City of Austin – Minority Participation
Comparison of MBE/WBE Programs vs. other Cities
And resulting MBE/WBE spend since the 2015 Disparity Study

Jan 31st 2021
Position on Minority Participation

- Both the US Hispanic Contractor’s Association and the Greater Austin Hispanic Chamber of Commerce have identified “Increasing Minority Participation” for our members as a key initiative for 2019/2020 and will work diligently to advocate on our members behalf ensuring we put forth our best efforts to increase the percentage of contracts awarded to minority/women-owned businesses.

<table>
<thead>
<tr>
<th>Approximate membership</th>
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</thead>
<tbody>
<tr>
<td>Greater Austin Hispanic Chamber of Commerce</td>
<td>600</td>
</tr>
<tr>
<td>U.S. Hispanic Contractors Association</td>
<td>1,200</td>
</tr>
<tr>
<td>Subtotal</td>
<td>1,800</td>
</tr>
</tbody>
</table>

- Collectively, we support approximately **1,800 local business members in the Greater Austin area, the majority whom are small minority/women-owned businesses.**
The City of Austin’s Aspirational Goals

- The City of Austin has some of the most ambitious goals in the state when it comes to Minority participation….second only to San Antonio.

<table>
<thead>
<tr>
<th>Minority Participation Goals</th>
<th>Fort</th>
<th>San</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Dallas</td>
<td>Worth</td>
</tr>
<tr>
<td>Construction</td>
<td>25.0%</td>
<td>25.0%</td>
</tr>
<tr>
<td>Professional Services</td>
<td>36.3%</td>
<td>15.0%</td>
</tr>
<tr>
<td>Architectural/Engineering</td>
<td>25.7%</td>
<td>15.0%</td>
</tr>
<tr>
<td>Goods/Commodities</td>
<td>18.0%</td>
<td>25.0%</td>
</tr>
<tr>
<td>Other Services</td>
<td>23.8%</td>
<td>n/a</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Highest</th>
<th>2nd Highest</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Source:</td>
<td>City Code 2-9A-19</td>
</tr>
</tbody>
</table>

- The Question is whether the structural elements of the program allow MBEs/WBEs to succeed vs. these aspirational goals.
- Let’s see what the data says…..
2015 Disparity Study
Executive Summary – Section F – Paragraph 1. Minorities and Women
Chapter III demonstrates that current M/WBE availability levels in the City of Austin’s market area, as measured in Chapter II, are substantially lower in most instances than those that we would expect to observe if commercial markets operated in a race- and gender-neutral manner and that these levels are statistically significant. In other words, minorities and women are substantially and significantly less likely to own their own businesses as the result of discrimination than would be expected based upon their observable characteristics, including age, education, geographic location and industry. We find that these groups also suffer:
- substantial and significant earnings disadvantages relative to comparable nonminority males,
- whether they work as employees or entrepreneurs.

The 2015 City of Austin’s Disparity Study identified that we have an issue that has existed for a significant period of time that required action and changes in policy.
2015 COA Disparity Study – Key Recommendations

The 3rd party (i.e. Consultant) recommendations in the 2015 Disparity study were extensive….these are a few of the key recommendations that we thought as having the potential for significant change if executed properly….

Race and Gender Neutral Recommendations
- Increase Efforts to Ensure Prompt Payment on City of Austin Contracts

Race- and Gender-Conscious Remedies
- Adopt a Renewed M/WBE Ordinance and Accompanying Program Regulations
- Tailor the MWBE Ordinance to the Specific Type of Procurement
- Review firm size standards
- Consider reciprocal certification opportunities

M/WBE Goal Setting
- Adopt annual aspirational M/WBE goals
Both of these organizations, and all of the associations supporting these recommendations, are not aware of any significant changes, aside from setting aspirational goals, to the MBE/WBE/DBE programs and associated ordinances since the last disparity study.
The Results (2015 to 2019) Spending and MBE/WBE

Because after all – the results should speak for themselves
A Diverse Community is a strong community

Posted on 11/06/2018 by Beverly Kerr
Vice President, Research at Greater Austin Chamber of Commerce

- Startups account for a larger share of businesses in Austin than in nearly all major U.S. metros in 2016.
- Women-owned firms represent 22.8% of Austin businesses with paid employees and the number of women-owned firms increased 11.5% in the last year.
- Minority entrepreneurs make up 18.2% and veteran entrepreneurs represent 6.6% of Austin area employer firms.

According to this study women-owned and minority-owned businesses represent **41% of firms** in the Austin metro area.
Despite highly aspirational goals, MBEs and WBEs continue to get less and less opportunity with the City of Austin with only 6.2% of City of Austin spend.

Since 2015, while City of Austin spend has gone up 43% in total, MBEs/WBE spend has grown by only 20%....less than half the growth rate
City of Austin spending in Construction up 67% in 5 years

MBE/WBE spending only up 1% in 5 years!

