

TITLES 4, 6, 11, AND 17
ORDINANCE

Whereas, e-commerce has seen significant growth in the United States over the last five to seven years, and is growing very rapidly; and

Whereas, in 2018, warehouses and distribution centers surpassed office spaces as the dominant commercial and industrial land use in both number of buildings (1 million) and floor space (roughly 1.7 billion) following a nearly 100% growth trajectory since 2003 (U.S. Energy Information Administration. (2021). Warehouses were the most common U.S. commercial building type as of 2018. <https://www.eia.gov/todayinenergy/detail.php?id=50496>)

Whereas, developers forecasted that an additional one billion square feet of warehousing space would be necessary to meet home delivery demand beginning in 2025; and

Whereas, according to leading analysts of the retail industry expect brick and mortar retail closures to accelerate, and expected to spoke to approximately 15,000 stores in 2025 (Retail Set to Close 15,000 Stores in 2025 as Private Equity Pulls Back; Store Tracker Extra: US Openings and Closures Review and 2025 Outlook Coresight Research); and

Whereas, forecasts show a potential 334% increase in store closings in 2025 (see e.g., Store closings could skyrocket in 2025's new 'retail reality' - Chicago Sun-Times); and

Whereas, as of 2021, on-line sales comprised 13% of all retail sales in the United States, suggesting a structural shift in consumer shopping behavior (see U.S. Census Bureau News, Quarterly Retail E-Commerce Sales 4th Quarter 2021 (February 22, 2022), https://www.census.gov/retail/mrts/www/data/pdf/ec_current.pdf; CBRE Research, 2022 North America Industrial Big Box Report: Review and Outlook, at 2-3 (March 2022), available at <https://www.cbre.com/insights/reports/2022-north-america-industrial-big-box#download-report>; Boyle, Matthew “Pandemic Unleashes New Big-Box Era,” Bloomberg News, March 16, 2021 <https://www.bloomberg.com/news/features/2021-03-16/target-best-buy-walmart-how-covid-19-forever-changed-big-box-shopping>); and

Whereas, e-commerce and last-mile style facilities (“urban delivery centers” or “UDCs”) are different from traditional warehouses, in the high intensity of vehicle traffic, their size and in particular their height, and their retail/industrial hybrid nature; and

Whereas, so-called “urban freight” uses are increasingly understood to cause significant environmental, social, and nuisance impacts but the long-term potential of those impacts is less understood given the youth of the industry (M. Browne, J. Allen, T. Nemoto, D. Patier, J. Visser Reducing social and environmental impacts of urban freight transport: A review of some major cities Procedia - Social and Behavioral Sciences, 39 (2012), pp. 19-33); and

Whereas, the rapid evolution and intensification of “urban freight” last-mile uses have planners and engineers trying to catch up to their impacts, including several recent changes to manuals such as the Institute for Transportation Engineers trip generation manuals (see e.g., ITE Trip Generational Manuals, 9th (2012) and 10th Editions (2017)); and

Whereas, the business model of e-commerce requires high-intensity UDCs be built as close to population centers as possible, in order to reduce delivery times; and

Whereas, in Chicago, UDCs have already been built within 200 feet from residential and single family homes (see 1260 N. Koster Avenue); and

Whereas, cities, particularly older cities like Chicago, are planned and designed around brick-and-mortar retail, with major commercial strips on every fourth block, intended to provide goods and services to residents in those neighborhoods; and

Whereas, the emptying out of these commercial corridors can contribute to blight, depression of home prices, crime, and other quality of life issues; and

Whereas, industrial developers and e-commerce companies will often build immense UDCs of over 100,000 square feet and leave them vacant for years, wasting valuable and scarce industrial land and leaving “dark spots” in areas and thus contribute to blight (see e.g., [Yesterday’s Zoning: Prologis and Amazon Open a Warehouse on the South Branch in Bridgeport > Metropolitan Planning Council](#)); and

Whereas, zoning codes have not been updated to deal with a new reality of home delivery for the bulk of commerce, with UDCs often being grouped together with more traditional warehouses; and

Whereas, “urban freight” uses like UDCs have had disproportionate impacts on working class communities, where residents living near UDCs “face more pollution but order fewer packages,” forcing these communities to bear the burden for the convenience of other neighborhoods (see Travis Fried, Rishi Verma, Anne Goodchild, “Ecommerce and environmental justice in metro Seattle,” *Research in Transportation Economics*, Volume 103, 2024, (<https://www.sciencedirect.com/science/article/pii/S0739885923001221>); and

Whereas, due to existing land use patterns, the adverse impacts associated with warehouse development also tend to be concentrated in “neighborhoods already suffering from disproportionate health impacts and systemic vulnerability.” (California South Coast Air Quality Management District, “Final Socioeconomic Assessment for Proposed Rule 2305 – Warehouse Indirect Source Rule – Warehouse Actions and Investments to Reduce Emissions (WAIRE) Program and Proposed Rule 316 – Fees for Rule 2305” (May 2021), at 4-5); and

Whereas, electric vehicle infrastructure is improving and electric vehicle availability is also improving; and

Whereas, UDCs will need to be concentrated in environmental justice-impacted neighborhoods and communities, in particular working class communities and communities of color; and

Whereas, the concentration of UDCs in these areas will contribute to increasing worsening of air quality, because of the use of gig delivery drivers and commercial and non-commercial vehicles to collect and embark for deliveries; and

Whereas, the worker turnover rate at e-commerce industry leaders is as high as 150%, meaning the entire workforce turns over one and a half times per year, burning through local workforces (see [Warehouse Turnover Hurts More Than You Think - KPI Solutions](#); [Amazon’s workforce turnover is so high that it could run out of people to hire by 2024 - Vox](#)); and

Whereas, leaked industry memos suggest the medium- to long-term plan to address this high workforce turnover rate is to automate as many of the jobs as possible, thus requiring next to no human labor at these facilities (*There might soon be no one left to hire at Amazon's warehouses - RetailWire*); and

Whereas, according to the United States Government Accountability Office in a report published in October 2024, “warehouse and package delivery workers—often referred to as ‘last-mile delivery’ workers—had the *highest estimated rate of serious injury among private sector industries*,” (*As Online Shopping Increases. So Do Concerns About Delivery and Warehouse Workers' Safety* U.S. GAO) (emphasis added); and

Whereas, in 2025 the income qualification for Medicaid in Illinois is approximately \$22,000, meaning that a part-time worker at a typical e-commerce facility earning \$22 per hour would qualify for Medicaid; and

Whereas, e-commerce companies’ use of third-party agencies to provide delivery services leads to situations where members of the public do not know the parties responsible for traffic incidents, accidents, or property damage (see e.g., *7 On Your Side helps get repairs covered after a delivery driver allegedly crashed into parked car, drove off - ABC7 New York*); and

Whereas, e-commerce companies often impose hard-to-meet sorting and delivery quotas that can require drivers to drive recklessly or violate traffic laws, including double parking or parking in restricted zones, thus impacting traffic patterns and potentially causing slow-downs and accidents (see *Amazon Drivers Are Instructed to Drive Recklessly to Meet Delivery Quotas*, Vice Magazine, May 6, 2021); and

Whereas, for delivery drivers in particular, the “workplace” are public streets and sidewalks, and therefore “workplace safety” inherently overlaps with public and pedestrian safety; and

Whereas, an international study and domestic studies have shown that years of experience on a job is typically correlated with a reduction of workplace injuries, and therefore stable and longer-term jobs are an important component of creating safer workplaces (“Researchers have consistently found that workers who are new to a certain type of work, or have recently transitioned to a new employer, are more likely to sustain a workplace injury.” *Beyond the Chilling Effect: Immigrant Worker Behavior and the Regulation of Occupational Safety and Health*, 14 Empl. Rts. & Employ. Pol’y J. 267, 291 (citing to Fred Siskind, Another Look at the Link Between Work Injuries and Job Experience, Monthly Lab. Rev., Feb. 1982, at 38, 40 (1982); Bena A, Giraudo M, Leombruni R, Costa G. Job tenure and work injuries: a multivariate analysis of the relation with previous experience and differences by age. BMC Public Health. 2013 Sep 22;13:869); and

