



Office of the City Clerk

City Hall
121 N. LaSalle St.
Room 107
Chicago, IL 60602
www.chicityclerk.com

Legislation Text

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Committee on Budget and Government Operations
October 5, 2016 City Council Meeting

RESOLUTION

WHEREAS, the City of Chicago is the third largest city in the United States with an estimated population of roughly 2.7 million; and

WHEREAS, at the time of the 2010 U.S. Census, 32.9 percent of Chicago's overall population identified as black; and

WHEREAS, to date, the estimated black population of Chicago still constitutes roughly one-third of the city's population; and

WHEREAS, the City of Chicago has a vested interest in the continued development and growth of Minority Owned Business Enterprises, as codified in 2-92-650 of the Municipal Code of Chicago, 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) and adopted by Chicago City Council in May 2004; and

WHEREAS, the stated intent of the ordinance seeks to provide a level playing field and equal access for all contractors and subcontractors to participate in city contracting opportunities with the City of Chicago; and

WHEREAS, the Chicago Transit Authority is subject to the requirements of 2-92-650 of the Municipal Code of Chicago; and

WHEREAS, despite such legal directives, based on the demographics of the CTA and many companies with whom they contract, inadequacies exist in the hiring and employment protocol of the Chicago Transit Authority and businesses awarded contracts by the Board; and

WHEREAS, the Chicago Transit Authority receives taxpayer money towards the development, operation, profitability, and sustainability of the Chicago transit system; and

WHEREAS, the projected public funding for the Chicago Transit Authority in 2015 was \$757.1 million dollars from Chicagoans through the Chicago Real Estate Transfer Tax and sales tax, among

WHEREAS, the 2016 operating budget for the Chicago Transit Authority was more than 1.4 billion dollars; and

WHEREAS, in 2015, 88 percent of of operating revenue came directly from the fare and CTA pass revenue;and

WHEREAS, the Chicago Transit Authority is poised to create expansive new Tax Increment Funding districts to pay for expansions and rail infrastructure development, which will be funded directly by the residents of those districts; and

WHEREAS, in the first quarter of 2016, Illinois had the highest rate of unemployment for African Americans in the United States¹; and

WHEREAS, the National Urban League's equality index ranked the Chicago metro area 65th out of 70 in black-white unemployment equality and 62nd out of 70 in black-white income equality²; and

WHEREAS, racial inequity in employment contributes to the impoverishment of black communities, affecting housing, education, income and livelihood;

NOW THEREFORE, BE IT RESOLVED that the Mayor and the members of City Council call for hearings before the Committee on Budget and Government Operations, with leadership of the Chicago Transit Authority present to testify, to assess:

The adequacy and efficacy of the minority recruiting and employment practices of the Chicago Transit Authority and the companies to whom they award contracts; and

Whether the demographics of those employed in any capacity, through contract or otherwise, with the Chicago Transit Authority sufficiently reflect the demographics of the City of Chicago; and

What steps the Chicago Transit Authority may need to undertake to further efforts to engage minority owned businesses.

<<http://www.epi.org/press/ininois-has-the-highest-black-unemployment-rate-for-the-first-quarter-of-2016-west-virginia-has-the-highest-white-unemployment-rate-for-the-fourth-quarter-in-a-row/>>

² The State of Black America 2016. National Urban League, 2016.

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