Total MBE/WBE spending down from 17.4% to 10.5%

The City of Austin goal is 41%. Something is structurally wrong!
City of Austin Non Professional spending up 36% in 5 years
MBE/WBE spending only up 30% in 5 years!
Total MBE/WBE spending down slightly from 5.2% to 5.0%
The City of Austin goal is 43%. No progress in this category.
City of Austin Professional spending up 76% in 5 years
MBE/WBE spending up 65% in 5 years.
Total MBE/WBE spending down slightly from 9.2% to 8.6%
The City of Austin goal is 47%. No progress in this category either.
City of Austin Commodity spending up 26% in 5 years

MBE/WBE spending up 72% in 5 years. Only category to grow faster.

Total MBE/WBE spending increasing from 1.1% to 2.1%.

The City of Austin goal is 13%. No significant progress in this category as well.
# City of Austin Spending Data - Actuals

**Source:** City of Austin, Texas Purchasing Office (Mark Walsh)

<table>
<thead>
<tr>
<th>Category</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Category Spend</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction - COA</td>
<td>220,281,112</td>
<td>213,398,195</td>
<td>284,907,748</td>
<td>393,759,105</td>
<td>367,759,146</td>
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<tr>
<td>Commodities - COA</td>
<td>247,101,148</td>
<td>234,247,406</td>
<td>228,375,812</td>
<td>217,998,364</td>
<td>310,396,156</td>
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</tr>
<tr>
<td>Non-Professional - COA</td>
<td>374,878,626</td>
<td>428,628,128</td>
<td>455,056,286</td>
<td>500,054,870</td>
<td>510,921,333</td>
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</tr>
<tr>
<td>Professional - COA</td>
<td>57,937,063</td>
<td>34,910,291</td>
<td>58,324,843</td>
<td>78,356,761</td>
<td>101,684,729</td>
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<tr>
<td><strong>Total COA Spend</strong></td>
<td>900,197,949</td>
<td>911,184,019</td>
<td>1,026,664,689</td>
<td>1,190,169,101</td>
<td>1,290,761,364</td>
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</tr>
<tr>
<td><strong>City Certified MBE Spend</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td>32,886,051</td>
<td>36,922,607</td>
<td>38,862,604</td>
<td>35,484,100</td>
<td>36,725,468</td>
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<tr>
<td>Commodities</td>
<td>2,163,774</td>
<td>3,563,136</td>
<td>3,816,067</td>
<td>2,648,948</td>
<td>3,723,510</td>
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<tr>
<td>Non-Professional</td>
<td>11,893,501</td>
<td>13,742,043</td>
<td>12,722,285</td>
<td>11,490,132</td>
<td>15,199,106</td>
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<tr>
<td>Professional</td>
<td>2,407,374</td>
<td>1,504,581</td>
<td>3,055,597</td>
<td>2,650,081</td>
<td>3,804,879</td>
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<tr>
<td><strong>Total</strong></td>
<td>49,350,700</td>
<td>55,772,066</td>
<td>58,456,553</td>
<td>52,273,261</td>
<td>59,452,963</td>
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<tr>
<td><strong>City Certified WBE Spend</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td>5,360,025</td>
<td>7,142,147</td>
<td>5,430,659</td>
<td>7,488,515</td>
<td>2,063,433</td>
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<tr>
<td>Commodities</td>
<td>677,728</td>
<td>1,392,127</td>
<td>1,591,653</td>
<td>934,032</td>
<td>2,676,459</td>
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<tr>
<td>Non-Professional</td>
<td>7,651,462</td>
<td>9,182,452</td>
<td>8,397,682</td>
<td>8,872,122</td>
<td>10,265,660</td>
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<tr>
<td>Professional</td>
<td>2,925,539</td>
<td>2,168,162</td>
<td>3,060,183</td>
<td>4,244,158</td>
<td>4,988,334</td>
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<tr>
<td><strong>Total</strong></td>
<td>16,614,754</td>
<td>19,884,887</td>
<td>18,480,177</td>
<td>21,617,829</td>
<td>19,993,887</td>
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<tr>
<td><strong>Subtotal MBE/WBE Spend</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction - MBE/WBE</td>
<td>38,246,076</td>
<td>44,064,754</td>
<td>44,293,263</td>
<td>42,972,615</td>
<td>38,788,901</td>
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<tr>
<td>Commodities - MBE/WBE</td>
<td>2,841,502</td>
<td>4,955,263</td>
<td>5,407,720</td>
<td>3,582,980</td>
<td>6,399,969</td>
<td></td>
</tr>
<tr>
<td>Non-Professional - MBE/WBE</td>
<td>19,544,963</td>
<td>22,924,495</td>
<td>21,119,967</td>
<td>20,362,254</td>
<td>25,464,767</td>
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<tr>
<td>Professional - MBE/WBE</td>
<td>5,332,912</td>
<td>3,672,743</td>
<td>6,115,780</td>
<td>6,894,239</td>
<td>8,793,213</td>
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<tr>
<td><strong>Total MBE/WBE Spend</strong></td>
<td>65,965,454</td>
<td>75,656,953</td>
<td>76,936,730</td>
<td>73,891,090</td>
<td>79,446,850</td>
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<tr>
<td><strong>Certified MBE/WBE % of total spend</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction MBE/WBE %</td>
<td>17.4%</td>
<td>20.6%</td>
<td>15.5%</td>
<td>10.9%</td>
<td>10.5%</td>
<td>41.2%</td>
</tr>
<tr>
<td>Commodities MBE/WBE %</td>
<td>1.1%</td>
<td>2.1%</td>
<td>2.4%</td>
<td>1.6%</td>
<td>2.1%</td>
<td>13.2%</td>
</tr>
<tr>
<td>Non-Professional MBE/WBE %</td>
<td>5.2%</td>
<td>5.3%</td>
<td>4.6%</td>
<td>4.1%</td>
<td>5.0%</td>
<td>43.2%</td>
</tr>
<tr>
<td>Professional MBE/WBE %</td>
<td>9.2%</td>
<td>10.5%</td>
<td>10.5%</td>
<td>8.8%</td>
<td>8.6%</td>
<td>47.4%</td>
</tr>
<tr>
<td><strong>Total MBE/WBE %</strong></td>
<td>7.3%</td>
<td>8.3%</td>
<td>7.5%</td>
<td>6.2%</td>
<td>6.2%</td>
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</table>
## MBE/WBE Comparison – by City

