

# **Business Equity Program**

January 9, 2024  
City Council Work Session

**Fernando Costa**, Assistant City Manager

**Christina Brooks**, Chief Equity Officer & Director of Diversity and Inclusion

**Margo Posey**, Chair, Business Equity Advisory Board

**Michelle Green Ford**, President, Fort Worth Metropolitan Chamber

**Anette Landeros**, President, Fort Worth Hispanic Chamber

**Scot Bennett**, Regional Director, Beck Group

# Topics

## 1. Overview – **Fernando Costa**

- a. Purpose
- b. Legal Basis
- c. Brief History
- d. Program Administration

## 2. Trends and Issues – **Christina Brooks**

## 3. Improvement Strategies

- a. Business Equity Ordinance
- b. Business Equity Division
- c. Partnerships

(1) Business Equity Advisory Board – **Margo Posey**

(2) Fort Worth Metropolitan Black Chamber of Commerce – **Michelle Green Ford**

(3) Fort Worth Hispanic Chamber of Commerce – **Anette Landeros**

d. Beck School of Construction – **Scot Bennett**

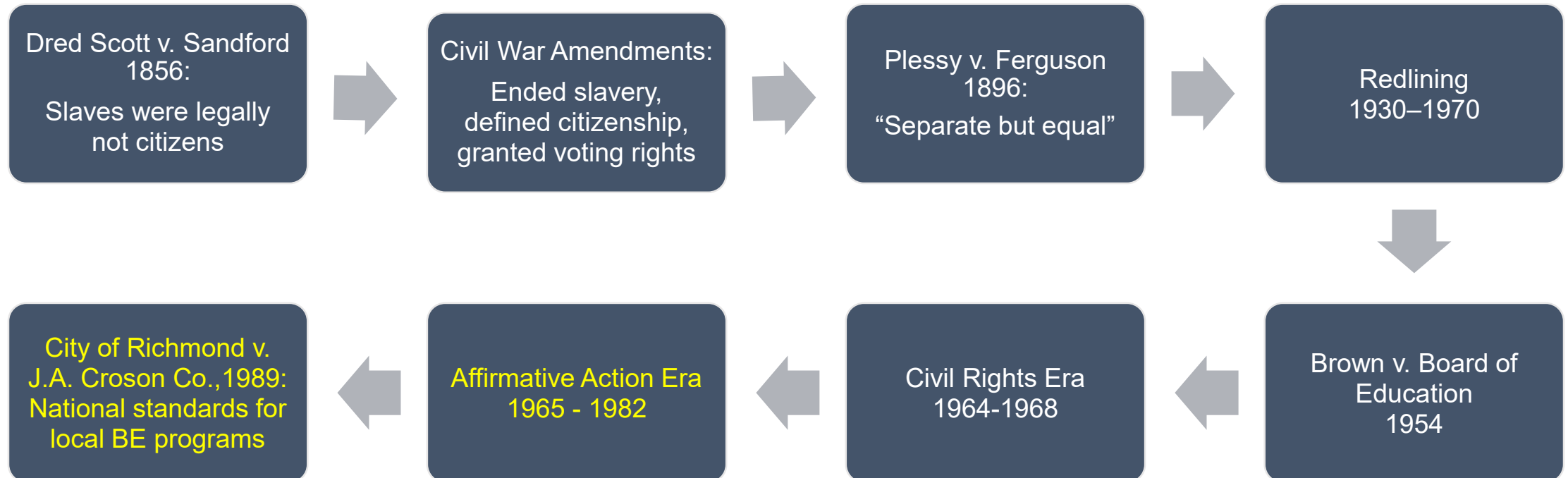
e. Other Strategies – **Christina Brooks**

## 4. Questions

Purpose: To promote Fort Worth's economic development by supporting the growth and stability of **under-represented small businesses** in the city's marketplace.

- Manage **compliance** with the City's Business Equity Ordinance.
- Build **capacity** for local business equity firms.
- Encourage the **growth and stability** of small businesses in cooperation with local chambers of commerce and other advocacy partners.

# Legal Basis



## Croson decision

### **Need for availability and disparity studies**

“Where there is a significant **statistical disparity** between the number of qualified minority contractors **willing and able** to perform a particular service and the number of such contractors **actually engaged** by the locality or the locality's prime contractors, an inference of **discriminatory exclusion** could arise.”

