Statement of Corporation Counsel Stephen R. Patton
In Support of the Department of Law's
Proposed 2013 Budget

October 26, 2012

Thank you for the opportunity to testify before you today in support of the Department of Law's ("DOL's") proposed 2013 budget.

This testimony is organized into five parts. Part I provides a brief overview of the Department, including its mission and the work that it performs. Part II describes a number of steps the Department has taken to reduce the City's legal costs. Part III discusses a number of initiatives Law has implemented to improve the quality of life of Chicago residents. Part IV provides recent examples of actions DOL has taken to protect taxpayer dollars. Finally, Part V provides some examples of the work and successes of the Department's various divisions during the past year.

I. Overview

DOL attorneys specialize and satisfy the City's legal needs in a wide array of areas. This includes police, tort, and employment litigation, municipal finance, affordable housing, aviation, civil rights, environmental law, and collective bargaining. The Department is fortunate to employ some of the City's most prolific and talented trial attorneys, as well as high-caliber transactional attorneys who finalize complicated and large financial transactions for the City. All of this work is done for a fraction of what outside law firms would charge and by individuals whose institutional knowledge and experience results in high quality work product and informed, solid advice.

The Department works closely with the Mayor's Office, City Departments, Boards and Commissioners, and the City Council: to protect the public safety and maximize the quality of life for the citizens of the City; to minimize the City's exposure to financial liability for claims and lawsuits; and to seek revenue and savings to which the City is entitled for the benefit of its taxpayers.

II. Reducing Legal Costs

In my 2011 Budget Statement, I outlined a number of initiatives to reduce the City's legal costs. This included reducing outside counsel expense, decreasing the amounts the City spends on settlements and judgments, reducing the number of lawsuits filed against the City, and identifying and achieving other cost savings and efficiencies in the Law Department's operation.

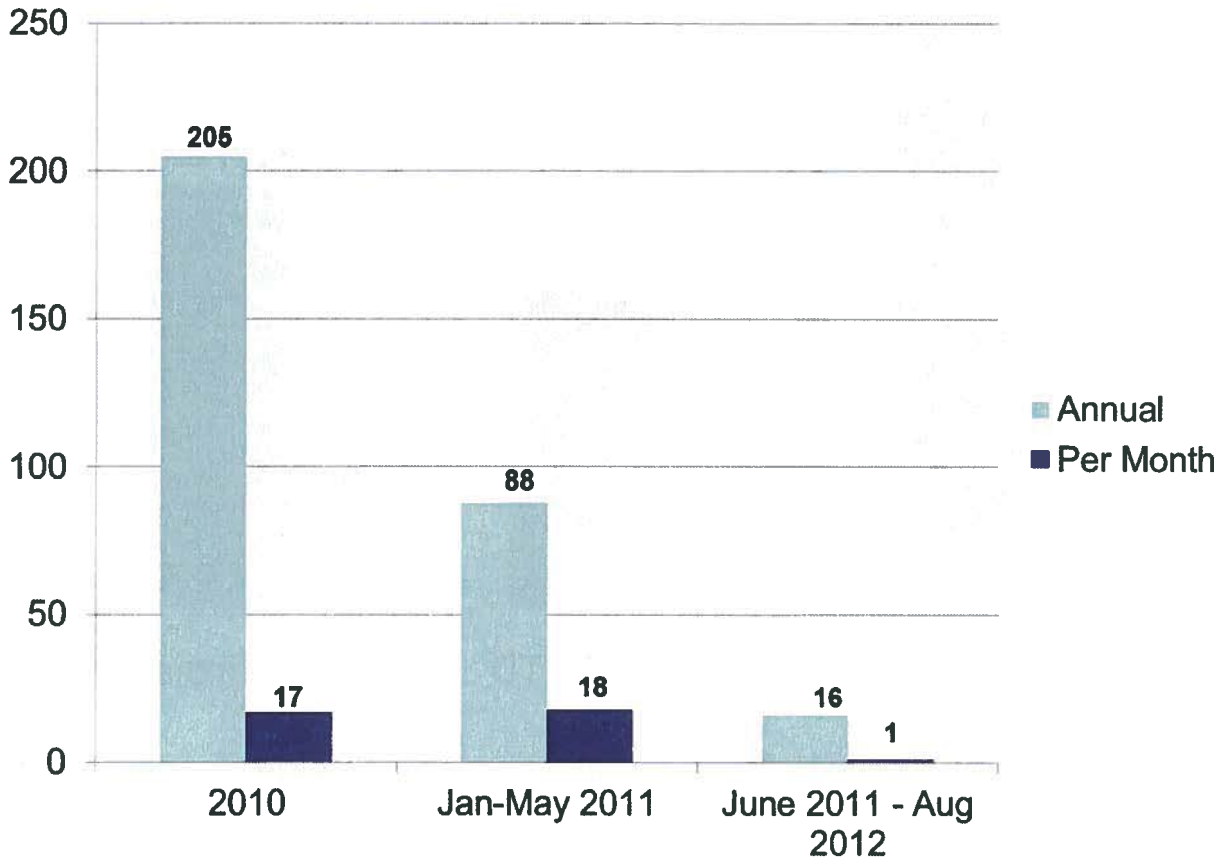
I am pleased to report that during the past year we have made substantial progress in each of these areas. The amount the City spends on outside counsel has decreased by more than $ 5.8 million, or 22%, from the amounts that the City was spending when I took this job 17 months ago. The City has received more than $8 million in free legal services from some of the City's leading law firms as part of the pro bono program I initiated. The City continues to try -- and win -- more cases. Relatedly, the City's policy of trying non-meritorious police cases has reduced the number of new police cases filed against the City by more than 50%. Most importantly, we have implemented a number of initiatives that we believe, over time, will reduce the City's cost of settlements and judgments. This includes making an early assessment whether cases should be settled or tried and paying increased attention to risk management principles.

I briefly address each of these efforts below.

