

SUBSTITUTE **ORDINANCE**

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

SECTION 1. Chapter 2-92 of the Municipal Code of Chicago is hereby amended by adding a new Section 2-92-414, as follows:

2-92-414 Contracts - Bid incentive for Chicago Jobs Plan commitments

(a) For purposes of this section only, the following definitions shall apply:

“Manufactured goods” means goods whose value, either in whole or in part, is derived from growing, producing, processing, assembling, or manufacturing activities.

“Covered Jobs” means jobs held by nonsupervisory employees performing work materially related to the fulfillment of a Covered Manufactured Goods Contract, including manufacturing, pre-delivery inspection, preparation, servicing, maintenance, repair, parts support, and other related work.

“Covered Manufactured Goods Contract” means any contract for the purchase of manufactured goods awarded by the City and whose cost is to be paid from funds belonging to or administered by the City; provided that a “contract” does not include: (i) a delegate agency contract; (ii) a lease of real property; (iii) a collective bargaining agreement; (iv) a contract for small orders as described in Section 2-92-642; or (v) a construction contract as defined in Section 2-92-670(f).

“Highest Chicago Jobs Plan’s Total Dollar Commitment Value” means the highest bidder’s Chicago Jobs Plan’s Total Dollar Commitment Value amongst the bidders applying for the incentive under this Section 2-92-414 on an advertised Specification. In the event only one bidder qualifies for or applies for this incentive under a particular Specification, that bidder’s Chicago Jobs Plan’s Total Dollar Commitment Value shall be used as the Highest Chicago Jobs Plan’s Total Dollar Commitment Value.

(b) This section creates a Chicago Jobs Plan incentive for Covered Manufactured Goods Contracts. In order to obtain the incentive, a bidder shall submit its Chicago Jobs Plan for a Covered Manufactured Goods Contract at the time of submitting its bid. The submitted Chicago Jobs Plan shall include the following information regarding Covered Jobs that shall be retained and created if the bidder is awarded the contract:

- (1) the minimum number of full-time equivalent Covered Jobs;
- (2) the minimum wage and benefit amounts, by job classification, for Covered Jobs;

(3) a detailed description of and proposed amounts for training, by job classification, for Covered Jobs.

The bidder shall submit a separate Chicago Jobs Plan for itself and for each manufacturer and participating manufacturer's subcontractor, and Authorized Dealer or Distributor other than the bidder, that employs workers in Covered Jobs.

No bidder's Chicago Jobs Plan shall be evaluated unless the bidder submits a Chicago Jobs Plan reflecting the manufacturer's workforce commitments for Covered Jobs. To be allocated a bid preference under this section, bidders shall provide supporting documentation sufficient to verify the commitments described in each Chicago Jobs Plan.

(c)(1) Unless otherwise prohibited by any federal, state, or local law, for any Covered Manufactured Goods Contract advertised, or if not advertised awarded, after the effective date of this section, the Chief Procurement Officer shall allocate to any qualified bidder, the following bid incentive:

Bidder's Chicago Jobs Plan's Total Dollar Commitment Value / Highest Chicago Jobs Plan's Total Dollar Commitment Value	X	5%	=	Total Bid Incentive Awarded
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The bidder's Chicago Jobs Plan Total Dollar Commitment Value shall equal the sum of the Total Dollar Commitment Values of all such Chicago Jobs Plans submitted by the bidder. Each Chicago Jobs Plan Total Dollar Commitment Value will be calculated on a dollar-for-dollar basis as follows:

- (i) the Chicago Jobs Plan Value for Wages and;
- (ii) the Chicago Jobs Plan Value for Benefits; and
- (iii) the Chicago Jobs Plan Commitment Value for Workforce Training.

The bid incentive is used only to calculate an amount to be used in evaluating the bid to determine the low bidder, and it does not affect the contract price. The maximum percentage bid incentive available to bidders is a 5% incentive.

(2) The Chief Procurement Officer may determine not to include the Chicago Jobs Plan under the following conditions:

- (i) an emergency exists;
- (ii) for cooperative purchasing; or
- (iii) the Chief Procurement Officer otherwise concludes that the allocation of a bid incentive is not in the City's best interest.

(3) For all Covered Manufactured Goods Contracts advertised after the effective date of this section, the Chief Procurement Officer shall include the bid incentive provision consistent with this section in all such advertising.

(c) For any contractor awarded a bid incentive under this section, the contractor shall annually issue to the Chief Procurement Officer a Chicago Jobs Plan compliance report, demonstrating

compliance with all Chicago Jobs Plan commitments. Each contractor shall also collect annual Chicago Jobs Plan reports from each entity whose Chicago Jobs Plan was submitted with the contractor's bid and submit those reports with the contractor's own annual report.

(d) The Chief Procurement Officer shall make every Chicago Jobs Plan and annual compliance report available to the public. The Chicago Jobs Plan and annual compliance reports shall not be considered a trade secret under subsection (g) of Section 7 of the Illinois Freedom of Information Act or confidential, privileged, or otherwise exempt from disclosure under the Freedom of Information Act.

(e) The Chief Procurement Officer may require, at the time of submission of a bid or at any time during the term of the contract, that the bidder or contractor submit an affidavit and other supporting documents demonstrating that the bid for which the bid incentive is being or was sought satisfies all pertinent requirements, including documentation regarding the bidder or contractor's workforce, wages, benefits, or training programs.

(f) The contractor shall be responsible for fulfillment of all commitments contained in the Chicago Jobs Plans submitted with its bid, regardless of whether the commitment was made by the contractor or by a manufacturer, participating subcontractor, or Authorized Dealer or Distributor. Upon completion of the work, if the total dollar commitment value actually fulfilled under those Chicago Jobs Plans is less than the total dollar commitment value for which the bid incentive was allocated, the contractor shall be fined in an amount equal to three times the amount of the difference between the bid incentive allocated and the bid incentive that would have been allocated to that contractor for the total dollar commitment value actually fulfilled, unless the contractor can demonstrate good cause beyond the control of both the contractor and the entity responsible for fulfilling the applicable commitment. However, if the City adjusts its purchase to make it impossible for the contractor to fulfill its commitments contained in its Chicago Jobs Plan, then the contractor shall not be liable for violating its Chicago Jobs Plan.

SECTION 2. This ordinance shall be in full force and effect on January 1, 2027.