CITY COUNCIL
CITY OF CHICAGO

COUNCIL CHAMBER
SECOND FLOOR, CITY HALL
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Chicago City Clerk-Council Div.
2026 OCT 27 PM12:23

October 27, 2026

Honorable Anna Valencia
City Clerk
City Hall, Room 107
121 North LaSalle Street
Chicago, IL 60602

Clerk Valencia:

We, the undersigned Members of the City Council of the City of Chicago, do hereby call a special meeting of the City Council to be convened at 10:00 a.m. on Monday, November 2, 2026, in the City Council Chamber in City Hall, for the following purpose and for no other purpose whatsoever:

1. To immediately consider an ordinance determining the allocation of the Concession Payments among the City pension funds, pursuant to Section 2.3 of SO2026-0025407. The proposed ordinance is attached hereto.

Respectfully submitted,

Pat Dowell
Alderman, 3rd Ward

Nicole Lee
Alderman, 11th Ward

Scott Waguespack
Alderman, 32nd Ward

ORDINANCE

WHEREAS, the City of Chicago (the "City") is a duly constituted and existing municipality within the meaning of Section 1 of Article VII of the 1970 Constitution (the "Constitution") of the State of Illinois and is a home rule unit of local government under Section 6(a) of Article VII of the Constitution; and

WHEREAS, as a home rule unit of government, the City may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, on December 4, 2008, the City Council of the City (the "City Council") passed an ordinance published in the Journal of Proceedings of the City Council (the "Journal") for such date at pages 50506 through 50780, inclusive, authorizing the City to enter into a concession agreement with Chicago Parking Meters, LLC, a Delaware limited liability company ("CPM"), regarding parking fee collection devices in the City's metered parking system and authorizing the execution of associated documents, associated conveyances, and other ancillary acts; and

WHEREAS, on December 4, 2008, the City and CPM entered into that certain Chicago Metered Parking System Concession Agreement dated as of December 4, 2008; and

WHEREAS, pursuant to an ordinance passed by the City Council on June 5, 2013, and published in the Journal for such date at pages 54082 through 54414, inclusive, the City and CPM entered into that certain Amended and Restated Chicago Metered Parking System Concession Agreement dated as of June 5, 2013, as amended and supplemented from time to time since June 5, 2013, and prior to October 21, 2026 (as so amended and supplemented, the "Prior Amended Concession Agreement"), pursuant to which CPM, among other things, receives the right to operate, maintain and improve the Metered Parking System (as defined in the Prior Amended Concession Agreement), to retain the revenues to be derived from the operation of certain metered parking spaces and to be compensated for the operation of certain other metered parking spaces; and

WHEREAS, on September 29, 2026, the City Council passed an ordinance (the "Approval Ordinance") which is published in the Journal for such date at pages 50589 through 50613, inclusive, and which, among other things, approved the transfer of ownership of CPM to a new owner (the "2026 Ownership Transfer") and authorized the City to enter into a Third Amendment to Amended and Restated Chicago Metered Parking System Concession Agreement between the City and CPM; and

WHEREAS, on October 21, 2026, the City and CPM executed and delivered that certain Third Amendment to Amended and Restated Chicago Metered Parking System Concession Agreement dated as of October 21, 2026 (the "Third Amendment") (the Prior Amended Concession Agreement as amended by the Third Amendment being hereinafter referred to as the "Concession Agreement"); and

WHEREAS, pursuant to the Approval Ordinance and the Concession Agreement, CPM is required to pay to the City (i) in connection with the 2026 Ownership Transfer, a transfer fee of $75,000,000 (the "Initial Transfer Fee"); (ii) in connection with any future Transfers (as defined in the Concession Agreement), a transfer fee (the "Future Transfer Fees") equal to two percent of the sales price (as further prescribed in the Concession Agreement); and (iii) an annual payment in an amount equal to five percent (the "City Profit Share") of Calculated Net Income (as defined in the Concession Agreement); and

WHEREAS, the Approval Ordinance provided that the Initial Transfer Fee, the Future Transfer Fees and the City Profit Share (collectively, the "Concession Payments") shall be used to fund the City's contributions to the City's pension funds, as further specified by the City Council; and

