



TO: Elizabeth Pauli, City Manager
FROM: Jeff Robinson, Community & Economic Development Department (CED)
Director,
COPY: Clifford Armstrong III, Workforce Development Program Manager
City Council and City Clerk
SUBJECT: Equity in Contracting Ordinance 1.07
DATE: October 29, 2017

SUMMARY:

The City of Tacoma seeks to implement contracting equity by creating Minority & Women Business Enterprise (MWBE) requirements on its contracts. A disparity study completed in 2018 identified significant disparities in contracting work offered by the City of Tacoma for businesses owned by women and/or minorities. The study made recommendations to address these disparities, and a task force commissioned by the City Council affirmed the Disparity Study recommendations.

City Staff will present a revised SBE ordinance for City Council consideration on October 29, 2019.

COUNCIL SPONSORS:

Councilmember Keith Blocker

STRATEGIC POLICY PRIORITY:

Foster a vibrant and diverse economy with good jobs for all Tacoma residents.

BACKGROUND:

City Council, through a resolution, created a Community Workforce Agreement (CWA) Task Force to assess the factors between race and gender conscious subcontracting requirements and the utilization of a CWA. The group reaffirmed all of the recommendations from the disparity study and supplied an additional 14 recommendations.

Earlier this year, Initiative 1000 (I-1000) passed in Washington State. It effectively removes the 2nd step outlined above, in which a neutral solution must be attempted before a race and gender conscious one may be adopted. I-1000 is up for public referendum in this November's election, but as the City has gone through all of the steps necessary under I-200, the fate of I-1000 at the ballot box will not impact the City's ability to move forward.

**ISSUE:**

The City of Tacoma's race and gender neutral SBE program solutions have not resulted in a more equitable distribution of contracts. Staff has proposed the following changes to TMC 1.07 to develop an MWBE program capable of addressing the disparities.

- 1.07.40 Program administration
 - Add "Program Regulations" that will define administrative rules, regulations, and procedures.
- 1.07.050 Certification
 - Add consideration of Minority Business Enterprise (MBE), Woman Business Enterprise (WBE), and MWBE status.
 - Use the State of Washington's Office of Minority & Women Business Enterprises for all certifications
 - Keep geographic distinctions the same as current SBE program
- 1.07.060 Program requirements
 - Statement of cumulative annual goals
 - Program Manager shall consult with City departments/divisions to establish plans to comply with City's annual goals
- 1.07.070 Evaluation of submittals
 - All contracts evaluated for attainment of the MWBE and SBE requirements...
 - Bid requirements a condition of award...
- 1.07.090 Program monitoring
 - Advisory Committee created to monitor compliance with all provisions... and Regulations
 - Program Manager shall submit an annual report...
- 1.07.140 Review of Program
 - Program to be reviewed (based on new Disparity Study Finding) by July 1, 2024.

ALTERNATIVES:

If the ordinance is not adopted, staff will be unable to address the disparities as suggested in the 2018 Disparity Study and affirmed by the 2019 CWA Task Force.

RECOMMENDATION:

Approve the TMC 1.07 changes as proposed. Make the effective date for the changes January 1, 2020.



FISCAL IMPACT:

There will be no fiscal impact.

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: N/A

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? N/A

IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED. .