenses shall expire on the date noted on the license unless renewed prior to the date of expiration or as specified by rule.

(c) The commissioner is authorized to prescribe by rule the grounds and criteria for extension of the time period for renewing a public chauffeur license for an applicant who fails to renew his license prior to the expiration date for the license.

(d) The commissioner may issue temporary licenses for a period not to exceed 180 days to ensure compliance with child support or debt payment obligations, or during the pending of the resolution of the licensee's cases at the department of administrative hearings, in traffic court, or other courts.



### **9-104-050 License – Qualifications.**

An applicant is qualified to receive a public chauffeur license if the applicant:

1. has possessed a valid driver's license for at least one year prior to application for the issuance or renewal of a public chauffeur license;
2. is at least 21 years of age;
3. has been certified by an Illinois-licensed physician that he has the capability to safely operate a public passenger vehicle;
4. has taken and passed a test, conducted by authorities approved by the commissioner, for the presence of illegal drugs, cannabis, and inebriating drugs in the body;
5. has successfully completed a training course as prescribed by the commissioner;
6. has successfully completed a licensing examination as prescribed by the commissioner;
7. is not indebted to the City of Chicago as defined in Section 4-4-150 of this code;
8. is not delinquent in child support as defined in Section 4-4-152 of this code;
9. has not been convicted, found liable, placed on supervision or any similar deferral program, or subject to conditional discharge for three or more traffic regulations governing the movement of vehicles of any kind in any jurisdiction:
  - i. for new license applicants, within a 12-month period preceding the application; or
  - ii. for renewal license applicants, within a 12-month time frame during the applicant's last license term;
10. has not had a previous public chauffeur license application denied within the 12-month period preceding the date of application;
11. has not had a previously issued public chauffeur license revoked within the 3-year period preceding the date of application;
12. has not had a previously issued public chauffeur license rescinded under section 9-104-080 within the 3-year period preceding the date of application;
13. has not had his driver's license cancelled, suspended or revoked by any governing jurisdiction as a result of non-moving violations, excluding license suspensions due to failure to comply with child support or debt obligation, in the 12-month period preceding the date of application;
14. has not had his driver's license cancelled, suspended or revoked by any governing jurisdiction as a result of a driving-related incident within the 3-year period preceding the date of application; and
15. has not, within the 5-year period preceding the date of application, been convicted by a court of any jurisdiction, under parole, under any supervision or any similar deferral program, or subject to conditional discharge for any of the following offenses: (i) any felony as defined by Article 2 of the Illinois Criminal Code of 2012, codified at 720 ILCS



5/2-0.5 et seq.; (ii) the illegal sale or possession of any controlled substance or cannabis; (iii) operating a motor vehicle under the influence of a controlled substance, cannabis or alcohol; (iv) indecent solicitation of a child or any criminal sexual abuse or similar crime; or (v) any crime involving moral turpitude.

#### **9-104-060 License – Application.**

Application for a new or renewed public chauffeur license shall be made in writing to the department on a form provided by the commissioner and signed and sworn to by the person seeking a public chauffeur license. The application form shall require the following information:

1. The applicant's full name and residence address;
2. The applicant's date of birth;
3. The applicant's driver's license number; and
4. Such other information the commissioner may reasonably require in connection with the issuance or renewal of a license.

#### **9-104-070 License - Investigation, Issuance, and Denial.**

(a) Upon receipt of an application for the issuance or renewal of a license, the commissioner may investigate the applicant for compliance with all provisions of this code and applicable rules.

(b) Every applicant shall be required to submit to fingerprinting and shall provide photos of the applicant as required by the commissioner. Applicants shall be responsible for the costs of fingerprinting and photos.

(c) As part of the application process, fees sufficient to cover the costs of processing fingerprints and photos will be assessed in addition to the license fees set forth in section 9-104-030 of this chapter. The fingerprinting and photo fees will be assessed regardless of whether the license applied for is issued or denied. The amount of the fees shall be set forth by rules and regulations promulgated by the commissioner.

(d) The commissioner may deny a license to an applicant who submits an application or any information or document that includes an omission, misstatement of fact, or false information.

(e) After an investigation of an applicant, the commissioner has the authority to deny a license if the applicant does not meet the requirements for the issuance or renewal of a license. Such investigation may include, but is not limited to, a review of the applicant's application, criminal record, driving record, complaint history, and any other information that may be reasonably relied upon.

(f) If an application for the issuance or renewal of a public chauffeur license is denied, the applicant may, within ten days of the mailing of the notice of denial, make written demand upon the commissioner for a hearing. Upon receipt of a timely written demand for a hearing, the department shall within 30 days conduct a hearing. If at such a hearing the applicant establishes through competent evidence that the denial was based upon incorrect findings, the commissioner shall issue the license. If at such a hearing the denial is found to have been based upon correct findings, the denial shall become final. After entry of a final denial, the applicant shall be ineligible to make a new application for a period of 12 months.

**9-104-080 License – Rescission.**

(a) The commissioner has the authority to rescind any license obtained erroneously, illegally, by fraud, by misrepresentation, by willful misstatement or omission of any material fact or statement filed with the commissioner, the city comptroller, or any city department.

(b) If a license is rescinded, the former licensee may, within ten days of the mailing of the notice of rescission, make written demand upon the commissioner for a hearing. Upon receipt of a timely written demand for a hearing, the department shall within 30 days conduct a hearing. If at such a hearing the applicant establishes through competent evidence that the rescission was based upon incorrect findings, the commissioner shall issue the license. If at such a hearing the rescission is found to have been based upon correct findings, the rescission shall become final. After entry of a final rescission, the applicant shall be ineligible to make a new application for a period of 12 months.

**9-104-090 Training course and licensing exam.**

(a) The commissioner is authorized to enter into agreements, with the approval of the mayor, with any state-approved vocational or technical schools that provide a training course to public chauffeurs. The agreement may specify the curriculum and tuition cost for such course.

(b) The commissioner is also authorized to approve the curriculum and tuition cost for public chauffeur courses offered by any private entity not referenced in subsection (a).