<table>
<thead>
<tr>
<th></th>
<th>Dallas</th>
<th>Fort Worth</th>
<th>Houston</th>
<th>San Antonio</th>
<th>Austin</th>
</tr>
</thead>
<tbody>
<tr>
<td>MBE/WBE Certification available</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>SBE Certification available</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>MBE/WBE Constraints</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accepts MBE/WBE certificates from other regional organizations</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>North Texas Regional Certification Agency (NCTRCA)</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
<td></td>
<td>No</td>
</tr>
<tr>
<td>DFW Minority Supplier Business Council</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
<td></td>
<td>No</td>
</tr>
<tr>
<td>Womens Business Council - Southwest</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
<td></td>
<td>No</td>
</tr>
<tr>
<td>SCTRCA - South Central Texas Regional Certifying Agency</td>
<td>-</td>
<td>-</td>
<td>Yes</td>
<td></td>
<td>No</td>
</tr>
<tr>
<td>HSMDC - Houston Minority Supplier Business Council</td>
<td>-</td>
<td>-</td>
<td>Yes</td>
<td></td>
<td>No</td>
</tr>
<tr>
<td>Houston Women's Business Enterprise Alliance (WBEA)</td>
<td>-</td>
<td>-</td>
<td>Yes</td>
<td></td>
<td>No</td>
</tr>
<tr>
<td>SMSDC - Southwest Minority Supplier Development Council (pertinent to City of Austin firms)</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
<td>No</td>
</tr>
<tr>
<td>Limits to MBE/WBE firm size</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Personal Net Worth Limit for MBE/WBE Owners</strong></td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Personal Net Worth Limit for DBE Owners</strong></td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

- The city of Austin is the only municipality that does not reciprocate with other regional certification agencies to increase it’s minority business pool…especially important for SMSDC and State HUB. Many of our members have their regional MBEs and state HUBs but no COA MBE.
- Lastly, the City of Austin limits MBE/WBE firm size
- The City of Austin imposes a Personal Net worth Cap that limits the pool of qualified minority businesses unlike every other City in Texas.
Why the lack of success?

- **Very few of the recommendations from years of disparity studies have lead to change.** Every single recommendation we now support was actually recommended by the 3rd party consultant in the various disparity studies but no visible action was taken since the study was done.

- **The pool of minority businesses registered is too small.** It seems the City of Austin is overlooking many successful minority businesses, that have the resources to handle City of Austin contracts, because they no longer qualify as an M/WBE with the COA due to the city’s current W/MBE ordinances. Personal Net Worth Cap eliminates many firms, whether large, medium or small.

- **Lack of reciprocity.** Every other City in state of Texas accepts minority certificates from regional minority certifying agencies, with the exception of Austin. There are many City of Austin businesses that have State HUBs and are registered MBEs with various agencies but unfortunately not with the City of Austin limiting the pool.

- **Additional work needs to be done to continue to improve payment process.** If MBE/WBE firms lack funding, then waiting 3-4 months for payment (sometimes) for work performed does not incent participation.