### **Strict scrutiny**

- Compelling governmental interest
- Narrowly tailored remedy

# Brief History

Year	Action
1978	Council establishes <b>first MBE program</b> for federal transportation grants.
1980	Council establishes <b>first WBE program</b> .
1985	City creates <b>Disadvantaged Business Office</b> , begins monitoring MBE and WBE expenditures.
1986	Council Proposal begins including <b>MBE/WBE requirements</b> . Initial goals are 12% MBE and 3% WBE.
1993	Council resolution creates Disadvantaged Business Enterprise (DBE) <b>Advisory Committee</b> .
	City produces <b>availability and disparity study</b> for nine-county marketplace.
1995	Council ordinance establishes <b>MWBE program</b> in compliance with Croson standards.
2009	NCTCOG produces joint <b>availability and disparity study</b> covering six-county marketplace for six-agency consortium, including City of Fort Worth and other public agencies.
2011	Council ordinance creates <b>four programs</b> : construction (MBE), professional services (MBE-AA), professional services A&E (race-neutral SBE), and goods and services (MWBE).
2020	City produces <b>availability and disparity study</b> for six-county marketplace.
2021	Council ordinance reduces four programs to <b>one program</b> with 25% goal for all City contracts of \$100,000 or more (MWBE).

David Cooke  
City Manager

Fernando Costa  
Assistant City Manager

**Christina Brooks**  
**Director**

**Business Equity Division**

**Gwen Wilson**  
**Assistant Director**

Naomi Sanchez  
Diversity & Inclusion Manager

(Vacant)  
Sr. Contract Compliance Specialist

Remy Le  
Sr. Contract Compliance Specialist

Alma Ibarra  
Sr. Contract Compliance Specialist

Danielle Jackson  
Contract Compliance Specialist

**Business Equity Advisory Board**

**Civil Rights Enforcement Division**

Angela Rush  
Assistant Director

Diane Vargas  
Sr. Administrative Assistant

(Vacant)  
Administrative Assistant

Fair Housing

Marisela Lewis  
Eligibility Specialist

Maya Heard  
Human Relations Manager

Timothy Hayden  
Human Relations Investigator

Monica Corona  
Human Relations Investigator

AI Henderson  
ADA / Title VI Coordinator

Claudia Palacios  
Eligibility Specialist (PT)

Fair Employment

Laurie Maniotis  
Sr. Human Relations Investigator

Angelica Ramirez  
Human Relations Investigator

**Municipal Equity Division**

Veronica Villegas  
Diversity & Inclusion Manager

Linda Tuggle  
Public Education Specialist

Jordan Brown  
Equity Data Analyst

Diversity & Inclusion Staff Committee

Fort Worth Human Relations Commission

Mayors Committee for Persons with Disabilities

# Diversity & Inclusion Department

# Diversity & Inclusion Department Budget

Total = \$2,516,009.

- Administration Division = \$1,068,100, including **\$126,504 each** for two chamber contracts.
- Business Equity Division = **\$696,493.**
- Civil Rights Enforcement Division = \$452,724.
- Municipal Equity Division = \$298,692.