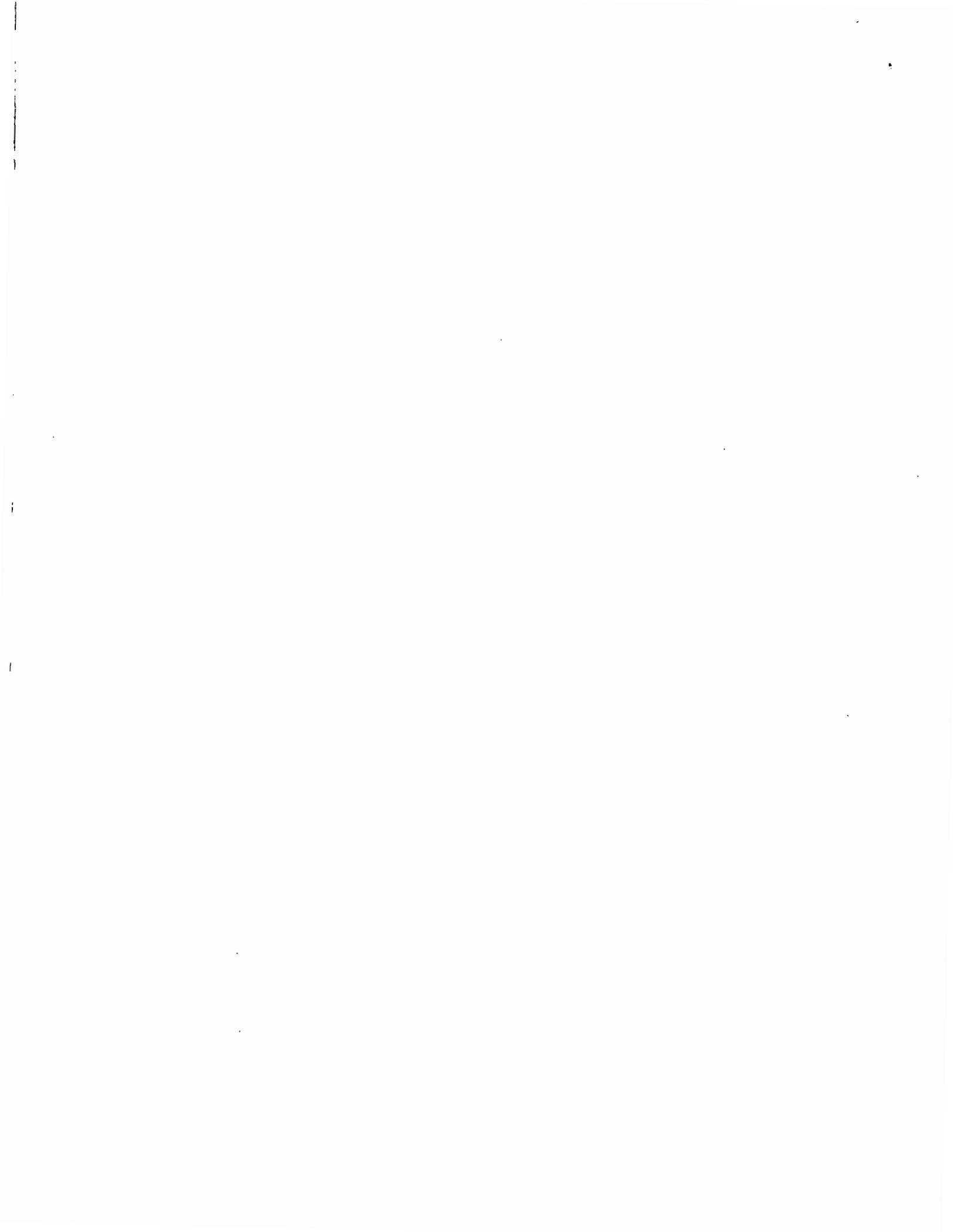
(c) The commissioner is authorized to prescribe, by rule, course curriculum and exam criteria specific to the training and licensing of taxi chauffeurs and restricted public chauffeurs.

(d) The commissioner may, by rule, authorize the issuance of temporary licenses for taxi chauffeurs in training.

**9-104-100 Taxi chauffeur rebate program.**

(a) The commissioner is authorized to establish a taxi chauffeur rebate program. The purpose of the program shall be to award financial assistance to each eligible taxi chauffeur applicant in order to partially cover the costs associated with obtaining or renewing a taxi chauffeur license from the city. The award shall be: (i) up to \$50.00 to cover or subsidize the initial fingerprinting and background check costs associated with the issuance of a taxi chauffeur license; and (ii) up to \$25 to cover or subsidize the biennial drug test and physical examination costs associated with the renewal of a taxi chauffeur license. The commissioner is also authorized to enter into an agreement with the City Colleges of Chicago or any other public or private entity that offers a taxi chauffeur training course in order to reduce the tuition charged for offering the course. If the tuition charged for such course is more than \$50.00, the commissioner shall, under the rebate program established pursuant to this section, award financial assistance to eligible applicants in the amount that covers the tuition in excess of \$50.00.

(b) The commissioner shall promulgate rules for the effective administration of the taxi chauffeur rebate program, including rules governing eligibility to participate in the program.



### **9-104-110 Rules and regulations.**

The commissioner is authorized to promulgate rules for the proper administration and enforcement of the provisions of this chapter and any other applicable chapter to facilitate a safe environment for licensees, passengers and the public, and in order to promote orderly, efficient, and professional conduct by licensees. The commissioner is also authorized to promulgate rules to impose any fees reasonably related to the cost of administration as specifically authorized in this chapter.

### **9-104-120 Public chauffeur behavior.**

A public chauffeur shall not assault, threaten, abuse, insult, provoke, interfere with, use profane language, impede or obstruct any other person, any passenger or other drivers in connection with the operation of a taxicab or public passenger vehicle.

### **9-104-130 Service to passengers with service animals.**

A licensee must comply with 775 ILCS 30/1, et seq. by accepting passengers with service animals. Any licensee found to have refused transportation to a person with a service animal shall be fined \$500.00 and have their license suspended for 29 days for the first offense. Any licensee found to have committed a subsequent offense of this section shall have their license revoked and fined \$500.00.

### **9-104-140 License - Suspension, Revocation, and Penalties.**

(a) If the commissioner has information provided by a law enforcement agency or any court of law that a licensee has been charged with the commission of a felony as defined in Article 2 of the Illinois Criminal Code of 2012 or a felony in another jurisdiction, or an alleged act that raises concerns of public safety, the commissioner may immediately suspend the licensee's public chauffeur license until final adjudication is made with respect to such charges.

(b) Whenever the licensee's driver's license has been revoked, suspended or otherwise invalidated by the Secretary of State or other similar authorized agency, the licensee's public chauffeur license shall be subject to automatic suspension for the same period that the driver's license is revoked, suspended or otherwise invalidated.

(c) The commissioner shall promulgate rules and regulations regarding the lengths of suspension and the amounts of fines to be imposed, and the types of equitable relief to be ordered, for specific violations or license types.

(d) Any person found liable of violating any provision of this chapter for which a penalty is not otherwise provided shall be fined not less than \$50.00 or more than \$400.00. Each day that such violation continues shall be deemed a separate and distinct offense. In addition to fines, penalties for any violation of this chapter may include license suspension, rescission, or revocation. The commissioner may also require a licensee to successfully complete additional courses of study, examinations, drug tests, and physical evaluations.

**SECTION 2.** Section 9-108-150 of the Municipal Code of Chicago is hereby amended by deleting the language struck through and by inserting the language underscored , as follows:

### **9-108-150 Horse-drawn carriage chauffeur license – Application – Qualifications – Fee.**

*(Omitted text is not affected by this ordinance)*

(b) An applicant is qualified to receive a new or renewed horse-drawn carriage chauffeur license, if the applicant:

1. has possessed a valid Illinois State driver's license, or a valid driver's license of another state, district or territory of the United States, for at least one year prior to application for the issuance or renewal of a horse-drawn carriage chauffeur license;

2. is at least 18 years of age;

3. ~~is able to speak, read and write the English language;~~

4. has been certified by an Illinois-licensed physician that he has the capability to operate a public passenger vehicle, and has taken and passed a test, conducted by authorities approved by the commissioner, for the presence of illegal drugs in the body;

~~5-4.~~ has successfully completed an examination as prescribed by the commissioner demonstrating a knowledge of the geography of the city and the laws, ordinances and regulations governing vehicle operation in the city;

~~6-5.~~ has not, within the five years immediately preceding his application, been either found guilty by a court of any jurisdiction, in custody, on parole, or under any other non-custodial supervision resulting from a finding or determination of guilt by a court of any jurisdiction for (a) the commission of any felony as defined by Article 2 of the Illinois Criminal Code of 2012, codified at 720 ILCS 5/2-0.5 et seq., (b) any crime involving moral turpitude, (c) for the illegal sale or possession of any controlled substance, (d) indecent solicitation of a child or any criminal sexual abuse or similar crime, or (e) operating a motor vehicle while under the influence of a controlled substance, cannabis or alcohol;

~~7-6.~~ delivers to the commissioner a certified letter or document by a horse-drawn carriage licensee that such person is qualified to operate a carriage; and

~~8-7.~~ is not indebted to the city.

