

Department of Law

2025 Budget Hearing – December 4, 2024

Mary Richardson-Lowry, Commissioner

Good afternoon, Chairman Ervin, Vice Chairman Lee, and members of the City Council. It is both my duty and honor to appear before you today in furtherance of our 2025 Budget, as proposed.

As Corporation Counsel, I lead an extraordinary, dedicated and inclusive team of 285 attorneys, each of whom supports the City of Chicago's departmental, mayoral and aldermanic legal needs across various practice areas, ranging from aviation, labor, employment litigation and constitutional law to appeals and public safety reform. In fact, the Law Department is one of the largest legal practices in the City, and we've continued to do the work to ensure that our workforce reflects the City we serve.

Presently, 55% of our team identifies as female or non-binary, with women accounting for 51% of all attorneys. Notably, 61% of senior management are female. Additionally, 40% of our workforce is comprised of individuals from diverse backgrounds, and 29% of our attorneys are ethnically inclusive. This year, we made even greater strides in improving our inclusion, with 75% of our newly hired senior attorneys representing diverse backgrounds.

As the first black woman to serve this City as Corporation Counsel, I know the value of diverse lawyers, and I am proud to report that while attending a speaking engagement last fall for the Black Women Lawyers Association, I successfully recruited Deputy Corporation Counsel Margaret Mendenhall-Casey, the first black woman to lead the Torts Division.

Since joining the Law Department, I've directed my team to make strategic investments to ensure that our department continues to attract and retain talented legal professionals, including fully funding ARDC fees for the department, hosting career fairs, expanding volunteer opportunities for students, including establishing a volunteer program with the Chicago Public Schools, and increasing our marketing efforts to reach more potential candidates. These investments include building on our pipeline efforts through our Summer Law Clerk Program, which targets talented and diverse law school students for DOL clerkships.

I would now like to highlight a few key divisions and their accomplishments, which are a testament to the broad scope and complexity of the legal work we undertake for the City.

Most of you know Deputy Kim Roberts who manages the **Building and License Enforcement Division ("BLE")**. BLE plays a critical role in ensuring that properties across Chicago comply with the City's building codes and licensing regulations. BLE prosecutes cases involving dangerous and hazardous properties, lead paint violations, zoning issues, and criminal activity related to unsafe structures.

In 2024, we instituted a process where BLE created dedicated court calls to prosecute multiple buildings under the same ownership, including out-of-state corporations that own large numbers of properties located in South and West side communities. As part of these efforts, BLE successfully negotiated a settlement involving the management of 70 properties owned by a recalcitrant landlord in neighborhoods across the city.

Another division I would like to highlight is the **Collections, Ownership and Administrative Litigation Division (“COAL”)**, which continues to be instrumental in recovering funds owed to the City. Since 2010, this division has collected an impressive \$2.1 billion and is on pace to collect about \$100 million in 2024. Additionally, just this year, COAL filed over 45,000 health and safety violation cases against landowners. David Holtkamp is the Deputy of the collections Division.

A significant new initiative for COAL in 2024 was the creation of the Special Collections Unit (“SCU”). This unit was created to directly tackle the serious issues of vacant lots in our communities. Owners of these lots, who often live in affluent suburbs, routinely neglect them, allowing them to become dangerous blights on our neighborhoods. You may have seen in one case which was highlighted in the news where the total penalties sought exceed \$28 million. The SCU has developed a three-prong approach to bring accountability to these owners, including filing suits in the Circuit Court seeking the maximum daily penalties against these owners. Second, the SCU is vigorously pursuing the judgments that DOL has already obtained against these individuals and entities to force these owners to either pay up or sell their properties, or both - as one owner was recently required to do. Finally, the SCU will be naming the individuals behind the entities that own vacant lots to impose personal liability and accountability on these individuals. The SCU is set to bring in over \$1 million this year, and likely many millions more in the future.

The **Affirmative Litigation Division**, managed by Deputy Stephen Kane, investigates alleged misconduct and pursues litigation to enforce the City’s consumer-protection ordinances. In doing so, the Division not only protects the City's interests but also seeks accountability for Chicagoans who have been harmed.

In 2024, the Division successfully secured \$40 million in settlements. One significant case involved a \$2.2 million settlement with construction rehabber ResiPro. The City settled with this company for the alleged misconduct of falsifying construction applications and performing unpermitted work in some underserved communities. The settlement not only held ResiPro accountable but also established a restitution fund for homeowners to fix dangerous defects.

Another win came when we obtained a preliminary injunction against Vision Properties, a company that lured vulnerable Chicagoans into exploitative rent-to-own agreements for dilapidated properties. The court’s order helped prevent families from losing their homes and preserved the City's ability to continue fighting for fair housing practices.

Transactional litigation is another vital component of the Law Department’s work. This work is performed through our **Finance Division** as well as our **AERC Division**. In 2024

alone, the City issued \$2.67 billion in bonds to fund essential projects, from affordable housing to infrastructure improvements. These efforts include the closing of a \$25 million United Yards bond deal in the 20th ward which will allow the City to fund 45 new affordable housing units.

Risk mitigation is integrated into our model as a department, and I have created two new divisions to address high exposure, and more complex litigation: the **Mass Torts Division** and **Risk Management Division**. I invite you all to learn more about how we are addressing high exposure matters at the upcoming Law 103 Aldermanic Briefings in January 2025

Every day, our lawyers engage in critically important community-based work to help improve the lives of Chicagoans. There may be a false public perception, largely shaped by headlines that center on high profile litigation resulting in a settlement or judgment. In reality, the great majority of our work involves enforcing the Municipal Code on behalf of clients such as the Department of Buildings and Streets and Sanitation where legal cases are resolved without a City payout. Equally notable, 95% of our litigation is handled in-house, which reflects the level of skill and dedication of our team.

In closing, I want to reiterate my deep gratitude to all the attorneys and staff members of the Law Department. I also want to thank Chairman Ervin, Vice Chairwoman Lee, the Members of the Budget Committee and City Council members for the opportunity to address you. Your role pertaining to our proposed 2025 budget will ensure that we can continue doing the important work for the residents of our great City.