Business Equity Program = **\$949,501.**



# Trends and Issues

Christina Brooks

# What is available in our marketplace?

Aggregated Weighted **Availability** for the City's Contracts

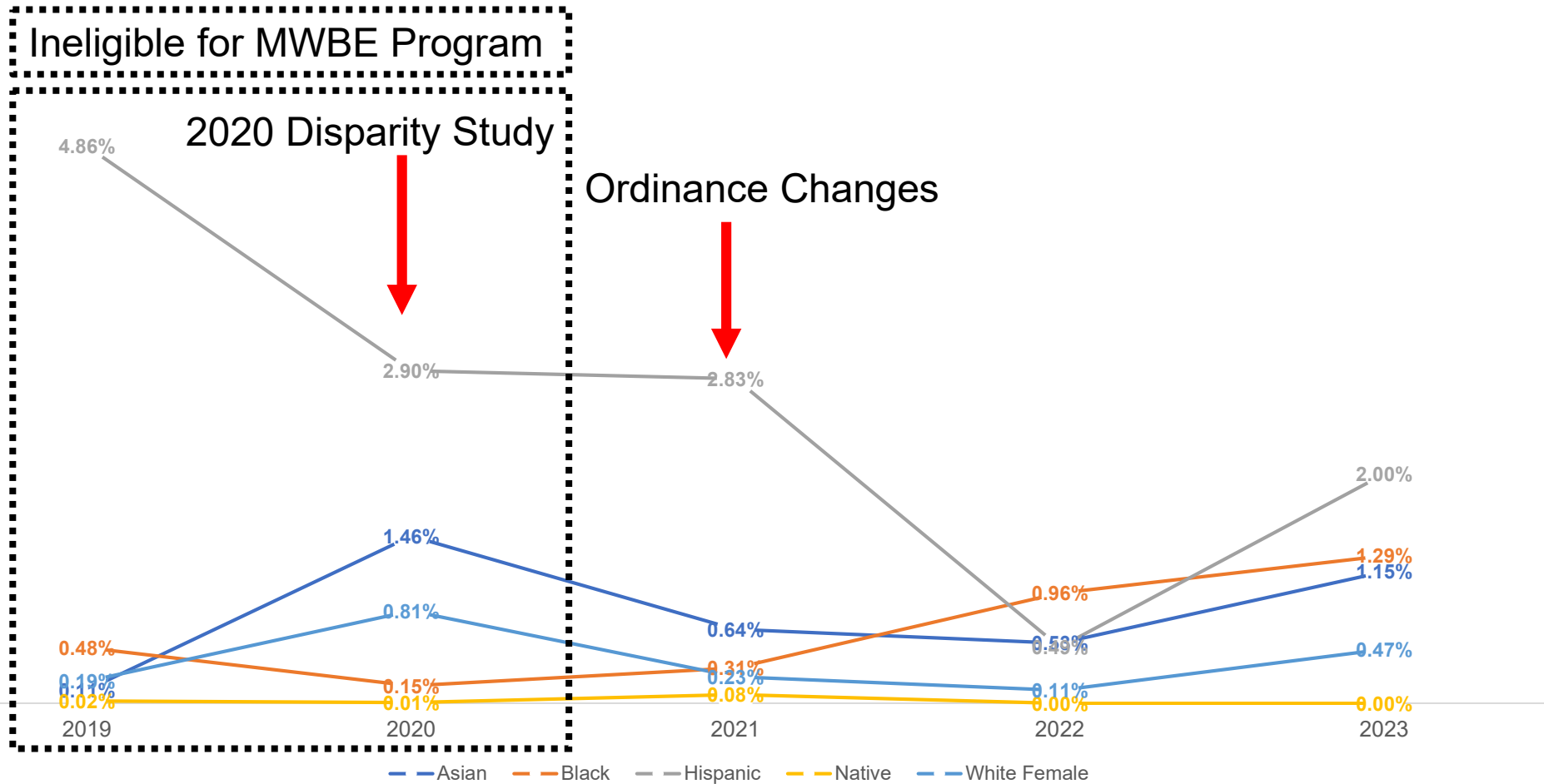
Black	Hispanic	Asian	Native American	White Women	M/WBE	Non-M/WBE	Total
6.6%	9.2%	1.7%	0.7%	6.9%	<b>25.4%</b>	74.6%	100.0%

## What is the utilization in the marketplace?

	Black	Hispanic	Asian	Native American	White Women	MWBE	Non-MWBE
Disparity Ratio	<b>36.2*</b>	108.0	144.1	<b>53.8*</b>	101.0	<b>86.9*</b>	104.5