- With the current W/MBE structure and ordinance constraints, it seems the City of Austin will continue to struggle to attain their W/MBE goals.

- Lastly, the city loses the procurement leverage and expertise from M/WBE firms which compounds affordability issues in the City.
Recommendation

- Our minority and women-owned businesses are not asking for handouts. They just want a fair shot at opportunity.

- First, we ask that you support eliminating the Personal Net Worth Cap for MBE certified firms and support immediate State HUB reciprocity for City of Austin MBE/WBE projects, while firms recertify. Expand the pool immediately, prior to the Disparity study, and then revise the program once the Disparity study is completed.

- Secondly, we ask that you support a request of City Council to drive accountability to increase MBE/WBE/DBE participation as part of a COVID-19 economic recovery plan.
  - Make the City Manager accountable for achieving MBE/WBE participation goals. These goals mean nothing if someone is not directly responsible for driving them.
  - Create aspirational goals for DBE firms as well as MBE/WBE.
  - Create quarterly reporting that is presented to City Council on MBE/WBE/DBE participation to drive accountability and improvement.
  - Appoint someone at SMBR to identify DBE Federal projects and recruit DBE firms that would meet project requirements and incorporate MBE/WBE/DBE requirements into any large City of Austin project (e.g. Project Connect). Add this initiative also to the City Manager’s slate of goals.
Lastly, we would like the City to revisit prompt payment performance on city projects to encourage MBE/WBEs and DBEs to compete and prosper.

- Create reporting that shows the trend of payment performance to MBE, WBE and DBE firms on City of Austin projects
- Present this reporting to City Council once per quarter
- Challenge the City Manager and his/her staff to streamline payment processes to drive improvement in payments to disadvantaged firms over time. This may actually result in cost savings to the City of Austin.

- Once we expand the pool...we can work towards setting real targets for city projects that represent the diversity of our community.

- This is not just a Hispanic issue. This is a Minority and a Women’s owned business issue.
One last note about the Personal Net Worth Cap

- Please realize that we are not asking for the City to change their firm size limits at this time, although we would welcome eliminating all size limits for legitimate Austin-based MBEs/WBEs/DBEs.

  - Dallas, Fort Worth and San Antonio do not limit firm size and it appears that they in fact are more progressive than the City of Austin

- The Net worth cap is not tied to any federal regulation. It is unique to Austin and while it excludes the value of your primary home and the business it requires the inclusion of commercial property and other personal assets.

- Many firms are asset rich and cash poor and lose their MBE/WBE as a result of the commercial property appreciation in Austin.

- This request is not designed to pick winners/losers out of MBE/WBE firms. The significant miss in MBE/WBE spend requires structural change to create more opportunity for all.
Associations supporting these recommendations

- US Hispanic Contractor’s Association
- Greater Austin Hispanic Chamber of Commerce
- Associated General Contractors – Austin Chapter
- Austin LGBT Chamber of Commerce
- Austin Minority and Women Alliance
- Greater Austin Asian Chamber of Commerce
- Greater Austin Black Chamber of Commerce
- Hispanic Advocates Business Leaders of Austin
- The Association of Women and Minority Contractors (pending review with their President)
BACKUP
## City of Austin Spending Data – Actuals - continued

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>State Certified HUB Spend</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td>2,259,007</td>
<td>41,474</td>
<td>162,847</td>
<td>10,834,334</td>
<td>15,825,154</td>
</tr>
<tr>
<td>Commodities</td>
<td>16,304,591</td>
<td>10,080,141</td>
<td>7,929,098</td>
<td>27,938,227</td>
<td>56,646,278</td>
</tr>
<tr>
<td>Non-Professional</td>
<td>15,230,270</td>
<td>17,578,012</td>
<td>20,114,945</td>
<td>109,669,926</td>
<td>108,876,946</td>
</tr>
<tr>
<td>Professional</td>
<td>1,481,215</td>
<td>926,161</td>
<td>1,316,887</td>
<td>2,633,179</td>
<td>2,434,204</td>
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<tr>
<td><strong>Total</strong></td>
<td>35,275,083</td>
<td>28,625,787</td>
<td>29,523,777</td>
<td>151,075,665</td>
<td>183,782,582</td>
</tr>
<tr>
<td><strong>State HUB % of total spend</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td>1.0%</td>
<td>0.0%</td>
<td>0.1%</td>
<td>2.8%</td>
<td>4.3%</td>
</tr>
<tr>
<td>Commodities</td>
<td>6.6%</td>
<td>4.3%</td>
<td>3.5%</td>
<td>12.8%</td>
<td>18.2%</td>
</tr>
<tr>
<td>Non-Professional</td>
<td>4.1%</td>
<td>4.1%</td>
<td>4.4%</td>
<td>21.9%</td>
<td>21.3%</td>
</tr>
<tr>
<td>Professional</td>
<td>2.6%</td>
<td>2.7%</td>
<td>2.3%</td>
<td>3.4%</td>
<td>2.4%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3.9%</td>
<td>3.1%</td>
<td>2.9%</td>
<td>12.7%</td>
<td>14.2%</td>
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## Self Identified MBE/WBE Spend

