



# City of Chicago



R2017-497

Office of the City Clerk

## Document Tracking Sheet

**Meeting Date:** 6/28/2017

**Sponsor(s):** Villegas (36)  
Sawyer (6)

**Type:** Resolution

**Title:** Call for implementation of voluntary program to expand contracting opportunities for local businesses owned by minorities, women and disadvantaged certified companies in connection with airport operations

**Committee(s) Assignment:** Committee on Aviation

**RESOLUTION**

WHEREAS, at the time of the 2010 United States Census, 68.2 percent of the population of City of Chicago ("Chicago") identified as minority;

WHEREAS, at the time of the 2010 United States Census, 32.9 percent of Chicago's overall population identified as African American or black, and 29.8 percent of Chicago's overall population identified as Hispanic or Latino, and 5.5 percent identified as Asian;

WHEREAS, it is critical that minorities have opportunities to provide goods and services to municipal government of Chicago and to entities that do business with or benefit from business arrangements with the municipal government ("City Partners");

WHEREAS, it is the goal of the Chicago Municipal Code Section 2-92-650 as amended to be in compliance with the decision in *Builders Ass'n of Greater Chicago v. City of Chicago*, 298 F. Supp. 2d 725 (N.D. Ill. 2003) ((N.D. Ill. 2003) and adopted by Chicago City Council in May 2004 ("Ordinance") to provide a level playing field and equal access for all contractors and subcontractors to participate in contracting opportunities with the municipal government Chicago; and

WHEREAS, the Chicago municipal government grants leases and licenses allowing certain City Partners, including but not limited to airlines, to use facilities at Chicago O'Hare International Airport ("O'Hare") and Chicago Midway International Airport ("Midway") (collectively "the Airports"); and

WHEREAS, certain City Partners that benefit from leases and licenses to use facilities at the Airports are subject to regulation by the Federal Aviation Administrations' ("FAA");

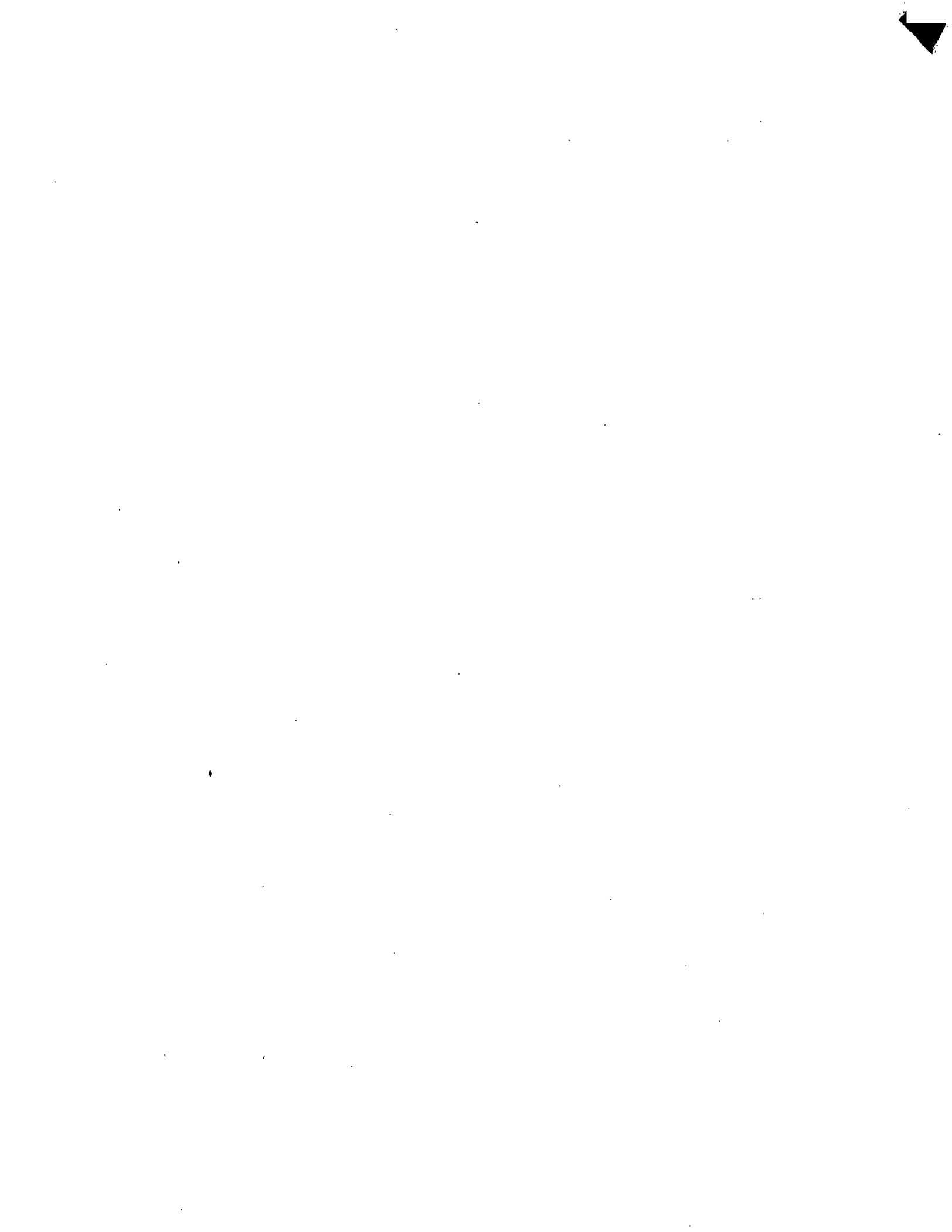
WHEREAS, certain City Partners operating at the Airports reference the FAA Airport Concession Disadvantaged Business Enterprise Program (the "ACDBE Program");