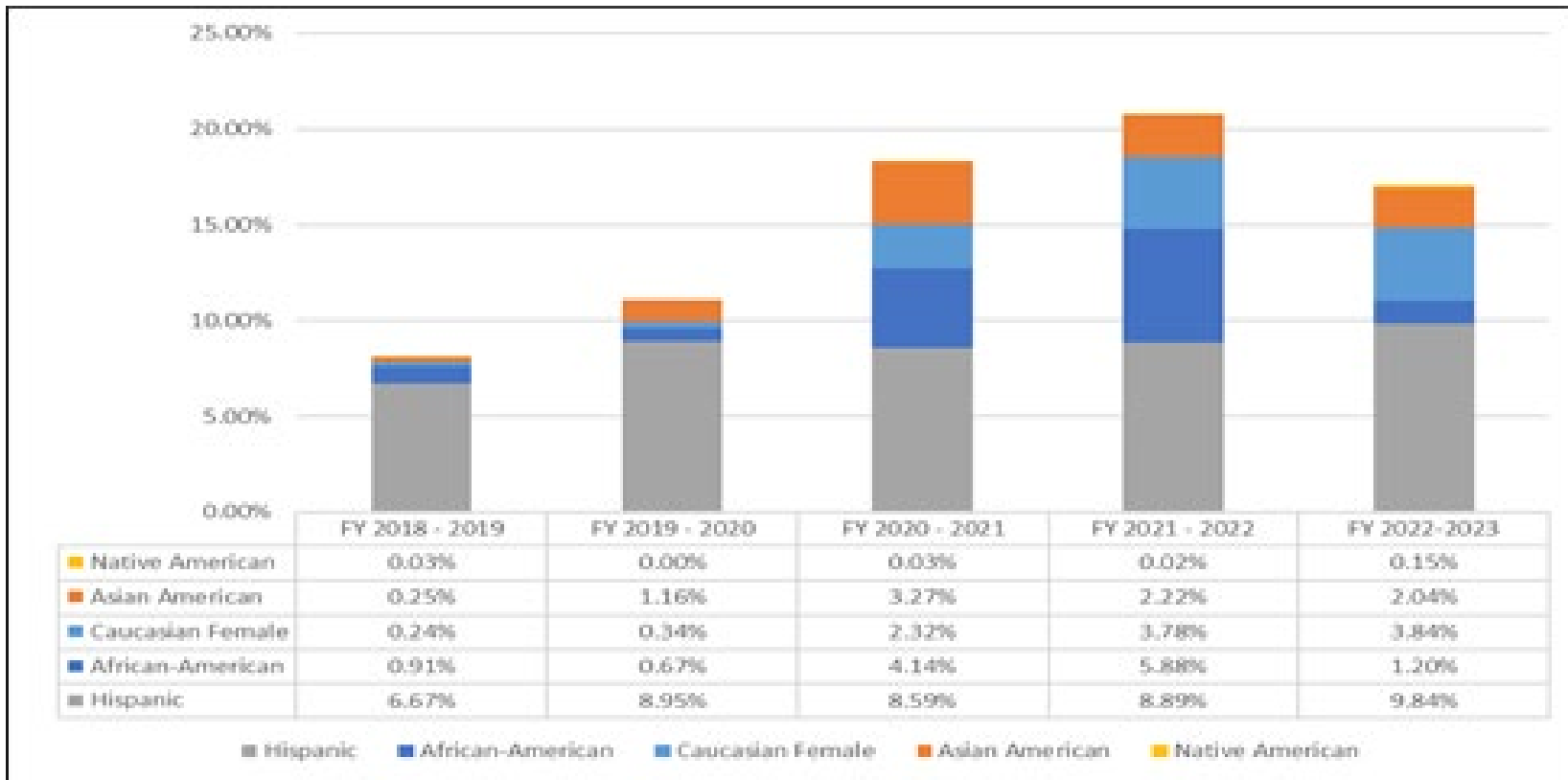
The disparity ratio calculates the City's utilization of M/WBEs as prime contractors and subcontractors to the availability of these firms in its market areas.

# BUSINESS EQUITY FIRM PRIMES 2019-2023



# Ethnic/Gender 5-Year Trend

## Based on MWBE Percentage of Total Awards



# Improvement Strategies

1. Business Equity Ordinance
2. Business Equity Division
3. Partnerships
4. Beck School of Construction
5. CDFI Friendly Fort Worth
6. Department Utilization Dashboard
7. Online Major Project Dashboard
8. Vendor Scorecard
9. Waiver List

# **Business Equity Ordinance**

Strategy 1

## Program and Ordinance Changes

COMPONENT	(OLD) BUSINESS DIVERSITY ENTERPRISE (BDE) ORDINANCE	(NEW) BUSINESS EQUITY ORDINANCE (EFFECTIVE: JANUARY 1, 2021)
Program Type	Minority Business Enterprise (MBE), Minority Business Enterprise (MBE-African American), Small Business Enterprise (SBE) and Minority/Women Business (M/WBE) for contracts <b>under</b> \$100K or \$150K construction	Business Equity (African American, Hispanic, Asian, Native/Indigenous, and Women) for <b>all</b> city funded contracts <b>over</b> \$100K



# Program and Ordinance Changes

COMPONENT	(OLD) BUSINESS DIVERSITY ENTERPRISE (BDE) ORDINANCE	(NEW) BUSINESS EQUITY ORDINANCE (EFFECTIVE: JANUARY 1, 2021)
Marketplace	Tarrant, Dallas, Denton, Johnson, Parker and Wise Counties	<p>Tarrant, Dallas, Johnson, Denton, Parker and Wise counties.</p> <p><u>Significant Business Presence</u> means a Person:</p> <ul style="list-style-type: none"> <li>(1) which has its principal place of business located inside the Marketplace;</li> <li>(2) which has its principal place of business located outside the Marketplace but has been verified to be in existence for a minimum of 24 months and from which at least 20% of the business's workforce is based in the Marketplace; or</li> <li>(3) which has cumulative business receipts greater than \$1,000,000 for work done in the Marketplace since January 1, 2013.</li> </ul>