Whereas, by gathering information from applicants for licenses and permits, the public and the City’s planners will be able to better understand the impacts of high-intensity UDCs and e-commerce to be able to refine and improve regulations of this industry in the future; and

Whereas, the City of Chicago can incentivize development through building permit fast-tracking and relief from parking ratio requirements; and

Whereas, the City of Chicago is a home-rule municipality and has the legal authority to legislate for the health, safety and public welfare of its residents, including reasonable zoning procedures, licensure requirements, and worker protections for people who are working in the City; and

Whereas, the City of Chicago requires licenses for numerous businesses, including certain types of delivery businesses, including bicycle messenger services (see Chicago Municipal Code (CMC) Title 4, Chapter 4-168); and

Whereas, the City of Chicago regularly requires licensees or potential licensees to avoid violating laws, regulations, and ordinances that bear on their ability to operate a business safely, ethically, and in a manner that would not call into question their character and fitness (see *inter alia* CMC 4-36-050(L); CMC 4-68-120; CMC 4-227-030(a)(3),(4); CMC 4-227-040(a)(2)); and

Whereas, regulation of this industry will benefit from a comprehensive approach that ensures that communities, neighbors, and workers are given opportunities to receive information and contribute information to the City when decisions are being made regarding new developments and licenses, and workers' conditions are made safer to serve both themselves and the public interest in safe and orderly streets and sidewalks;

THEREFORE,

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

SECTION 1. Section Sec. 17-17-0105-E of the Municipal Code of Chicago is hereby amended by inserting the language underscored,
(omitted text is unaffected by this ordinance)

4. Last Mile Warehouse. A building of 30,000 square feet or greater, where forty percent (40%) or more of floor area is for the purpose of sorting, storing and/or loading of goods and packages to be put out for intra or interstate delivery, and meets one or both of the following criteria: (a) goods and packages received and sorted at the building are delivered directly to consumers, and 50 percent (50%) or more of orders fulfilled at such facility are placed through a website or mobile application with one brand or trade name or a common brand, trade, business or operating name, that offers, facilitates or otherwise offers consumers goods for direct delivery; or (b) is greater than 49,000 square feet and operates as a transloading warehouse, where freight, goods or packages are moved between different vehicle types such as semi-trailer truck and vans or trucks; cold storage warehouse; or high-cube storage warehouse; and delivery is made to retail, grocery, or wholesale retail businesses. Residential Storage Warehouses and Container Storage Warehouses shall not be considered Last Mile Warehouses.

5. E-Commerce Fulfillment Centers. A building of 150,000 square feet or greater, where the primary purpose is the receipt, sorting and delivery of goods and packages to a Last Mile Warehouse or to both Last Mile Warehouse Facilities and directly to consumers, and fifty percent (50%) or more of orders for goods fulfilled at such center are placed through a website or mobile

application with one brand or trade name or a common brand, trade, business or operating name, that offers, facilitates or otherwise offers consumers goods for direct delivery.

SECTION 2. Sec. 17-5-0207 and Table 17-5-0207 of the Municipal Code of Chicago is hereby amended by inserting the language underscored,
(omitted text is unaffected by this ordinance)

HH. Warehousing, Wholesaling and Freight Movement (except as more specifically regulated)		P	P	P	§ 17-9-0117 & § 17-9-0108.1	§ 17-10-0207-U
4.	<u>Last Mile Warehouse</u>	=	=	<u>S</u>	<u>§ 17-9-0117</u>	<u>§ 17-10-0207-U</u>
5.	<u>E-Commerce Fulfillment Center</u>	=	=	<u>S</u>	<u>§ 17-9-0117</u>	<u>§ 17-10-0207-U</u>

SECTION 3. Sec. 17-13-0902-B of the Municipal Code of Chicago is hereby amended by inserting the language underscored,
(omitted text is unaffected by this ordinance)

4. Warehousing, Wholesaling and Freight Movement-related Uses. In addition to any other general information required to be submitted with a special use application, the following specific information must accompany any special use application for a Last Mile Warehouse , or E-Commerce Fulfillment Center:

(a) A closure plan describing the proposed engineering and other technical measures to be undertaken to terminate operation of a facility and to render the site or facility stable and safe for the public health and environment as well as a description of the proposed utilization of the site or facility after closure is complete if any. Such closure plan shall include provisions for adequate security and lighting.

(b) The means by which the Owner or Operator shall provide for fence-line monitoring of air quality at the facility;

(c) The existence and terms of a Bona Fide Community Benefits Agreement, if any. The existence of a Project Labor Agreement, if any.

(d) Express acknowledgment by the Applicant that all materials submitted in support of foregoing requirements in this Sec. 17-13-0902-B (4), shall be available for public inspection under the Illinois Freedom of Information Act, except for any materials exempt from disclosure under 5 ILCS 140/7. The acknowledgment shall include waiver of exemption under 5 ILCS 150/7(g).

SECTION 4. Sec. 17-13-0905 of the Municipal Code of Chicago is amended to add Sec. 17-13-0905-H, inserting the language underscored,
(omitted text is unaffected by this ordinance)

17-13-0905-H Last Mile Warehouse , or E-Commerce Fulfillment Center uses

1. Definitions.

As used in this section,

“Bona Fide Community Benefits Agreement” means a legally enforceable bilateral or multilateral agreement between an Owner or Operator and local community representatives, not-for-profit organizations, homeowners’ associations and/or labor organizations, which contains specific provisions that mitigate and reduce potential adverse public health, environmental, social and economic impacts of a Last Mile Warehouse and/or E-Commerce Fulfillment Center. A Bona Fide Community Benefits Agreement shall include a provision for judicial enforcement of the provisions of the agreement and payment of reasonable attorneys’ fees for successful enforcement of the agreement against the Owner or Operator. For purposes of this definition “local” as applied to community representatives, not-for-profit organizations, and homeowners’ associations shall mean with a residential or office address within 2,600 feet of the site of the licensed Last Mile Warehouse and/or E-Commerce Fulfillment Center.

“Owner or Operator” means any person who has legal title to any property with a Last Mile Warehouse and/or E-Commerce Fulfillment Center; who has charge, care, or control of a Last Mile Warehouse and/or E-Commerce Fulfillment Center; who is in possession of a Last Mile Warehouse and/or E-Commerce Fulfillment Center or any part thereof; and/or who is entitled to control or direct the management of a Last Mile Warehouse and/or E-Commerce Fulfillment Center.

2. Specific Criteria. No *special use* application for a Last Mile Warehouse , or E-Commerce Fulfillment Center use, including within a PMD, may be approved unless the Zoning Board of Appeals finds that the *special use* meets the General Criteria of Sec. 17-13-0905 and all of the following specific criteria, except that none of the below shall abrogate or limit the authority of the City to deny an application based on its general authority, and that should these required specific findings conflict with any requirements in this Code applicable to Last Mile Warehouses

and/or E-Commerce Fulfillment Centers, the more restrictive requirements shall prevail, where the more restrictive provision is the one that imposes greater restrictions or more stringent controls on development:

(a) The Zoning Board of Appeals may consider, but shall not exclusively rely on, the mitigations and commitments contained in a Bona Fide Community Benefits Agreement and/or a Project Labor Agreement as defined in 30 ILCS 571/5(b), in determining whether adverse impacts have been mitigated.

3. Required Conditions of Approval.

(a) Owner or Operator, or qualified solar provider engaged by the Owner or Operator, shall include an application to construct a photovoltaic solar energy system(s) with its building permit application for the proposed project building(s). The photovoltaic solar energy system shall be installed and operational prior to issuance of a certificate of occupancy for the building. The photovoltaic solar energy system owner shall be responsible for maintaining the system(s) at not less than 80% of the rated power for 20 years. At the end of the 20-year period, the building owner shall install a new photovoltaic solar energy system meeting the capacity and operational requirements of this measure, or continue to maintain the existing system, for the life of the facility.

