

Constitution, Article VII, Section 6 (a); and

WHEREAS, pursuant to its home rule power, the City of Chicago may exercise any power and perform any function relating to its government and affairs including promoting the quality of life and the welfare of its citizens; and

WHEREAS, the Corporate Authorities of the City of Chicago recognize that the use of private contractors to provide public services historically performed by City employees does not always promote the public interest; and

WHEREAS, future privatizations must ensure that the residents of the City of Chicago receive high quality services at low cost, with due regard for the City's taxpayers and the needs of Chicago workers; NOW THEREFORE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. The above recitals are expressly incorporated herein and made part hereof as though fully set forth herein.

SECTION 2. Chapter 2-8 of the Municipal Code of Chicago is hereby amended by inserting a new Section, as follows:

2-8-036 Privatization of City Services.

(a) For purposes of this section only, the following definitions apply: "Chicago business" means a business which has its principal place of business located within the corporate limits of the City, has the majority of its regular, full-time work force located within the City, and is subject to City of Chicago taxes. Where all partners to a joint venture are Chicago businesses, the joint venture shall be deemed to be a Chicago business. Where not all partners to a joint venture are Chicago businesses, such joint venture shall be considered a Chicago business only if Chicago businesses hold at least a fifty percent (50%) interest in the venture. Chicago businesses have a fifty percent (50%) interest in the joint venture only if the Chicago business partners in the venture hold subcontracts equal to fifty percent (50%) or more of the amount of the bid.

"Construction project" means any project to construct, remodel, maintain, secure or reconstruct any public works, infrastructure, buildings, structures, roadways, parkways, bridges, parking facilities or parks, or any portion of any of the same, belonging to the City within its geographical boundaries as they exist or shall exist in the future

"Person" means any natural individual, firm, trust, partnership, association, joint venture, corporation or other legal entity, in his or its own capacity or as administrator, conservator, guardian, executor, trustee receiver or other representative appointed by the court.

"Privatization contract" means an agreement between the City of Chicago and a nongovernmental person, regardless of whether the person or firm is a for-profit entity or a not for-profit entity, under which the City agrees to sell or lease any City asset for a total amount exceeding \$10,000,000, under which a nongovernmental person agrees to perform, supervise, or manage a construction project or under which a nongovernmental person agrees to perform supervise or manage any function or service performed by personnel employed by the City on the effective date of this ordinance.

(b) All privatization contracts shall contain the following:

(1) Chicago Residency Requirements

Each privatization contract shall contain a provision requiring that the nongovernmental person comply, and requiring said nongovernmental person to cause its contractors retained to perform labor or provide supplies on a construction project or any other such project where City employees are performing comparable tasks related to the privatization contract to comply, with the residential preference requirements of Section 2-92-330 of the Municipal Code, as it may be amended from time to time.

(2) Wage Rates

Each privatization contract shall contain a provision requiring that the nongovernmental person pay, and requiring said nongovernmental person to cause its contractors retained in connection to the

privatization contract to pay, for all work performed in connection with the privatization contract not less than the general prevailing rate of hourly wages as determined by the Illinois Department of Labor in accordance with the Illinois Prevailing Wage Act, 820 ILCS 130/0.01 et seq. On projects not covered by the Illinois Prevailing Wage Act, the contract must provide that the contractor shall not pay wages and benefits at a rate or level lower than that provided to City employees performing comparable tasks.

(c) Each bid solicitation concerning a privatization contract to be awarded based on the lowest competitive bid shall contain a provision providing for a bid incentive of two percent (2%) for Chicago businesses.

(d) Notwithstanding any provision of the Municipal Code of Chicago to the contrary, no privatization contract shall be valid unless the City Council adopts an ordinance authorizing the City to enter into said privatization contract upon an affirmative vote of two-thirds (²A) of all the aldermen entitled by law to be elected.

SECTION 3. This ordinance shall be in full force and effect upon its passage and publication.

Introduced by:<