Handling More Cases In-House

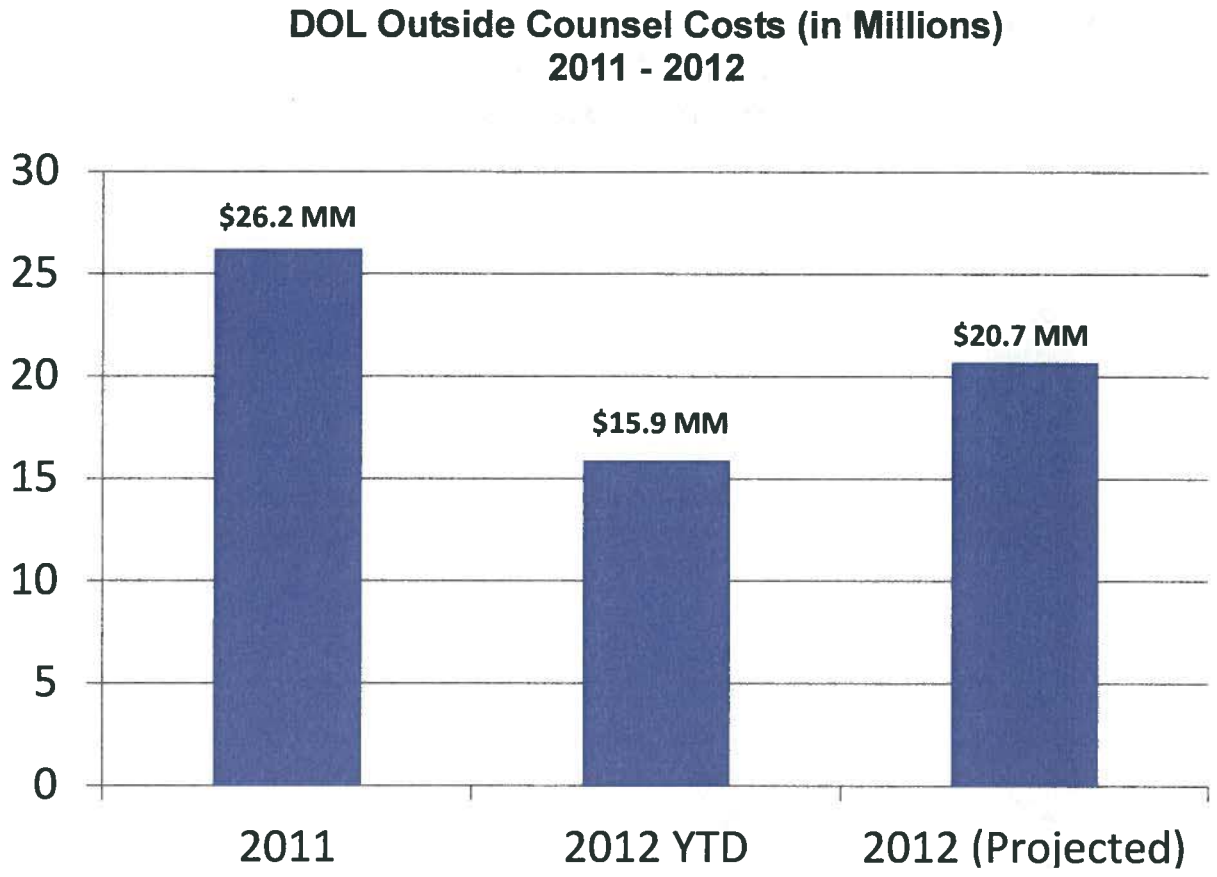
One of the initiatives I outlined last year was to fill 10 previously-vacant positions in the DOL's police litigation division, so that cases that would otherwise have been sent to outside counsel at a cost of up to $295 per hour are now being handled in-house by DOL attorneys for approximately $46 per hour. We have fully implemented that initiative and the impact has been dramatic. The number of police cases referred to outside counsel has decreased from approximately 200 cases per year (an average of 16-17 new cases per month) when the new administration took office in May 2011, to only one case per month on average currently.

Number of Police Cases Referred to Outside Counsel
Annual/Per Month
January 2010 – August 2012



As the chart above illustrates, the City referred 205 police cases in 2010 (on average 17 per month), and continued sending cases to outside counsel during the first five months of 2011 at a similar rate (a total of 88 cases, or 18 per month). However, in the 17 months since May 2011, DOL has referred only 16 police cases to outside counsel for resource reasons.

We estimate that filling these vacancies, and DOL's corresponding ability to handle these and future new cases in-house, will result in net savings of at least $5.8 million in outside counsel costs in 2012. These savings are reflected in the chart below, which shows Law's actual outside counsel costs in 2011 and 2012.



In 2011, DOL spent $26.5 million in outside counsel costs. This represented a savings of more than $3 million from the outside counsel costs that were projected before the new administration took office in May. Through September 2012, we have spent $15.9 million in outside counsel costs. Annualizing this amount, Law estimates that it will spend approximately $20.7 million on outside counsel costs in 2012, or $5.8 million less than was spent last year. This represents a 22% savings from 2011's already-reduced expenditures.

Pro Bono/Volunteer Programs

Another initiative that I reported on last year was the Department's partnership with a number of leading Chicago law firms to represent the City in significant matters on a pro bono basis. Since that time, the amount of savings from this program, as well as the number of firms participating, has continued to grow.

To date, eight leading Chicago law firms have agreed to take on significant litigation and transactional matters at no cost to the City. This includes top law firms such as Bartlit Beck, Kirkland & Ellis, and Mayer Brown, who are assisting the City on litigation arising out of the parking meter and parking garage concession contracts, and other matters. Since May 2011, our pro bono program has saved taxpayers an estimated $8.4 million, and we expect that these savings will total more than $12 million over the life of these matters.

At the same time, we have created new and/or expanded volunteer programs in which individual attorneys and law school students assist the Law Department in meeting the City's legal needs at no cost to taxpayers. These programs create a win-win, as the City receives high-quality legal assistance at no cost and volunteer attorneys receive valuable hands-on experience and/or an opportunity to give back to the City.

One of these programs enlists lawyers from the private sector to lend their expertise to assist the City and serve as mentors to our younger attorneys. This includes recruiting senior attorneys with distinguished careers at private firms who are at or near retirement and willing to work one or more days per week for the City pro bono.

