

Minority firms seldom hired by Miramar, study shows

By Brian Ballou - Contact Reporter - Sun-Sentinel - February 8, 2018

Miramar sends just a tiny part of its business to minorities, a new study shows.

And it's not for a lack of minority-owned businesses in the region, according to the study conducted at the city's request by the MGT Consulting Group.

"Many cities have policies that end up being unintentional barriers," Mayor Wayne Messam said, such as making contracts too large for small businesses to handle, rather than dividing up work.

To fix the problem, city commissioners and the consulting firm will meet on Feb. 21. They plan to focus on making contracts more suitable to small business, a characteristic of many minority firms.

The consultants suggested the city:

- Set annual goals to increase the number of contracts awarded to minority businesses.
- Conduct outreach to minority businesses that could potentially serve the city.
- Establish a "Minority/Women Business Enterprise" program to monitor progress in hiring.
- Encourage minority-owned businesses to take advantage of small local business programs that assist with training, development and financing.

[Brian C. Johnson](#), West Park's vice mayor and the president of the Minority Builder's Coalition, Inc., which includes 300 black, Hispanic and women-owned businesses in South Florida, said many of those businesses have difficulty growing because they consistently lose in the bidding process.

"They don't have the capacity to expand and compete for bigger contracts because they aren't being used," Johnson said.

He said cities tend to go with businesses they are familiar with.

"Historically, minority and women-owned businesses haven't been included in those circles," he said.

He suggested that cities such as [Miramar](#) talk to minority-owned businesses that apply for contracts but don't win the jobs.

“For those companies that lose over and over and don’t know why, it would be a way to find out what they can do to become more competitive,” Johnson said.

According to the city’s study, [Miramar](#) awarded \$147 million in contracts from October 2012 through September 2016. Black-owned businesses received \$3.3 million of that and Hispanic-owned businesses received \$3.2 million, or about 2.2 percent each. Those percentages fall well below the percentage of Hispanic-owned businesses in the city, 12.4 percent; and the percentage of black-owned businesses, 8.6 percent.

In Miramar, contracts are awarded by the city manager but the city commission has to approve ones that exceed \$50,000. Most of the contract money went to construction companies, but the city also hired firms for services ranging from maintenance to engineering.

Officials say the issue hits home since more than three quarters of city residents are black or Hispanic.

Miramar’s study is similar to two disparity reports conducted [in Palm Beach County](#). The county-funded analysis by California-based Mason Tillman Associates found that black-owned construction firms made up 13 percent of the marketplace but received about 3 percent of the value of county contracts over \$50,000 to \$1.3 million awarded from 2009-13.

The second report focused on the county’s Solid Waste Authority and found that black-owned businesses received less than 1 percent of its commodities and service contracts.

The [Palm Beach County commission](#) is meeting on the issue and will consider creating a program to track the progress of minority businesses.