(b) Prior to issuance of occupancy permits, the Owner or Operator shall demonstrate to the satisfaction of the City, that the proposed parking areas for employee passenger automobiles are designed and include electric vehicle (EV) charging stations, at no cost to employees. At minimum, the constructed parking will provide a number of EV charging stations equal to 3 stations per nine parking spaces, or forty five percent (45%) of total parking spaces where there are over 150 spaces.

(c) At the time of building permit submittal, the Owner or Operator shall commit in writing to provide to the Department annual reports of the results of fence-line monitoring of air quality at the facility.

(d) Architectural and industrial maintenance coatings (e.g., paints) applied on the project site shall have volatile organic compound levels of less than 10 g/L.

(e) The portion of a building's rooftop that is not covered with solar panels or other utilities shall be constructed with cool roofing materials with aged reflectance and thermal emittance values that are equal to or greater than a solar reflective index ("SRI") of not less than 78, or the standard in any Chicago Green Building Standards Code in force and effect, if it is greater. This material shall be the minimum solar reflective rating of the roof material for the life of

the building. Cool surface treatments shall be added to all drive aisles and parking areas or such areas shall be constructed with a solar-reflective cool pavement such as concrete.

(f) Should these conditions conflict with any requirements in this Code otherwise applicable to Last Mile Warehouses and/or E-Commerce Fulfillment Centers, the more restrictive requirements shall prevail. The more restrictive provision is the one that imposes greater restrictions or more stringent controls on development.

4. Facilities subject to the requirements of this Chapter shall qualify for the Department of Buildings Developer Services Program at the request of the applicant.

5. The Office of the Zoning Administrator may, in their discretion and upon consultation with the relevant Departments, and at the request of the applicant for a project subject to the requirements of this Chapter, reduce the parking ratio applicable to such facility by up to twenty-five percent (25%).

SECTION 5. Title 11, Chapter 11-4, Article II, Part C of the Municipal Code of Chicago is hereby amended by inserting the language underscored,

11-4-790 Last Mile Warehouse and E-Commerce Fulfillment Center Mobile Source Standards.

(a) Definitions. As used in this Chapter,

“Class 2b Truck” means a truck with a Gross Vehicle Weight Rating (“GVWR”) of 8,501 to 10,000 pounds.

“Class 3 Truck” means a truck with a GVWR of 10,001 to 14,000 pounds.

“Class 4 Truck” means a truck with a GVWR of 14,001 to 16,000 pounds.

“Class 5 Truck” means a truck with a GVWR of 16,001 to 19,500 pounds.

“Class 6 Truck” means a truck with a GVWR of 19,501 to 26,000 pounds.

“Class 7 Truck” means a truck with a GVWR of 26,001 to 33,000 pounds.

“Class 8 Truck” means a truck with a GVWR of 33,001 or greater.

“Tractor” means a Class 7 or 8 truck designed to pull a semi-trailer.

“Truck Trip” means the one-way trip a truck or Tractor makes to or from a site with at least one Last Mile Warehouse or E-Commerce Fulfillment Center for later distribution to other locations.

A truck or Tractor entering a Last Mile Warehouse or E-Commerce Fulfillment Center and then leaving that site counts as two trips.

“Zero Emission (ZE) Truck” or “ZE Tractor” means a truck or Tractor with a zero-emissions powertrain that produces zero exhaust emission of any criteria pollutant (or precursor pollutant) or greenhouse gas under any possible operational modes or conditions.

(b) Truck Trip Requirements. Pursuant to their authority under Section 2-112-110(b)(6) of the Code, the Commissioner shall within six months of the effective date of the ordinance amending this Part, and thereafter once no less than every two years, publish in a Commissioner’s Report truck trip requirements for Last Mile Warehouses and/or E-Commerce Fulfillment Centers facilities. These requirements shall state the minimum percentages of Truck Trips to and from Last Mile Warehouses and/or E-Commerce Fulfillment Centers that must be carried out by ZE Trucks or Tractors. The Owner or Operator of Last Mile Warehouses and/or E-Commerce Fulfillment Centers shall ensure that the published requirements are satisfied. The requirements shall be set to best protect the public health while considering achievability based on the availability and use of ZE Trucks and Tractors. In no case shall the requirements fall below the following:

(i) Of the total annual Truck Trips to and from a Last Mile Warehouse and/or E-Commerce Fulfillment Center carried out by non-Tractor trucks in Classes 2b through 8,

(A) at least forty percent shall be carried out by a ZE Truck each year beginning in the 2028 calendar year through the end of the 2029 calendar year;

(B) at least ninety five percent shall be carried out by a ZE Truck each year beginning in the 2030 calendar year and beyond.

(ii) Of the total annual Truck Trips to and from a Last Mile Warehouse and/or E-Commerce Fulfillment Center carried out by Class 7 and 8 Tractors:

(A) at least forty percent shall be carried out by a ZE Tractor each year beginning in the 2029 calendar year through the end of the 2032 calendar year;

(B) At least ninety five percent shall be carried out by a ZE Tractor each year beginning in the 2033 calendar year and beyond.

(iii) In each calendar year, the Owner or Operator shall keep and maintain a contemporaneous record of:

(A) The total number of Truck Trips to and from the Last Mile Warehouse and/or E-Commerce Fulfillment Center, including the number of total trips by (i) non-Tractor trucks in Classes 2b through 8; and (ii) Class 7 and 8 Tractors; and

(B) The total number of ZE Truck Trips to and from the Last Mile Warehouse and/or E-Commerce Fulfillment Center, including the number of total trips by (i) non-Tractor ZE Trucks in Classes 2b through 8; and (ii) Class 7 and 8 ZE Tractors.

(iv) The records required under this subdivision shall be certified by an authorized official. For purposes of record certification, an authorized official is defined as an individual who has knowledge and responsibility for actions required by this article, and who has been authorized by an officer of the Owner or Operator to submit and certify the accuracy of the data presented in these records, on behalf of the Owner or Operator, based on best available knowledge.

(v) By January 31 of each year the Owner or Operator shall submit to the City the records required under this subdivision for the preceding calendar year. The owner or operator shall maintain copies of these records for at least five years from the date of their submission to the City.

(c) Additional Requirements of Commissioner's Report. The Commissioner shall also include in such report: (i) standards for temporary replacement of out of service vehicles; (ii) procedures for applications for exceptions to the requirements in subsection (b) above; (iii) procedures for compliance reporting by owners or operators of Last Mile Warehouse and/or E-Commerce Fulfillment Centers; (iv) a list of owners or operators of Last Mile Warehouses and/or E-Commerce Fulfillment Centers found to be out of compliance with the promulgated standards.

(d) Limitations Applicable to Commissioner's Report. (i) Notwithstanding subsections (b) and (c) above, should the Commissioner be presented with credible evidence that the requirements to be published in their report are not achievable based on the availability and use of ZE Trucks/Tractors (such as the number of ZE Trucks and Tractors sold, registered, and/or currently operating in the state), or that such requirements would violate federal or state law, the Commissioner may revise the requirements to the minimum extent necessary to avoid such violation(s) or to ensure achievability of the requirements. Prior to any such revision, the Commissioner shall publish notice of intent to revise these requirements and hold open a thirty-day period (the "Comment Period") in which the public and interested parties may submit evidence to their office. The Commissioner shall not set lower requirements to take effect after January 1, 2045.

(ii) Should the Commissioner intend to publish requirements less stringent than those required in subsections (b) and (c) above based on credible evidence, the Commissioner shall, upon publication of notice of the Comment Period, issue written notice to the Mayor and to the City Council, with attention to the Chair of the relevant City Council Committee, and including details as to the credible evidence presented and/or any legal limitations.

