



CITY OF HOUSTON - CITY COUNCIL

Meeting Date:
District B, District E, District I
Item Creation Date: 9/12/2016

OBO - FFY 2017-2019 Disadvantaged Business Enterprises Program Goals

Agenda Item#:

Summary:

RECOMMENDATION of the Office of Business Opportunity and Houston Airport System Directors to adopt a Motion setting overall goal of 29%, including a 2.5% race-neutral component for the participation of Disadvantaged Business Enterprises (DBEs) on DOT/FAA funded contracts at IAH and HOU Airports; and an overall goal of 26% for the participation of DBEs on DOT/FAA funded contracts at EFD Airport, including a 2.5% race-neutral component; from October 1, 2016 through September 30, 2019, in compliance with DBE Ordinance 99-893 and DOT/FAA mandated requirements as reflected in 49 CFR, Part 26.

Background:

Effective March 4, 1999, the DOT adopted a final rule implementing changes to 49 CFR, Part 26, which mandated new requirements for participation for Disadvantaged Business Enterprises ("DBEs") in DOT-assisted contracts, for Houston Airport System projects, and if applicable, Department of Public Works and Engineering projects. Substantial changes in federal regulations required enactment of Ordinance 99-893 to comply with the revised federal requirements for DOT-assisted contracts. The City is not eligible to receive DOT financial assistance unless it is in compliance with these federal regulations.

Changes in the Code of Federal Regulations, adopted in February 2010, required all recipients who receive more than \$250,000 in federal funds to establish a Disadvantaged Business Enterprise Plan and set triennial goals for all federally-assisted projects. City Council Motion 2013-0710 approved the City's Federal Fiscal Years 2014 – 2016 DBE overall contract goal of 29%, with a 3.7% race neutral goal for George Bush Intercontinental Airport (IAH).

The Office of Business Opportunity (OBO), in cooperation with the Houston Airport System (HAS), has analyzed the relevant criteria required by federal authorities, and set an overall DBE goal of 29%, with a 2.5% race neutral goal for the George Bush Intercontinental Airport (IAH) and the William P. Hobby Airport (HOU) and an overall DBE goal of 26%, with a 2.5% race neutral goal for Ellington Field Airport for the 2017 - 2019 Federal Fiscal Years. The federal criteria and the proposed goals were presented to the Budget & Fiscal Affairs Council Committee on August 30, 2016.

OBO and HAS recommends adoption of the Motion for the referenced DBE goals in order to comply with federal requirements.

Carlecia D. Wright, Director
Office of Business Opportunity

Prior Council Action:

Motion No. 2013-0710

Amount of Funding:

N/A

Contact Information:

Carlecia D. Wright, Director
Office of Business Opportunity
832.393.0615

Jason McLemore, Deputy Assistant Director
Houston Airport System's Office of Business Opportunity
281.233.7833

Mario C. Diaz, Director
Houston Airport System
281.233.1877

ATTACHMENTS:

| Description | Type |
|---|-----------------|
| FFY17-19 Proposed DBE Goals | Backup Material |
| FFY17-19 DBE Goals Attachments #1 | Backup Material |
| FFY17-19 DBE Goals Attachments #2 | Backup Material |
| FFY17-19 DBE Goals Attachments #3 | Backup Material |