WHEREAS, the Illinois Pension Code, 40 ILCS 5/1-101 et seq. (the "Pension Code"), requires an annual contribution (a "Statutory Contribution") by the City to each of four specified pension funds: Municipal Employees' Annuity and Benefit Fund of Chicago ("MEABF"), Policemen's Annuity and Benefit Fund of Chicago ("PABF"), Firemen's Annuity and Benefit Fund of Chicago ("FABF"), and Laborers' and Retirement Board Employees' Annuity and Benefit Fund of Chicago ("LABF") (MEABF, PABF, FABF and LABF being collectively referred to as the "Pension Funds") in amounts prescribed by the Pension Code; and

WHEREAS, in 2022, in conjunction with the fiscal year 2023 budget, the City implemented an Advance Pension Payment Policy (the "Pension Policy") to provide for annual advance payments to the Pension Funds of the City's pension obligations beyond the amount of the Statutory Contributions, in order to keep the net pension liability of the Pension Funds stable, as calculated in accordance with applicable governmental accounting standards; and

WHEREAS, in accordance with the Pension Policy, the City has made additional contributions (the "Supplemental Contributions") to the Pension Funds since 2023; and

WHEREAS, the City Council has now determined the timing for the expenditure of the Initial Transfer Fee and the allocation of the Concession Payments among the Pension Funds; now, therefore,

Be it Ordained by the City Council of the City of Chicago:

ARTICLE 1
AUTHORIZATION AND DEFINITIONS

Section 1.1. Authorization. The City Council hereby finds that all of the recitals contained in the preambles to this Ordinance are full, true, and correct and does incorporate them into this Ordinance by this reference. This Ordinance is adopted pursuant to Section 6(a) of Article VII of the Constitution. The remaining provisions of this Ordinance are divided into Articles as follows:

(i) Article 2 prescribes the expenditure of the Concession Payments and any investment earnings thereon; and

(ii) Article 3 provides for the enactment of this Ordinance and other provisions applicable to all matters authorized hereunder.

Section 1.2. Definitions Used in this Ordinance. As used in this Ordinance, unless the context shall otherwise require, the following words and terms shall have the following respective meanings:

"*City Clerk*" means the duly qualified and acting City Clerk of the City or any Deputy City Clerk or other person who may lawfully take a specific action or perform a specific duty prescribed for the City Clerk pursuant to this Ordinance.

"*Municipal Code*" means the Municipal Code of Chicago.

Defined terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Concession Agreement. References to Articles and Sections in this Ordinance shall mean Articles and Sections of this Ordinance unless otherwise indicated.

ARTICLE 2
CONCESSION PAYMENTS

Section 2.1. Expenditure of Initial Transfer Fee. (a) The City Comptroller shall pay, or cause to be paid, no later than December 31, 2026, the Initial Transfer Fee to the following Pension Funds in the following amounts, calculated as described below:

(i) The Statutory Contribution required to be paid by the City during 2026 to MEABF shall be referred to as the "2026 MEABF Statutory Contribution." The Statutory Contribution required to be paid by the City during 2026 to PABF shall be referred to as the "2026 PABF Statutory Contribution." The Statutory Contribution required to be paid by the City during 2026 to FABF shall be referred to as the "2026 FABF Statutory Contribution." The Statutory Contribution required to be paid by the City during 2026 to LABF shall be referred to as the "2026 LABF Statutory Contribution."

(ii) The total of the four Statutory Contributions required to be paid by the City during 2026 to the Pension Funds shall be referred to as the "2026 Total Statutory Contribution."

(iii) The ratio of the 2026 MEABF Statutory Contribution to the 2026 Total Statutory Contribution shall be referred to as the "MEABF Percentage." The ratio of the 2026 PABF Statutory Contribution to the 2026 Total Statutory Contribution shall be referred to as the "PABF Percentage." The ratio of the 2026 FABF Statutory Contribution to the 2026 Total Statutory Contribution shall be referred to as the "FABF Percentage." The ratio of the 2026 LABF Statutory Contribution to the 2026 Total Statutory Contribution shall be referred to as the "LABF Percentage."