(e) Enforcement and Penalties. The Commissioner shall in the first publication after adoption of this ordinance make recommendations to the Mayor and City Council for appropriate enforcement and penalty provisions for failure to comply with the clean fleet requirements.

(f) Commissioner's Rulemaking Authority Transferred. Should the Commissioner's rule-making authority to promulgate regulations necessary for proper implementation of environmental regulations be transferred to another Department or Commissioner, that Department or Commissioner shall assume the above duties.

(g) Conflicts. Where a conflict exists between the requirements of this section and requirements contained in any other parts of this Code, the more restrictive requirements shall prevail. The more restrictive provision is the one that imposes greater restrictions or more stringent controls on development.

(h) Purpose. The purpose of this subdivision is to more fully enable the City to protect and maintain the health of its residents by reducing the emissions of harmful air pollutants from Last Mile Warehouse and E-Commerce Fulfillment Center operations in the City. Compared to other types of developments permitted within the City, these facilities emit substantial and disproportionate quantities of air pollutants, including nitrogen oxides (NOx) and particulate matter (PM). NOx and PM can cause significant adverse public health impacts, including increasing the incidences of asthma, heart attacks, and death. These impacts tend to be most severe in communities located closest to these types of facilities; within the City, such communities also tend to have higher minority population rates and higher poverty rates. The trucks that travel to and from these facilities are the largest contributors to the facilities' overall emissions of NOx and PM. Accordingly, the City can address the public health impacts of these facilities only by exercising its authority to place restrictions on the use of on-road mobile sources associated with these facilities as a condition of approval for required land use permits.

(i) Severability and Intent. If any subsection, sentence, clause, phrase or word of this section or any application thereof to any person or circumstance, is held to be invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions or applications of the section. The City Council hereby declares that it would have passed this chapter and each and every section, subsection, sentence, clause, phrase, and word not declared invalid or unconstitutional without regard to whether any other portion of this chapter or application thereof would be subsequently declared invalid or unconstitutional.

SECTION 6. Title 4 of the Municipal Code of Chicago is hereby amended by inserting the language underscored,

(omitted text is unaffected by this ordinance)

Chapter 4-500

E-Commerce and Last Mile Facilities

4-500-010 Definitions

4-500-020 License Required

4-500-025 Application

4-500-030 Inspections Required

4-500-040 Reserved

4-500-050 Penalties

4-500-010 Definitions.

As used in this chapter:

“Consumer” and “Consumers” means a retail customer or customers in the City of Chicago from whom a merchant received an offer to purchase a product.

“Last Mile Warehouse.” Last Mile Warehouse. A building of 30,000 square feet or greater, where forty percent (40%) or more of floor area is for the purpose of sorting, storing and/or loading of goods and packages to be put out for intra or interstate delivery, and meets one or both of the following criteria: (a) goods and packages received and sorted at the building are delivered directly to consumers, and 50 percent (50%) or more of orders fulfilled at such facility are placed through a website or mobile application with one brand or trade name or a common brand, trade, business or operating name, that offers, facilitates or otherwise offers consumers goods for direct delivery; or (b) is greater than 49,000 square feet and operates as a transloading warehouse, where freight, goods or packages are moved between different vehicle types such as semi-trailer truck and vans or trucks; cold storage warehouse; or high-cube storage warehouse; and delivery is made to retail, grocery, or wholesale retail businesses. Residential Storage Warehouses and Container Storage Warehouses shall not be considered Last Mile Warehouses.

“E-Commerce Fulfillment Centers.” A building of 150,000 square feet or greater, where the primary purpose is the receipt, sorting and delivery of goods and packages to a Last Mile Warehouse or to both Last Mile Warehouse Facilities and directly to consumers, and fifty percent (50%) or more of orders for goods fulfilled at such center are placed through a website or mobile application with one brand or trade name or a common brand, trade, business or operating name, that offers, facilitates or otherwise offers consumers goods for direct delivery.

“Last Mile Distribution Network” means more than one Last Mile Warehouse and/or E-Commerce Fulfillment Center, owned, controlled, and/or operated by one person where at least fifty percent (50%) of orders fulfilled at such centers are placed through a website or mobile application with one brand or trade name or a common brand, trade, business or operating name, that offers, facilitates or otherwise offers consumers goods for direct delivery that will be fulfilled through a last-mile distribution center.

“Pattern or practice of violations” shall mean three (3) or more violations in any two-year period in the previous five (5) years, or four (4) or more violations in the previous five (5) years, attributable to the licensee, or any corporate or legal parent or subsidiary thereof, where such subsidiary is dominated and controlled by the licensee.

“Person” has the meaning ascribed to the term in Section 1-4-090.

“Violation,” as applied to any city, state or federal law, means a finding by a court of law or a final agency determination that the applicant or licensee violated a law or regulation.

4-500-020 License Required; Licensure Requirements.

(a) License required. 1. Beginning twelve (12) months after passage and adoption of this Ordinance, it shall be unlawful for any person to engage in business as a Last-Mile Warehouse, Last-Mile Distribution Network, or E-Commerce Fulfillment Center, without a valid license, as required by this section, for each place of business in which such a person operates such facility or facilities.

2. It is unlawful for a person to permit any premises under such person’s control to be used by any other person in violation of paragraph 1 of this subdivision.

(b) Pre-existing operations. 1. For business operations that would be subject to the requirements of this Chapter in existence at the time of the passage and adoption of this Ordinance, an initial application for a license shall not be required for fifteen (15) months after passage and adoption of this Ordinance.

2. Within six months of the passage and adoption of this Ordinance, the Commissioner shall provide written guidance regarding licensure to be made available to any pre-existing business operations that are subject to the requirements of this Chapter.

4-500-025 Application.

(a) 1. In order to obtain or renew a license to engage in business under this Chapter, a person shall file an application with the Commissioner for a Last Mile Facilities, Last Mile Distribution Network, or E-Commerce Fulfillment Center License, for each place of business that the applicant desires to use for the operation of a Last Mile Warehouse , E-Commerce Fulfillment Center, or Last Mile Distribution Network, in the City. The application for each such license or renewal thereof shall be made upon such form as prescribed by the Commissioner.

2. The Commissioner shall require at least the following elements be included in the license application:

(A). For initial applications, notarized certifications of each of the following:

(i). For initial applications for licenses and renewals thereof, that the applicant or licensee is in compliance with all City of Chicago zoning ordinance requirements lawfully applicable to the facilities being licensed;

(ii). For initial applications for licenses and for renewals thereof, whether the applicant or licensee is party to a Bona Fide Community Benefits Agreement and/or collective bargaining agreement, and a copy of the Bona Fide Community Benefits Agreement if any

(B.) For renewal applications, in addition to the requirements of an initial application, a report stating the make, type, size, weight, and number of vehicles used for delivery of parcels, and the approximate number of parcels delivered, to Consumers since the previous issuance or renewal of the license;

3. An applicant for a license or renewal thereof under this section shall disclose to the Commissioner any finding by a court of law or any final federal, state or local agency determination that the applicant or a principal or owner of such applicant committed a Violation of any city, state, or federal law relating to highway or road safety, unfair trade practices, worker protection, compensation, safety or discrimination or the protection of the environment. A pattern or practice of violations of city, state or federal law relating to highway or road safety, unfair trade practices, worker protections, compensation, safety or employment discrimination, or the protection of the environment, by an applicant shall be grounds for denial of a license or renewal of a license, except that no violations occurring earlier than the date of passage and adoption of this Ordinance shall be counted. For purposes of this paragraph, "principal or owner" shall have the meanings found in Sections 11-4-2525(b) and 11-4-2525(c) of Title 11.

4. Notice. (A) Applicants for a license under this Chapter shall cause to be posted on the property or properties sought to be licensed a posted notice of an application for a license. This posting shall be posted within five days of submittal of the application and remain until final approval or final denial of the application. If an appeal is filed, the notice shall remain until the appeal is resolved. The posting shall be removed within five days of final disposition of the application. The posting shall conform to the requirements of Section 17-13-0107C subds. (3) and (4) of the Code.

