

**CITY OF MIRAMAR
PROPOSED CITY COMMISSION AGENDA ITEM**

First Reading Date: March 24, 2021

Second Reading Date: April 21, 2021

Presenter’s Name and Title: Dr. Karen Hollis, BID Administrator, on behalf of the Economic and Business Development

Prepared By: Tara Rumph, Department Coordinator

Temp. Ord. Number: 1771

Item Description: FIRST READING of Temp. Ord. No. 1771, AMENDING THE CITY CODE OF ORDINANCES TO INCORPORATE THE BUSINESS INCLUSION AND DIVERSITY ACT, WHICH ESTABLISHES GOALS, OBJECTIVES AND REQUIREMENTS THAT FURTHER ENCOURAGE PROCUREMENT AND CONTRACTING OPPORTUNITIES FOR LOCAL, MICRO/SMALL MINORITY BUSINESS ENTERPRISES (“MICRO/SBE”) AND MINORITY/WOMEN BUSINESS ENTERPRISES (“M/WBE”), PROVIDING FOR SEVERALBILITY AND INTERPRETATION; PROVIDING FOR CODIFICATION; PROVIDING FOR CORRECTION OF SCRIVENER’S ERRORS, AND PROVIDING FOR AN EFFECTIVE DATE. *(Economic and Business Development Director Anita Fain Taylor)*

Consent Resolution Ordinance Quasi-Judicial Public Hearing

Instructions for the Office of the City Clerk: None

Public Notice – As required by the Sec. _____ of the City Code and/or Sec. _____, Florida Statutes, public notice for this item was provided as follows: on _____ in a _____ ad in the _____; by the posting the property on _____ and/or by sending mailed notice to property owners within _____ feet of the property on _____ (fill in all that apply)

Special Voting Requirement – As required by Sec. _____ of the City Code and/or Sec. _____, Florida Statutes, approval of this item requires a _____ (unanimous, 4/5ths etc.) vote by the City Commission.

Fiscal Impact: Yes No

REMARKS: None

Content:

- **Agenda Item Memo from the City Manager to City Commission**
- **Ordinance TO 1771**
 - **Exhibit “A”: BID Act**



**CITY OF MIRAMAR
INTEROFFICE MEMORANDUM**

TO: Mayor, Vice Mayor, & City Commissioners
FROM: *WET* Vernon E. Hargray, City Manager *[Signature]*
BY: Anita Fain Taylor, Economic and Business Development Director
DATE: March 18, 2021
RE: FIRST READING of Temp. Ord. No. 1771, amending the City Code of Ordinances to include the Business Inclusion and Diversity Act

RECOMMENDATION: The City Manager recommends approval of Temp. Ord. No. 1771, amending the City Code of Ordinances to include the Business Inclusion and Diversity (“BID”) Act, which will provide equal opportunity for local, micro/small minority business enterprises (“Micro/SBE”) and minority/women business enterprises (“M/WBE”).

ISSUE: City Commission approval is required for any amendments to the City Code of Ordinances.

BACKGROUND: As recommended by Mayor Wayne M. Messam and then unanimously supported by the City Commission on August 17, 2016 via Resolution No. 16-181, a Disparity Study was commissioned to determine whether a significant statistical disparity existed between the percentages of available, qualified M/WBE contractors in the industry and the percentage of contract dollars awarded to such firms by the City.

On March 7, 2018, the City Commission adopted Resolution 18-78 to accept the findings and recommendations of the Disparity Study completed by MGT Consulting Group. The comprehensive Study included the review of City policies, procedures and programs, analysis of market area and utilization, review of availability of qualified firms, survey of business owners, as well as significant input from City Departments, City Commission, City Attorney’s Office, and the public. The Study concluded that there was a disparity between the number of available M/WBE forms and the utilization of firms and that it was appropriate to establish a narrowly tailored M/WBE business enterprise program and to implement additional adjustments to ensure greater diversity on City projects.

DISCUSSION: Below are additional details concerning the Disparity Study's results and recommendations:

(a) The Study provided the following anecdotal findings:

1. The Study found the ongoing effects of disparity in the broader relevant market adversely affect the City's utilization of ready, willing, and able minority- and woman-owned businesses in City construction and construction-related, professional services, and goods and services contracts.
2. The Study provided the following anecdotal findings:
 - 1) M/WBE firms earned less revenue than their non-M/WBE counterparts as a result of disparity.
 - 2) Barriers exist that limit M/WBE firms from competing with large firms.

(b) The Study provided the following quantitative findings:

BUSINESS OWNERSHIP CLASSIFICATION	DOLLARS	PERCENT OF DOLLARS
African Americans	\$4,604,257.16	2.71%
Asian Americans	\$172,384.10	0.10%
Hispanic Americans	\$4,821,615.01	2.84%
Native Americans	\$0.00	0.00%
TOTAL MINORITY FIRMS	\$9,598,256.27	5.65%
Nonminority Female Firms	\$3,016,773.40	1.78%
TOTAL M/WBE FIRMS	\$12,615,029.67	7.43%
TOTAL NON-M/WBE FIRMS	\$157,256,512.30	92.57%
TOTAL FIRMS	\$169,871,541.97	100.00%

- (c) The Study further concluded that solely race-and gender-neutral remedies are not likely to be sufficient to fully eliminate the effects of the identified forms of disparity. Therefore, a narrowly tailored combination of race-and gender-neutral and race and gender-conscious remedies are warranted.
- (d) The Study found factual predicate evidence to establish remedies to address disparities identified in construction, construction-related professional services (including architecture and engineering), professional services, general services, and commodities contracts procured by the City.

- (e) The Study provides numerous recommendations on how the City can increase minority participation in the City's procurement process. These include developing strategic programs and services to remedy disparity identified in Study; conducting outreach, monitoring, compliance; managing data; setting subcontractor project goals; and, expanding a local business enterprise program.
- (f) As a result of the study's findings and recommendations, the City hired a Diversity Professional who first implemented BID as a race-neutral approach to remedy the disparity identified by the Disparity Study.

The primary goal of BID is to effectively administer anti-discrimination and equal opportunity programs and services to advance inclusion and diversity through the recommendation and measures identified in the Disparity Study.

Absent an extension by the City Commission, the race and gender conscious measures of the BID Program, including the establishment of M/WBE goals, will expire on October 1, 2027. The City Commission will review the data, progress of race-conscious initiatives, and contract goal performance measures to determine if the extension of race-conscious initiatives is warranted.

ANALYSIS: The City Commission and the City Manager are committed to expanding the City's inclusion and diversity practices to eradicate disparity and to increase contracting opportunities for local and minority-owned business owners throughout the Tri-County area.

The proposed BID Act establishes goals, objectives and requirements for a local, Micro/SBE and M/WBE business enterprise program for the City and further positions the City to include additional segment programs and services; seeks to eradicate disparity as identified in Study; ensures more diversity and inclusion Citywide; and, delivers initiatives and opportunities to propel business growth.