



OFFICE OF THE MAYOR  
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**MAYOR EMANUEL ANNOUNCES FIRST CONSTRUCTION WORK PROJECT REQUIRING HIRING  
OF NEIGHBORHOOD RESIDENTS**

*At Least 7.5% of Labor From Construction Area for Projects Worth More Than \$100,000*

Mayor Rahm Emanuel today announced the advertisement of the first two construction projects that require neighborhood residents to be hired for at least 7.5 percent of labor hours on city construction contracts worth more than \$100,000, ensuring that residents benefit from the jobs and economic impact from City construction projects in their communities.

"People in communities across Chicago benefit from the construction projects and infrastructure improvements, and now they will benefit from the jobs and economic impact of these projects," said Mayor Emanuel. "From Rogers Park to Roseland, if a city construction project is taking place, people from the community will have the opportunity to work on that project."

The first project utilizing the Project Area Resident ordinance that was passed earlier this year will be streetscaping work for the Chicago Department of Transportation (CDOT). The scope of work includes sidewalk, landscaping, lighting improvements and some roadway improvements.

The work will take place from 71st Street/Jeffrey Blvd to South Shore Drive in the Hyde Park, Woodlawn and South Shore communities, which are primarily in the 5<sup>th</sup> Ward, but will include portions of the 4<sup>th</sup>, 7<sup>th</sup>, 8<sup>th</sup> and 20<sup>th</sup> Wards. Project Areas are defined using the 77 City of Chicago Community Areas as designated in section 1-14-010 of the Municipal Code of Chicago.

The second project is a sewer rehabilitation project from the Department of Water Management, that will occur from 29<sup>th</sup> and 30<sup>th</sup> streets along South Martin Luther King Drive. Residents hired from the 3<sup>rd</sup> and 4<sup>th</sup> Wards, in the Douglas, Oakland and Grand Boulevard communities would make up 7.5% of the project labor hours.

The City of Chicago already has a requirement that 50 percent of labor hours on a contract be filled by residents of Chicago. The proposed 7.5 percent would also count towards the 50 percent requirement. In the event the contractor fails to meet this obligation, and has not demonstrated

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good faith efforts to achieve the project area resident requirement, monetary damages will be assessed against the contractor.

This Project Area Resident Initiative is the latest in a series of efforts made by Mayor Emanuel to increase opportunities for local residents and MBEs/WBEs. Additional announcements have included the MBE/WBE Mentorship Program, Diversity Business Initiative, the Small Business Initiative, and the Graduation Phase-out Program for MBEs/WBEs.

- The Mentorships program foster improved economic opportunity for MBE and WBE businesses throughout Chicago by offering up to five percentage points of MBE or WBE credit for contractors that agree to take on a mentor/protégé relationship with an MBE or WBE firm.
- The Graduation Phase-out Program allows M/WBEs that have exceeded the program's size standards to continue to participate for a period of three years to gradually exit the program, with 75% credit allowed in year one, 50% in year two, and 25% in year three.
- The Small Business Initiative encourages small businesses to participate in City-funded construction projects. The program is exclusive to small businesses and is limited to construction projects that are under \$3 million in total cost.
- The Diversity Credit Program allows private sector firms who also bid on public work to obtain up to five percent M/WBE utilization credit on a City contract for work performed by a certified firm on one or more of the prime's private sector contracts.
- The Department of Procurement Services recently held a Vendor Fair with City Departments, Sister Agencies and other government entities to provide information to construction companies, suppliers and manufacturers on hundreds of projects due to be bid. These projects are expected to create thousands of jobs for Chicago area residents.

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