# Program and Ordinance Changes

COMPONENT	(OLD) BUSINESS DIVERSITY ENTERPRISE (BDE) ORDINANCE	(NEW) BUSINESS EQUITY ORDINANCE (EFFECTIVE: JANUARY 1, 2021)
<b>Goals</b>	<ul style="list-style-type: none"> <li>• Construction (MBE) 25%,</li> <li>• Professional Services MBE-AA (non-A&amp;E) 15%,</li> <li>• Professional Services SBE (A&amp;E) 15%, and</li> <li>• Goods and Services M/WBE 25%</li> </ul>	<p>Citywide Annual Goal 25%</p> <p><u>Disaggregated Business Equity Availability and Goals :</u></p> <ul style="list-style-type: none"> <li>▪ 7% for African American firms,</li> <li>▪ 9% for Hispanic firms,</li> <li>▪ 2% for Asian firms,</li> <li>▪ 1% for Native American firms, and</li> <li>▪ 7% for Caucasian Women-owned firms</li> </ul>

# Program and Ordinance Changes

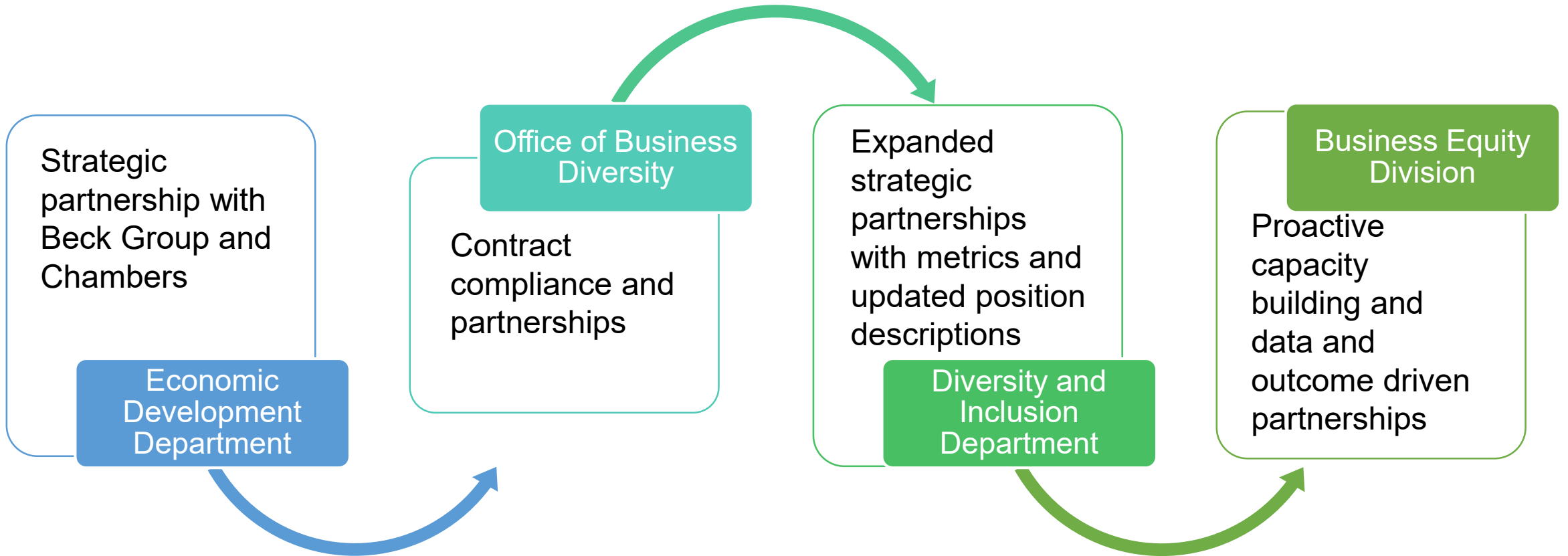
COMPONENT	(OLD) BUSINESS DIVERSITY ENTERPRISE (BDE) ORDINANCE	(NEW) BUSINESS EQUITY ORDINANCE (EFFECTIVE: JANUARY 1, 2021)
<b>Program Threshold</b>	\$50,000.01 and above*	\$100,000.00 and above and applicable to Change Orders and Amendments

# Program and Ordinance Changes

COMPONENT	(OLD) BUSINESS DIVERSITY ENTERPRISE (BDE) ORDINANCE	(NEW) BUSINESS EQUITY ORDINANCE (EFFECTIVE: JANUARY 1, 2021)
<b>Applicable for Program Credit</b>	<ul style="list-style-type: none"> <li>• Subcontracting Program</li> <li>• M/WBE Prime Program               <ul style="list-style-type: none"> <li>• \$100K Profession Services</li> <li>• \$150K Construction projects</li> </ul> </li> </ul>	Self-performance credit for <b>all</b> prime and subcontracting awards.

