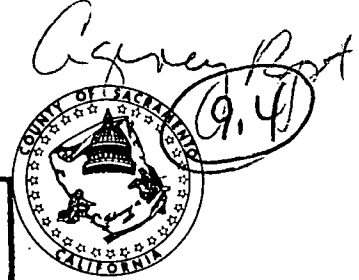




**SACRAMENTO
HOUSING AND REDEVELOPMENT
AGENCY**



FILED
APR 24 1990
April 24, 1990
SACRAMENTO HOUSING AUTHORITY
CITY OF SACRAMENTO

Housing Authority,
Redevelopment Agency and City Council of the
City of Sacramento
Sacramento, California

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SACRAMENTO REDEVELOPMENT AGENCY
CITY OF SACRAMENTO

Honorable Members in Session:

**SUBJECT: Minority and Women's Business Enterprise Utilization
Accomplishments for 1989**

SUMMARY

The attached report presents a summary of the Sacramento Housing and Redevelopment Agency's contracting activities and Minority and Women Business Enterprise (M/WBE) utilization accomplishments for 1989. It also provides a review of special, continuing and planned future activities of the M/WBE program.

This report is informational only; no action is required.

BACKGROUND

In April 1985, the Board of Supervisors and the City Council approved the SHRA's M/WBE Plan. During the following months of 1985, implementation guidelines and a certification program were developed. The program became fully operational by January 1986.

The initial M/WBE program affected only Community Development Block Grant funded projects, public housing and certain special projects. However, with the success of the initial program and the committment of the governing bodies and Agency to increasing minority and women's participation in SHRA contracts the program was expanded in January of 1987, to include all Agency publicly-bid projects and private projects that use public monies. Outreach efforts were intensified and in the expanded committment, the goals were increased from 10 percent for MBE's and 1 percent for WBE's to 20 percent for MBE's and 5 percent for WBE's.

In 1988, the M/WBE program became computerized and the first directory of Agency-certified M/WBE firms was published. This directory is updated quarterly and is distributed to potential bidders at pre-bid conferences so they may select sub-contractors from it. Agency personnel also use the directory when soliciting bidders for construction, services and/or supplies.

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In January 1989, the United States Supreme Court rendered a decision in City of Richmond v. J.A. Croson Co., which required changes in the Agency M/WBE program. Those changes are described in the January 22, 1990 staff report to the City Council. The negative effects of that decision have resulted in lower statistics for 1989 and Agency staff is working on several program enhancements, described below, to mitigate those effects.

From January 1, 1989 to December 31, 1989, the Agency awarded contracts in the amount of \$16,744,447 (exclusive of privately bid projects). Of this total, \$2,018,908 (or 12.1 percent) was awarded to Minority Business Enterprises (MBE's) and \$1,015,574 (or 6.1 percent) was awarded to Women's Business Enterprises (WBE's). This represents 60% of our MBE goal and 122% of our WBE goal.

Below is a recap of the 1987, 1988 and 1989 utilization percentages:

YEAR	TOTAL MONEY	MBE MONEY	PERCENT	WBE MONEY	PERCENT
1987	\$12,647,404	\$2,089,137	16.5 %	\$ 798,294	6.3 %
1988	\$ 8,036,431	\$1,530,425	19.4 %	\$ 870,154	10.8 %
1989	\$16,744,447	\$2,018,908	12.1 %	\$1,015,574	6.1 %

The Library Project and the Woodhaven Project are not included in the above figures as they are non-federally subsidized privately-bid construction projects which were individually judged per the Agency's M/WBE application matrix. On each of these projects, the developer has assumed the responsibility for meeting the Agency M/WBE goals or making good faith efforts to do so.

Staff has proposed several methods for strengthening the M/WBE program in the wake of Croson, specifically:

- . The implementation of an Agency-wide bid hotline to inform callers of bidding opportunities within the Agency, especially for small contracts which are of particular interest to M/WBE's.
- . Speaking engagements by M/WBE staff to community organizations.

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- . The development of an informational pamphlet identifying how to do business with the diverse departments of SHRA.
- . The reduction of mandated insurance requirements on smaller contracts.

The focus of each of these undertakings is to help new and small businesses (many of whom are M/WBE's) become acquainted with Agency bid opportunities and how to comply with procedures.

In response to the Croson decision, staff is working with the City and County to develop an RFP for a consultant to perform a study to provide the factual basis for a goals program on non-federally funded contracts. The Agency is currently tracking M/WBE participation on such projects.

In other outreach efforts, staff attends monthly meetings of the Minority Business Opportunity Committee and provides bid information to their BIDWATCH publication which reaches many local M/WBE's. Staff attends quarterly meetings of the Mayor's Task Force on M/WBE to keep abreast of court rulings and the direction of other local M/WBE departments. Staff also participated in the Annual Minority Economic Development Conference which resulted in certifying many new vendors, continues to certify about 10-15 M/WBE's weekly, and provides the Agency's M/WBE directory to various local and state agencies.

FINANCIAL CONSIDERATIONS

This report has no financial impact.

MBE/WBE EFFORTS

Not applicable

ENVIRONMENTAL REVIEW

Administration of the M/WBE program is exempt from environmental review in accordance with the California Environmental Quality Act and the National Environmental Policy Act.

POLICY IMPLICATIONS

This report contains no policy implications and requires no action. It summarizes the result of implementation of previously adopted policies.

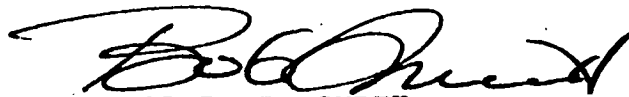
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RECOMMENDATION

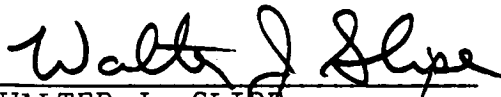
This report is for your information and no specific action is necessary.

Respectfully submitted



ROBERT E. SMITH
Executive Director

TRANSMITTAL TO COUNCIL:



WALTER J. SLIPE
City Manager

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