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
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<tbody>
<tr>
<td>Construction</td>
<td>13,124,516</td>
<td>8,942,491</td>
<td>9,455,057</td>
<td>37,336,733</td>
<td>3,053,807</td>
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<tr>
<td>Commodities</td>
<td>34,590,727</td>
<td>24,709,337</td>
<td>19,788,499</td>
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<td>26,080,033</td>
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<td>Non-Professional</td>
<td>25,500,440</td>
<td>33,289,673</td>
<td>40,248,336</td>
<td>56,872,036</td>
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<td>Professional</td>
<td>2,883,739</td>
<td>2,161,799</td>
<td>2,843,307</td>
<td>8,139,623</td>
<td>4,075,762</td>
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<tr>
<td><strong>Total</strong></td>
<td>76,099,422</td>
<td>69,103,299</td>
<td>72,335,198</td>
<td>121,128,510</td>
<td>67,471,663</td>
</tr>
</tbody>
</table>

## Self Identified MBE/WBE % of total spend

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction</td>
<td>6.0%</td>
<td>4.2%</td>
<td>3.3%</td>
<td>9.5%</td>
<td>0.8%</td>
</tr>
<tr>
<td>Commodities</td>
<td>14.0%</td>
<td>10.5%</td>
<td>8.7%</td>
<td>8.6%</td>
<td>8.4%</td>
</tr>
<tr>
<td>Non-Professional</td>
<td>6.8%</td>
<td>7.8%</td>
<td>8.8%</td>
<td>11.4%</td>
<td>6.7%</td>
</tr>
<tr>
<td>Professional</td>
<td>5.0%</td>
<td>6.2%</td>
<td>4.9%</td>
<td>10.4%</td>
<td>4.0%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>8.5%</td>
<td>7.6%</td>
<td>7.0%</td>
<td>10.2%</td>
<td>5.2%</td>
</tr>
</tbody>
</table>

## Total - Certified/State HUB and Self ID - MBE/WBE

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction</td>
<td>53,629,600</td>
<td>53,088,417</td>
<td>53,911,167</td>
<td>91,143,682</td>
<td>57,667,862</td>
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<td>Commodities</td>
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<tr>
<td>Non-Professional</td>
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<td>Professional</td>
<td>9,697,867</td>
<td>6,760,704</td>
<td>10,275,973</td>
<td>17,667,040</td>
<td>15,303,179</td>
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<td><strong>Total</strong></td>
<td>177,339,958</td>
<td>173,386,040</td>
<td>178,795,705</td>
<td>345,794,731</td>
<td>330,701,094</td>
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</table>

## Total - Certified/State HUB and Self ID - MBE/WBE %

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction</td>
<td>24.3%</td>
<td>24.9%</td>
<td>18.9%</td>
<td>23.1%</td>
<td>15.7%</td>
</tr>
<tr>
<td>Commodities</td>
<td>21.7%</td>
<td>17.0%</td>
<td>14.5%</td>
<td>23.1%</td>
<td>28.7%</td>
</tr>
<tr>
<td>Non-Professional</td>
<td>16.1%</td>
<td>17.2%</td>
<td>17.9%</td>
<td>37.4%</td>
<td>33.0%</td>
</tr>
<tr>
<td>Professional</td>
<td>16.7%</td>
<td>19.4%</td>
<td>17.6%</td>
<td>22.5%</td>
<td>15.0%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>19.7%</td>
<td>19.0%</td>
<td>17.4%</td>
<td>29.1%</td>
<td>25.6%</td>
</tr>
</tbody>
</table>
MBE/WBE Requirements – Austin, TX
City of Austin MBE/WBE Qualifications

The City of Austin's Small & Minority Business Resources Department certifies qualified firms as Minority-Owned Business Enterprises (MBE), Women-Owned Business Enterprises (WBE), Disadvantaged Business Enterprises (DBE), Airport Concession Disadvantaged Business Enterprise (ACDBE), and Small Business Enterprises (SBE).

The Certification Division verifies that the minority and/or woman business applicant owns, manages, and controls the day-to-day operations of the for-profit business in compliance with the MBE/WBE Procurement Program Ordinance, Chapter(s) 2-9 (A)(B)(C) and (D) of the City Code.