WHEREAS, the FAA may impose lesser obligations for City Partners to enter contracts with minorities, women and disadvantaged persons than the award goals established by Chicago Municipal Ordinance Section **2-92-430 ("City Goal")**; and

WHEREAS, certain leases and licenses with City Partners operating at the Airport do not impose any requirement for participation by ACDBES;

WHEREAS, the FAA, airport owners and operators, airport contractors and others involved in the aviation industry have recognized the need to develop and modify rules and regulations relating to the ACDBE Program to enhance opportunities for businesses owned by minorities, women and disadvantaged persons; and

WHEREAS, notwithstanding the lack of any ACDBE requirements in agreements for operations at the Airports, City Partners operating at the Airports have voluntarily proposed to use good faith efforts to implement a program designed to expand contracting opportunities for local M/W/DBE certified companies and other local businesses that are owned by minorities, women and disadvantaged persons (the "Voluntary Program", attached hereto as Exhibit A); and



WHEREAS, in order to advance the City's commitment to ensuring that businesses owned by minorities, women and disadvantaged persons have greater opportunities to provide goods and services in connection with City contracts generally, and contracts involving operations at the Airports in particular, the City Council wishes to formally approve, encourage and support the proposed Voluntary Program.

NOW THEREFORE, BE IT RESOLVED as follows:

1. The City Council hereby approves the proposed Voluntary Program hereto as Exhibit A.
2. The City Council directs the City's Department of Procurement Services to assist the City Partners operating at Airports in facilitating relationships with businesses owned by minorities, women and disadvantaged persons capable of meeting the City Partners purchasing requirements.
3. The City Council hereby directs the Chicago Department of Aviation ("CDA") to monitor the City Partners operating at Airports efforts and results in achieving the goals and aspirations set forth in the Voluntary Program, and to provide information as may be requested and to provide an annual report on such efforts to the Committee on Aviation on or before May 1<sup>st</sup> of each year.
4. The City Council further urges the Department of Aviation and City Partners operating at Airports to continue to work with the FAA to adopt rules, regulations and amendments that will expand opportunities for ACDBE certification, including but not limited to opportunities for companies that provide goods and services purchased by City Partners operating at Airports.
5. In adopting this Resolution and approving and accepting the Voluntary Program, the City Council does not intend that the Program supersede, conflict with or in any way impair the ACDBE Program, any federal statute, rule or regulation relating to the operations of the Airports, or the City's M/WBE Program. To the extent anything in this Resolution is interpreted to supersede, conflict with or in any way impair any of the foregoing, this Resolution shall, only to the extent necessary, shall be deemed null and void.



