

Certification 2.0

City of Austin
Small and Minority Business
Resources (SMBR)

July 25, 2017

<http://www.austintexas.gov/smbr>

512-974-7645

Agenda

- What is Certification
- Certification Requirements
- Types of Certification
- Benefits of Certification
- Comparisons
- Resources

Minority & Women-Owned Business Certification Program

- City of Austin's program for socially and economically disadvantaged business owners
- Projects funded by the City of Austin
- Must be a for-profit business

NOTE:

Minority women can be dually certified as MBE and WBE

The screenshot shows the 'Small and Minority Business Resources' page on the City of Austin website. At the top, there are navigation links for 'Resident', 'Business', 'Development', 'Government', and 'Environment'. The page title is 'Department > Small and Minority Business'. On the left, there is a sidebar menu with links for Home, About, Forms, Services, Divisions, Documents, and FAQ. Below the menu is a 'Subscribe to our mailing list' form with a 'Subscribe' button. A circular logo for 'THE 2016 MOBILITY BOND' is also visible. The main content area features a large image of a modern building with the text 'Small and Minority Business Resources' overlaid. Below the image, there are sections for 'OPENING THE DOOR TO OPPORTUNITIES', 'The City's MBE/WBE/DBE program is intended to:', '2016 Mobility Bond', and 'Disparity Study'. On the right side, there are sections for 'TOP CONTENT', 'UPCOMING EVENTS', and 'CONTACT INFO'.

www.austintexas.gov/smbr

What is Certification?

- Certification is a review of a business owners' application, supporting documentation, and site visit information, in order to determine if a small business that is owned, managed, and controlled by socially and economically disadvantaged individuals that meet eligibility requirements as defined in the City of Austin's Minority- and Women-Owned Business Enterprise Procurement Program Ordinance.
- Eligibility is determined by reviewing the certification application(s) and supporting documentation for **ownership, management and control** of the socially and economically disadvantaged business owners

Benefits of City of Austin Certification

- Prime contractors are required to solicit MBE/WBE certified firms to meet program participation requirements
- It enhances procurement opportunities & increases visibility
- Firms will be listed on the City of Austin's Availability list
- COA Certification is also recognized by other governmental entities

Who is Considered Socially Disadvantaged?

A socially disadvantaged individual is someone who belongs to one of the following presumed groups:

- Asian-American
- African-American
- Native American
- Hispanic
- Women

Individuals not in one of the presumed groups can be eligible for certification, but must prove their socially disadvantaged status.

Who Is Considered Economically Disadvantaged?

An economically disadvantaged individual is a business owner whose Personal Net Worth (PNW) does not exceed:

- \$1.480 million for the MBE/WBE programs
- \$1.320 million for the DBE/ACDBE programs

- An individual's PNW includes only the applicant's share of all assets held separately, jointly, and excludes the following:
 - Community Property assets if applicant is still married
 - Individual's ownership interest in the applicant firm;
 - Individual's equity in his or her primary residence;
 - Tax and interest penalties that would accrue if retirement savings or investments (e.g., pension plans, Individual Retirement Accounts, 401(k) accounts, etc.) were distributed at the present time.

What are the MBE/WBE Certification Requirements?

- Must be a small business as defined by Small Business Administration (SBA) size standards
- Firm must be organized as a for-profit business
- At least 51% owned, managed and controlled by an economically and socially disadvantaged individual
- Must be U.S. Citizen or Legally Admitted Resident
- Must have experience directly related to the firm's primary scope of work
- Must have a facility located in Texas for a minimum of 90 days prior to submitting application
- Must be available for a site audit if company located in the following counties:
 - ❖ Travis, Williamson, Hays, Caldwell and Bastrop

Certifications offered by the City of Austin

Types of Certification offered by the City of Austin	Certification	Projects/ Funding Source	Applicants' Max PNW	Site Audit
Minority-Owned Business Enterprise (MBE)	COA Certifies	City of Austin projects & funding	\$1,480,000	COA Requirement
Women-Owned Business Enterprise (WBE)	COA Certifies	City of Austin projects & funding	\$1,480,000	COA Requirement
Disadvantaged Business Enterprise (DBE)	COA Certifies	Federal Funding	\$1,320,000	Federal Requirement
Airport Concession Disadvantaged Business Enterprise (ACDBE)	COA Certifies	Federal funding	\$1,320,000	Federal Requirement

The City of Austin can provide HUB Recommendation during review of M/WBE or DBE Certification Application

Disadvantaged Business Enterprise (DBE)

- DBE Certification is used for federally-funded projects receiving US Department of Transportation (USDOT) funds, such as: Aviation, Highways and Public Transit
- City of Austin is a member of the Texas Unified Certification Program and is responsible for certifying businesses in the five county area consisting of:
 - Travis County
 - Bastrop County
 - Williamson County
 - Hays County
 - Caldwell County
- DBE is part of Interstate Certification program
 - City of Austin can use DBE certification obtained from other states.
 - Business owner can have a location outside of Texas.