# **Business Equity Division**

Strategy 2



# Partnerships

## Strategy 3

# **Business Equity Advisory Board**

Margo Posey



# Business Equity Advisory Board

- Voting Entities:
  - Fort Worth Hispanic Chamber of Commerce;
  - Fort Worth Chamber of Commerce;
  - Fort Worth Metropolitan Black Chamber of Commerce;
  - US Pan Asian American Chamber of Commerce;
  - National Association of Minority Contractors;
  - Regional Black Contractors Association;
  - Regional Hispanic Contractors Association;
  - TEXO Association of General Contractors;
  - Texas County Contractors' Association;
  - Native American Business Association;
  - Dallas/ Fort Worth Minority Supplier Development Council;
  - North Central Texas Regional Certification Agency; and
  - Women' s Business Council— Southwest.

# Business Equity Advisory Board

- Non-Voting Entities
  - Black Ecumenical Leadership Association;
  - League of United Latin American Citizens;
  - National Association for the Advancement of Colored People
  - City Departments
    - Diversity and Inclusion
    - Economic Development
    - Other Contracting Departments (TPW, Water, Development Services)

# Fort Worth Metropolitan Black Chamber of Commerce

Michelle Green Ford



# DEVOYD JENNINGS Business Assistance Center





# OUR CITY AND OUR RIVER

The Trinity River has wound itself around the history of Fort Worth from the beginning.



**1689**  
The first European settlement in the area was established by Spanish explorer Juan de Oñate. The river was used for transportation and trade.

**1849**  
The Texas Republic was established, and the river played a key role in the settlement of the Texas Panhandle.

**1892**  
The first dam was built on the river, marking the beginning of large-scale water control and irrigation projects.

**1902**  
The Reclamation Act of 1902 was passed, leading to the construction of the Trinity River Dam and the creation of the Trinity River Conservancy District.

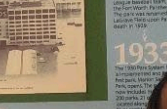
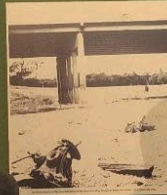
**1909**  
The first bridge across the river was completed, facilitating easier travel and trade between the two sides of the river.

**1914**  
The Texas State Capitol was completed in Austin, and the river continued to be a vital part of the state's infrastructure.

**1926**  
The Trinity River Dam was completed, providing a major source of hydroelectric power and flood control.

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The first dam on the river was completed, marking the beginning of large-scale water control and irrigation projects.

**1933**  
The Trinity River Dam was completed, providing a major source of hydroelectric power and flood control.



**1969**  
The Trinity River Dam was completed, providing a major source of hydroelectric power and flood control.

**1957**  
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**1950**  
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**1988**  
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**2001**  
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**2002**  
The Trinity River Dam was completed, providing a major source of hydroelectric power and flood control.

## Port Worth and the Trinity River Improvement Program

The future is being shaped now. Details of the Trinity River Vision Master Plan are outlined on the adjoining display.













# Fort Worth Metropolitan Black Chamber of Commerce

## Making an Impact!

### **Key Chamber Services and City of Fort Worth Collaborative Programming**

- Business development and mentorship
- Community outreach and networking
- One on One Counseling and referrals
- Dissemination of City of Fort Worth Contracting Opportunities

**Education & Training:** Information Sessions, Certification Workshops, and Bond Assistance, Entrepreneur Mentorship, Access to Capital, Supplier Diversity, Developing a Business Plan, Doing business with the City of Fort Worth, CDFI Fort Worth Friendly Funding, Referrals to Tarrant Small Business Development Center (SBDC), and SCORE

**Procurement Assistance:** Matches Business Equity Firms with City procurement opportunities

### **Economic Development Role:**

- Attract and retain Business Equity Firms
- Promote beneficial initiatives for Business Equity Firms

### **Historical Growth**

- Awarded “Chamber of the Year” by TAAAC
- Increased Chamber membership over 40% in a two-year period (currently 700)
- Scholarships in partnership with TCU Neeley Business School and Texas Wesleyan University
- Graduated Path Forward Leadership Development Class
- Graduated the Inaugural Business Master Class in partnership with Prosperity Bank

## Fort Worth Metropolitan Black Chamber of Commerce

# Moving Forward

### **Identified Challenges**

- Lack of contract awards with African American businesses
- Need for comprehensive and integrated program that will result in more African American contracts
- Solicitation requirements that hinder contract awards
- Lack of African American prime and sub-contractor participation

### **Proposed Solutions**

- Implement a more intentional focus on African American business participation
- Create a business development program to increase the competitiveness of African American firms
- Greater focus on eliminating solicitation requirements that create barriers
- More small business development funding sources
- Create a hybrid African American Incubator to address needs in a more comprehensive manner
- Create greater intentionality to address the African American disparity

