



City of Chicago
Richard M. Daley, Mayor

Board of Ethics

Dorothy J. Eng
Executive Director

Darryl L. DePriest
Chair

Angeles L. Eames
Vice Chair

Mark E. Christensen
Eileen T. Corcoran
Martin E. O'Donovan
Michael F. Quirk
Joseph E. Samson

Suite 500
740 North Sedgwick Street
Chicago, Illinois 60610
(312) 744-9660
(312) 744-2793 (FAX)
(312) 744-5996 (TTY)

<http://www.ci.chi.il.us>

March 5, 1999

FICB

CONFIDENTIAL

(John Smith)
Department of (X)

220 N. Clark Street, Room 206
Chicago, IL 60610

Re: Case No. 99015.Q

Dear Mr. (Smith)

You are the Deputy Commissioner of the (X) Division in the City's Department of (Y). On March 4, 1999, you asked for an opinion on whether an employee of the () may participate in the City's (New Program) s. Based on the facts you presented, as summarized in this letter, it is staff's opinion that the Governmental Ethics Ordinance does not prohibit the employee's participation in this program.

On February 26, 1997, the City Council passed legislation enabling any owner of a (building) property to apply for certain City permits without paying the customary permit fee. This fee waiver may be used for permits required for repairs, additions or renovation of (building) properties. In order to qualify for the waiver, the property owner must contact the (Department) which will then request specific information from the applicant, including the names of the owners of the property, the estimated construction value of the project, a preliminary description of the project, and the time frame of the project. Once the requisite information is obtained, the fee waiver application is reviewed for completeness by staff of your division. Notice of the application is then sent to the alderman of the ward in which the property is located, and the City Clerk's Office introduces it into City Council to be reviewed by the Committee. If that Committee approves the application, the fee waiver order is then voted on by the full Council and, if passed, signed by the Mayor.

You said that the employee is an Economic Development Coordinator for the (Department). In this capacity, he assists local businesses with planning issues. You stated that the employee is currently involved with the (Other Program) a City program that reimburses business owners for money spent on (new) Program or any other of your division's operations. Moreover, you said that the disclosure requirements of the program do not require him to identify his



employer. You stated that the employee has applied for this waiver in the same manner as any other landmark property owner and that, to the best of your knowledge, he has not contacted any other employee regarding the waiver, outside of the normal application process. The estimated cost of the project the employee seeks to undertake is \$40,000; the approximate cost of the City permit fees he seeks to have waived would be \$410.

In coming to its conclusion, reviewed Sections 2-156-110 (Interest in City Business), 2-156-030 (Improper Influence) and 2-156-080 (Conflict of Interest) of the Governmental Ethics Ordinance are relevant to an analysis of the issue presented.

Section 2-156-110 prohibits a City employee from having a financial interest in any contract, work or business of the City. Financial interest is defined in relevant part at 2-156-010 (l) as:

- (ii) any interest with a cost or present value of \$5000.00 or more;....provided, however, that financial interest shall not include...(d) any economic benefit provided equally to all residents of the City....

Because the fees the employee seeks to waive are approximately \$410--well below the \$5000 threshold--the waiver, if allowed, would not give rise to a prohibited "financial interest" in City business.¹

Section 2-156-030 prohibits an employee from making, participating in making or in any way attempting to use his position to influence any City decision or action in which he knows, or has reason to know, that he has any economic interest distinguishable from that of the general public. Section 2-156-080 prohibits an employee from making or participating in the making of any governmental decision with respect to any matter in which he has any economic interest distinguishable from that of the general public. You stated that, to the best of your knowledge, the employee involved has adhered to the procedures any property owner must follow, and has not attempted to utilize his City position to influence the process. You further stated that the employee has no involvement in his City job with the (New) Program. Therefore, based on the facts you presented, it is staff's opinion that the Governmental Ethics Ordinance does not prohibit the employee from participating in this program.

Staff's opinion is not necessarily dispositive of all issues relevant to this situation, but is based solely on the application of the City's Governmental Ethics Ordinance to the facts stated in this opinion. If

¹Staff notes that even if the value of the fee waiver were to exceed \$5000, it would not appear to give rise to a prohibited financial interest in City business: although clearly an economic benefit, the waiver is available by Ordinance to all owners of property. See Board of Ethics Case No. 98003.A, wherein the Board found that a City employee was not prohibited from petitioning the City to vacate the alley adjacent to his residence, and from ultimately purchasing the alley from the City. Without ever reaching the question of whether the contemplated vacation had a cost or present value of \$5000 or more, the Board determined that the right to purchase the vacated alley was an economic benefit available to all property owners in the City.

Case No. 99015.Q

March 5, 1999

Page 3

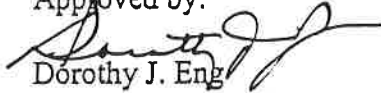
the facts stated are incorrect or incomplete, please notify us immediately, as any change may alter our opinion. Other laws or rules also may apply to this situation. Be advised that City departments have the authority to adopt and enforce rules of conduct that may be more restrictive than the limitations imposed by the Ethics Ordinance.

Very truly yours,



John H. Mathews
Attorney/Investigator

Approved by:



Dorothy J. Eng
Executive Director