



# City of Chicago



O2021-2872

Office of the City Clerk

## Document Tracking Sheet

**Meeting Date:** 6/25/2021

**Sponsor(s):** Osterman (48)  
La Spata (1)  
Dowell (3)  
Moore (17)  
Rodriguez (22)  
Sigcho-Lopez (25)  
Maldonado (26)  
Waguespack (32)  
Martin (47)  
Tunney (44)  
Burnett (27)  
Sadlowski Garza (10)

**Type:** Ordinance

**Title:** Amendment of Municipal Code Sections 2-32-400, 2-32-440  
and 2-32-450 to further regulate municipal depositaries

**Committee(s) Assignment:** Committee on Finance

## ORDINANCE

**WHEREAS**, Each year the City of Chicago enters into a banking relationship with banks who are recipients of the City's municipal deposits as approved by the Chicago City Council; and

**WHEREAS**, These banks are required to report through the RFP process the following data on conventional and F.H.A/V.A. residential home purchase loans on an individual loan basis for residential properties within the City of Chicago: census tract; original loan amount; amount of down payment; effective interest rate; term of loan; purchase price; loan application date; points and fees; secured or unsecured; the amount of each construction loan made on residential properties by census tract; the amount of each home improvement or rehabilitation loan made on residential properties by census tract; the amount of each residential home refinancing made on residential properties by census tract; and

**WHEREAS**, *With recent data showing a vast disparity in home lending by race and neighborhood in the City, transparency is needed to inform Chicagoans about the institutions where their public funds are being deposited; and*

**WHEREAS**, The City should make the data collected through the RFP process accessible to all members of City Council and the public; now, therefore

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

**SECTION 1.** Section 2-32-400 of the Municipal Code of Chicago is hereby amended by deleting the language struck through, and by inserting the language underscored, as follows:

#### **2-32-400 Bids awarded annually – Conditions.**

(a) *Advertising, Transmittal and Award of Bids.* It shall be the duty of the ~~comptroller~~ Comptroller, at least once each year before the first day of December, to advertise for bids, from national and state banks and federal and state savings and loan associations seeking to be designated as municipal depositories, for the payment of interest upon the funds of the City of Chicago and Chicago Board of Education. Provided, however, that Chicago local school funds which are designated by the Chicago Board of Education as school internal accounts which, in general, are funds raised and expended for educational programs and for the benefit of students, shall be excluded from the funds of the Chicago Board of Education that are subject to the provisions of this Article V.

Such bids and all information collected pursuant to this Article V shall be transmitted concurrently reported by the ~~comptroller~~ Comptroller to the City Council city council for its information and consideration no later than the fifteenth day of ~~September~~ December of each year, to the end that an award or awards may be made upon such bids by the City Council city council before the beginning of each fiscal year. The Comptroller shall not report for consideration any designation of a municipal depository prior to transmitting to the City Council the information required under this paragraph. Concurrently with the transmission to the City Council of the information required under this paragraph, the Comptroller shall publish such information on their website and the City of Chicago Data Portal, except to the extent that the information to be published has been redacted because it is exempted from disclosure by the Illinois Freedom of Information Act or any other applicable law

Prior to the City Council approving any award to a prospective municipal depository, at least one subject matter hearing, at which no vote will be taken, must be held annually by a joint committee of the Committee on Finance and the Committee on Housing and Real Estate to discuss such information transmitted by the Comptroller to the City Council under this section. Such hearing must be held between September and October of each year.

Such awards shall be made to the highest and best responsible bidder or bidders. The City Council ~~city council~~ shall have the power to reject any or all bids and to designate as many depositories as it deems necessary to protect the city's interests. Only state or national banks or federal or state savings and loan associations that are regularly organized, and are federally insured under the Federal Deposit Insurance Act, and maintain an office within the corporate limits of the City of Chicago shall be designated as depositories.