# **Fort Worth Hispanic Chamber of Commerce**

Anette Landeros

## **Fort Worth Hispanic Chamber**

Annual City Contracted Services to Assist MWBE Firms: \$126,504

### ***Business Equity Firm Capacity Building Workshops***

GOAL: 12/year                      FWHCC delivered: 17

### ***Assisting Non-Certified Firms to Become MWBE Certified***

GOAL: 6/year                      FWHCC delivered: 13

### **Business Counseling Sessions:**

FWHCC delivered: 84 one-on-one business Counseling Sessions to date

# **Beck School of Construction**

Strategy 4

Scot Bennett, The Beck Group



## The Beck School of Construction

- BSOC | What is it and why was it started?
- Importance of partnership | City of Fort Worth & The Beck Group
- Success in the Numbers
- The damage of pass-through's to community building
- Where we are headed?

# Other Strategies

Christina Brooks

CDFI Friendly

# Fort Worth

Strategy 5

Expanding access to capital for small business in Fort Worth.



## **Expanding Access to Capital**

- Over 194 loans closed
- \$34M in new capital
- 74 small business loans (23% of all loans)
- Accelerate small business lending
  - Maintain, expand, capital investments

# Department Utilization Dashboard

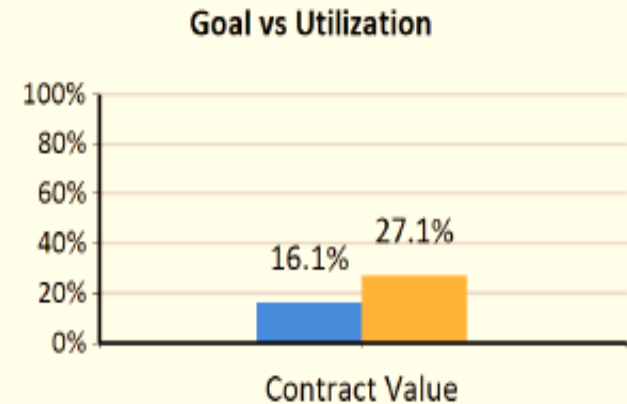
Strategy 6

# Department Dashboard

Displaying contracts awarded from 10/1/2022 to 9/18/2023

Report run 9/25/2023

Number of Contracts	271
Total Contract Value	\$635,140,280
Total Payments	\$37,501,857
Total Payments For Credit	\$10,154,778
Goal	16.08%
Utilization	27.08%



*Note: Dashboard includes all Waivers by Department. Waiver amounts were removed from the Business Equity Detailed Summary Reports*

**Dashboard:**

Total Number of Contracts Awarded = 271 less 72 Contract Waivers = **199** Total Contract Awards

# **Online Major Project Dashboard**

Strategy 7

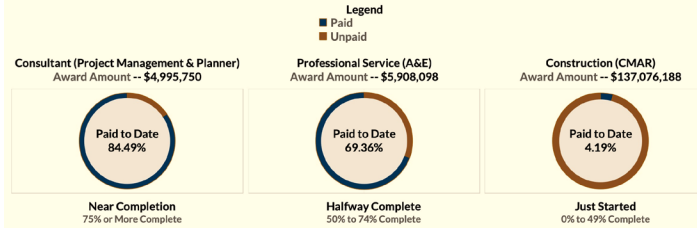


## Future City Hall Spend Report Fiscal Year 2023, Quarter 3

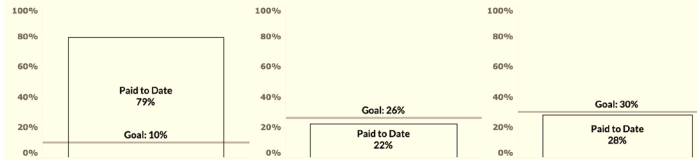
### Prime Contractor Overview

<b>Consultant (Project Management &amp; Planner)</b> <small>Athenian Group (African-American Male)</small>	<b>Professional Services (A &amp; E)</b> <small>BOKA (Caucasian Male)</small>	<b>Construction (CMAR)</b> <small>Linbeck Group (Caucasian Male)</small>
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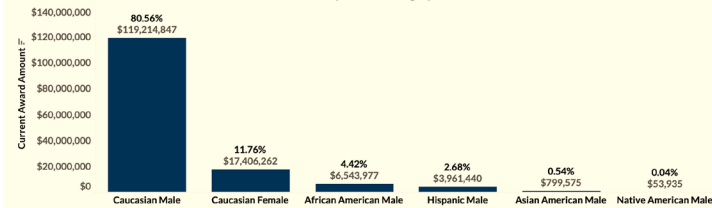
### Project Progress: Percentage of Budget Paid to Date