# Exhibit A

## **VOLUNTARY PROGRAM TO PROVIDE GOOD FAITH EFFORTS TO USE BUSINESSES OWNED BY MINORITIES, WOMEN AND DISADVANTAGED PERSONS IN CONNECTION WITH AIRPORT OPERATIONS.**

The undersigned Airlines, each of which operates at O'Hare Airport and Midway Airport (the "Airports") in the City of Chicago ("City") pursuant to leases, gate and use or license agreements with the City, in furtherance of the policy of the City to encourage those doing business with the City to take affirmative action to assist businesses owned by minority, women and disadvantaged persons to compete appropriately for contracts with and provide supplies and services to persons or business entities who have contracts with the City, hereby undertake the following voluntary program (the "Voluntary Program") to provide good faith efforts to use businesses owned by minorities, women and disadvantaged persons in connection with their operations at the Airports.

In proposing the Voluntary Program set forth below, the Airlines do not intend to supersede, conflict with or in any way impair the Federal Aviation Administration's ("FAA") Airport Concessionaire Disadvantaged Business Enterprise Program (the "ACDBE Program"), or the City's Minority-Owned And Women-Owned Business Enterprise Procurement Program (the "City M/WBE Program").

1. Starting immediately, the Airlines will use good faith efforts to expand contracting opportunities for businesses owned by minorities, women and/or disadvantaged persons in connection with "non-fleet expenditures" attributable to the Airlines operations at the Airports. Subject to paragraph 6 below, the Airlines agree that the goal of their outreach efforts will be to achieve, at a minimum, the following levels of expenditures in the following years with businesses owned by minority, women and/or disadvantaged persons ("M/W/DBE Businesses") that are: (a) "Local Businesses" (as defined by Section 2-92-420 of the City of Chicago Procurement Code); and (b) are either (i) certified by the City of Chicago, the County of Cook, the Illinois Unified Certification Program, the Chicago Minority Supplier Development Council and/or the Women's Business Development Council; or (ii) not certified by any of the entities listed in subparagraph (i), but are nonetheless owned by minority, women and/or disadvantaged persons.

- 15% of non-fleet expenditures attributable to operations at the Airports for the years 2018 and thereafter
- 20% of non-fleet expenditures attributable to operations at the Airports for the years 2018 and thereafter
- 25% of non-fleet expenditures attributable to operations at the Airports for the years 2018 and thereafter

2. For purposes of this Proposal, "Non-fleet expenditures" shall not include fuel or food service, and shall encompass all expenditures not attributable to the purchase of airplanes, including, but not limited to:

- Insurance
- Chemicals
- Lubricants
- Parts
- Environmental Services
- Promotional Products
- Marketing
- Advertising
- Janitorial Services
- Professional Services
- Maintenance and Custodial Services

3. The Airlines will post procurement opportunities for "Non-fleet expenditures" in connection with their operations at the Airports on the City Department of Procurement's M/WBE Forum.

4. The Airlines will provide the Department of Aviation with quarterly reports reflecting their progress in achieving the foregoing goals.

5. The Airlines will work with the Department of Aviation, the City's Department of Procurement Services and Members of the City Council's Aviation Committee to sponsor public outreach sessions to identify and assist Local Businesses in applying for ACDBE Certification.

6. To the extent that any future License Agreements relating to the Airlines operations at the Airports contain ACDBE goals that are equal to or greater than the percentages stated in paragraph 1 above, such goals will supersede and replace the goals provided for herein.







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