This year, DOL also created a new Externship Program and a new Post-Graduate Fellowship Program, which are designed to augment our ranks (and reduce outside counsel expenses) with high-quality volunteer law students and recent law school graduates. The Externship Program enables law students to volunteer with DOL in exchange for course credit at their law school. The Post-Graduate Fellowship Program enables recent law school graduates to volunteer with DOL while receiving funding from their school.

Finally, our pro bono efforts have extended for the first time to obtaining free training for department attorneys to help them improve their skills and become better lawyers. For example, this year 38 DOL attorneys participated in Kirkland & Ellis' three-day trial advocacy training program at no cost to the City. And we are in the process of making similar arrangements for a group of our attorneys to participate in Hinshaw & Culbertson's litigation training program, again at no cost to the City.

Trying – And Winning – More Cases

In last year's budget statement, I discussed our plans to continue a policy DOL first started in late 2009 of litigating non-meritorious police cases, even where such cases could be settled for relatively small amounts.

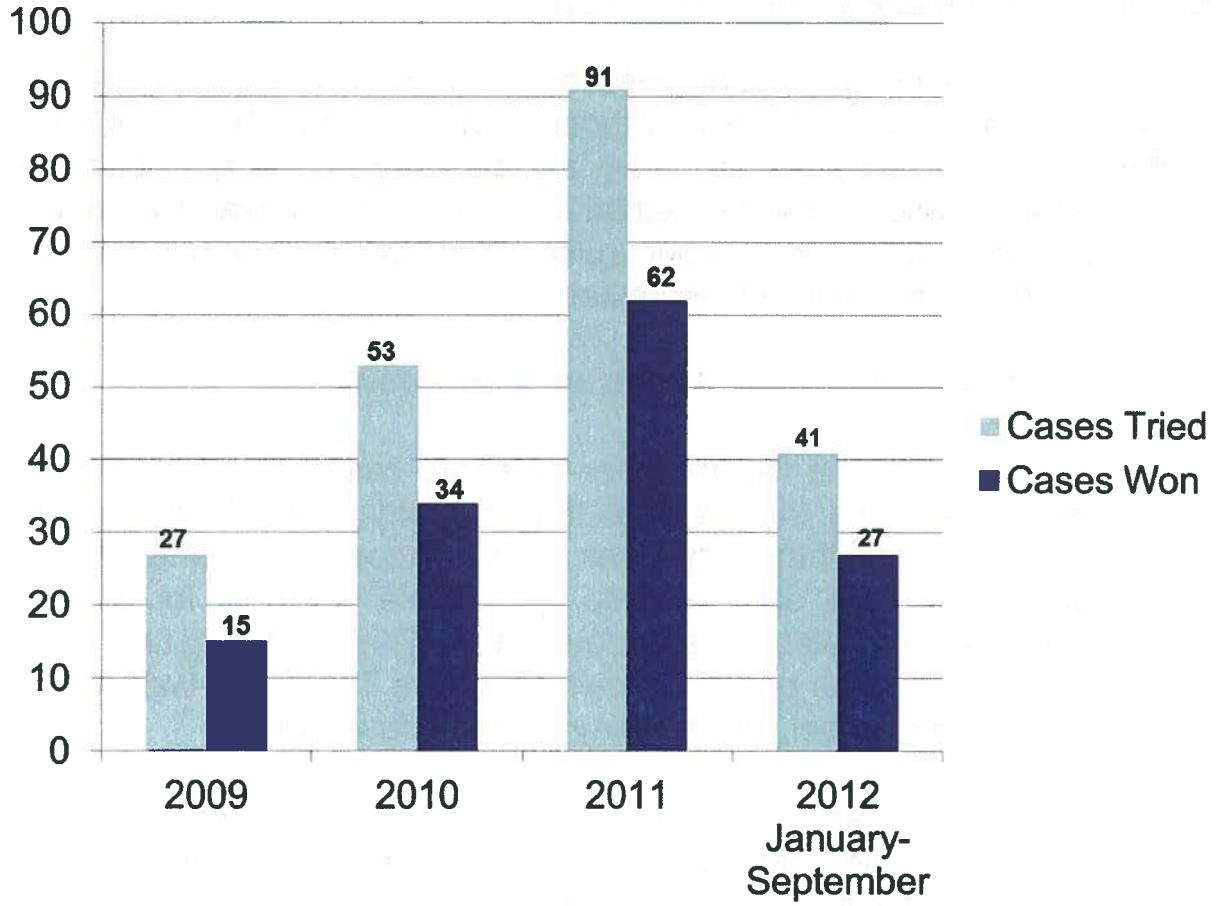
This policy has been extremely successful, resulting in an immediate and dramatic 50% drop in the number of new cases filed against Chicago Police.

Number of New Police Cases
2009-2012

Thus, in 2009, a total of 551 new cases alleging police misconduct were filed against the City. Starting in 2010, after the policy was adopted, that total fell to 269 cases. Last year, the number of new police cases filed declined even further to 249, and through September 2012, only 189 new cases have been filed.

Over this same period, the City has also dramatically increased the number of police cases that it has tried.

Number of Police Cases Tried/Won by DOL
2009-2011, Jan-Sept 2012



In 2009, the City tried 27 police cases. In 2010, DOL more than doubled the number of cases tried, to 53 cases. In 2011, we tried 91 cases. Through September 2012, the City has tried a total of 41 cases and an additional 15 trials are scheduled between now and the end of the year.

Equally important, DOL has increased the percentage of cases it wins, maintaining a nearly 2/3 winning percentage since 2010. After prevailing on 15 of 27, or 55.5% of the cases tried in 2009, the Law Department increased its winning percentage to 64.1% in 2010 (34 of 53). In 2011, the City won 68.1% of its cases (62 of 91) it tried and, through August 2012, the City has prevailed in 65.9% of all cases tried (27 of 41).

The City's policy of trying -- and winning – more cases has saved the City and its taxpayers millions of dollars, both in avoided judgments and settlements and by discouraging the filing of new cases. It also sends a strong message to our police officers that the City will fight on their behalf when the facts do not support the plaintiff's claims.

