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Olympics an opportunity for Chicago and Illinois to repair reputation, inspector general says

Inspector general urges Olympics, city officials to become more open

By Dan Mihalopoulos and David Heinzmann

Tribune reporters

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City Hall's top internal investigator on Monday urged greater openness in Chicago's bid for the 2016 Summer Olympics and criticized the reluctance to fully disclose Olympic financing plans as "the wrong approach for government."

Inspector General David Hoffman, a former federal prosecutor in charge of rooting out City Hall wrongdoing, also said the Olympics would be a good chance for Chicago and Illinois to transform its abysmal reputation as a hotbed of government corruption. Or, 2016 could cement that notoriety.

"The question for us, I think, with regard to the Olympics, will be what will we be showcasing? Cost overrups? Clout? Corruption? Or a model to ensure the

overruns? Clout? Corruption? Or a model to ensure that corruption does not creep in?" Hoffman said during a speech to the City Club civic organization.

As Hoffman spoke, Mayor Richard Daley was again trying to convince the public and the City Council that they will have a say in whether taxpayers would be liable for covering any shortfall if a Chicago Olympics went poorly.

In the last week, the mayor has offered conflicting accounts of whether the city would be on the hook for losses from the Games should the International Olympic Committee choose Chicago from among four finalists.

Calling for "much more transparency, much earlier in the process," Hoffman echoed his recent report blasting Daley's handling of the city parking meter privatization. The mayor gave aldermen little time to analyze that controversial plan.

"Whatever the motivation is for doing that at the last minute, the effect is to make opposition to that plan much more difficult," Hoffman said. "There are hints of this same thing with what's being discussed right now about the Olympics."



Hoffman referred to a statement last week from Chicago 2016 Chairman Patrick Ryan, who said he could not yet bring a proposal for an expanded Olympic financial guarantee to aldermen because he is still working on getting another insurance policy.

"It's just the wrong approach for government," Hoffman said. "Let's not be so impressed with our own ideas. There's no monopoly on wisdom."

Later in the week Ryan met with aldermen to discuss his tentative plans, but the meetings were closed to the public and unannounced.

Daley spokeswoman Jacquelyn Heard declined to comment on Hoffman's speech Monday.

"He may have been saying that at the same moment the mayor was stressing that we have to have transparency with our Olympic bid," Heard said.

At a news conference, Daley once again contradicted his earlier statements about the Olympic financing guarantee.

For months, the mayor insisted the city would not be responsible for cost overruns beyond the \$500 million already committed. Then, in a trip to Switzerland two weeks ago, he said Chicago would sign an agreement with the IOC without changes the city had been seeking.

While he said in Switzerland that he would sign the contract as is -- guaranteeing the city would take responsibility for any financial losses -- on his return to Chicago he muddled the issue with several conflicting statements. Daley said Friday he still intended to amend the contract to limit the city's liability and that "this is still in negotiations with the International Olympic Committee."

On Monday, Daley revised those remarks, saying the negotiation is "going on with the taxpayers of the city of Chicago to make sure they feel comfortable there's enough protection for them in regards to any overcharges, whatsoever, that's what it is."

The firestorm over Daley's about-face began when a Tribune reporter questioned the mayor after his closed-door session with IOC officials in Lausanne, Switzerland, on June 17.

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