(b) *Duplicate Copy of Bid to Be Submitted to the Treasurer.* Each bank or savings and loan association that submits a bid to the Comptroller ~~comptroller~~ pursuant to subsection (a) of this section shall simultaneously submit a duplicate copy of its bid submission, including any subsequent amendments thereto, to the treasurer.

(c) *Failure to Designate – Legal Effect.* If, prior to the beginning of any fiscal year, the City Council ~~city council~~ fails to enact an ordinance designating municipal depositories for such fiscal year, the municipal depositories in existence as of 11:59 P.M. on the last day of the year immediately preceding commencement of the applicable fiscal year shall retain their designation as municipal depositories until ten days after any such ordinance takes legal effect.

(d) *Acquisition, Merger or Consolidation – Legal Effect on Municipal Depository Designation.* If a municipal depository acquires or is acquired by, or merges or consolidates with, any other bank or savings and loan association or subsidiary thereof, regardless of whether such bank or savings and loan association or subsidiary thereof is a municipal depository, such newly created or successor bank or savings and loan association shall be deemed, by operation of law, to be a municipal depository as of the date of acquisition, merger or consolidation. Such designation shall remain in effect until ten days after an ordinance designating municipal depositories for the next applicable fiscal year takes legal effect.

**SECTION 2.** Section 2-32-440 of the Municipal Code of Chicago is hereby amended by deleting the language struck through, and by inserting the language underscored, as follows:

**2-32-440 Lending and deposit specifications required.**

With each bid for interest upon city and school funds, the Comptroller ~~comptroller~~ shall obtain, in a form prescribed by the Comptroller, ~~him~~ from each bidder, the lending and deposit information for its home office and for each branch office or facility the following information:

(a) *Residential lending information.* The following information to be reported on residential loans shall be classified separately for property containing (1) dwelling units for not more than four families and condominium and cooperative units; and (2) dwelling units for more than four families in the aggregate. Only loans closed within the previous calendar year shall be reported.

(1) The number and total amount of all loans made on residential property within the City of Chicago;

(2) The number and total amount of all loans made on residential property outside the City of Chicago, but located in the six-county Chicago Standard Metropolitan Statistical Area (S.M.S.A.), which include DuPage, Kane, Will, McHenry and Lake;

(3) The average effective interest rate for all loans, calculated separately according to the following loan purposes, made on residential property within the City of Chicago:

- (A) Home purchase loans;
- (B) Home refinancing loans;
- (C) Home improvement loans; and
- (D) Home equity loans; and
- (E) Construction loans;

(4) The average effective interest rate for all loans, calculated separately according to the following loan purposes, made on residential property outside the City of Chicago, but located in the six-county Chicago S.M.S.A.:

- (A) Home purchase loans;
- (B) Home refinancing loans;
- (C) Home improvement loans; and
- (D) Home equity loans; and
- (E) Construction loans;

(5) The average downpayment as a percentage of purchase price on all home purchase loans made on property (1) within the City of Chicago and (2) outside the City of Chicago, but limited to the six- county Chicago S M.S.A ;

(6) The following data on conventional and F.H.A./V.A. residential home purchase loans shall be reported on an individual loan basis for residential properties within the City of Chicago:

- (A) Census tract;
- (B) Original loan amount;
- (C) Amount of downpayment;
- (D) Effective interest rate;
- (E) Term of loan;
- (F) Purchase price;
- (G) Loan application date (not required for loans on dwelling units for more than four families in the aggregate);
- (H) Points and fees (not required for loans on dwelling units for more than four families in the aggregate);

(6) Secured or unsecured (not required for loans on dwelling units for more than four families in the aggregate);

(7) The amount of each construction loan made on residential properties within the City of Chicago by census tract;

(8) The amount of each home improvement or rehabilitation loan made on residential properties within the City of Chicago by census tract;

(9) The amount of each residential home refinancing loan made on residential properties within the City of Chicago by census tract;

(10) The amount of each home equity loan made on residential properties within the City of Chicago by census tract;

(1011) If the bidder is unable to produce the information regarding the interest rates and points and fees required under subsection (6) of this section from its information systems, the bidder shall provide: (i) a certificate in a form prescribed by the ~~Comptroller~~ city comptroller certifying that it is unable to produce this information from its information systems; and (ii) any similar information that is available, which information may include rate sheets and weighted interest rates and points and fees.