Early Case Assessment and Settlement

A new initiative that I did not discuss last year is the early assessment of new cases and the settlement of those cases that the City is unlikely to win if tried. In the past, the City often avoided making the hard decisions as to whether a case should be settled until years after it was filed and on the eve of trial or an adverse court ruling. This was particularly true with respect to difficult and high-exposure cases.

This increased the cost to taxpayers in two ways:

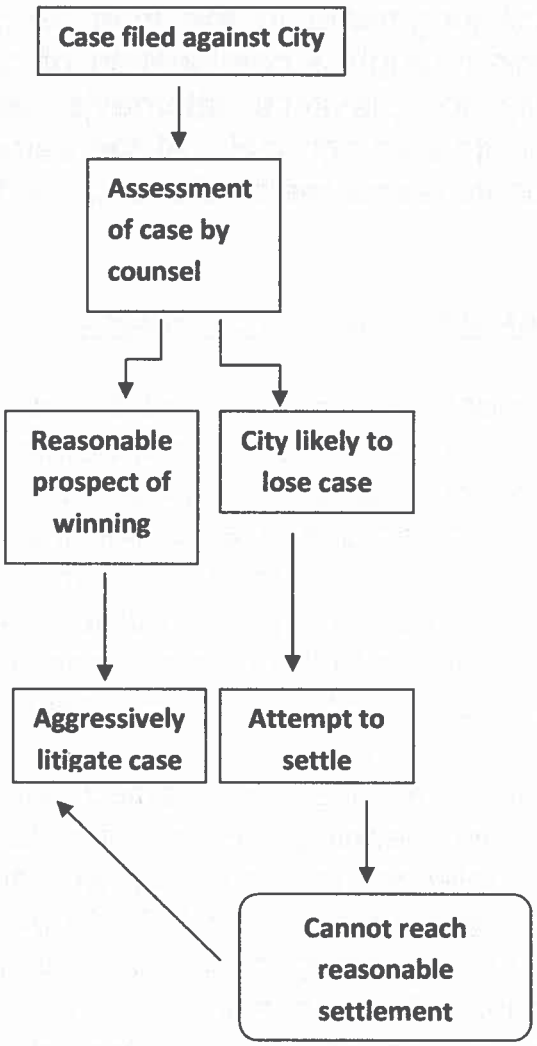
- First, most of the City's higher-exposure cases are brought under federal statutes that provide that the City is liable for plaintiff's attorney's fees if the City loses at trial. Accordingly, when the City loses or settles such a case, it is liable not only for plaintiff's damages, but also its attorney's fees. This is in addition to any fees the City has paid to its own attorneys if the case was referred to outside counsel, which many of these cases were.

- Second, in many cases, the City's exposure – and the damages sought by the plaintiff – increase the longer a case remains pending. This is primarily because the plaintiff discovers additional supporting evidence for its claims or the court makes pretrial rulings that either strengthen its case or weaken the City's defense. In addition, in many cases plaintiffs are willing to settle for less if they are paid promptly.

When the new administration took office in May 2011, there was a large backlog of cases scheduled for trial which the attorneys handling the cases advised that the City was likely to lose and recommended settlement. Most of these cases had been pending for years and, due to attorney's fees, the cost of settling was triple or more what it would have been if an earlier settlement had been reached.

In response, we instituted a new approach whereby cases are investigated and evaluated promptly after they are filed. A determination is then made whether the case is one that should be tried or settled, and if settled, the settlement value of the case. This approach is illustrated by the flow chart below.

DOL'S EARLY ASSESSMENT STRATEGY



If the City is likely to lose the case, and further litigation would only increase the City's exposure by generating attorney's fees that we would ultimately be responsible for, we will attempt to settle the case at an amount at or below the estimated value of the case. If a reasonable settlement cannot be reached, then the City knows it has to aggressively litigate.

On the other hand, if the City believes it has a reasonable prospect of winning, or if further litigation is likely to reduce the City's exposure, we will aggressively defend and, if necessary, try the case.

While the total amount the City pays to settle cases may increase in the short term, due to the huge backlog of unresolved cases the new Administration inherited (nearly 600 police cases alone), we are confident that this approach should reduce the amounts paid by the City in settlements and judgments in the long term. Individual cases will be resolved for less through a combination of reduced settlement amounts, avoiding liability for plaintiff's attorney's fees, and reducing the City expenditures on its own counsel. At the same time, this approach allows the City to focus its resources on those cases that should be defended and tried.

Employing Risk Management Strategies

Another important initiative that has shown promising results is DOL's collaboration with other City departments with respect to risk management. This includes identifying circumstances that can (or have in the past) exposed the City to damages claims and lawsuits and then proposing and working with the relevant departments to implement proactive steps to prevent them from recurring in the future. Two recent examples of such efforts concern changes to the police department's policies and procedures regarding large demonstrations and care for inmates in lock-up facilities.

Earlier this year, the City settled two cases brought by several hundred protesters claiming millions of dollars in damages arising from their arrest and detention in connection with anti-Iraq War protests in 2003. The cases were settled after the U.S. Court of Appeals for the Seventh Circuit issued an opinion that was especially critical of how the police department handled these arrests. Among other things, the Court found that there was little or no evidence protesters were provided timely and effective warning that they would be arrested if they did not disperse and leave, and as a result, a number of people who were not a part of the protest were arrested simply for being in the wrong place at the wrong time. The evidence also demonstrated that arrestees were taken to lock-up facilities miles from where they were arrested, where they were held in overcrowded cells without adequate food and water and restroom facilities. Finally, the Court found that police records of the arrests were incomplete

or inaccurate, which resulted in the dismissal of the charges and subjected the City to claims of false arrest.

In response to these problems and the Seventh Circuit's decision, Law worked closely with the police department to implement a number of changes and reforms designed to avoid similar claims and liabilities in the future and to ensure that in future demonstrations police have clear guidance that allows them to protect the public safety while at the same time respecting the First Amendment and due process rights of protesters.

These changes were reflected in the professional manner in which the police department handled the Occupy Chicago protests last October and the NATO Summit last May.

In both cases, police provided multiple warnings before protestors were arrested, and gave ample opportunity for participants and bystanders to disperse rather than be arrested. As a result, only 91 arrests were made at the NATO Summit, and fewer than 300 people were arrested in the two protest events last October by Occupy Chicago. In addition, arrestees were taken to lock-up facilities close to where they were arrested, where they were processed in a professional and prompt manner. The results of these efforts were dramatic. As of now, not a single lawsuit has been filed complaining of police conduct in connection with either event.