### Business Equity Firm Progress



### Current Project Awards for ALL Three Combined Areas: \$147,980,035.97 -- Cumulative as of June 28, 2023 Ethnicity/Gender Category



### Upcoming Opportunities

Bid Due (2:00 PM CST)	Contents	Bid Package Name	Building	
<b>Tuesday, August 29</b>	Interior Renovation Finishes	Floors 5, 6	Tower	
	Cisco AV Systems	AV/Video Conferencing	Tower	
<b>Wednesday, September 6</b>	Structured Cabling	Structured Cabling	Tower & Chamber	
	At metal columns	Intumescent Paint	Chambers	
<b>To Be Determined</b>	Interior Renovation Finishes	Floors 10, 11, 15	Tower	
	Interior Signage - All Floors	Tower Signage	Tower	
	Steps, patios, canopies, planters, sidewalks, bollards, barriers, irrigation	Landscaping	Site	
	Storm, Sanitary, Domestic, Fire	Site Utilities	Site	

**Bid Due Legend**

- Tuesday, August 29
- Wednesday, September 6
- To Be Determined

Link to register as a Trade Partner  
<https://www.linbeck.com/trade-partners>

\*\*Spending reports as of June 28, 2023.\*\*  
 \*\*\*Upcoming opportunities as of August 14, 2023.\*\*

# Vendor Scorecard

## Strategy 8

Business Equity Goals

Utilization and Good Faith Efforts

Payments

Communication

Community Partners

Other Non-Ordinance Issues



# VENDOR SCORECARD TEMPLATE

## CRITERIA CHECKLIST

Score Card is set up per Project and vendor rating is on a per project basis.  
 NOTE: Final vendor grade is the average of the vendor project scores for the

Project # / Vendor Name

Hover over red corner flags for line item details

Scores Available from 1-5. Basis for scoring must be listed with specific examples.

1. Business Equity Goals		BASIS FOR SCORE (Change to Rating)	
Met or Exceeded vendor commitment goal		5 (have to reconsider because if vendor -- may be legal issue)	
Met the City's goal		4	
Score	0		
2. Utilization and Good Faith Efforts		BASIS FOR SCORE	
Submit completed and accurate Utilization Plan and signed Letters of Intent by 2:00 PM		5	
Acceptable Good Faith Effort (GFE)		4; <a href="https://www.fortworthtexas.gov/departments/diversity-inclusion/business-equity">https://www.fortworthtexas.gov/departments/diversity-inclusion/business-equity</a>	
Score	0		
3. Payments		BASIS FOR SCORE	
Timely reporting and receipt of all payments from the City in B2GNow System within 30 days of receipt of such payment		5	
Timely reporting of payments made to each Business Equity Firm subcontractors utilized by the Contractor in the B2GNow System within 30 days		5	
Failure to report receipt of payment from the City within 30 days of receipt of such payment (one instance)		2	
Failure to report all payments made to each Business Equity Firm utilized within 30 days (one instance).		2	
Failure to report, in B2GNow System, receipt of payment from the City within 60 days of receipt of such payment (locked out of system - one instance)		1	
Score	0		
4. Communication with Subs and DVIN		BASIS FOR SCORE	
Timely notify each Business Equity Firm subcontractor to confirm receipt of payment or show proof of payment in the form of a cancelled check in the B2GNow System		0 = Did not comply 5 = Compliance	
Timely notify DVIN of Change Orders or Amendments, if there is a reduction in work or additional work through the B2GNow System		0 = Did not comply 5 = Compliance	
Notified DVIN, in advance, of a Substitution or Removal of a Business Equity Firm Subcontractor		0 = Did not comply 5 = Compliance	
Score	0		
5. Community Partnerships		BASIS FOR SCORE (Change to Rating)	
Joint venture		5	
Had mentor/protégé program for subcontractors		5	
Score	0		

Ratings	Weight	Description
A	35-40	Excellent
B	30-34	Above Average
C	25-29	Average
D	20-24	Pass
F	<20	Fail



# Waiver List

Strategy 9



# Top Waivers Issued

## NEEDED SERVICES/SUPPLIERS TO INCREASE BUSINESS EQUITY PARTICIPATION

- Milling of Roadway (one MBE firm)
- Joint Sealing (one MBE firm)
- TV Inspection/Manhole Testing/Vacuum Testing (None)
- Barricades (two MBE firms, but limited supplies)
- Construction Signs (one MBE firm)
- Pipe Suppliers (one MBE firm)
- Pipe Valves, Fittings and Suppliers (one MBE firm)
- Fuel Supplier (None)
- Concrete Supplier (None)
- Lime Supplier (None)
- Steel Rebar Supplier (None)

**Questions?**