(b) *Consumer lending information.*

(1) The number and total amount of all consumer loans made within the City of Chicago;

(2) The number and total amount of all consumer loans made within each census tract in the City of Chicago;

(3) The number and total amount of all consumer loans made outside Chicago but limited to the six-county S.M.S.A.

(c) *Commercial lending information.*

(1) The number and total amount of all commercial loans made within the City of Chicago;

(2) The number and total amount of all commercial loans made within each census tract in the City of Chicago;

(3) The number and total amount of all commercial loans made outside Chicago but limited to the six-county S.M.S.A.

(d) *Savings and checking account information.* The number of savings accounts and checking accounts and the total dollar balances in the savings and checking accounts stated separately for each census tract within the City of Chicago. The ~~Comptroller~~ city comptroller is authorized to establish reporting dates for each bidder.

(e) *Community Reinvestment Act information.* A copy of the most recent evaluation performed by the United States Comptroller of the Currency of each bidder's performance under the Community Reinvestment Act, as amended, and a copy of the most recent evaluation under the Illinois Community Reinvestment Act, 205 ILCS 735/35-1, et seq., as applicable. The ~~City Comptroller~~ city comptroller shall transmit copies of all evaluations received to the City Council ~~city council~~ with the report of bids required by Sections 2-32-400 of this Code.

(f) *Optional.* Each bidder may submit such additional material that is deemed relevant to consideration of the bid.

(g) *Additional residential loan information.* In addition to the information required in subdivision (a) of this section and the pledge required in Section 2-32-455, the following information is to be reported concerning residential loans made by the bidder and its affiliates on dwellings that are for not more than four families or that are condominium or cooperative units:

(1) The amount, application date, and term of each refinancing loan, including the amount refinanced on the original loan and the amount of new money financed (if any), as reported pursuant to subsection (V)(A)(8)(d) of Appendix A to Part 203 of Title 12 of the Code of Federal Regulations, as amended from time to time, by census tract for loans made within the City of Chicago. The report shall also indicate whether each loan is secured or unsecured;

(2) The amount, application date, and term of each home improvement loan including originations and purchases, and multiple purpose loans that are classified as home improvement loans because they involve a home improvement purpose, as reported pursuant to subsection (V)(A)(8)(b) of Appendix A to Part 203 of Title 12 of the Code of Federal Regulations, as amended from time to time, by census tract for loans made within the City of Chicago. The report shall also indicate whether each loan is secured or unsecured;

(3) The amount, application date, and term of each home loan classified as a construction loan made on property within the City of Chicago by census tract. The report shall also indicate whether each loan is secured or unsecured;

(4) The interest rates and points and fees paid on each of the loans reported under subdivisions (1), (2) and (3), respectively, unless the bidder is unable to produce this information from its information systems, in which case the bidder shall provide: (i) a certificate in a form prescribed by the chief financial officer or the Comptroller city comptroller certifying that it is unable to produce this information from its information systems, and (ii) any similar information that is available, which information may include rate sheets and weighted interest rates and points and fees; and

(5) (A) The total number of loans secured by residential real property located within the City of Chicago that were made by the bidder;

(B) The total number of loans secured by residential real property located within the City of Chicago that had been made by the bidder and that were foreclosed by the bidder by census tract; regardless of when the loan was made;

(C) The total number of loans reported in clause (A) where the premium of any single premium credit life, credit disability, credit unemployment or any other life or health insurance was financed directly or indirectly into the loan; and

(D) The total number of loans reported in clause (B) where the premium of any single premium credit life, credit disability, credit unemployment or any other life or health insurance was financed directly or indirectly into the loan.