In another example, Law worked with the police department to develop new procedures and better train detention aides with respect to prisoners who suffer from serious medical conditions while they are in lockup. These efforts were prompted by two suits in which prisoners died in lockup after being refused medical treatment. Both resulted in seven figure settlements.

In response, police developed a new General Order for addressing the medical needs and emergencies of inmates in lock-up facilities and DOL attorneys worked with police to train supervisors and detention aides with respect to these new procedures and the importance of addressing the medical needs of prisoners.

III. DOL Enforcement of City Housing and Other "Quality of Life" Ordinances

During the past year, DOL also devoted increased attention and resources to aggressively enforcing the City's housing and other "quality of life" ordinances and participated in several new initiatives to improve the lives of Chicago residents and make our communities safer. This included:

- Aggressively enforcing the City's vacant and abandoned buildings ordinances and taking other steps to preserve the City's housing stock;
- Prosecuting an increased number of demolition cases with respect to buildings that cannot be saved; and
- Reactivating the Safe Neighborhoods Task Force to crack down on and close problematic businesses, including problem liquor stores.

Enforcement of the City's Vacant and Abandoned Building Ordinances

During the past year, the Law Department has dedicated increased attention and resources to aggressively enforcing the City's Vacant and Abandoned Buildings Ordinances. Last fall, DOL was instrumental in setting up a new court call specifically targeted at compelling owners of salvageable buildings to make necessary repairs before their buildings become havens for crime or deteriorate to the point they must be demolished. If owners fail to take responsibility, the City seeks receivership and civil forfeiture, in addition to significant fines, to compel compliance. In the year this new court call has been in effect, our attorneys have filed 273 cases and reviewed and disposed of 130 additional referrals without litigation. This new call has been so successful that Law is now seeking an additional court call to handle all of the cases it is prosecuting.

One example of these efforts is DOL's work with Alderman Michael Chandler (24th Ward) and the Department of Buildings to address a troubled building at 4714 W. Gladys Avenue. The parapet wall of this vacant brick two-flat was collapsing, but the building was otherwise sound. For some time, the neighbors had been keeping the property secure after the owners—two elderly sisters—died or disappeared. The City asked the court to appoint the neighbor's son as receiver of the property when no owners or other responsible parties appeared. The City then filed motions

to have the property declared a public nuisance subject to forfeiture and to award title of the property to the receiver, which were granted last July. Since he was awarded title in July, the new owner has paid all past due property taxes and water bills and is rehabbing the property.

This new call is in addition to all of the City's other, ongoing efforts to preserve the City's housing stock through enforcement of the City's building code and other ordinances, both in Circuit Court and in the Department of Administrative Hearings ("DOAH"). Thus far in 2012, these efforts have preserved more than 9,300 residential units throughout the City. And this includes only the impact of the cases filed by Law in Circuit Court. Law filed an even greater number of enforcement actions in DOAH -- 3,147 through September 2012. This represents a 160% increase from the 1,971 DOAH cases filed in all of 2011. The following are just a few examples of these efforts:

- 2549-61 East 75th/ 7504-10 South Colfax (7th Ward). This case involves a 36-unit residential building with six commercial units, one of which contained a liquor store that was a neighborhood nuisance. After the owner failed to correct numerous code violations, the City appointed a receiver for the property. The receiver, working with the police, was able to start eviction proceedings against various tenants who had gang affiliations and also evicted the liquor store, which had been the site of numerous drug sales and other criminal activity. The receiver was also able to start rehabbing the property, improve the building's security, and locate responsible tenants.

- 5447 S Morgan (20th Ward). The City also appointed a receiver for this 16-unit building, which is located across the street from a middle school. The owner, who was in foreclosure, had allowed the exterior wall to deteriorate and bricks were falling into the street. The receiver immediately secured the open doors and windows, installed a canopy, and repaired the masonry walls. The Court, at the City's insistence, also ordered the receiver to keep the sidewalk free of snow and ice during the winter so that school children can safely walk to school.

- 5656-58 S. King (20th Ward). The Court likewise appointed a receiver to repair the unsafe rear porch, dangerous interior stairs, dangerous electrical systems and inappropriately installed

furnaces in this six-unit building. The receiver has since completed the repairs, and the property was recently sold to a new owner.

- 5520-30 S Prairie (20th Ward). This vacant and open 18-unit building was filled with garbage and rats. The receiver cleaned and secured the property and, after completing a feasibility study, found that the building was salvageable. The City, working with the foreclosing lender, kept the property secure during the foreclosure and it was then sold to Mercy Housing as part of the City's Neighborhood Stabilization Program. It has now been fully rehabbed and provides 18 units of affordable housing.

Finally, in 2012, Law has significantly increased the total amount of fines imposed for violation of the City's vacant and abandoned buildings ordinances. More than $4.3 million such fines were assessed through September 2012. This represents a $500,000 increase from the $3.8 million assessed in all of 2011.

Increased Number of Demolition Cases

In instances where buildings cannot be saved, DOL attorneys file cases to secure and demolish them. Last year, we almost doubled the number of such cases that were filed, from 508 to 1,092. So far this year, our lawyers have filed 935 such cases, and we expect to file more than 1,200 demolition cases by the end of the year, a roughly 20% increase over 2011.

New Task Force Addresses Problem Businesses

In June, the Law Department helped reestablish the Responsible Establishments Safe Neighborhoods Task Force, a group charged with inspecting properties identified by police as being associated with criminal activity and "hot spots." The task force meets weekly and inspects several properties within a particular police district. The task force immediately closes businesses that are found to have dangerous and hazardous building code violations, and DOL attorneys then aggressively prosecute the violations in court to ensure that the properties do not re-open until the violations are corrected.

Since June, the task force has closed 36 businesses. Many of these businesses have made the investments to bring their properties into compliance, and have been allowed to reopen. Others, however, have remained closed due to the severity of the violations and the cost to bring them into compliance. Often, these are also the businesses most associated with drug transactions and other criminal activity.