(B) Applicants for a license under this Chapter shall within fifteen (15) days of the application submittal, cause to be sent written notice of the application by first-class mail to all property owners within 250 feet of the subject property, the alderman of the ward in which the subject property sits, and the subject property's owner. The notice shall conform to the requirements of Section 17-13-0107-A subds. 3, 4 and 5 of the Code.

5. In addition to the requirements of this chapter, the application for a license or renewal of a license under this Chapter shall be subject to the requirements of Section 4-4-060 subd. (a), (c.), and (d) and Section 4-4-070, and any land use, zoning, and special use requirements.

6. In addition to the requirements of this chapter, the application for a license or renewal of a license under this Chapter shall require express acknowledgment by the Applicant that all materials submitted in support of foregoing requirements in this Section, shall be available for public inspection under the Illinois Freedom of Information Act, except for any materials exempt from

disclosure under 5 ILCS 140/7. The acknowledgment shall include waiver of exemption under 5 ILCS 150/7(g).

4-500-030

Inspections required.

Every facility licensed under this Chapter in the City shall be inspected under and by authority of the Fire Commissioner at least once every year. Such inspection shall be made for the purpose of determining whether or not such warehouses comply with all of the laws of the State and the provisions of this Code relating to fire prevention and public safety in case of fire, and for the purpose of determining if such establishments are so dangerous as to constitute a nuisance or to be a menace to the safety of the public or to adjoining property.

4-500-040 Fee and License Term; Appeals and Revocation

(a) 1. There shall be an annual fee of \$250 for a license to engage in the business of a last-mile warehouse at each location where a last-mile warehouse operates in the city. The term of a license shall be one (1) year and shall renew automatically for a period of three years, after which period the licensee may apply for renewal of the license.

2. There shall be an annual fee of \$500 for a license to engage in the business of a Last-Mile Distribution Network. The term of a license shall be one (1) year and shall renew automatically for a period of three years, after which period the licensee may apply for renewal of the license.

3. There shall be an annual fee of \$1,000 for a license to engage in the business of an E-Commerce Fulfillment Center. The term of a license shall be one (1) year and shall renew automatically for a period of three years, after which period the licensee may apply for renewal of the license.

(b) 1. Any license issued under this chapter may be suspended or revoked by the Commissioner, in a manner provided by law, for the failure of a licensee to comply with any applicable provision of law or any rule duly promulgated by the Commissioner. It is unlawful for a facility or facilities which must be licensed under this chapter to operate if the license or any facility in such network has been suspended or revoked.

2. A license issued under this chapter shall be subject to the procedures in Section(s) 4-4-280, 4-4-281, 4-4-282, 4-4-283, and 4-4-285. Any adverse action on a license issued under this chapter may be appealed in the manner provided by law.

4-500-050 Penalties

(a) Any person violating any provision of this chapter shall be fined not less than \$500.00 nor more than \$5000.00 for each offense, and every day that such violation shall continue shall constitute a separate and distinct offense.

(b) Any person found to be in violation of any provision of this Chapter shall have their license subject to suspension or revocation.

(c) Any license issued under this Chapter may be suspended or revoked by the Commissioner, in a manner provided by law, for the failure of a licensee to comply with any applicable provision of law or any rule duly promulgated by the Commissioner or any provision of this Chapter, or other Chapters or Sections of the Municipal Code applicable to Last Mile Warehouses, E-Commerce Fulfillment Centers, or Last Mile Distribution Networks. It shall be unlawful for a Last Mile Warehouse, E-Commerce Fulfillment Center, or Last Mile Distribution Network to operate if the license for any distribution center in such network has been suspended or revoked.

(d) A licensee under this Chapter may seek review, in the office of administrative trials and hearings, of a determination by the Commissioner that such license has been suspended or revoked within 30 days of receiving written notification of such determination.

(e) Pattern or practice of violations. The Commissioner shall deny any application for a license under this Chapter or renewal thereof, or revoke or suspend any such license, in a manner provided by law, if the applicant or licensee has engaged in a Pattern or Practice of Violations of city, state or federal law relating to highway or road safety, unfair trade practices, worker protection, compensation, safety or discrimination or the protection of the environment in connection with operating a facility defined in this Chapter, subject to the Safe Harbor provision of this Chapter.

(f) If a person fails to pay any fine, assessment of costs or other sum of money owed to the city pursuant to an order of the department, a court order or an order of the department of administrative hearings within 30 calendar days of such fine, assessment or sum of money becoming a debt due and owing to the city within the meaning of Chapter 1-19 of this Code, such person's license may be suspended or revoked by the department in accordance with the requirements set forth in Section 4-4-280. If the license is suspended, the suspension shall remain in effect until such time that the fine, assessment of costs or other sum of money is paid in full. If the license is revoked, the licensee shall be barred from applying for a new or different city license for a period of one year after the date of revocation.

(h) Safe harbor provision. A licensee under this Chapter may seek safe harbor protection from the penalties provided for in this Chapter, including fines, suspension and revocation of their license, if: (1) the licensee informs the Commissioner, in writing on a form of the Commissioner's creation, dated and notarized, of the omission or violation, with specific reference to the provision(s) violated and the specific facts of the violation, within thirty (30) days of the discovery of said omission or violation; and

(2) the report to the Commissioner states that the omission or violation has been corrected, cured or eliminated, or shall be corrected, cured or eliminated within thirty (30) days, and the facts supporting such statement; and

(3) the licensee has not invoked the protection of this safe harbor provision in the previous twelve (12) months, nor twice in the previous thirty-six (36) months; and

(4) no more than six months have passed since the first date of the violation of omission; and

(5) A correction, cure or elimination shall be considered sufficient where (A) the predicate requirements of this Chapter have been met or are in the process of being met within thirty (30) days; and (B) the written statement contains a certification by an agent of the licensee that a record of the omission or violation shall be kept by the licensee for a period of three years and be made available for inspection by the Commissioner or an agent thereof for that period.

(i) Licensees under this Chapter shall be subject to the requirements of Sections 4-4-170; 4-4-175; 4-4-190; 4-4-260; 4-4-283; 4-4-285; 4-4-289; 4-4-320; 4-4-322; and in addition to the Penalty provisions of this Chapter, Section 4-4-280

SECTION 7. Title 6 of the Municipal Code of Chicago is hereby amended by inserting the language underscored,

(omitted text is unaffected by this ordinance)

Chapter 6-140

Heavy Distribution Warehouse, E-Commerce and Last Mile Warehouse Workers

6-140-010 Definitions

6-140-020 Workers Generally

6-140-030 Electronic Monitoring and Quotas

6-140-035 Worker Training Requirements

6-140-040 Written Terms of Employment

6-140-050 Retaliation Prohibited

6-140-055 Reserved

6-140-060 Enforcement and Penalties

6-140-070 Civil penalties to be budgeted separately

6-140-010 Definitions.

As used in this chapter,

“Adverse Action” means threatening, intimidating, disciplining, discharging, demoting, suspending or harassing an employee, adversely reducing the hours or pay of an employee,

informing another employer that an employee has engaged in activities protected by this chapter, discriminating against the employee without the employee's consent, actions related to perceived immigration status or work authorization, or assessing any demerit, occurrence, any other point, or deductions from an allotted bank of time, which subjects or could subject an employee to disciplinary action, which may include, but not be limited to, failure to receive a promotion or a loss of pay.

"Consumer" means a retail customer in the City of Chicago from whom a merchant received an offer to purchase a product.

"Core Delivery Services" means the subset of core services that involves transporting and delivering packages or goods to City of Chicago consumers, subject to the exceptions in the definition of core services.

"Core Services" means delivering packages or goods from a Covered Warehouse to Consumers on a Part-Time or full-time basis, other than facilitating or arranging for the delivery of goods solely by commercial motor vehicles required by federal law, rule or regulation to be registered with the federal motor carrier safety administration; or any person who on a part-time or full-time basis moves, sorts, packs, loads, or unloads goods, packages or freight intended to be delivered from a Covered Warehouse located within the geographical boundaries of the City of Chicago.