**In general, the eligibility requirements are:**
- At least 51% of the company must be owned, managed, and controlled by a socially and economically disadvantaged individual from one of the presumed groups i.e. Asian-American, African-American, Native American, Hispanic or Women
- A small business as defined by the Small Business Administration's (SBA) Size Standard Guidelines
- Personal Net Worth (PNW) must not exceed $1,565,000 for MBE/WBE certification or $1,320,000 for DBE/ACDBE certification
- MBE/WBE applicant must have a facility located within the State of Texas for at least 90 days
- Must be a for-profit business
MBE/WBE/DBE Profiles for other Cities in Texas
OFFICE OF BUSINESS OPPORTUNITY

Certification Overview - Certification Process

Before applying for certification, please review the certification requirements (pdf, updated November 2015). View an illustration of the process (pdf).

Basic Requirements:

- The minority or female business owner must possess at least 51% ownership, management, and control of the business enterprise.
- The minority, female, or small business owner must have the training and expertise to perform the work, and where required, have a license or certificate issued in his or her name.
- The business must be for profit, independent, and currently functioning.
- The business must maintain a significant and local presence in Harris, Austin, Brazoria, Chambers, Fort Bend, Galveston, Liberty, Montgomery, San Jacinto, or Waller County.
- The business must meet the Small Business Administration Size Standard(s) for its industry classification(s).
- Persons with Disabilities Business Enterprise (DBE) certification require applicants to submit a Disability Affidavit and an accompanying letter from a State of Texas certified medical doctor. The person with a disability will be required to meet the same criteria for certification as M/WBE/SEBE applicants.
- For Disadvantaged Business Enterprise (DBE) certification, an applicant must have a personal net worth of less than $1,200,000 — excluding value of home and ownership interest in the business. There is no local presence requirement.

CERTIFICATION INFORMATION

- Certification Overview
- Applications and Forms
- Certification Benefits
- Certification Process
- Certified Firm Directory
- DBE Certification

HELPFUL LINKS

- OBO Home Page
- About the Director
- Advisory Board
- BDS Contract Search
- Calendar of Events
- Certification Overview
- Contract Compliance
- Current Contracting Opportunities
- Disparity Study
- Documents and Forms
- Hire Houston First
- Lift Off Houston
- Links
- OBO Leadership and Managerial Team
City of Houston – Certification Reciprocity

OFFICE OF BUSINESS OPPORTUNITY

Certification Overview - Benefits Of Certification

There are many benefits to becoming certified with the City of Houston which include: eligibility to participate in goal oriented contracts, resources to educate, connect, and grow certified firms, and a wide variety of networking opportunities and events.

In fiscal year 2012, the City of Houston spent over $1 billion dollars on goods and services (procurements). Over 339 million dollars went to S/MBE and DBE certified firms. Only firms certified by the City of Houston are eligible to fulfill goal requirements on City contracts.

Benefits of Certification:

- Listing in the City's Online Directory of Certified Vendors
- Access to workshops, seminars, and quarterly newsletter "Insights to Opportunity"
- Bidding opportunities on goal oriented City contracts
- Specialized business development

City of Houston Certification is also accepted by the following agencies:

- METRO
- Port of Houston Authority
- Houston Independent School District
- Houston Community College
- Environmental Protection Agency (EPA)
- Houston Housing Authority
- Texas Comptroller of Public Accounts
- Texas Department of Transportation
- Airport Transportation Agencies Statewide

Common Certification Agreements

The City of Houston Fair "Fast Track" certification agreements with the Houston Minority Supplier Development Council (HMSDC) and the Houston Women's Business Enterprise Alliance (HWEB). In addition, the City of Houston is a participant in the Texas Unified Certification Program, and the State of Texas Historically Underutilized Business Program.

CERTIFICATION INFORMATION

- Certification Overview
- Applications and Forms
- Certification Benefits
- Certification Process
- Certified Firm Directory
- DBE Certification

HELPFUL LINKS

- DBH Home Page
- About the Director
- Advisory Board
- B2G Contract Search
- Calendar of Events
- Certification Overview
- Contract Compliance
- Current Contracting Opportunities
- Disparity Study
- Documents and Forms
- Hire Houston First
- Liftoff Houston
- Links
- DBD Leadership and Managerial Team
- Newsletters
- DBD Solutions Center
- Partners with a Purpose
- Pay or Play (POP) Forms
Business Development & Procurement Services

Minority/Women Business Enterprise (M/WBE)

Definition of an M/WBE
An M/WBE is a small business that is at least 51% owned and operated by a socially and economically disadvantaged person or persons.

Socially and Economically Disadvantaged means individuals who are citizens of the United States (or lawfully admitted permanent residents) and who are:

- African Americans
- Hispanic Americans
- Native Americans
- Asian Americans
- Women

 OWNED AND OPERATED means that at least 51% of the business is owned by one or more socially and economically disadvantaged individuals and that the management and daily business operations are controlled by the same socially and economically disadvantaged individuals.