One example is Vegas Food and Liquor, located at 330 E. Pershing Road in the 3rd Ward. Vegas had become the site of frequent drug sales and loitering and the cause of numerous complaints by neighbors. Working with 3rd Ward Alderman Pat Dowell, DOL brought a proceeding to revoke Vegas Liquor license based on Law's discovery that a 50% owner of the business was a convicted felon and thus ineligible to hold a liquor license, and that the licensee had failed to disclose this information and provided false statements on several of its license renewal applications. While the licensing case was pending, the task force inspected the business and found dangerous and hazardous electrical violations that resulted in immediate closure of the building, and DOL promptly filed charges for the violations. Confronted with these enforcement efforts, the owner agreed to accept a revocation of all city licenses held by the business. As a result, no new liquor license will be issued to any applicant at this location for at least a one-year period.

Another example of the success of this task force is Phoenix Liquors at 2440 - 52 E. 75th Street in the 7th Ward. This property was inspected on the task force's first day and closed. From July 2011 through July 2012, the location generated 515 calls to the police, including shootings. At the task force inspection Building Department inspectors found unsafe conditions, including a failing floor system due to severe rot and cracked floor joists, with a possible collapse hazard, and lack of fire separation between the building's mercantile and residential areas, with combustible materials throughout. The Building Commissioner closed the business immediately. Law then sought an injunction against the owner and tenant to keep the property closed until it is brought up to code, which was granted. The repairs needed are very expensive, the property is in foreclosure, and the owner of the liquor store has indicated it will permanently leave this location.

Fighting to Protect and Recover Taxpayer Dollars

Next, I highlight some examples of the Law Department's work in fighting to protect and to recover taxpayer dollars. This includes:

- Defending arbitrations in which the concessionaires under the City's parking meters, parking garages, and Chicago Skyway agreements seek millions of dollars in damages and contract "adjustments";
- Bringing litigation to void a 2003 lease of City property in Millennium Park to the Park Grill restaurant, for which the City and taxpayers currently receive no rent or other compensation; and
- Successfully pursuing claims against various City vendors for fraud and/or other wrongdoing, including Allied Waste and GlaxoSmithKline.

Concession Agreement Disputes

The Law Department has invested significant time over the past year in providing advice and litigating disputes with respect to the City's three long-term lease/concession agreements -- parking meters, parking garages, and the Chicago Skyway. This includes preparing for and litigating major arbitrations in connection with each of these agreements: Chicago Parking Meter's ("CPM's") $13.5 million claim under the parking meters agreement with respect to handicap parking during 2010; Chicago Loop Parking's $137 million claim under the parking garages agreement with respect to the City's issuance of a competing public parking license to the Aqua Building; and the Skyway concessionaire's multimillion dollar claim for reimbursement for lead paint remediation expenses under the Skyway agreement. We expect additional litigation in the coming year over CPM's $22 million 2011 handicap parking claim, as well as its claims for millions of dollars in quarterly true-up adjustments. We intend to continue to aggressively defend the City in these and future arbitrations under these agreements.

First, the City is vigorously defending against CPM's claim for $13.5 million of alleged 2010 handicap parking in excess of the parking meters agreement's 6% cap on such parking. Law has also worked with the City's Finance Department to reduce future exposure for such claims by

increasing fines and enforcement with respect to fraudulent use of handicap parking and placards. Last December, the City Council approved an ordinance, drafted by the Law Department, which increases fines and authorizes the Chicago Police Department to immediately impound vehicles as an additional penalty for using fraudulent placards or misusing a placard of an authorized user. The City has also increased sting and other enforcement operations to catch abusers of disability placards and deter future abuse.

Second, the City recently completed a two-week trial before three arbitrators concerning Chicago Loop Parking's claim against the City for $137 million in damages under the parking garages agreement. Pursuant to that agreement, the City agreed that in the event that it issued any future licenses allowing new public parking in certain areas surrounding the leased garages, it would compensate the concessionaire for any revenue or other losses reasonably attributable to such "competing parking action" over the 99-year term of the agreement. When the City nevertheless issued such a public parking license to the Aqua building in 2009, CLP sought more than $200 million in damages (a figure it later reduced to $137 million after proceedings before the arbitrators). The arbitrators' decision on that claim is expected sometime after November 20, when closing arguments are scheduled.

Third, the City is in arbitration with the Skyway concessionaire concerning its claim that the City is responsible for lead paint remediation costs under the Skyway agreement. This case is significant because it will likely determine who is responsible for such costs over the 75-year life of the agreement, an amount which will total millions of dollars.

Park Grill Litigation

The Law Department also filed suit to vindicate the City's rights relating to the Park Grill Restaurant located in Millennium Park. In December 2011, the City filed a complaint in Circuit Court to invalidate the below-market and widely-criticized 2003 concession agreement for the Park Grill restaurant, to which the City is not a party and receives no compensation, on the ground that the property on which the restaurant is located belongs to the City by reason of a prior, 2001 agreement that granted the City a perpetual easement and use rights. The City had asserted its rights to the property in 2005, and attempted to renegotiate the concession agreement to include more competitive, market-based terms.

But when these efforts were unsuccessful, the City failed to bring an action to declare and enforce the City's rights. This failure continued even after the company that managed the restaurant attempted to sell its management rights alone (not including the restaurant) for $9 million in early 2011. That changed with the filing of the current suit, which seeks to vindicate the City's property rights, including the right to receive rent and other compensation with respect to the restaurant.

Settlements

During the past year, Law also recovered millions of dollars for the City by successfully pursuing claims for fraud and other wrongdoing by various City vendors. The following are some examples:

- DOL reached an agreement with Allied Waste Transportation, Inc. to settle claims that Allied fraudulently overstated M/WBE participation in Allied's waste hauling contracts with the City, in exchange for Allied's payment of $11 million and agreement to put in place a number of reforms and safeguards to ensure that such wrongdoing will not occur in the future. The City is using the $11 million exclusively for the development and administration of the City's M/WBE programs and the encouragement of M/WBE participation. This settlement is an example of the current administration's focus on protecting the integrity of, and enforcing compliance with, the City's M/WBE program.

