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CITY COUNCIL PASSES MAYOR EMANUEL'S INITIATIVE TO ENSURE MORE JOB OPPORTUNITIES FOR MINORITY AND WOMEN WORKERS

Proposal Ensures City-Funded Construction Projects Create Jobs for Underserved Neighborhoods Across Chicago

City Council today passed a proposal introduced by Mayor Rahm Emanuel to increase job opportunities for minority and female workers in all city-funded construction projects and boost hiring from underserved areas. The initiative is also designed to create jobs among those who need them most and ensure that the city is spending its funds in a way that strengthens every neighborhood.

"Chicago will only reach its full potential when every resident from every neighborhood has a chance to have a job and an opportunity to participate in our economic growth," said Mayor Emanuel. "This proposal will ensure that we are leveraging our procurement dollars to create jobs for residents in all parts of Chicago."

The Mayor's plan has two components. First, it will increase existing bid incentives for vendors to hire minority and women workers and adding a new incentive to hire residents from neighborhoods in economic need. Second, it will increase the participation goals for minority- and women-owned contracting businesses on city-funded construction projects.

Under current law, the city incentivizes contractors to commit to utilizing a minimum percentage of labor hours on construction contracts for minority and women apprentices, laborers and journeymen when bidding for city contracts. Currently, the maximum percentage that can be considered by the city for the bid incentive is 50 percent minority and 10 percent women. The Mayor's proposal will increase the percentage allowed to 70 percent for minority workers and 15 percent for female workers.

The proposal also encourages bidders to employ residents from parts of Chicago that need economic opportunity the most. The ordinance will look at a number of socio-economic factors, such as median income and unemployment rate in each area of Chicago to determine these areas. To incentivize contractors to employ residents in the neighborhoods that need jobs most, contractors can receive 150 percent credit toward their commitment for each labor hour worked by employees from these areas.

The changes will apply to all city-funded construction procurements, which amount to nearly \$300 million annually.

The City Council today passed Mayor Emanuel's plan to extend the city's Minority and Women-Owned Business Enterprise Construction Program until 2020 and expand its participation goals. Under the ordinance, the program's goals for construction projects have increased to 26 percent minority-owned business (from 24 percent) and six percent women-owned business (from four percent).

The new initiative follows the recent announcement of a nearly \$1.3 billion infrastructure plan for O'Hare International Airport that will create thousands of jobs. The construction of Runway 9C/27C and the additional airfield projects will have a major economic impact on Chicago, and significant local workforce participation will be a priority. Over the next few years, the project will create more than 5,000 construction and professional services jobs, which will mean more than 1,000 each year for the duration of the effort -- and an opportunity to turn hundreds of entry-level jobs into opportunities for our underserved communities. Towards that end, the city will expand on the successful community hiring efforts used for the CTA's Red Line South project by: working with partners in the City Council and in the federal government to establish new contracting rules to promote these opportunities; organizing outreach through community partners to notify residents about the application process; working with organized labor and our workforce partners to open hiring offices in underserved communities; and working with the City Treasurer to create a new program to help small minority- and women-owned firms get financing to participate in these projects.

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