(iv) MEABF shall receive an amount of the Initial Transfer Fee calculated by multiplying the MEABF Percentage by the amount of the Initial Transfer Fee. PABF shall receive an amount of the Initial Transfer Fee calculated by multiplying the PABF Percentage by the amount of the Initial Transfer Fee. FABF shall receive an amount of the Initial Transfer Fee calculated by multiplying the FABF Percentage by the amount of the Initial Transfer Fee. LABF shall receive an amount of the Initial Transfer Fee calculated by multiplying the LABF Percentage by the amount of the Initial Transfer Fee.

(b) All investment earnings on the Initial Transfer Free shall be allocated among the four Pension Funds using the same percentages as described in (a) above.

(c) No amount of the Initial Transfer Fee or investment earnings thereon shall be used to: (i) pay any portion of the 2026 Total Statutory Contributions, (ii) reimburse the City for payments previously made by the City for the 2026 Total Statutory Contributions, (iii) pay any portion of any other payment required to be paid by the City, and not yet paid, to any of the Pension Funds pursuant to Illinois law, or (iv) reimburse the City for payments previously made by the City to any of the Pension Funds pursuant to Illinois law prior to 2026.

(d) No amount of the Initial Transfer Fee or investment earnings thereon shall be used to: (i) pay any portion of Supplemental Contributions budgeted by the City, pursuant to the Pension Policy, to be paid to the Pension Funds during 2026, (ii) to reimburse the City for payments previously made by the City as Supplemental Contributions budgeted by the City, pursuant to the Pension Policy, to be paid to the Pension Funds during 2026, or (iii) reimburse the City for payments previously made by the City as Supplemental Contributions, pursuant to the Pension Policy, and paid to the Pension Funds prior to 2026.

Section 2.2. Amendment of Chapter 2-32 of the Municipal Code. Chapter 2-32 of the Municipal Code is hereby amended by adding thereto a new Section 2-32-385 which reads in full as follows:

2-32-385 Ongoing Metered Parking Concession Payments.

(a) Definitions. As used in this section, the following terms shall have the following meanings:

(i) "Approval Ordinance" shall mean the ordinance bearing the City Clerk's reference number SO2026-0025407, passed by the City Council on September 29, 2026 and published in the Journal of Council Proceedings for such date at pages 50589 through 50613, inclusive.

(ii) "Concession Agreement" shall mean that certain Amended and Restated Chicago Metered Parking System Concession Agreement dated as of June 5, 2013, by and between the City and Chicago Parking Meters, LLC, as amended and supplemented from time to time.

(iii) "Concessionaire" shall mean Chicago Parking Meters, LLC, or any successor thereto as concessionaire under the Concession Agreement.

(iv) "FABF" shall mean the Firemen's Annuity and Benefit Fund of Chicago, its successors and assigns.

(v) "FABF Contribution" for each year shall mean the total amount of payments required to be made by the City to FABF for such year under Illinois law.

(vi) "FABF Percentage" for each year shall mean the ratio of the FABF Contribution for such year to the Total Pension Contributions for such year.

(vii) "FABF Portion" for each year shall mean an amount equal to the FABF Percentage for such year multiplied by the Ongoing Metered Parking Concession Payments for such year.

(viii) "LABF" shall mean the Laborers' and Retirement Board Employees' Annuity and Benefit Fund of Chicago, its successors and assigns.

(ix) "LABF Contribution" for each year shall mean the total amount of payments required to be made by the City to LABF for such year under Illinois law.

(x) "LABF Percentage" for each year shall mean the ratio of the LABF Contribution for such year to the Total Pension Contributions for such year.

(xi) "LABF Portion" for each year shall mean an amount equal to the LABF Percentage for such year multiplied by the Ongoing Metered Parking Concession Payments for such year.

(xii) "MEABF" shall mean the Municipal Employees' Annuity and Benefit Fund of Chicago, its successors and assigns.

(xiii) "MEABF Contribution" for each year shall mean the total amount of payments required to be made by the City to MEABF for such year under Illinois law.

(xiv) "MEABF Percentage" for each year shall mean the ratio of the MEABF Contribution for such year to the Total Pension Contributions for such year.