- The City reached an agreement with GlaxoSmithKline (GSK) to settle the City's claims with respect to off-label marketing and other wrongdoing in connection with a number of GSK brand name drug purchased by the City. The $2.2 million settlement represents a significant percentage of the purchase price the City paid for these drugs, and compares very favorably with settlements reached by other jurisdictions on similar claims.

- Finally, the City prosecuted a suit to collect millions of dollars from the major on-line travel companies for failing to collect and remit the City's hotel tax on the full amount paid when reservations for rooms at Chicago hotels are sold on their web sites. We anticipate a ruling in this case sometime this year.

V. Examples of DOL's Work and Accomplishments During 2012

Even a summary of DOL's other work and accomplishments in 2012 would be too lengthy for purposes of this statement. Accordingly, set forth below are just some examples of that work – and the return to the City and its taxpayers on their investment in the Department.

A. Building and License Enforcement During 2012

- Brought over 350 cases to protect children from lead paint.
- Prosecuted 50 cases involving false statements in permit documents.
- Prosecuted 186 cases to restore heat with respect to more than 1,700 residential units.
- Prosecuted more than 131 cases in Circuit Court and 492 cases in DOAH under the City's Drug and Gang House Ordinance.

B. Debt Collection

- Through September, collected nearly $111 million in fines, assessments, and other debts owed to the City. This represents a 9% increase over the same period last year.
- Worked with the Department of Finance to draft and implement a new debt recovery program, which has collected more than $10 million.
- Implemented a new pilot program that has increased collection on administrative judgments for police-issued citations by almost $2 million, compared to the same period last year. Based on the success of this pilot program, in 2013 DOL will extend this program to all administrative prosecutions.
- Increased the number of successful payment plans managed by the Law Department for non-parking ticket debt by 78%, resulting in $1.3 million of collections through September. This represents a 61% increase from the same period a year ago.

- Helped the Department of Streets and Sanitation increase its ticketing and collections efforts, leading to a 32% increase in cases filed at the Department of Administrative Hearings through September 2012.

C. Contracts

- Drafted, reviewed and/or provided advice concerning more than 500 City contract matters and scores of RFPs.

- Negotiated and/or drafted: a new use agreement and facilities lease with the airlines operating at Midway Airport; a Cargo Facility Lease with Aero Chicago, LLC for a three-phased development of an air cargo facility at O'Hare; an agreement with American Healthways for the City's new Wellness Program; and an agreement with Walgreens for biometric screening for the Wellness Program.

- Assisted in establishing and organizing the Chicago Infrastructure Trust, which will provide new and previously untapped sources of financing for infrastructure projects.

D. Finance

- Represented the City in the issuance of $595 million of general obligation bonds, $276 million of wastewater revenue bonds, $399 million of water revenue bonds, and $16 million of multi-family housing revenue bonds.

- Represented the City in the issuance of $729 million of general airport revenue refunding bonds and $452 million in passenger facility charge refunding bonds for O'Hare Airport, realizing several millions of dollars of savings in interest expense.

- Restructured $1.12 billion of existing general obligation bond issues, realizing millions of dollars of savings in interest expense.

- Assisted in the financing and/or rehabilitation of several hundred affordable housing units throughout the City.

- Negotiated and drafted an intergovernmental agreement with the Illinois State Comptroller to facilitate collection of debts owed to the City through deductions from state income tax returns.

- Documented transactions providing more than $351 million in TIF assistance from various redevelopment project areas.

- Worked on 130 intergovernmental agreements, including agreements with outside governmental agencies to provide law enforcement support for the May 2012 NATO Summit.

E. Labor

- Drafted employee discipline charges in over 100 cases.

- Defended the City in 161 discrimination charges, 141 arbitrations, and 25 Labor Board cases.

- Negotiated an agreement with Laborers Local 1001, which will create work efficiencies and result in significant savings while increasing the amount of tree trimming, graffiti removal, and sanitation removal.

F. Legal Information

- Conducted 28 training sessions for various City FOIA officers and other department personnel on FOIA, the Local Records Act, and the preservation and production of public records.

G. Legislation

- Advised the Mayor's Office, Departments, and Aldermen concerning, and assisted in drafting, numerous ordinances, including: streamlining and consolidating the Municipal Code's licensing provisions; implementing various ethics reforms; adding provisions allowing -- and regulating -- mobile food trucks; making possession of small amounts of marijuana an administrative, as opposed to criminal, offense; updating and amending the City's gun ordinance to conform to recent case law; and modernizing the City's heliport licensing requirements.

H. Litigation

- Employment. Won or dismissed 22 cases with no liability to the City. Settled only eight cases, paying $30,000 or less in seven of those cases.

- Constitutional and Commercial. Obtained the dismissal of suits: challenging the legality of the City's red light camera program; alleging that the City's deployment of police officers has the effect of discriminating on the basis of race; and challenging the City's ordinance limiting vacation rentals in residential buildings.

- Appeals. Filed briefs in 71 cases. Won 64 of 75 of cases decided.

- Police. Won or dismissed 107 of 223 cases resolved through August 2012 with no liability to the City. Tried 41 cases through September, winning 27 of those cases.

- Torts. Defended more than 500 new lawsuits through September 30. During the same period, won 24 of 31, or 77%, of cases tried. Damages in the cases that the City lost totaled $4.3 million, or 16% of the 26.4 million requested by the plaintiffs in these cases. Torts also resolved an additional 438 cases without trial, 258, or 59%, of which were resolved without any payment by the City.

I. Municipal Prosecutions

- Through September 2012, served 7,924 subpoenas, saving the City $1.2 million that would otherwise be paid to the Sheriff's Office

- Through September 2012, prosecuted 17,415 Municipal Code violations, imposing $634,000 in fines in Branch Courts.

- Through September 2012, prosecuted 157,320 traffic violations, imposing $5.6 million in fines in Traffic Court.

J. Real Estate

- Represented CDOT in the vacation of City streets and alleys that are no longer required for public use, generating more than $3 million in revenues

- Generated over $1.1 million in revenues through the sale of vacant land for neighborhood and community improvements.

- Negotiated the sale of a former police station located at 4461 N. Pulaski for conversion into several commercial operations representing the Thai American community in Chicago, generating $990,000 in revenue.