The information required to be reported in this subsection (g) shall be reported separately for each financial institution and affiliate.

(h) Mortgage applications not approved. The denial rates and denial reasons for mortgage applications for residential properties within the City of Chicago, as reported pursuant to the Home Mortgage Disclosure Act, by race, gender, and census tract.

(i) Depository information.

(1) The number and locations of each of the bidder's facilities located within the City of Chicago, and the census tract of each facility, as reported pursuant to the Community Reinvestment Act; and

(2) Demographic data and ZIP code of residence for all of the bidder's employees in Chicago, by job category.

**SECTION 3.** Section 2-32-450 of the Municipal Code of Chicago is hereby amended by deleting the language struck through, and by inserting the language underscored, as follows:

**2-32-450 Loan policy – Pledge requirements and consumer protection statement.**

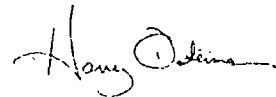
With each bid for interest upon city and school funds, the ~~Comptroller~~ comptroller shall obtain signature by either the chairman of the board, chief executive officer, or an officer acceptable to the ~~city comptroller~~ Comptroller, of the bidding bank or savings and loan association on the following pledge:

We pledge not to arbitrarily reject mortgage loans for residential properties within a specific geographic area in Chicago because of the location and/or age of the property, or in the case of proposed borrower to arbitrarily vary the terms of those loans or the application procedures for those loans on the basis of race, color, religion, national origin, age, sex, gender identity, marital status, ancestry, sexual orientation, parental status, source of income, disability or military status. In addition, we pledge to make loans available to low- and moderate-income residential property in the neighborhoods of the City of Chicago within the limits of our legal restriction and prudent financial practices.

We understand that arbitrarily rejecting or varying the terms and/or application procedures of mortgage loans on the basis of the factors listed above may result in the loss of our designation as a municipal depository.

We certify that we are in compliance with all applicable consumer protection laws and regulations.

**SECTION 4.** This ordinance shall take effect upon passage and publication.



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HARRY OSTERMAN  
Alderman, 48th Ward



CITY OF CHICAGO

OFFICE OF THE CITY CLERK  
ANNA M. VALENCIA

### Chicago City Council Co-Sponsor Form

Document No.:

Subject:

#### Adding Co-Sponsor(s)

*Please ADD Co-Sponsor(s) Shown Below – (Principal Sponsor's Consent Required)*

Alderman Daniel La Spata   Ward)  
(Signature)

Alderman \_\_\_\_\_  Ward)  
(Signature)

Date Filed: \_\_\_\_\_ Principal Sponsor: \_\_\_\_\_  
(Signature)

#### Removing Co-Sponsor(s)

*Please REMOVE Co-Sponsor(s) Below – (Principal Sponsor's Consent NOT Required)*

Alderman \_\_\_\_\_  Ward)  
(Signature)

Alderman \_\_\_\_\_  Ward)  
(Signature)

Date Filed: \_\_\_\_\_

- Final Copies To Be Filed With:**
- Chairman of Committee to which legislation was referred
  - City Clerk





CITY OF CHICAGO

OFFICE OF THE CITY CLERK  
ANNA M. VALENCIA

### Chicago City Council Co-Sponsor Form

Document No.: 02021-2872

Subject: Lending Equity Ordinance

#### Adding Co-Sponsor(s)

Please **ADD** Co-Sponsor(s) Shown Below – (Principal Sponsor’s Consent Required)

Alderman \_\_\_\_\_ Pat Dowell \_\_\_\_\_ (  Ward)  
(Signature)

Alderman \_\_\_\_\_ \_\_\_\_\_ (  Ward)  
(Signature)

Date Filed: June 23, 2021 Principal Sponsor: Harry Adams \_\_\_\_\_  
(Signature)

#### Removing Co-Sponsor(s)

Please **REMOVE** Co-Sponsor(s) Below – (Principal Sponsor’s Consent NOT Required)

Alderman \_\_\_\_\_ \_\_\_\_\_ (  Ward)  
(Signature)