*(Omitted text is not affected by this ordinance)*

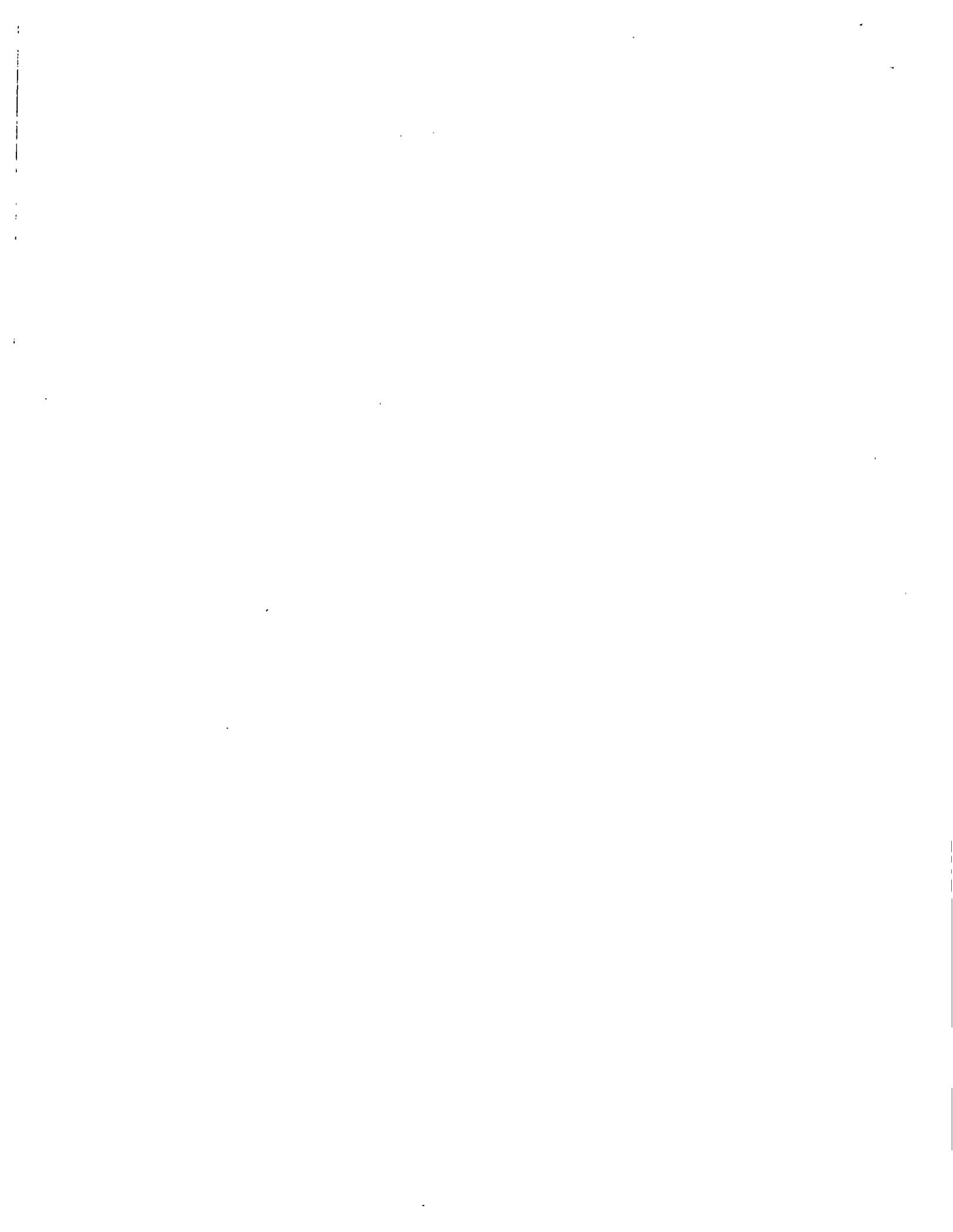
**SECTION 3.** Sections 9-110-020 and 9-110-110 of the Municipal Code of Chicago is hereby amended by inserting the language underscored, as follows:

**9-110-020 Pedicab license – Required.**

No person shall operate a pedicab business without a pedicab license for each pedicab. The pedicab license shall be in addition to any other license or registration required by law. A person engages in a pedicab business by seeking or accepting a fee, an economic benefit of a donation or gratuity, or any form of compensation (goods or services) for providing transportation to passengers in a pedicab.

**9-110-110 Pedicab chauffeur license – Required.**

No person shall engage in the occupation of a pedicab chauffeur without having secured a pedicab chauffeur license issued under this chapter. A person engages in the occupation of a pedicab chauffeur by seeking or accepting a fee, an economic benefit of a donation or gratuity, or any form of compensation (goods or services) for providing transportation to passengers in a pedicab.



**SECTION 4.** Section 9-112-220 of the Municipal Code of Chicago is hereby amended by deleting the language struck through, as follows:

**9-112-220 Lease rate regulations.**

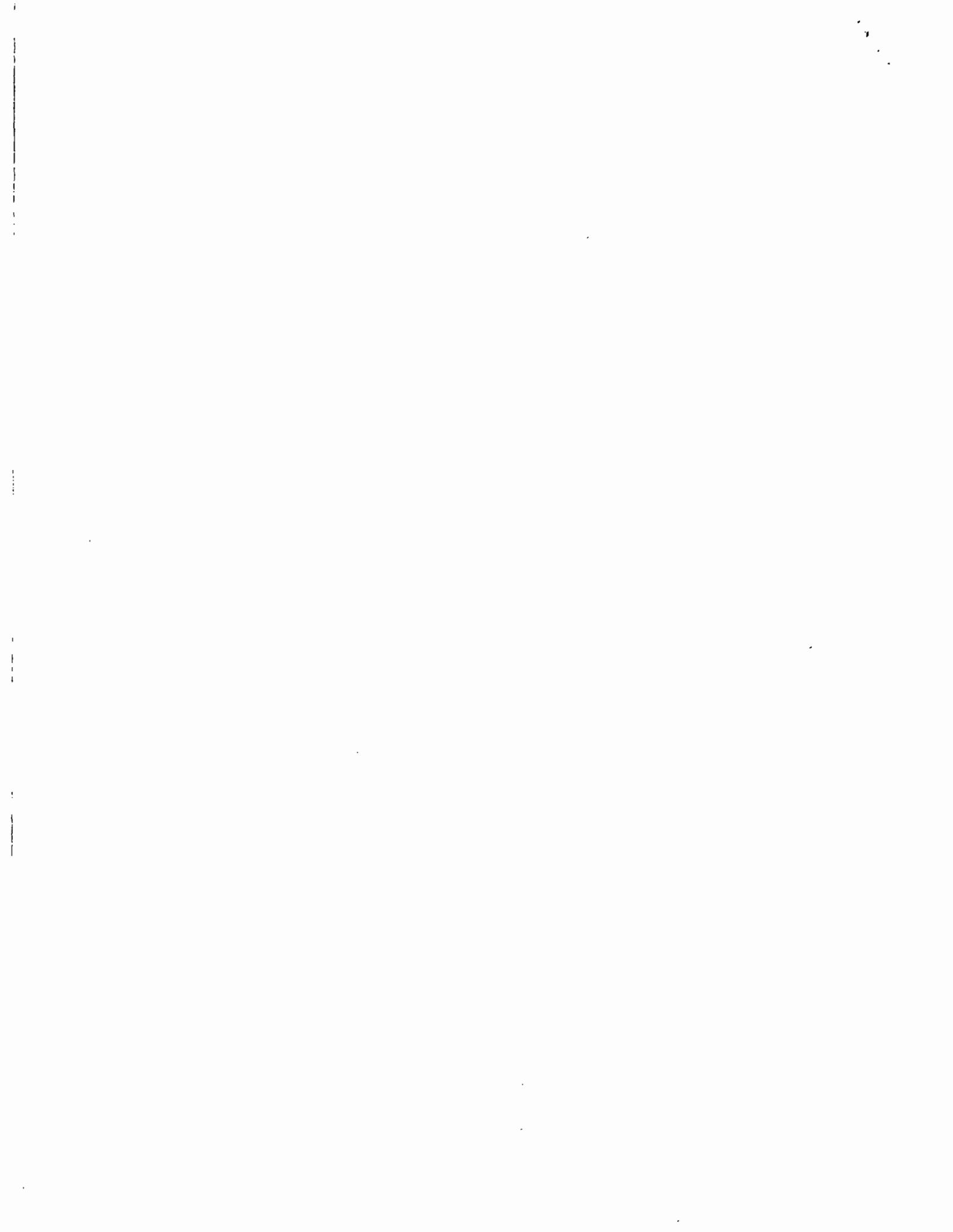
*(Omitted text is not affected by this ordinance)*

~~(f) Each taxicab licensee must submit an affidavit at the time of renewal of his license indicating all lease rates, fees, and charges to be charged to public chauffeurs in connection with the leasing of the licensee's taxicabs.~~

(g) The commissioner may by rule specify a uniform format and language for all lease agreements.

(h) Licensees must produce within three days copies of requested lease agreements to the commissioner upon the commissioner's request for the same.

**SECTION 5.** This ordinance shall take effect 10 days after passage and publication.





# City of Chicago



A2016-16

## Office of the City Clerk Document Tracking Sheet

<b>Meeting Date:</b>	2/10/2016
<b>Sponsor(s):</b>	Emanuel (Mayor)
<b>Type:</b>	Appointment
<b>Title:</b>	Reappointment of Benjamin Dieterich as member and chair of Chicago Emergency Telephone System Board
<b>Committee(s) Assignment:</b>	Committee on Public Safety

PUB SAF.



OFFICE OF THE MAYOR  
CITY OF CHICAGO

RAHM EMANUEL  
MAYOR

February 10, 2016

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

Ladies and Gentlemen:

I have reappointed Benjamin Dieterich as a member and chair of the Chicago Emergency Telephone System Board for a term effective immediately and expiring July 1, 2020.

Your favorable consideration of this appointment will be appreciated.

Very truly yours,

A handwritten signature in cursive script that reads "Rahm Emanuel".

Mayor





# City of Chicago



O2016-667

Office of the City Clerk

## Document Tracking Sheet

**Meeting Date:** 2/10/2016

**Sponsor(s):** Emanuel (Mayor)

**Type:** Ordinance

**Title:** Partial easement release for sewer and water mains on property at 3800-3858 S Vernon Ave

**Committee(s) Assignment:** Committee on Housing and Real Estate

**S E C O N D**  
**S U B S T I T U T E**  
**O R D I N A N C E**

**WHEREAS**, The City of Chicago is a home-rule unit of government under Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois and, as such, may exercise any power and perform any function pertaining to its government and affairs, a category that includes the authority to legislate for the protection of the public health; and

**WHEREAS**, The enactment of ordinances and regulations designed to discourage the use of tobacco plainly meets this criterion; and

**WHEREAS**, The 18 to 20-year-old age range is a critical time for new smokers. Adolescents are more vulnerable than older adults to nicotine addiction, which can harm brain development, and nine out of ten adult smokers start before age 21. Raising the legal age would put tobacco products on par with alcohol and protect young adults from developing a dangerous lifelong habit; and

**WHEREAS**, Based on numerous studies, it is clear that high tobacco prices reduce tobacco consumption, both among youth users, who are especially price-sensitive, and among adults. A 10-percent increase in cigarette prices reduces demand among adult smokers by an average of 4 percent, and youth smokers are two-to-three times more price sensitive than adults. High prices reduce the prevalence of tobacco use, the probability of trying tobacco for the first time, the average number of cigarettes consumed per smoker, the initiation of daily smoking, and the initiation of daily heavy smoking. Moreover, reductions in the prevalence of smoking lead indirectly to even greater reductions by minimizing peer and parental influences, and by helping addicted smokers successfully quit; and

**WHEREAS**, The City of Chicago taxes cigarettes and e-cigarettes, but does not tax other tobacco products that are harmful to health, including little cigars, large cigars, smoking tobacco, and smokeless tobacco; and

**WHEREAS**, As cigarette prices have increased, smokers, particularly youth, have migrated to cheaper tobacco products. Little cigars, for example, appear virtually identical to cigarettes and cost substantially less. Large cigars and smokeless tobacco are also less expensive alternatives. Despite well-documented risks, smokers of all ages – especially youth and young adults in low-income urban areas – erroneously perceive cigars as less harmful than cigarettes; and

**WHEREAS**, The use of coupons, multi-package discounts, and other price-reduction instruments, all of which are widely available in Chicago, reduce retail prices for tobacco products, even when a tax is in place to increase the price. In a 2011 study of smokers attempting to quit conducted in New York City, 25 percent reported using a coupon or other discount on their last purchase, saving an average \$1.25 per package of cigarettes. Discounts entice consumers, including price-sensitive youth, to purchase deadly and highly addictive products; and

**WHEREAS**, This body has therefore determined that establishing price floors for tobacco products would help address the persistent availability of low-priced cigarettes and tobacco products in Chicago. Specifically, this body finds that the following price floors are reasonable and appropriate:

- An appropriate price floor for a package of cigarettes is \$11.50, which approximates the total amount of the typical wholesale price per package, plus the combined city, county, state, and federal taxes. This floor corresponds to approximately \$0.58 per cigarette. This minimum should prevent discounting and preserve the public-health-positive deterrent effect of a strong tax.
- An appropriate price floor for a package of little cigars equals the price floor of a package of cigarettes. These products have a similar size, shape, appearance, and carry a similar degree of health risk.
- An appropriate price floor for a cigar weighing at least four pounds per thousand is \$1.74 per cigar. Cigars, like other combustible tobacco products, carry a health risk similar to cigarettes. Commonly, a cigar contains approximately three times the weight of tobacco found in a cigarette. The appropriate price floor is therefore derived by multiplying the price floor of a single cigarette by three.
- An appropriate price floor of smoking tobacco is \$11.50 per 0.65 ounce pouch, or \$17.70 per ounce. A package of cigarettes contains the same quantity of tobacco as approximately 0.65 ounces of smoking tobacco. Therefore, the price floor for 0.65 ounces of smoking tobacco should be the same as a package of cigarettes.
- An appropriate price floor for smokeless tobacco is \$4.00 per ounce. Smokeless tobacco products come in various forms and prices. This price floor is based on a low-price form of smokeless tobacco, moist snuff, a 1.2 ounce can of which is roughly equivalent to a package of cigarettes in terms of tobacco quantity. To make the price floor of smokeless tobacco equal to that of combustible tobacco, the floor would be set at \$11.50 for a 1.2 ounce can, or \$9.58 per ounce. However, although no form of tobacco use is safe, research suggests that smokeless tobacco is associated with lower mortality rates than combustible products. Thus, a lower price floor is appropriate; now, therefore:

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

**SECTION 1.** The foregoing recitals are hereby incorporated as the findings of the City Council.

**SECTION 2.** Title 3 of the Municipal Code of Chicago is hereby amended by adding a new Chapter 3-49, as follows:

**CHAPTER 3-49**  
**CHICAGO OTHER TOBACCO PRODUCTS TAX**

**3-49-010 Title.**

This chapter shall be known and cited as the “Chicago Other Tobacco Products Tax Ordinance” or “OTP Tax Ordinance,” and the tax herein imposed shall be known and cited as the “Chicago Other Tobacco Products Tax” or “Chicago OTP Tax.”

**3-49-020 Definitions.**

Whenever any of the following words, terms, or phrases are used in this chapter, they shall have the following meanings:

“Chewing tobacco” means any leaf tobacco that is not intended to be smoked, including plug, fine-cut, and twist tobacco.

“Cigar” means any roll of tobacco wrapped in leaf tobacco or in any substance containing tobacco (other than any roll of tobacco that is a cigarette as defined in this chapter), and includes cheroots and stogies.

“Cigarette” has the meaning ascribed to that term in Section 3-42-010 of this Code.

“Cigarette wholesale tobacco dealer” means any person who engages in the business of selling or supplying cigarettes and/or OTP to any person for resale in the City.

“Cigarette wholesale tobacco manufacturer” means any person who makes or fabricates cigarettes and/or OTP and sells them.

“Commissioner” means the commissioner of business affairs and consumer protection.

“Comptroller” means the comptroller of the City.

“Consumer” means a person who purchases OTP from a wholesale tobacco dealer or retail tobacco dealer for use or consumption and not for resale purposes.

“Consume tobacco” means chew, smoke, absorb, dissolve, inhale, snort, sniff, or ingest tobacco by any means.

“Department” means the department of finance of the City.

“Large cigar” means any roll of tobacco, other than a cigarette, wrapped in leaf tobacco or any substance containing tobacco and weighing at least four pounds per one thousand units.

“Little cigar” means any roll of tobacco, other than a cigarette, wrapped in leaf tobacco or any substance containing tobacco and weighing less than four pounds per one thousand units.

“Manufacturer” means any person, other than a retail tobacco manufacturer, who makes or fabricates cigarettes and/or OTP and sells them.

“Other Tobacco Products” (“OTP”) means smokeless tobacco, smoking tobacco, large cigars, and little cigars. For purposes of this chapter, the term “Other Tobacco Products” does not include cigarettes, or electronic cigarettes and liquid nicotine products, as defined in chapter 3-47 of this Code.

“Package” means the original packet, box, tin, or other container used to contain and to convey OTP to the consumer.

“Pipe tobacco” includes any smoking tobacco which, because of its appearance, type, packaging, or labeling is suitable for use, and likely to be offered to or purchased by, consumers as tobacco to be smoked in a pipe.

“Purchaser” means a buyer of OTP, including, but not limited to, retail tobacco dealers, retail tobacco manufacturers, and consumers.

“Retail tobacco dealer” means any person who engages in the business of selling tobacco products in the City to a purchaser for use or consumption and not for resale in any form.

“Retail tobacco manufacturer” means any person who engages in the business of manufacturing cigarettes and/or OTP in the City for sale to a purchaser for use or consumption, and not for resale in any form.

“Sale,” “resale,” or “selling” means any transfer of ownership or possession, or both, exchange or barter, conditional or otherwise, in any manner or by any means whatsoever for a valuable consideration.

“Smokeless tobacco” means any kind and form of tobacco product not intended to be smoked, including snuff, snus, and chewing tobacco.

“Smoking tobacco” means any kind and form of tobacco product prepared in such manner as to be suitable for smoking, in a pipe or otherwise, including, granulated, plug cut, crimp cut, ready rubbed, cavendish, perique, roll-your-own, shorts, refuse scraps, clippings, cuttings, sweeping of tobacco and loose tobacco.

“Snuff” and “snuff flour” means any finely cut, ground, or powdered tobacco that is not intended to be smoked.

“Snus” means any moist tobacco product that is not intended to be smoked.

“Tobacco product” includes, but is not limited to: cigars; cheroots; stogies; periques; granulated, plug cut, crimp cut, ready rubbed, and other smoking tobacco; snus, snuff or, snuff flour; cavendish; plug and twist tobacco; fine-cut and other chewing tobaccos; shorts; refuse scraps, clippings, cuttings, and sweeping of tobacco; and all other kinds and forms of tobacco prepared in such manner as to be suitable for chewing or smoking in a pipe or otherwise, or both chewing and smoking.

“Use” means any exercise of right or power, actual or constructive, and shall include, but is not limited to, the receipt, storage, or any keeping or retention for any length of time, but shall not include possession for sale by a retail or wholesale tobacco dealer as defined in this chapter.

“Wholesale tobacco dealer” means any person who engages in the business of selling or supplying cigarettes and/or OTP to any person for resale in the City.

### **3-49-030 Tax imposed.**

(a) A tax at the rates specified in subsection (b) of this section is hereby imposed upon the purchase or use of all OTP within the City. The ultimate incidence of and liability for payment of said tax is to be borne by the consumer of said OTP.

(b) The rate of the tax shall be:

- (1) for smoking tobacco, \$6.60 per ounce or fraction thereof;
- (2) for smokeless tobacco, \$1.80 per ounce or fraction thereof;
- (3) for little cigars, \$0.15 per cigar; and
- (4) for large cigars, \$0.90 per cigar.

(c) The tax hereby imposed shall be in addition to any and all other taxes.

### **3-49-040 Liability for payment.**

(a) The ultimate incidence and liability for payment of the tax is on the purchaser.

(b) Nothing in this chapter shall be construed to impose a tax upon the occupation of wholesale tobacco dealer, retail tobacco manufacturer or retail tobacco dealer.

(c) It shall be a violation of this chapter for a retail tobacco dealer to fail to include the tax imposed herein in the sale price of the OTP or to otherwise absorb such tax.