- Negotiated the sale of property at 16th and Clark for the development of a new Mariano's food market, generating nearly $3.5 million in revenue.

- Contracted to acquire the 2.8 mile Bloomingdale Rail Line from Canadian Pacific for $1.00 for redevelopment of the world's largest linear park.

- Negotiated the sale of various properties in the Pilsen Industrial Corridor TIF, generating $750,000 in revenue. The property will be used as industrial open space for adjoining industrial properties owned by Truong Enterprises, Inc. and Halsted-Lumber Street, LLC.

K. Revenue Litigation

- Collected over $25 million in various taxes.

- Defeated approximately $10 million in property tax refund claims.

Department of Law 2013 Budget Hearing

MBE/WBE Data

Period: 1/1/2012 – 09/30/2012
Total Purchases: $1,487,417 (4 contract areas with DOL as lead.)

	MBE	WBE	Total MBE/WBE Purchases
		$78,097. (5.25%)	
Asian	$5,777 (.39%)		
African-American	$396,005 (26.62%)		
Hispanic	$0 (0%)		
Total Spending	$401,782 (27.01%)	$78,097 (5.25%)	$479,879 (32.26%)

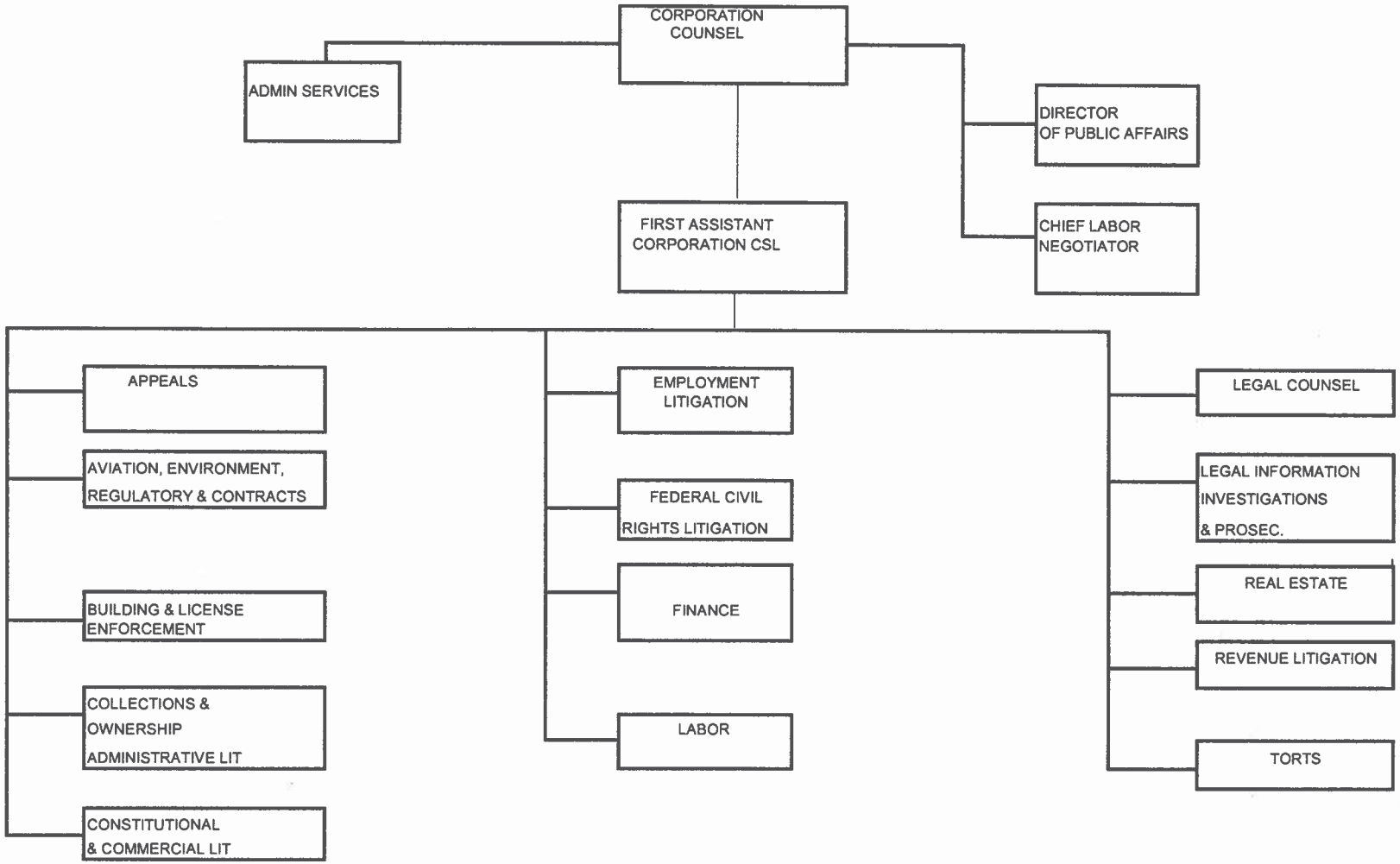
Staffing Data

Department Ethnicity and Gender				
	Male	Female	Total	%
Asian	2	14	16	4.4%
Black	17	72	89	24.6%
Hispanic	7	16	23	6.4%
White	117	115	232	64.1%
American Indian	2	0	2	.6%
Total	145	217	362	
	40.1%	59.9%		100%

New Hires Ethnicity and Gender				
	Male	Female	Total	%
Asian	0	1	1	3.8%
Black	0	1	1	3.8%
Hispanic	0	2	2	7.7%
White	15	7	22	84.6%
Total	15	11	26	100%
	57.7%	42.3%		

Department Managers Ethnicity and Gender (SHEX and Chief Asst.)				
	Male	Female	Total	%
American Indian	1	0	1	2.38%
Asian	0	0	0	0%
Black	2	3	5	11.91%
Hispanic	0	1	1	2.38%
White	21	14	35	83.33%
Total	24	18	42	100%
	57.14%	42.86%		

Interns

School	Gender	Race
Northeastern	Male	Hispanic

DEPARTMENT OF LAW
ORGANIZATION CHART