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**CITY OF SAN ANTONIO
PROPOSED AMENDED SBEDA
ORDINANCE:
A SUMMARY OF THE PRELIMINARY
DRAFT**

**SMALL BUSINESS ADVOCACY COMMITTEE
Business Stakeholder Meeting
August 28, 2009**

AN OVERVIEW: OUTLINE AND STRUCTURE OF ORDINANCE

- Title and Preamble (Summary of factual predicate and purposes)
- Scope of Ordinance
- Exclusions from Ordinance
- Attachment “A” – Table of Contents, Definitions, and Text of Proposed Ordinance
- Attachments B-1 through B-4 (forms)
- Attachment C – Policy for DBE / ACDBE Participation in Federal Contracts is preserved

THE PREAMBLE

- MGT 2009 Disparity Study purpose and findings of disparity (public and private sector)
- History of factual predicate from 1987 to present and related race neutral programs
- Findings: Ongoing effects of marketplace discrimination are evident
- Decades of race neutral programs not fully effective in eliminating significant disparities

THE PREAMBLE

- Deliberation over study findings – extensive public comment, additional public hearing testimony, and consideration by City Council
- Formal adoption of study findings by City Council for purposes of policy formulation
- Findings: Ongoing effects of marketplace discrimination are evident

THE PREAMBLE

- Purposes of Ordinance:
 - Remedy ongoing effects of marketplace discrimination on COSA contracting
 - Avoid becoming passive participant in private sector discrimination
 - Economic inclusion: building a robust economy that fully utilizes all segments of business population regardless of race or gender.

SCOPE OF ORDINANCE

- All COSA expenditure contracts for purchase of goods or services above \$3,000, and all COSA revenue contracts for purchases of goods and services above \$50,000, unless expressly excluded.

SCOPE OF ORDINANCE

- Contracts excluded from scope of ordinance:
 - Expenditure contracts of \$3,000 or less
 - Revenue contracts of \$50,000 or less
 - Sole source contracts
 - Public utility purchases of electricity, water, & sewer
 - Non-profit grants for social services

SCOPE OF ORDINANCE (continued)

- Contracts excluded from scope of ordinance:
 - Emergency contracts to preserve public safety
 - City leases or purchases of real property

SEC. III.C. – PROCUREMENT REFORMS

- Commercial Non-discrimination Policy
- Centralized Bidder Registration Policy
- Bid Specification Review
- Bid De-Briefings

SEC. III.D. – Affirmative Procurement Initiatives

- **Significant changes from old SBEDA ordinance:**
 - Smorgasbord buffet menu of options (race neutral and race-conscious)
 - Contract-specific application of goals and / or remedies
 - Goal Setting Committee applies APIs to each contract

SEC. III.D. – Affirmative Procurement Initiatives

- Standards and criteria for narrowly-tailored application of race-conscious remedies
- Temporary suspension and graduation features for SBE and M/WBE APIs
- Annual aspirational goals vs. contract-specific goals

SEC. III.D. – Affirmative Procurement Initiatives

- Industry-specific Affirmative Procurement Initiatives
- Periodic program review, modification, and sunset

Affirmative Procurement Initiatives: New Tools in the Toolbox

- Emerging Contractor programs
- Emerging M/WBE programs
- HUBZone Program ($\leq \$750$ K)
- SBE Reserve ($\leq \$50$ K)

Affirmative Procurement Initiatives: New Tools in the Toolbox

- Joint Venture Incentives for professional services, goods & supplies contracts
- SBE pre-qualified panel rotation
- M/WBE vendor rotation
- Mentor-protégé program work group
- Bonding assistance program work group

WHAT'S NOT INCLUDED...

- SBAC Economic Inclusion Initiative for private sector
 - Convene umbrella organization including Chamber of Commerce, Hispanic Chamber, Black Chamber, Minority Purchasing Council, and other trade associations
 - Establish “Growing San Antonio” initiative to reward and promote greater private sector efforts to include M/WBE suppliers in economic mainstream including targeted efforts to develop long-term supplier / vendor relationships

QUESTIONS

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