### **3-49-050 Collection.**

(a) Except as otherwise provided herein, any wholesale tobacco dealer shall collect the tax imposed by this chapter from any purchaser to whom the sale of said OTP is made within the City and shall remit to the department the tax levied by this chapter. Any retail tobacco dealer also shall collect the tax from any consumer to whom the sale of said OTP is made within the City. Any such tax shall be collected as a trustee for and on account of the City. The wholesale tobacco dealer and retail tobacco dealer shall remit the tax and file returns in accordance with Section 3-49-060.

(b) Any wholesale tobacco dealer that shall pay the tax imposed by this chapter shall collect the tax from each retail tobacco dealer in the City to whom the sale of OTP is made, and any such retail tobacco dealer shall in turn then collect the tax from the purchaser of said OTP.

(c) If any retail tobacco dealer located in the City shall receive or otherwise obtain OTP upon which the tax imposed hereby has not been collected by any wholesale tobacco dealer, then the retailer shall collect such tax and remit it directly to the department in accordance with Section 3-49-060.

(d) If a wholesale tobacco dealer sells OTP to a purchaser in the City for use or consumption and not for resale, such wholesale tobacco dealer shall collect the tax imposed herein from such purchaser and remit it to the department in the same manner as sales to a retail tobacco dealer.

(e) If a retail tobacco manufacturer sells OTP to a purchaser in the City for use or consumption and not for resale, such wholesale tobacco dealer shall collect the tax imposed herein from such purchaser and remit it to the department in the same manner as a retail tobacco dealer.

### **3-49-060 Tax payments and returns.**

(a) All tax payments and remittances shall be made in accordance with either Section 3-4-187 (payment of actual tax liabilities) or Section 3-4-188 (payment of estimated taxes) of this Code.

(b) All tax returns shall be filed with the department on an annual basis on or before August 15 of each year, in accordance with Sections 3-4-186 and 3-4-189 of this Code.

**3-49-070 Returns and payments required upon implementation of the tax and after future tax rate increases.**

(a) The comptroller is authorized to establish by rule the filing date under this Section, which shall be determined based on considerations of administrative efficiency, and shall in no event be later than 24 days after the effective date of this Section. The comptroller shall publish in one or more newspapers of general circulation in the City, and post on the department website, a copy of the rule with the filing date a minimum of 10 days before that date occurs.

(b) On or before the filing date set in accordance with subsection 3-49-070(a), every retail tobacco dealer and manufacturer shall file with the department, on a form prescribed by the comptroller, a tax return reporting the inventory of OTP in the retailer's possession or control, on the effective date of this Section, for sale in the City. The retailer shall include with the tax return any tax due on the inventory of OTP in its control and possession, for sale in the City, for which all applicable tax has not been collected. The retailer shall in turn collect the tax from its retail purchasers.

(c) Every retail tobacco dealer who possesses OTP for sale in the City purchased prior to the effective date of a Chicago OTP tax increase shall file with the department, on a form prescribed by the comptroller, a tax return attesting to the quantities of such OTP in its possession as of the last day prior to the tax increase, and remit to the department the amount of tax due as a result of each rate increase. The retailer shall in turn collect the tax from its retail purchasers. Each such tax return and payment due under this subsection shall be filed and received by the department by the 24th day following the effective date of each tax increase.

(d) Every retail tobacco dealer and manufacturer required to file a tax return under subsection 3-49-070(b) or 3-49-070(c) who does not file such tax return by its due date, or alternatively does not provide all required information on such tax return, or fails to remit all required tax due computed thereon, shall be subject to a penalty of \$100.00 per business location required to be reported on the tax return, in addition to all other penalties and interest that may be due under the Uniform Revenue Procedures Ordinance, Chapter 3-4 of this Code.

(e) If the comptroller determines that a person subject to the penalty in subsection 3-49-070(d) had reasonable cause for paying late, underpaying the applicable tax, or filing a late or incomplete tax return, then the applicable penalty shall be waived.

(f) The comptroller, or his or her designee, may at any time during the statute of limitations outlined in Section 3-4-120 of this Code examine the books and records of any person required to file a tax return under this Section, and may issue a tax determination and assessment to the person per Section 3-4-160 of this Code, if a determination is made that any amount of tax, penalty, or interest is due.

(g) Every person required to file a tax return under subsection 3-49-070(b) or 3-49-079(c) who files a complete tax return by its due date and makes timely payment of the amount computed thereon shall be eligible to retain a commission in the amount of one percent of the tax computed due thereon.

**3-49-080 Books and records.**

Every person required to collect the tax imposed by this chapter shall keep accurate books and records of its business or activity, including original source documents and books of entry denoting the transaction that gave rise, or may have given rise, to the tax liability or any exemption that may be claimed. All such books and records shall be kept in the English language and, at all times during business hours of the day, shall be subject to and available for inspection by the department.

**3-49-090 Payment of tax required.**

The failure of the retail tobacco dealer or manufacturer to collect the tax imposed by this chapter shall not relieve the purchaser of the duty to pay it. If the retail tobacco dealer or manufacturer fails to collect the tax, the purchaser shall be required to pay it directly to the department in the same manner and form as a retail tobacco dealer.

**3-49-100 Authority to appoint collection agents.**

In furtherance of administering this chapter, the comptroller shall have the authority to appoint one or more persons within or without the City as collection agents for the tax herein imposed. This includes the authority to enter into service agreements with public and private entities, and to perform any and all acts, including the expenditure of funds subject to appropriation therefor, as shall be necessary or advisable in connection with such service agreements, including any renewals thereto.

**3-49-110 Exemptions.**

(a) The tax imposed by this chapter shall not apply to the extent it would violate the United States Constitution or the Constitution of the State of Illinois.

(b) It shall be presumed that all sales of OTP in the City are subject to tax under this chapter until the contrary is established. The burden of proving that such is not taxable hereunder shall be upon the person so claiming.

**3-49-120 Registration.**

Every wholesale tobacco dealer that sells OTP to a retailer or purchaser located in the City, and every retail tobacco dealer and manufacturer that sells OTP in the City, must be register with the department within 30 days of effective date of this ordinance, or within 30 days of commencing business, whichever is later.

**3-49-130 Supplementary provisions.**

Whenever not inconsistent with the provisions of this chapter, or whenever this chapter is silent, the provisions of the Uniform Revenue Procedures Ordinance, Chapter 3-4 of this Code, as amended, shall apply and supplement this chapter.

**3-49-140 Rules and regulations.**

The comptroller is authorized to adopt, promulgate, and enforce rules and regulations pertaining to the administration and enforcement of this chapter.

**3-49-150 Deposit of funds.**

All proceeds resulting from the imposition of this tax, including interest and penalties, shall be deposited in the City's corporate fund, and a portion shall be used to fund: (1) an orientation program for incoming ninth graders and at-risk incoming eighth graders in the Chicago Public Schools; (2) smoking and health education for youth, including tobacco cessation programs; and (3) enforcement of the provisions concerning the illegal sale of tobacco products found in Chapter 4-64 of this Code.

**3-49-160 Effect of invalidation.**

In the event Chapter 3-49 is invalidated by a court of competent jurisdiction or by legislation, the operation, application, and enforcement of Sections 4-64-260 and 4-64-270 shall commence as provided in Section 4-64-250.