"Core Warehouse Services" means the subset of core services that involves sorting and handling of packages within a Covered Warehouse in the City of Chicago, subject to the exceptions in the definition of core services.

"Covered Employer" means a person employing natural persons to work in a Heavy Distribution Warehouse, Last Mile Distribution Network, E-Commerce Fulfillment Center, or Last Mile Warehouse to perform Core Services in the City of Chicago on a part-time or full-time basis.

"Covered Warehouse" means a Last Mile Warehouse , E-Commerce Fulfillment Center, and/or Heavy Distribution Warehouse.

"Electronic monitoring" means the collection of information concerning worker activities, communications, actions, biometrics, or behaviors by electronic means including, but not limited to, video or audio surveillance, electronic work speed data and other means but shall not include any processes already covered or prohibited by 820 ILCS 55/ or 740 ILCS 14/.

"E-Commerce Fulfillment Centers" means a building of 150,000 square feet or greater, where the primary purpose is the receipt, sorting and delivery of goods and packages to a Last Mile Warehouse or to both Last Mile Warehouse Facilities and directly to consumers, and 30 percent or more of orders for goods fulfilled at such center are placed through a website or mobile

application with one brand or trade name or a common brand, trade, business or operating name, that offers, facilitates or otherwise offers consumers goods for direct delivery.

“Last Mile Distribution Network” has the meaning found in 4-500-010

“Last Mile Warehouse ” means a building of 30,000 square feet or greater, where forty percent (40%) or more of floor area is for the purpose of sorting, storing and/or loading of goods and packages for intra or interstate delivery, and meets one or both of the following criteria: (a) goods and packages received and sorted at the building are delivered directly to consumers, and 50 percent (50%) or more of orders fulfilled at such facility are placed through a website or mobile application with one brand or trade name or a common brand, trade, business or operating name, that offers, facilitates or otherwise offers consumers goods for direct delivery; or (b) is greater than 49,000 square feet and operates as a transloading warehouse, where freight, goods or packages are moved between different vehicle types such as semi-trailer truck and vans or trucks, cold storage warehouse, or high-cube storage warehouse, and delivery is made to retail, grocery, or wholesale retail businesses. Residential Storage Warehouses and Container Storage Warehouses shall not be considered Last Mile Warehouses.

“Heavy Distribution Warehouse” means any building of greater than 59,000 square feet where freight, packages or goods are sorted or otherwise prepared for distribution of pallet loads to retail establishments or other warehouses, or that include temperature controlled facilities for perishable products, or any combination thereof.

“Employee work speed data” means information an employer collects, stores, analyzes, or interprets relating to an individual employee's or group of employees' pace of work, including, but not limited to, quantities of tasks performed, quantities of items or materials handled or produced, rates or speeds of tasks performed, measurements or metrics of employee performance in relation to a quota, and time categorized as performing tasks or not performing tasks. Notwithstanding the preceding sentence, it does not include qualitative performance assessments, personnel records, or itemized wage statements, except for any content of those records that includes employee work speed data.

“Part-Time” shall mean at least eight hours of work in any thirty-day period in the City of Chicago, but less than full-time as defined by the Illinois Minimum Wage Law and its implementing regulations.

“Protected Conduct” means expressing advocacy of or opposition to industrial practices, or environmental, economic, or social regulations or policies bearing on the industries covered by this chapter, including the reporting to a state or local agency, to any government official elected or appointed, or to the public, working, environmental or safety conditions believed in good faith to be adverse or unsafe.

“Quota” means a work standard under which: (a) an employee or group of employees is assigned or required to perform: at a specified productivity speed; or a quantified number of tasks, or to

handle or produce a quantified amount of material, or perform without a certain number of errors of defects, as measured at the individual or group level within a defined time period; or

(b) an employee's actions are categorized between time performing tasks and not performing tasks, and the employee's failure to complete a task performance standard or recommendation may have an adverse impact on the employee's continued employment or the conditions of such employment.

6-140-020 Workers generally.

(a) Any person who delivers packages or goods from a Covered Warehouse to Consumers on a Part-Time or full-time basis shall be an employee of the Owner or Operator of the Covered Warehouse, except that this section shall not apply to any person that facilitates, offers or arranges for the delivery of goods solely by commercial motor vehicles required by federal law, rule or regulation to be registered with the federal motor carrier safety administration. This provision shall take effect on the first day of the thirteenth month after passage and adoption of this ordinance. Extensions shall be granted for Covered Employers who contract with a third-party agency to supply workers otherwise covered by this subdivision (a) where the contract with such agency was in existence prior to passage and adoption of this ordinance and extended beyond the date of passage and adoption of this ordinance, but no extension shall extend later than the last day of the twelfth month after this section (a) becomes effective.

(b) It shall be an additional violation of 6-140-020(a) of this Chapter for any Owner or Operator of a Covered Warehouse to fail to comply with the following requirements: (i) For each delivery to Consumers from a Covered Warehouse made by persons not directly employed by the owner or operator of the Covered Warehouse who would otherwise be covered by Section 6-140-020(a), Covered Employers shall maintain a record of the delivery including the identity of the person completing such delivery, including their contact information, proof of commercial auto insurance coverage, driving record and full list of any moving violations; the registration and make and model of the vehicle by which the delivery was made, and the address of the Consumer and approximate time of delivery; (ii) Requiring that each delivery person delivering parcels to a Consumer on at least a Part-Time basis has the name and contact information of their employer clearly and prominently displayed on their uniform and on their delivery vehicle. The name of their employer must be displayed more prominently than the name of any non-employer entity; (iii) For each delivery worker retained to deliver parcels to Consumers on behalf of the Owner or Operator of a Covered Warehouse on at least a Part-Time basis, the Owner or Operator of the Covered Warehouse must post bond in the amount of \$500,000, to be held by the Commissioner in a fund. Such fund shall be made available in the event any person injured or otherwise harmed in a road incident involving covered delivery workers obtains a judgment against such a delivery worker or their employer. These records shall be provided to the department on a semi-annual basis. This Section (b) shall take effect 12 months after its passage and adoption.

(c) Any person who provides Core Delivery Services on a part-time or full-time basis in a Covered Warehouse in the City of Chicago shall be an employee of the Owner or Operator of the Covered Warehouse.

6-140-030 Electronic monitoring and quotas.

a. Quota disclosure and records. 1. Each Covered Employer shall provide to each employee providing Core Services, upon hire, or within 30 days of the effective date of this section, a written description in the employee's preferred language of each quota to which the employee is subject and how it is measured, including the quantified number of tasks to be performed or materials to be produced or handled or the limit of time categorized as not performing tasks, within the defined time period, and any potential adverse employment action that could result from failure to meet the quota. Such description shall be updated in writing and provided to the employee no less than two days prior to the effective date of any modification of an existing quota or addition of a new quota. Each time an employer takes an adverse employment action against an employee based on failure to meet a quota, the employer shall provide that employee with the most recent 90 days of the employee's own personal work speed data.

2. An employee shall not be required to meet a quota that prevents compliance with meal, prayer, rest periods, use of bathroom facilities, including reasonable travel time to and from bathroom facilities, or occupational health or safety laws. An employer shall not take adverse employment action against an employee for failure to meet a quota that does not allow a worker to comply with meal, prayer and rest periods or occupational health and safety laws or for failure to meet a quota that has not been disclosed to the employee pursuant to this section.

3. Any actions taken by an employee to comply with occupational health and safety laws shall be considered time on task and productive time for purposes of any quota or monitoring system. Notwithstanding the preceding sentence, meal, prayer and rest breaks are not considered productive time unless the employee is required to remain on call.

4. Each Covered Employer shall establish, maintain, and preserve contemporaneous, true, and accurate records of the following:

(a) each employee's own personal work speed data;

(b) the aggregated work speed data for similar employees at the same establishment; and

(c) the written descriptions of each quota such employee was provided pursuant to this section.