Alderman \_\_\_\_\_ \_\_\_\_\_ (  Ward)  
(Signature)

Date Filed: \_\_\_\_\_

- Final Copies To Be Filed With:
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### Chicago City Council Co-Sponsor Form

Document No.: 02021-2872

Subject: Lending Equity Ordinance

#### Adding Co-Sponsor(s)

Please ADD Co-Sponsor(s) Shown Below – (Principal Sponsor’s Consent Required)

Alderman DAVID Moore [Signature] (17 Ward)  
(Signature)

Alderman \_\_\_\_\_ (\_\_\_\_) Ward  
(Signature)

Date Filed: June 23, 2021

Principal Sponsor: [Signature]  
(Signature)

#### Removing Co-Sponsor(s)

Please REMOVE Co-Sponsor(s) Below – (Principal Sponsor’s Consent NOT Required)

Alderman \_\_\_\_\_ (\_\_\_\_) Ward  
(Signature)

Alderman \_\_\_\_\_ (\_\_\_\_) Ward  
(Signature)

Date Filed: 6/22/2021

- Final Copies To Be Filed With:
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### Chicago City Council Co-Sponsor Form

Document No.:

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#### Adding Co-Sponsor(s)

Please **ADD** Co-Sponsor(s) Shown Below – (Principal Sponsor’s Consent Required)

Alderman Michael D. Rodriguez   Ward  
(Signature)

Alderman \_\_\_\_\_  Ward  
(Signature)

Date Filed: 6/22/2021 Principal Sponsor: \_\_\_\_\_  
(Signature)

#### Removing Co-Sponsor(s)

Please **REMOVE** Co-Sponsor(s) Below – (Principal Sponsor’s Consent NOT Required)

Alderman \_\_\_\_\_  Ward  
(Signature)

Alderman \_\_\_\_\_  Ward  
(Signature)

Date Filed: \_\_\_\_\_

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### Chicago City Council Co-Sponsor Form

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#### Adding Co-Sponsor(s)

*Please ADD Co-Sponsor(s) Shown Below – (Principal Sponsor’s Consent Required)*

Alderman Byron Sigheal  Ward  
(Signature)

Alderman \_\_\_\_\_  Ward  
(Signature)

Date Filed: \_\_\_\_\_ Principal Sponsor: \_\_\_\_\_  
(Signature)

#### Removing Co-Sponsor(s)

*Please REMOVE Co-Sponsor(s) Below – (Principal Sponsor’s Consent NOT Required)*

Alderman \_\_\_\_\_  Ward  
(Signature)

Alderman \_\_\_\_\_  Ward  
(Signature)

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Document No.: O2021-2872

Subject: Lending Equity Ordinance

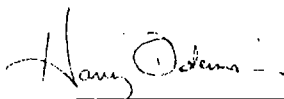
#### Adding Co-Sponsor(s)

Please ADD Co-Sponsor(s) Shown Below – (Principal Sponsor’s Consent Required)

Alderman  ( 26 Ward)  
(Signature)

Alderman \_\_\_\_\_ ( \_\_\_\_\_ Ward)  
(Signature)

Date Filed: June 23, 2021

Principal Sponsor:   
(Signature)

#### Removing Co-Sponsor(s)

Please REMOVE Co-Sponsor(s) Below – (Principal Sponsor’s Consent NOT Required)

Alderman \_\_\_\_\_ ( \_\_\_\_\_ Ward)  
(Signature)

Alderman \_\_\_\_\_ ( \_\_\_\_\_ Ward)  
(Signature)

Date Filed: \_\_\_\_\_

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### Chicago City Council Co-Sponsor Form

Document No.: O2021-2872

Subject: Lending Equity Ordinance

#### Adding Co-Sponsor(s)

Please **ADD** Co-Sponsor(s) Shown Below – (Principal Sponsor’s Consent Required)

Alderman Scott Waguespack (32 Ward)  
(Signature)