**SECTION 3.** Chapter 4-64 of the Municipal Code of Chicago is hereby amended by deleting the language stricken and inserting the language underscored, as follows:

*(Omitted text is not affected by this ordinance)*

**4-64-190 Furnishing tobacco products or tobacco accessories to minors prohibited.**

No person shall sell, give away, barter, exchange or otherwise furnish any tobacco products, tobacco product samples and/or tobacco accessories to any individual who is under ~~18~~21 years of age.

**4-64-191 Certain transactions prohibited.**

(a) No person shall sell, offer for sale, barter, or expose for sale any tobacco product except in its original factory-wrapped package. No person shall sell, offer for sale, barter, or expose for sale any cigarettes in a package containing fewer than 20 cigarettes.

(b) Violations of this section shall be punishable by a fine of not less than \$1,000.00 nor more than ~~\$2,500.00~~5,000.00 for the first offense, and not less than \$2,500.00 nor more than ~~\$5,000.00~~10,000.00 for each subsequent offense occurring within a period of ~~24~~48 months. Where a violation of this section occurs on a premises licensed for the retail sale of tobacco products, and is committed by any employee or other agent of the retail tobacco licensee, such licensee shall be punishable in the same manner as if said act had been performed by the licensee personally.

(c) In addition to the penalty provided in subsection 4-64-191(b), any person who violates this section shall be punishable by imprisonment for a period not to exceed six months for each offense. For purposes of this subsection, where an act in violation of this section: (1) occurs on a premises licensed for the retail sale of tobacco products, and (2) is committed by an employee or other agent of the retail tobacco licensee; and (3) the licensee (or, if the licensee is

not a natural person, any person who has a substantial ownership or controlling interest in the entity that holds the license) intentionally, knowingly, or recklessly allows the violation to occur, the licensee or such other person shall be punishable in the same manner as if said act had been performed by him or her personally. As used in this subsection, "substantial ownership or controlling interest" means ownership of 25% or more of the entity, or, if the entity is a corporation, ownership of 25% or more of the voting shares of stock; or occupation as a principal officer, member of the board of directors, or manager of the entity.

(d) On June 1 of each year, beginning in 2017, the commissioner shall provide to the City Council Committee on License and Consumer Protection a report describing enforcement of this section by the department of business affairs and consumer protection during the previous 12 months.

*(Omitted text is not affected by this ordinance)*

**4-64-200 ~~Purchase or possession of~~ Use of improper identification to purchase tobacco products or tobacco accessories by minors prohibited.**

It shall be unlawful:

(a) ~~For any individual under the age of 18-21 years to purchase tobacco products, tobacco product samples or tobacco accessories, or to misrepresent the individual's his or her identity or age, or to use any false or altered identification, for the purpose of purchasing tobacco products, tobacco product samples, or tobacco accessories; or~~

~~(b) For any individual under the age of 18 years to possess or to accept delivery of any tobacco product, tobacco product samples or tobacco accessories, except (i) in the presence of and with the knowledge and consent of the individual's parent or legal guardian, while on private property that is not open to the public, or (ii) at the direction of the individual's employer when required in the performance of the individual's employment duties; or~~

~~(c)~~(b) For any person to give any individual under the age of 18-21 years any identification card not duly issued to such individual, for the purpose of buying tobacco products, tobacco product samples, or tobacco accessories.

~~Any minor who illegally possesses any tobacco product, tobacco product sample or tobacco accessory shall be subject to a fine of \$25.00 for the first offense and a fine of not less than \$50.00 for each subsequent offense.~~

*(Omitted text is not affected by this ordinance)*

**4-64-210 Posting of warning to minors.**

Any person who sells, gives away or distributes tobacco products or accessories shall display a printed card which shall state:

Warning

It Is A Violation Of The Law For Cigarettes Or Other Tobacco Products Or Tobacco Accessories To Be Sold To Any Person Under The Age Of 18-21. Any Person Who Violates This Law Is Subject To A Fine And Possible Imprisonment.

*(Omitted text is not affected by this ordinance)*

**4-64-332 Underage tobacco violations – Commissioner of business affairs and consumer protection duties.**

*(Omitted text is not affected by this ordinance)*

(b) The commissioner of business affairs and consumer protection is authorized to establish a program of testing the sales practices of licensed tobacco dealers, to determine whether licensees are selling tobacco products to minors. The program shall include the use of persons under the age of ~~18-21~~ as purchasers of tobacco products, in accordance with procedures established by the commissioner of business affairs and consumer protection. No person under the age of ~~18-21~~ who purchases or attempts to purchase tobacco products as part of the program shall be charged with a violation of Section 4-64-200.

*(Omitted text is not affected by this ordinance)*

**SECTION 4.** Chapter 4-64 of the Municipal Code of Chicago is hereby amended by adding a new Article III and a new Section 4-64-338, as follows

**ARTICLE III. PRICE FLOORS, COUPON PROHIBITION, AND MINIMUM PACKAGE SIZES FOR TOBACCO PRODUCTS (4-64-250 et seq.)**

**4-64-250 Stay of operation, application, and enforcement of certain provisions.**

(a) The operation, application, and enforcement of Sections 4-64-260 and 4-64-270 is hereby stayed.

(b) In the event Chapter 3-49 of this Code is invalidated by a court of competent jurisdiction or by legislation, the operation, application, and enforcement of Sections 4-64-260 and 4-64-270 shall commence on the 90th day following the date of the final judicial determination or the effective date of the legislation, as applicable.

**4-64-255 Definitions.**

As used in this article:

“Cigarette” has the meaning ascribed to that term in Section 3-42-010 of this Code.

“Large cigar” means any roll of tobacco wrapped in leaf tobacco or any substance containing tobacco and weighing at least four pounds per one thousand units.

“Little cigar” means any roll of tobacco, other than a cigarette, wrapped in leaf tobacco or any substance containing tobacco and weighing less than four pounds per one thousand units.

“Package” means the original packet, box, tin, or other container used to contain and to convey cigarettes or other tobacco products to the consumer.

“Price reduction instrument” means any coupon, voucher, rebate, card, paper, note, form, statement, ticket, image, or other issue, whether in paper, digital, or any other form, used

for commercial purposes to receive an article, product, service, or accommodation without charge or at a discounted price.

“Price floor” means the minimum price, including all applicable taxes, for which one tobacco product or package of tobacco products may be sold by a retail tobacco dealer.

“Smokeless tobacco” means any kind and form of tobacco product not intended to be smoked, including snuff, snus, and chewing tobacco.

“Smoking tobacco” means any kind and form of tobacco product prepared in such manner as to be suitable for smoking, in a pipe or otherwise, including, granulated, plug cut, crimp cut, ready rubbed, cavendish, perique, roll-your-own, shorts, refuse scraps, clippings, cuttings, sweeping of tobacco and loose tobacco.

#### **4-64-260 Price floors for tobacco products.**

(a) The following price floors shall apply to sales in the City of Chicago:

(1) The price floor for cigarettes shall be \$11.50 per package, provided that this floor may be modified pursuant to subsection 4-64-260(b).

(2) The price floor for little cigars shall be shall be \$11.50 per package, provided that this floor may be modified pursuant to subsection 4-64-260(b).

(3) The price floor for large cigars shall be \$1.74 per cigar, provided that this floor may be modified pursuant to subsection 4-64-260(b).

(4) The price floor for smoking tobacco shall be \$11.50 per 0.65 ounce pouch (\$17.70 per ounce), provided that this floor may be modified pursuant to subsection 4-64-260(b).