Airport Concessions DBE (ACDBE) Programs

- Airport Concessions DBE Certification is used for any Airport that receives federal funding.
- Projects for ACDBE are funded by the Federal Aviation Administration (FAA)
- ACDBE business owners offer services at the Airport
 - Car Rental
 - Concessions program – examples: Shoe Shine, Windshield repair, Food & beverage
- The following airports participate in the ACDBE program:
 - Austin-Bergstrom International Airport
 - Dallas/Fort Worth Airport
 - Dallas Love Field
 - Houston Bush International Airport
 - Houston Hobby
 - All other major airports in Texas

Small Business Enterprise Certification

SBE certification is required to participate in the Small Business Construction Program (SBCP)

Qualifications

- Must be a small business as defined by SBA (guidelines for Subsector 238-Specialty Trade Contractors)
- Three year average gross receipts must not exceed \$15 Million
- Owner(s) OR Owner's CPA must complete an affidavit attesting to firm meeting size standard
- Owner(s) Resume

Small Business Construction Program

- This program is a collaborative effort between SMBR and the Capital Contracting Office (CCO)
- Designed for construction projects under \$50,000 that are City funded
- Program is race/gender neutral
- Opportunities are scope specific related work in the construction field

Comparison MBE/WBE vs. HUB

MBE/WBE

- Uses NIGP codes
- Used for City of Austin projects
- Can only be certified as an MBE/WBE by SMBR
- Must be citizen or legal resident. Can use social security or Employer Identification Number (EIN)
- Must be socially and economically disadvantaged

HUB

- Uses NIGP codes
- Used for State of Texas projects
- Must be a citizen and have an Employer Identification Number (EIN)
- Must be socially disadvantaged

The City of Austin can provide a HUB Recommendation during review of M/WBE or DBE Certification Application

Comparison MBE/WBE vs. SBA

MBE/WBE

- Uses NIGP codes which are very specific
- Used for City of Austin funded projects
- Must be certified through Small & Minority Business Resources Department

SBA

- Uses NAICS codes which have fewer categories
- Used for federally-funded SBA projects
- Contact SBA for this certification

Comparison MBE/WBE vs. DBE

MBE/WBE

- Uses NIGP Codes
- Maximum Personal Net Worth \$1.48M
- City of Austin must certify business owners as MBE/WBE.
- Used for City of Austin funded-contracts

DBE

- Uses NAICS codes
- Maximum Personal Net Worth \$1.32M
- Used for federally-funded transportation, aviation and highway projects around the state
- City of Austin is one of six members of the Texas Unified Certification program
- City of Austin can certify in four local counties but can accept DBE certification from partner agencies



Information & Resources

Twitter: https://twitter.com/SMBR_AustinTX

Facebook: <https://www.facebook.com/CityofAustin.SmallandMinorityBusinessResources/>

Plan Room Services

- Free access to “Dodge Plans” online database of plans, news, and specifications for construction projects in 100 Texas counties
- The Plan Room also has paper & electronic construction plans and specifications for local jobs
- For assistance contact JuaQuin Gonzalez in the Plan Room at (512) 974-7799



Bonding Assistance

- SMBR has a Bonding Financial Consultant on staff to educate and assist business owners who are looking for payment, performance and bid bonds for city construction projects.
- Contact: Luke Luper at (512) 974-7733



Follow The Mobility Bond



Scopes of Work:

Design Disciplines

- Civil Engineering
- Landscape Architecture
- Electrical Engineering
- Traffic Engineering
- Surveying
- Geotechnical Engineering
- Structural Engineering

Construction Scopes of Work

- Concrete
- Reinforcing Steel
- Underground Utilities & Drainage
- Asphalt Paving
- Manholes
- Street Lighting
- Hauling
- Landscaping

<http://www.austintexas.gov/2016bond>

Or email:

Blender.Hill@austintexas.gov

Helpful Links

- City of Austin SMBR site:
 - www.austintexas.gov/smbr
- CFR Regulations (CFR 49, Part 26):
 - http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title49/49cfr26_main_02.tpl
- City Code Regulations (Ch. 2-9 A-D):
 - https://www.municode.com/library/tx/austin/codes/code_of_ordinances?nodeId=TIT2AD
- COA Opportunities:
 - https://www.ci.austin.tx.us/financeonline/vendor_connection/solicitation/solicitations.cfm
- TUCP Opportunities:
 - <http://www.txdot.gov/business.html>

Contact SMBR Certification

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- Deanna Brown (512) 974-7612
- Ricky Allen (512) 974-7667
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- Arturo Salinas (512) 974-7726
- Joy Simmons (512) 974-7735

Acronyms Defined

- **COA** – City of Austin
- **SMBR** – Small & Minority Business Resources Dept.
- **DBE** – Disadvantaged Business Enterprise
- **ACDBE** – Airport Concessionaire Disadvantaged Business Enterprise
- **MBE** – Minority-Owned Business Enterprise
- **WBE** – Women- Owned Business Enterprise
- **SBE** – Small Business Enterprise
- **TUCP** – Texas Unified Certification Program
- **HUB** – Historically Underutilized Business
- **SBA** – Small Business Administration
- **CFR** – Code of Federal Regulations
- **PNW** – Personal Net Worth