Goals
The following are the M/WBE Goals for Contract Categories:

- Construction - 25%
- Architectural and Engineering - 25.66%
- Professional Services - 36.30%
- Other Services - 23.80%
- Goods - 18.00%
The NCTRCA verifies that firms meet the requirements for certification. A firm applying for certification with the NCTRCA must meet the following criteria to be considered a Disadvantaged, Minority and Woman-Owned Business Enterprise.

Firms applying for Disadvantaged Business Enterprise or Disadvantaged Business Enterprise certification must meet the following qualifying requirements:

- Firms must be at least 51% owner and controlled by a socially and economically disadvantaged individual(s).
- The disadvantaged business must be an United States Citizen or lawfully admitted permanent resident of the United States.
- Firms must be a small business that meets the Small Business Administration's size standard and must not exceed $25.5 million in gross receipts for FY 2019 and $14.5 million in gross receipts for FY 2018.
- Firms must have a net worth below $35 million, with assets and liabilities not to exceed $10 million.
- Firms must be organized as a non-profit business.

Firms applying for Minority Business Enterprise or Woman-Owned Business Enterprise certification must meet the following qualifying requirements:

- Firms must be at least 51% owner and controlled by a minority or women individually.
- The minority or women owned must be an United States Citizen or lawfully admitted permanent resident of the United States.
- Firms must be organized as a non-profit business.

The NCTRCA recognizes members of the following groups for certification purposes:

- Women
- Black Americans - persons with origins from any Black racial group of Africa.
- Hispanic Americans - persons of Mexican, Puerto Rican, Cuban, Central/South American, Spanish or Portuguese culture or origin, regardless of race.
- Native Americans - persons who are American Indians, Eskimos, Aleuts, or Native Hawaiians.
- Asian/ Pacific Americans - persons with origins from East Asia, Southeast Asia, South Asia, the Pacific Islands, or the Caribbean.
- Native Hawaiian or Other Pacific Islanders - persons of Polynesian, Micronesian, Samoan, or Hawaiian descent.

All other terms are classified as MS/DM. Only firms owned by American Indians are classified as MS/DM.

Link to Online Application Training for the Vendor: This page has been designed to help vendors understand the online application process. Click here to view a tutorial on how to fill out the application form.

Link to Online Application Training for the Vendor: This page has been designed to help vendors understand the online application process. Click here to view a tutorial on how to fill out the application form.
Certifications

Minority- or Women-owned Business Enterprise (M/WBE)
If your company is at least 51-percent owned and operated by one or more minorities or women or, for a publicly owned business, at least 51-percent ownership of the stock is held, your company qualifies as an M/WBE.

The City of Fort Worth accepts certifications from the following agencies:

- North Central States Regional Certification Agency
- Dallas/Fort Worth Minority Supplier Development Council
- Women’s Business Council - Southwest

Small Business Enterprise (SBE)
The U.S. Small Business Administration can help small businesses qualify to compete for government contracts as a small business. Check out the size requirements to see if your business qualifies for these opportunities.

Disadvantaged Business Enterprise (DBE)
The DBE program was designed to provide M/WBEs a level playing field when contracting on federally funded projects.
- DBE Program Policy
- DBA Public Notice: DBE 3-Year FAA Methodology, Fiscal Year 2019-2021

Become a certified SBE
Become a certified DBE
The City of San Antonio encourages contracting opportunities and provides assistance to small, minority and women-owned businesses. Transportation & Capital Improvements (TCI) and the Economic Development Department work closely together to advocate for small businesses in San Antonio. TCI is committed to the success of the Small Business Economic Development Advisory (SBEDA) Program, which is administered by the Small Business Team for the department.

DIVISION OBJECTIVES

It is an effort to ensure broad participation in City contracts. Bid information is distributed to small, minority and women-owned business enterprises (SMBVBEs), making them aware of contracting opportunities. Information about SBEDA initiatives and requirements is disseminated at pre-Award post-award conferences, by responding to information requests and by coordinating and participating in outreach efforts.

The City of San Antonio adopted a Diversity Action Plan (DAP) in early 2013. This Plan is designed to increase the number of SMBVBEs' contracting, contracting and subcontracts with the City to mirror the diversity of the business community. Also included as part of the Diversity Action Plan is the Pilot Loan Program, which assists SMBVBEs with obtaining a line of credit.

SMBVBE participation in all design and construction projects is reviewed, tracked and reported to ensure compliance with the Small Business Program. Project Managers and client departments receive guidance on SMBVBE inclusion during the pre-construction process.

ADDITIONAL SERVICES:

- SBEDA Prime Contractor Services (PDF)
- One-on-one assistance with construction and consultants
- Assistance with SBEDA certification
- Guidance on how to register in the City's Central Vendor Registry
- Assistance with National Institute of Governmental Purchasing (NIGP) Codes
- SBEDA eligibility and compliance guidance
- Assistance with SBEDA Subcontracts/Requisition Utilization Forms

GET CERTIFIED

The City of San Antonio recognizes certified SMBVBEs through the South Central Texas Regional Certification Agency (SCTRCA).