5. Subsequent to any employee's separation from the employer, such records relating to the six month period prior to the date of the employee's separation from the employer shall be preserved for a period of time not less than three years subsequent to the date of such employee's separation and made available to the Commissioner upon request.

6. Nothing in this subdivision shall require an employer to keep such records if such employer does not use quotas as defined in this chapter or monitor work speed data.

b. Employee rights. 1. A current employee has the right to request a written description of each quota to which the employee is subject, a copy of the employee's own personal work speed data, and a copy of the prior six months of aggregated work speed data for similar employees at the same establishment.

2. A former employee has the right to request, within three years subsequent to the date of their separation from the Covered Employer, a written description of the quota to which they were subject as of the date of their separation, a copy of the employee's own personal work speed data for the six months prior to their date of separation, and a copy of aggregated work speed data for similar employees at the same establishment for the six months prior to their date of separation.

3. Such requested records pursuant to this subdivision shall be provided at no cost to the current or former employee upon the first request of such records. The employer cannot charge more than the actual reproduction costs for subsequent requests.

4. The Covered Employer shall provide such requested records pursuant to this subdivision as soon as practicable, provided that requested written descriptions of the quota shall be provided no later than two business days following the date of the receipt of the request and requested personal work speed data and aggregated work speed data shall be provided no later than seven business days following the date of the receipt of the request.

c. Sale prohibited. It shall be unlawful for an employer to sell for any consideration or otherwise distribute or provide to any third-party any employee work speed data or any other data collected by electronic monitoring, except as required by federal or state statute, or order of a court of competent jurisdiction.

d. Collective bargaining agreements not impaired or impeded. Subdivisions (a) and (b) of this Section shall not apply to employees covered by a valid collective bargaining agreement, if the agreement contains an express waiver for some or all of the barred conduct in exchange for valuable consideration.

e. None of the foregoing shall impede the enforcement or application of 820 ILCS 55/ or 740 ILCS 14/ or other relevant state statutes.

f. None of the foregoing shall prohibit or prevent more generous terms and conditions of employment for employees at a Covered Warehouse.

6-140-035 Worker Training Requirements

a. Certification and Designation. 1. The Commissioner or their designee shall establish a process whereby it will certify and designate at least one "Last-Mile Facility Training Organization."

2. In order to become certified as a designated Last-Mile Facility Training Organization, the organization shall meet requirements set forth by the department that shall include, but not be limited to, the following. The Last-Mile Facility Training Organization must have experience providing training to last-mile delivery workers, utilize interactive teaching strategies that engage across multiple literacy levels, and provide trainers and educators who are culturally competent and fluent in the language or languages that last-mile facility workers understand.

b. Training Program Requirements 1. The Last-Mile Facility Training Organization shall offer a " Last-Mile Facility Training Program" that includes no less than six hours of training, including live and interactive instruction, on the following elements:

A. Core delivery service worker rights and facility operator responsibilities under this chapter;

B. How to drive a delivery vehicle safely;
C. How to adhere to quota requirements and aggressive delivery routes while driving defensively;

D. When and where to make delivery stops along trafficked roads;
E. How to ensure the safety of pedestrians while making frequent stops; and
F. How to identify bike routes and protected bike lanes, and how to avoid making stops along such routes and lanes in such a way that might create a safety hazard for cyclists.

2. The Last-Mile Facility Training Organization may coordinate with a last-mile facility to ensure that training content aligns where appropriate with the facility's policies and procedures. Ultimate discretion regarding training content shall remain with the Last-Mile Facility Training Organization, subject to requirements set forth by the department.

3. Facility operators shall ensure that all workers providing Core Services on a Part-Time or full-time basis receive training by a last-mile facility training organization within 92 days of their first day of employment, and thereafter once per year. A last-mile facility shall contract with a certified last-mile facility training organization to conduct, no less than annually, a last-mile facility training program attended by each core employee operating out of the last-mile facility. A facility operator shall document compliance with the training requirement set forth in this section by completing and signing a form as required by the department to certify the dates that the training was conducted and the workers who attended.

c. Records. Each last-mile facility shall retain records sufficient to demonstrate compliance with this section, including a copy of a valid form attesting to compliance with the training program requirements.

6-140-040 Written Terms of Employment

a. Written Terms. 1. Covered Employers shall present the terms and conditions of employment to employees performing Core Services within sixty days of the effective date of this ordinance, and thereafter upon their employment. For purposes of this subdivision, a term or condition of employment shall include at a minimum, hourly wage rate, employee and employer contribution towards non-wage benefits, employee holidays, paid time off and leave benefits, severance payments if any, minimum hours on a weekly or monthly basis, and job responsibilities and duties.

2. Revisions to terms and conditions of employment shall be supported by consideration. Continued employment shall not be considered adequate consideration.

3. It shall be unlawful to terminate or indefinitely suspend an employee solely for failure to agree to a revised term or condition of employment.

b. Accumulation and use of leave. 1. An employee who is injured while on premises maintained by a Covered Employer, while seeking to enter premises maintained by the Covered Employer or while engaged in activities at the direction of a Covered Employer regardless of location shall be entitled to receive compensation for any outstanding portion of the shift during which such injury occurred.

2. A person performing Core Services who is tardy for the start of a shift shall not be docked any accrued leave time, whether paid or unpaid, in excess of the closest 15-minute increment to the amount of time they are tardy.

c. Collective Bargaining Agreements not Impaired. Nothing in this section shall impair or impede any provision of a valid collective bargaining agreement if the agreement contains an express waiver for some or all of the barred conduct in exchange for valuable consideration.

d. None of the foregoing shall prohibit or prevent more generous terms and conditions of employment for workers performing Core Services at a Covered Warehouse.

6-140-050 Retaliation prohibited.

a. No person shall take any Adverse Action against an employee of a Covered Warehouse that penalizes such employee for exercising or attempting to exercise any right protected under this Chapter or otherwise seek the protection of the provisions of this Chapter. An employee need not explicitly refer to this chapter or the rights enumerated herein to be protected from retaliation.

b. No person shall take any Adverse Action against an employee of a Covered Warehouse that penalizes such employee for, or is reasonably likely to deter such employee from, exercising or attempting to engage in any Protected Conduct. An employee need not explicitly refer to this chapter or the rights enumerated herein to be protected from retaliation.

6-140-055 Reserved

Reserved.

6-140-060 Administration and penalties.

a. Noticing and posting of rights. 1. The Commissioner or their designee shall publish and make available notices for employers to post in the workplace or at any job site informing employees of their rights protected under each subchapter of this chapter before the effective date of the local law that added each corresponding subchapter. Such notices shall be made available in a downloadable format on the city's website in accordance with the requirements for language access as described in chapter 2-40 of the Municipal Code of Chicago. The Commissioner shall update such notices if any changes are made to the requirements of this chapter or as otherwise deemed appropriate by the director.

2. In accordance with the rules of the department, every employer shall conspicuously post at any workplace or job site where any employee works the notices described in subdivision a of this section that are applicable to the particular workplace or job site. Such notices shall be in English and any language spoken as a primary language by at least five percent of employees at that location if the Commissioner has made the notice available in that language.

b. Recordkeeping 1. Employers shall retain records documenting their compliance with the applicable requirements of this chapter for a period of three years and shall allow the department to access such records and other information, consistent with applicable law and in accordance

with rules of the department and with appropriate notice, in furtherance of an investigation conducted pursuant to this chapter.

2. An employer's failure to maintain, retain or produce a record or other information required to be maintained by this chapter and requested by the department in furtherance of an investigation conducted pursuant to this chapter that is relevant to a material fact alleged by the department in a notice of violation issued pursuant to this subchapter creates a rebuttable presumption that such fact is true.

c. Administrative enforcement: jurisdiction and complaint procedures. 1. Jurisdiction. The Commissioner shall enforce the provisions of this chapter.