Alderman \_\_\_\_\_ (     Ward)  
(Signature)

Date Filed: June 23, 2021 Principal Sponsor: [Signature]  
(Signature)

#### Removing Co-Sponsor(s)

Please **REMOVE** Co-Sponsor(s) Below – (Principal Sponsor’s Consent NOT Required)

Alderman \_\_\_\_\_ (     Ward)  
(Signature)

Alderman \_\_\_\_\_ (     Ward)  
(Signature)

Date Filed: \_\_\_\_\_

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### Chicago City Council Co-Sponsor Form

Document No.:

Subject:

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Please **ADD** Co-Sponsor(s) Shown Below – (Principal Sponsor’s Consent Required)

Alderman  ( Ward)  
(Signature)

Alderman \_\_\_\_\_ ( Ward)  
(Signature)

Date Filed: \_\_\_\_\_ Principal Sponsor: \_\_\_\_\_  
(Signature)

#### Removing Co-Sponsor(s)

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Alderman \_\_\_\_\_ ( Ward)  
(Signature)

Alderman \_\_\_\_\_ ( Ward)  
(Signature)

Date Filed: \_\_\_\_\_

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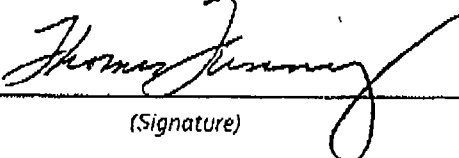
### Chicago City Council Co-Sponsor Form

Document No.: 02021-2872

Subject: Amendment of Municipal Code Sections 2-32-400, 2-32-440 and 2-32-450 to further regulate municipal depositories

#### Adding Co-Sponsor(s)

Please **ADD** Co-Sponsor(s) Shown Below – (Principal Sponsor's Consent Required)

Alderman Thomas Tunney  (44 Ward)  
(Signature)

Alderman \_\_\_\_\_ (     Ward)  
(Signature)

Date Filed: 9/8/21 Principal Sponsor:   
(Signature)

#### Removing Co-Sponsor(s)

Please **REMOVE** Co-Sponsor(s) Below – (Principal Sponsor's Consent NOT Required)

Alderman \_\_\_\_\_ (     Ward)  
(Signature)

Alderman \_\_\_\_\_ (     Ward)  
(Signature)

Date Filed: \_\_\_\_\_

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### Chicago City Council Co-Sponsor Form

Document No.: O2021-2872

Subject: Lending Equity Ordinance

#### Adding Co-Sponsor(s)

*Please ADD Co-Sponsor(s) Shown Below – (Principal Sponsor’s Consent Required)*

Alderman \_\_\_\_\_ *Susan Sadlowski Hays* (10 Ward)  
(Signature)

Alderman \_\_\_\_\_ (     Ward)  
(Signature)

**Date Filed:** June 23, 2021                      **Principal Sponsor:** *Harry Odema*  
(Signature)

#### Removing Co-Sponsor(s)

*Please REMOVE Co-Sponsor(s) Below – (Principal Sponsor’s Consent NOT Required)*

Alderman \_\_\_\_\_ (     Ward)  
(Signature)

Alderman \_\_\_\_\_ (     Ward)  
(Signature)

**Date Filed:** \_\_\_\_\_

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### Chicago City Council Co-Sponsor Form

Document No.: O2021-2872

Subject: Lending Equity Ordinance

#### Adding Co-Sponsor(s)

Please ADD Co-Sponsor(s) Shown Below – (Principal Sponsor's Consent Required)

Alderman Walt Butt Jr  Ward  
(Signature)

Alderman \_\_\_\_\_  Ward  
(Signature)

Date Filed: June 23, 2021 Principal Sponsor: [Signature]  
(Signature)

#### Removing Co-Sponsor(s)

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Alderman \_\_\_\_\_  Ward  
(Signature)

Alderman \_\_\_\_\_  Ward  
(Signature)

Date Filed: \_\_\_\_\_

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