(5) The price floor for smokeless tobacco shall be \$4.00 per ounce, provided that this floor may be modified pursuant to subsection 4-64-260(b).

(b) The commissioner of health, with the approval of the comptroller, may amend by rule the price floor applicable to a category of tobacco product in an amount proportional to the change, if any, in the Chicago-Gary-Kenosha area consumer price index. In the event the commissioner amends a price floor, the amended price floor shall not go into effect until 90 days after it is announced via rule promulgated by the department of public health.

(c) No person shall sell or offer for sale a tobacco product to a consumer for a price less than the price floor. A retail tobacco dealer shall prominently display the price of all tobacco products at the point of display or at the point of sale.

#### **4-64-265 Coupons prohibited.**

No person shall:

(a) honor or accept a price reduction instrument in any transaction related to the sale of a tobacco product to a consumer;

(b) sell or offer for sale a tobacco product to a consumer through any multi-package discount, or otherwise provide to a consumer any tobacco product for less than the listed price in exchange for the purchase of any other tobacco product by the consumer;

(c) sell, offer for sale, or otherwise provide any product other than a tobacco product to a consumer for less than the listed price in exchange for the purchase of a tobacco product by the consumer; or

(d) sell, offer for sale, or otherwise provide tobacco products to a consumer for less than the listed price.

#### **4-64-270 Minimum package sizes for tobacco products.**

(a) Each tobacco product sold or offered for sale by a retail tobacco dealer shall be sold or offered for sale in the package provided by the manufacturer, importer, or packager.

(b) No retail tobacco dealer shall sell or offer for sale a large cigar unless it is sold in a package of at least four large cigars, provided that this subsection shall not apply to any individual large cigar with a listed price of more than \$3.00. The commissioner of health, with the approval of the comptroller, may amend by rule this minimum listed price in proportion to the change, if any, in the Chicago-Gary-Kenosha area consumer price index. In the event the commissioner does so, the amended minimum listed price shall not go into effect until 90 days after it is announced via rule promulgated by the department of public health.

(c) No retail tobacco dealer shall sell or offer for sale a little cigar unless it is sold in a package of at least 20 little cigars.

#### **4-64-280 Enforcement – Regulations.**

The department of business affairs and consumer protection shall enforce this article. The commissioners of health and business affairs and consumer protection, acting jointly or individually, may promulgate any rules necessary to administer this article.

*(Omitted text is not affected by this ordinance)*

#### **4-64-338 Price floor, coupon prohibition, and package size violations.**

Any person convicted of a first offense for violating Article III this chapter, or any rule or regulation promulgated pursuant to that article, shall be punished by a fine of not less than \$1,000.00 nor more than \$2,000.00. Any person convicted of a second offense within a five-year period for violating Article III this chapter, or any rule or regulation promulgated pursuant to that article, shall be punished for such offense by a fine of not less than \$2,500.00 nor more than \$3,500.00. Any person convicted of a third offense within a five-year period for violating Article III this chapter, or any rule or regulation promulgated pursuant to that article, shall be punished for such offense by a fine of not less than \$5,000.00 nor more than \$7,500.00. For purposes of this section, multiple violations occurring on the same date shall be deemed a single violation.

*(Omitted text is not affected by this ordinance)*

**SECTION 5.** Chapter 4-64 of the Municipal Code of Chicago is hereby amended by deleting the language stricken and inserting the language underscored, as follows:

*(Omitted text is not affected by this ordinance)*

**4-64-240 Revocation of licenses.**

(a) If a person commits any combination of three or more violations within any 24-month period of Sections 3-42-020, 3-42-025, 3-42-060, 3-42-100, 4-64-132, 4-64-150, 4-64-180, 4-64-190, ~~4-64-191~~, 4-64-210, and 4-64-220, 4-64-260, 4-64-265, and 4-64-270, the commissioner shall revoke that person's licenses. If a person commits two or more violations within any 48-month period of Section 4-64-191, the commissioner shall revoke that person's licenses. For purposes of this section: (1) "licenses" includes any and all licenses issued by any officer, department, or agency of the City of Chicago required for retail or other business operations at the location at which the violations occurred, and includes, but is not limited to, retail tobacco licenses; (2) multiple violations occurring on the same date shall be deemed a single violation; and (3) the term "violation" means any final disposition against the licensee on a charge brought pursuant to one of the Code provisions listed above, including, but not limited to, any finding of liability after adjudication on the merits, any default finding of liability, any uncontested finding of liability, any negotiated pre-hearing settlement of the charge, and any voluntary payment of the fine corresponding to the charge. A person subject to revocation pursuant to this subsection shall be entitled to the process described in Section 4-4-280, with the condition that any revocation hearing shall be limited to the issue of whether the licensee's record accurately reflects the existence of a sufficient number of violations to support the revocation decision; the licensee shall not be permitted to challenge the violations themselves, nor any underlying facts asserted or determined therein.

*(Omitted text is unaffected by this ordinance)*

**4-64-245 Nonrenewal of licenses.**

(a) If a retail tobacco licensee commits any combination of three or more violations within any 24-month period of Sections 3-42-020, 3-42-025, 3-42-060, 3-42-100, 4-64-132, 4-64-150, 4-64-180, 4-64-190, ~~4-64-191~~, 4-64-210, and 4-64-220, 4-64-260, 4-64-265, and 4-64-270, the licensee shall be subject to nonrenewal of the license. If a person commits two or more violations within any 48-month period of Section 4-64-191, the licensee shall be subject to nonrenewal of the license. The commissioner may decline to renew such license, subject to the procedure described in subsection 4-64-245(b). For purposes of this section, multiple violations occurring on the same date shall be deemed a single violation, and the term "violation" means any final disposition against the licensee on a charge brought pursuant to one of the Code provisions listed above, including, but not limited to, any finding of liability after adjudication on the merits of the charge, any default finding of liability, any uncontested finding of liability, any negotiated pre-hearing settlement of the charge, and any voluntary payment of the fine corresponding to the charge.

*(Omitted text is unaffected by this ordinance)*

**SECTION 6.** The provisions of this ordinance are declared to be separate and severable. The invalidity of any provision of this ordinance, or the invalidity of the application thereof to any person or circumstance, shall not affect the validity of the remainder of this ordinance, or the validity of its application to other persons or circumstances.

**SECTION 7.** Following passage and publication, Section 2 and Section 3 of this ordinance shall take effect on July 1, 2016. Section 4 and Section 5 of this ordinance shall take effect 180 days after passage and publication. The remainder of this ordinance shall take effect upon passage and publication.

13-22

A1

CHICAGO February 10, 2016

To the President and Members of the City Council:

Your Committee on Finance having had under consideration

A substitute ordinance concerning the authority to amend Title 3 and Chapter 4-64 of the Municipal Code of Chicago concerning a tax on non-cigarette tobacco products and associated tobacco-related regulations.

O2016-105

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 \_\_\_\_\_ (a viva voce vote) of members of the committee with \_\_\_\_\_ dissenting vote(s).

Roll Call  
22-9

Aldermen Dowell (3), Hairston (5), O'Shea (19), Cochran (20), Zalewski (23), Mitts (37), Sposato (38), Reilly (42), and Tunney (44) vote no.

Respectfully submitted

(signed) [Handwritten Signature]

Chairman