2. Complaints and investigations. A. Any person, including any organization, alleging a violation of this chapter may file a complaint with the department within two years of the date such person knew or should have known of the alleged violation.

B. Upon receiving such a complaint, the department shall investigate it.

C. The department may open an investigation on its own initiative.

D. A person or entity under investigation shall, in accordance with applicable law, provide the department with information or evidence that the department requests pursuant to the investigation. If, as a result of an investigation of a complaint or an investigation conducted upon its own initiative, the department believes that a violation of this chapter has occurred, the department may attempt to resolve it through any action authorized by Article 4 of Title 2 of the Municipal Code of Chicago. Adjudicatory powers pursuant to this subchapter may be exercised by the Commissioner or by the office of administrative trials and hearings pursuant to Article 4 of Title 2 of the Municipal Code of Chicago.

E. The department shall keep the identity of any complainant confidential unless disclosure is necessary to resolve the investigation or is otherwise required by law. The department shall, to the extent practicable, notify such complainant that the department will be disclosing the complainant's identity before such disclosure.

d. Penalties and remedies. 1. Private right of action. Employees shall have a private right of action to enforce the provisions of this Chapter in any court of competent jurisdiction: such court may order compensatory, injunctive, and declaratory relief, and prevailing plaintiffs shall be entitled to reasonable attorney's fees. Compensatory relief may be based on the penalties detailed in this Section 4-550-060 subd. (d). Civil actions shall be commenced within two years, inclusive, of the date the person knew or should have known of the violation. Any person filing a civil action shall simultaneously serve notice of such action and a copy of the complaint upon the department. Failure to so serve a notice does not adversely affect any plaintiff's cause of action. Filing a complaint with a department shall not be a condition precedent or jurisdictional requirement for a civil action, however a civil action filed after a complaint has been filed shall be considered not ripe for adjudication unless that complaint is withdrawn or dismissed without prejudice.

2. Relief for employees. For violations of this Chapter, the department may grant the following relief to employees or former employees:

A. An order directing compliance with the notice and posting of rights and recordkeeping requirements set forth in this Chapter:

B. For each violation of:

6-140-040(a): Reinstatement or restoration of any term and condition; \$500 for each violation; order directing compliance; rescission of any discipline issued; payment of back pay for any loss of pay or benefits resulting from the wrongful discharge or revised pay or benefits; and any other equitable relief as may be appropriate.

6-140-040(b): Restoration of any deducted leave balance; \$500; and order directing compliance.

6-140-040(c): \$500 and an order directing compliance.

6-140-050(a): Rescission of any disciplinary action, reinstatement of terminated employee, and payment of back pay lost as a result of disciplinary action; \$1,000 for each violation not involving termination; \$2,000 for each violation involving termination.

6-140-060(a): An order directing compliance

6-140-060(b): An order directing compliance

6-140-030(a): An order directing compliance and \$500 per violation per employee per day

6-140-030(b): An order directing compliance and \$500 per violation per employee per day

6-140-020(a) and (c): Any Covered Employer who willfully violates these sections shall be subject to the civil and criminal penalties provided under this subdivision. For purposes of this section, "willfully violates" means an employer knew or should have known that his or her conduct was prohibited by this subdivision. An employer who willfully violates this subdivision shall be subject to a civil penalty of up to \$500 for the first violation per employee, plus \$50 per day for each day of misclassification per employee, and to a civil penalty of up to \$5,000 for each subsequent violation per misclassified employee, plus \$50 per day for each day of misclassification per employee, within a five year period. In addition to civil penalties, the civil penalties imposed on an employer who willfully violates the provisions of this subdivision shall be a misdemeanor and upon conviction shall be punished for a first offense by imprisonment for not more than thirty days or a fine not to exceed \$25,000 and for a subsequent offense by imprisonment for not more than 60 days or a fine not to exceed \$50,000. If the employer is a corporation, any officer of such corporation or shareholder who owns or controls at least 10 percent of outstanding stock of such corporation who knowingly permits the corporation to willfully violate the provisions of this article shall also be in violation of this article and the civil and criminal penalties herein shall attach to such officer upon conviction.

6-140-020(b): An order directing compliance and \$250 per violation of each subsection, with each day of non-compliance constituting a separate violation.

3. Enforcement by the corporation counsel. The corporation counsel or such other persons designated by the corporation counsel on behalf of the department may initiate in any court of

competent jurisdiction any action or proceeding that may be appropriate or necessary for correction of any violation issued pursuant to this Chapter, including actions to secure permanent injunctions, enjoining any acts or practices that constitute such violation, mandating compliance with the provisions of this chapter or such other relief as may be appropriate.

4. Revocation of license for certain employers. A pattern or practice of violations of this Chapter shall be grounds for suspension or revocation of a license granted under Chapter 4-500 of Title 4 of this Code. "Pattern or practice" shall have the same meaning as used in Chapter 4-500 of Title 4 of this Code.

6-140-070 Civil penalties to be budgeted separately.

Penalties imposed and recovered as a result of enforcement of this Chapter shall go to the City's general fund. However civil penalties recovered shall be budgeted into a separate account. Such account shall be used solely to support the department's worker protection education and enforcement activities, as well as public information activities intended to inform residents of their rights and obligations under this Chapter.

6-140-075 Safe harbor provision.

Safe harbor provision. (a) A employer under this Chapter may seek safe harbor protection from the penalties provided for in this Chapter, if: (1) the employer informs the Commissioner, in writing on a form of the Commissioner's creation, dated and notarized, of the omission or violation, with specific reference to the provision(s) violated and the specific facts of the violation, within thirty (30) days of the discovery of said omission or violation; and

(2) the report to the Commissioner states that the omission or violation has been corrected, cured or eliminated, or shall be corrected, cured or eliminated within thirty (30) days, and the facts supporting such statement; and

(3) the employer has not invoked the protection of this safe harbor provision in the previous twelve (12) months, nor twice in the previous thirty-six (36) months; and

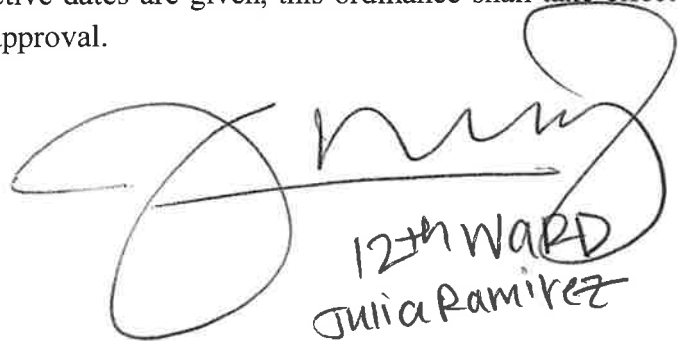
(4) no more than six months have passed since the first date of the violation or omission; and

(5) A correction, cure or elimination shall be considered sufficient where (A) the requirements of this Chapter have been met or are in the process of being met; and (B) any individually impacted employees, if any, have been notified of the omission or violation in writing; and (C) the employer certifies that they will post, in a conspicuous place accessible to employees of the employer, for a period of no less than sixty (60) days from the date of the certification, a notice informing the employees of the violation or omission, including the nature and date(s) of the violation(s) or omissions(s).

(b) Nothing in this section shall be construed as limiting the rights of impacted employees to bring an action for enforcement of their rights in a court of competent jurisdiction, or act as an exhaustion requirement for bringing such action.

SECTION 8. If any section or provision of this Ordinance is for any reason held to be invalid or unconstitutional by any court of competent jurisdiction, or contravened by reason of any preemptive legislation, the remaining sections and/or provisions of this Ordinance shall remain valid. The City Council hereby declares that it would have adopted this Ordinance, and each section or provision thereof, regardless of the fact that any one or more section(s) or provision(s) may be declared invalid or unconstitutional or contravened via legislation.

SECTION 9. Except where otherwise effective dates are given, this ordinance shall take effect upon ninety (90) days from its passage and approval.



12th WARD
Julia Ramirez