

Greensboro looks at plan to increase participation by minority businesses in subcontracts for city projects

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GREENSBORO — City government plans to be more assertive and dogged in efforts to include companies owned by minorities and women in municipal contracts.

City staff members suggested changes Tuesday aimed at helping the City Council increase participation by “minority and women business enterprises” as subcontractors working on municipal projects.

They told the council in a Tuesday work session that the key to achieving higher MWBE participation includes setting goals for the next year in each annual budget and then following up to see what strides are made in hitting those targets.

The initiative follows a study completed last year by an outside consultant that found the city could do much better when it comes to including businesses owned by minorities and women in municipal contracts for construction projects, professional services, goods and other services.

The consultant's study found that such businesses don't always share in city contracts in part because they are less likely than those owned by white men to qualify for the bank loans necessary to grow and prosper.

Last year's study by Atlanta-based consulting firm Griffin & Strong also said that a majority of the city contracts that go to “minority and women business enterprises” go to white women, instead of those owned by ethnic minorities.

Unveiled in an afternoon work session, Tuesday's recommendations would include setting “MWBE spending targets” for every city department as part of the annual budget, from transportation projects to office supplies.

Under the proposal, the city Minority and Women Business Enterprise Office would be accountable for keeping track of how other municipal offices were doing at meeting those goals as the budget year proceeds.

The committee also suggested revising the city's current MWBE ordinance to include African, Asian, Hispanic and Native Americans in the definition of minority contractors for each type of contract. The current ordinance excludes some ethnic groups in places.

In addition, city officials would create a new pool of MWBE contractors for routine projects costing less than \$50,000, which could go to members of that group on a rotating basis. In some circumstances, city officials also could waive bonding requirements that some smaller companies have trouble meeting.

The plan would spark dramatic increases in city government's goals for participation in city contracts by minority- and women-owned businesses, boosting the "aspirational goal" for construction projects from the current 8 percent target for minority-owned companies to 18 percent, and from 7 percent to 20 percent for companies owned by women.

The hoped-for target for professional-service would go from the current 7 percent goal for both minority- and female-owned businesses to 24 percent for minority companies and 22 percent for women.

Council members said they planned to vote on the new program later this month for activation in the next municipal budget beginning July 1.