(xv) "MEABF Portion" for each year shall mean an amount equal to the MEABF Percentage for such year multiplied by the Ongoing Metered Parking Concession Payments for such year.

(xvi) "Ongoing Metered Parking Concession Payments" for each year shall mean the total of the Future Transfer Fees, if any, and the City Profit Share, each as paid by the Concessionaire to the City during such year.

(xvii) "PABF" shall mean the Policemen's Annuity and Benefit Fund of Chicago, its successors and assigns.

(xviii) "PABF Contribution" for each year shall mean the total amount of payments required to be made by the City to PABF for such year under Illinois law.

(xix) "PABF Percentage" for each year shall mean the ratio of the PABF Contribution for such year to the Total Pension Contributions for such year.

(xx) "PABF Portion" for each year shall mean an amount equal to the PABF Percentage for such year multiplied by the Ongoing Metered Parking Concession Payments for such year.

(xxi) "Pension Funds" shall mean, collectively, MEABF, PABF, FABF and LABF.

(xxii) "Pension Policy" shall mean the Advance Pension Payment Policy referenced in Mayoral Executive Order No. 2023-5, and any successor policy thereto.

(xxiii) "Supplemental Contributions" for each year shall mean contributions that may be budgeted or paid by the City, pursuant to the Pension Policy, to any of the Pension Funds for such year, other than (A) the Total Pension Contributions for such year, and (B) payments to be made pursuant to this section.

(xxiv) "Total Pension Contributions" for each year shall mean the total of the MEABF Contribution, the PABF Contribution, the FABF Contribution and the LABF Contribution for such year.

(b) Defined terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Approval Ordinance.

(c) On or before April 1 of each year, the City Comptroller shall determine the amount of Ongoing Metered Parking Concession Payments paid to the City during the immediately preceding year and shall pay such Ongoing Metered Parking Concession Payments to the Pension Funds as follows: (i) the MEABF Portion, as calculated for the immediately preceding year, to MEABF; (ii) the PABF Portion, as calculated for the immediately preceding year, to PABF; (iii) the FABF Portion, as calculated for the immediately preceding year, to FABF; and (iv) the LABF Portion, as calculated for the immediately preceding year, to LABF.

(d) Any investment earnings on the Ongoing Metered Parking Concession Payments referred to in subsection (c) above shall be allocated among the Pension Funds and paid each year in the same proportions as described in subsection (c) above. Such annual payment shall be made no later than 90 days following the annual date of payment of the Ongoing Metered Parking Concession Payments for the same year.

(e) In each year, no amount of the Ongoing Metered Parking Concession Payments or investment earnings thereon shall be used to: (i) pay any portion of the Total Pension Contributions for such year or any prior year, (ii) reimburse the City for payments previously made by the City for the Total Pension Contributions for such year or any prior year, (iii) pay any portion of any other payment required to be paid by the City, and not yet paid, to any of the Pension Funds pursuant to Illinois law, or (iv) reimburse the City for payments previously made by the City to any of the Pension Funds pursuant to Illinois law in such year or any prior year.

(f) In each year, no amount of the Ongoing Metered Parking Concession Payments or investment earnings thereon shall be used to: (i) pay any portion of Supplemental Contributions for such year or any prior year, or (ii) reimburse the City for payments previously made by the City as Supplemental Contributions for such year or any prior year.

ARTICLE 3
ENACTMENT

Section 3.1. Construction. Pursuant to the home rule powers of the City, to the extent that any ordinance, resolution, rule, order or provision of the Municipal Code or part thereof, is in conflict with or is inconsistent with the provisions of this Ordinance, the provisions of this Ordinance shall be controlling. If any part, 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. No provision of the Municipal Code or violation of any provision of the Municipal Code shall be deemed to impair the validity of this Ordinance.

Section 3.2. Pamphlet Publication. This Ordinance shall be published by the City Clerk, by causing to be printed in special pamphlet form at least five copies hereof, which copies are to be made available in the office of the City Clerk by December 10, 2026, for public inspection and distribution to members of the public who may wish to avail themselves of a copy of this Ordinance.

Section 3.3. Effective Date. This Ordinance shall be in full force and effect upon passage and publication in pamphlet form, and as provided under 65 ILCS 5/3.1-40-45.