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**CITY COUNCIL PASSES ORDINANCES TO EXPAND CITY-BASED BUSINESS PREFERENCE AND MENTORING PROGRAM**

*Proposals will create more opportunities for M/WBE firms, Chicago residents*

City Council today passed two ordinances introduced by Mayor Rahm Emanuel, Alderman Gregory I. Mitchell, Alderman Patrick D. Thompson and the Department of Procurement Services (DPS), one to expand the bid preference offered to City-based businesses that employ Chicago residents and one to expand the City's Mentor-Protégé program that rewards prime contractors who actively mentor Minority-owned Business Enterprises (MBE) and Women-owned Business Enterprises (WBE).

"Over the past several years, we've made changes to our procurement programs and processes in order to create economic opportunities for our residents and ensure the vendors who work on City contracts reflect the diversity of the City itself," said Mayor Emanuel. "The expansion of this bid preference provides City contractors with an additional incentive to hire City residents, creating jobs in neighborhoods throughout Chicago."

The City currently offers a two percent bid preference to City-based businesses. To encourage these businesses to hire City residents, City Council has passed an ordinance introduced by the Mayor to expand that preference to four percent for City-based businesses with a permanent, full-time workforce consisting of more than 50 percent City residents. Further, the preference will expand to six percent if the majority of such business's City resident workforce resides in any designated socio-economically disadvantaged area of the City.

"The economic vitality of our communities is directly linked to the availability of local jobs," said Alderman Thompson. "I'm committed to doing everything in my power to encourage job growth, which is why I'm proud to co-sponsor this measure to further incentivize City contractors to hire Chicagoans."

Next, City Council passed Mayor Emanuel's ordinance to provide additional opportunities for M/WBE subcontractors to succeed. The City's Mentor-Protégé program recognizes the importance of mentoring relationships between prime contractors and their M/WBE subcontractors. Currently, the program rewards prime contractors who actively mentor M/WBE subcontractors by giving 0.333 percent extra M/WBE utilization credit on the contract, up to a maximum of five percent. This ordinance will expand this program so that prime contractors would be allowed to earn an additional 0.5 percent credit toward their M/WBE utilization credit; in addition, prime contractors would be allowed to earn the same

amount of extra M/WBE utilization credit when their first-tier subcontractors mentor M/WBE subcontractors of any tier.

Further, the ordinance will allow prime contractors to receive a one percent bid preference when bidding on contracts on which they will either mentor an M/WBE subcontractor or one of their subcontractors will mentor an M/WBE subcontractor.

“Expanding our Mentor/Protégé program will help smaller, less experienced M/WBEs gain expertise from seasoned mentors, giving them the skills and knowledge to compete for – and win – City contracts,” said Chief Procurement Officer Jamie Rhee.

“There are a number of emerging minority and women-owned businesses that want to work on City contracts but don’t know where to start, and the Mentor/Protégé program is crucial in providing these firms with the knowledge and resources they need to do business with the City,” said Alderman Mitchell. “I’m proud to co-sponsor this ordinance in order to expand this important program that helps nurture the growth of minority firms.”

These ordinances are the latest in a series of efforts to improve the City’s procurement process, and are a result of the Mayor’s commitment to creating a competitive, fair, and transparent procurement services for the City of Chicago. Under his leadership, the City has created numerous programs to increase the pool of bidders on City contracts, incentivize the use of small minority and women-owned businesses, build capacity of local businesses, and encourage the employment of local residents.

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