- SCTRCA Certification Application (PDF)

DIVISION CONTACT INFORMATION

SBEDA
210.207.1840

Contact: Courtney McCaskill, Diversity Coordinator
Small and Minority Business Resources

CERTIFICATION

The Small & Minority Business Resources Department's (SMBRD) Certification division works to identify minority or woman-owned business owners, managers, and contractors for inclusion in the City's work orders, procurements, and contracts. This division operates the City's Small Business Development Program and the Minority Business Development Program.

Please note: Certification with the City of Austin is a free service. SMBRD only certifies qualified minority- and woman-owned businesses.

Types of Certifications offered to qualified small minority- and woman-owned businesses:

- Minority- and Woman-Owned Business Enterprise (M/WBE): A M/WBE certification is issued to City of Austin approved projects. Note: the City of Austin does not accept Minority- and Woman-Owned Business (M/WOB) certification for projects.
- Disadvantaged Business Enterprise (DBE): A DBE certification can be issued for projects that include a DBE certification as part of the contract.
- M/WBE certification is awarded to firms who provide services or goods that are not majority-controlled.
- Woman-Owned Business Enterprise (WBE): A WBE certification is issued to City of Austin approved projects.
- Woman-Owned Business Enterprise (WBE): A WBE certification is issued to City of Austin approved projects.
- Minority-Owned Business Enterprise (M/BE): An MBE certification is issued to City of Austin approved projects.

Minority-Owned Women-Owned Business Enterprise (MWBE)

- Minority-Owned Women-Owned Business Enterprise (MWBE) General Eligibility Requirements:
  - Fifty-five percent owned, managed, and controlled by an economically and socially disadvantaged individual.
  - Asian-American, African-American, Hispanic, or American Indian.
  - The economic interest is held by a woman or women.
  - Personal Net Worth Limitation.
  - Net Worth and Employment Limitation.

Minority-Owned Women-Owned Business Enterprise Certification Application

- Summary Page
- MBEWBE Certification Application
- Statement of Eligibility
- Personal Net Worth Limitation
- Income and Net Worth Calculation Form

Alternative Personal Net Worth (PMW) Form:

- Alternative Personal Net Worth Verification
- Tax Return Submission Statement

Minority-Owned Women-Owned Business Enterprise (MWBE) Update

- Annual Update for Certified Firm
- MBEWBE Annual Update Form

Minority-Owned Women-Owned Business Enterprise (MWBE) Update

- Copy of current Business Tax Returns.
BACKUP – COMPLETE 2015 DISPARITY STUDY RECOMMENDATIONS
K. Recommendations for Revised Contracting Policies and Procedures. Finally, in Chapter IX we present the following suggested recommendations for revised contracting policies and procedures, based upon the Study’s results and findings and upon our views on best practices for contracting diversity programs.

1. Race- and Gender-Neutral Recommendations

- Increase Efforts to Ensure Prompt Payment on City of Austin Contracts
- Ensure Bidder Non-Discrimination
- Review Surety Bonding, Insurance and Experience Requirements
- Increase Contract Unbundling
- Provide Greater Access to Information for Upcoming Contract Opportunities
- Facilitate Increased Access to Capital
- Adopt a Mentor-Protégé Program
- Continue to Provide Supportive Services for Construction Firms and Expand Supportive Services for Non-Construction Firms
- Implement a Small Local Business Enterprise Program
- Initiate Recordkeeping for Third Party Contracts
2. Race- and Gender-Conscious Remedies

- Adopt a Renewed M/WBE Ordinance and Accompanying Program Regulations
- Tailor the MWBE Ordinance to the Specific Type of Procurement
- Revise Certification Eligibility Standards
- Adopt a social disadvantage test
- Adopt an economic disadvantage test
- Review firm size standards
- Review the certification period
- Certification database and outreach
- Consider reciprocal certification opportunities
- Contract Award Policies and Procedures
- Standardize Good Faith Efforts waiver requirements and related policies
- Standardize M/WBE Program implementation across City departments
- Scrutinize Commercially Useful Function and increase contract monitoring

- M/WBE Goal-Setting
  - Adopt annual aspirational M/WBE goals
  - Revise the method for counting M/WBE prime participation towards meeting M/WBE goals

M/WBE goals
- Count lower tier M/WBE participation towards meeting M/WBE goals
- Continue to set contract-specific goals
- Consider the effects of discrimination on current levels of availability when setting M/WBE goals

Clarify SMBR Authority
- Review Sanctions Policy
- Continue the M/WBE Program Sunset Review Process