



MEMORANDUM

TO: Hon. Mary Sheffield, Council
President
Conrad Mallet, Director,
Corporation Counsel

FROM: Hon. Scott Benson, City Council
District 3

CC: Hon. Fred Durhal III, Chair, Budget, Finance and Audit Standing
Committee
Hon. Janice Winfrey, City Clerk
Malik Washington, Mayor's Liaison

VIA: Hon. Mary Sheffield, Council President

DATE: 6 November 2023

**RE: AMENDMENTS TO THE RESPONSIBLE CONTRACTOR
ORDINANCE**

In our ongoing efforts to enhance the fiscal and economic integrity of the city's contracting practices, I propose the following targeted amendments to the Responsible Contractor Ordinance:

- **Increase 'High Impact Construction Contracts' Threshold:**
 - Amend Section 17-5-1 to redefine 'High Impact Construction contracts' with an increased threshold of \$2 million, ensuring the term accurately reflects contracts of substantial economic and community significance.
- **Adjust Equalization Points Allocation:**
 - Revise Section 17-5-12.b(4) Set the equalization points at three (3) for C-WDB and C-WIB, to prioritize labor unions, Detroit-based companies and the employment of local residents.
- **Maintain Fiscal Prudence in Equalization Credits:**
 - Modify Section 17-5-12.c(1) to retain the maximum application of equalization credits at the current \$100,000 cap, upholding our commitment to responsible fiscal management.
- **Remove Additional Administrative Requirements:**
 - Section 17-5-13e(1) & (2) Non-major purchases and contracts require companies to submit employee income clearances, corporate accountability clearances and workforce safety clearances. Please remove the submission of these reports as a requirement to receive small contracts.

These amendments aim to strike a balance between encouraging impactful projects that contribute significantly to our city's development, supporting local businesses, supporting the labor unions that built America's middle class, and ensuring sound financial stewardship.

I request the Law Department prepare the necessary language for the amendments. If you have any questions, do not hesitate to contact my office at 313-224-1198.

SRB