#### **ORDINANCE/RESOLUTION REQUEST**

Please email requests to the Mayor's Legislative Team

at MileHighOrdinance@DenverGov.org by 3:00pm on Monday.

\*All fields must be completed.\*

Incomplete request forms will be returned to sender which may cause a delay in processing.

Date of Request: 5/2/11

Please mark one:	🛛 Bill Request	or	Resolution Request
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1. Has your agency submitted this request in the last 12 months?

🗌 Yes 🛛 🖾 No

If yes, please explain:

2. Title: (Include a concise, one sentence description – please include <u>name of company or contractor</u> and <u>contract control number</u> - that clearly indicates the type of request: grant acceptance, contract execution, amendment, municipal code change, supplemental request, etc.)

A request to amend Sections 28-83 and 28-234 of the Revised Municipal Code to extend the Minority Women and Business Enterprise (MWBE) and Small Business Enterprise Ordinance (SBE) for an additional eighteen (18) months.

- 3. Requesting Agency: Office of Economic Development, Division of Small Business Opportunity
- 4. Contact Person: (With actual knowledge of proposed ordinance/resolution.)
  - Name: Tamela Lee
  - **Phone:** (720) 913-1701
  - Email: <u>Tamela.Lee@Denvergov.org</u>
- 5. Contact Person: (With actual knowledge of proposed ordinance/resolution <u>who will present the item at Mayor-Council and who</u> will be available for first and second reading, if necessary.)
  - Name: Seneca Holmes
  - Phone: (720) 913-1533
  - Email: <u>Seneca.Holmes@Denvergov.org</u>

#### 6. General description of proposed ordinance including contract scope of work if applicable:

This amendment will extend Ordinance 2006-0760. This ordinance enables the Minority Women and Business Enterprise (MWBE) program and Small Business Enterprise (SBE) program. The request changes the sunset date in the ordinance from December 31, 2011 to June 30, 2013.

An 18 month extension of the ordinance is necessary for the continued operation of the programs and for adequate time to complete additional studies and conduct an administrative review of the MWBE and SBE programs to make a determination of whether any adjustments or revisions to Division 3 of Article VIII or Article VII of Chapter 28 are necessary.

**\*\*Please complete the following fields:** (Incomplete fields may result in a delay in processing. If a field is not applicable, please enter N/A for that field.)

- a. Contract Control Number: N/A
- **b. Duration:** December 31, 2011 June 31, 2013
- c. Location: City and County of Denver
- d. Affected Council District: Citywide

e. Benefits: Continues the MWBE program to allow opportunities created by expenditure of public funds for construction and design services to be available to all community members, and provides capacity-building tools and pathways for all construction and design companies to grow, prosper and succeed.

- f. Costs: N/A
- 7. Is there any controversy surrounding this ordinance? (*Groups or individuals who may have concerns about it?*) Please explain. Yes, there is at least one City Council member who believes that a Small Business Enterprise program can adequately serve the mission of the MWBE program without having to pay specific attention to race and gender disparities. There may also be individuals or organizations who wish to use the occasion of this amendment to materially change the current ordinance beyond the modification of the sunset date. Additionally, these type of programs maybe perceived as generally controversial by the community at large

# **Executive Summary**

## Background

In 2006 City Council passed Ordinance No. 760, which enabled the Minority Women and Business Enterprise (MWBE) and Small Business Enterprise (SBE) programs. Ordinance No. 760 authorizes specific activities the Division of Small Business Opportunity may perform to prevent discrimination, provide small business outreach and small business development services in the areas of construction, reconstruction and remodeling, and professional design and construction services. The enabling ordinance will expire on December 31, 2011. The City has determined that the conditions originally justifying the enactment of the MBE/WBE and SBE programs still exist and that it is in the best interests of the City to extend the ordinance.

An 18 month extension of the ordinance will allow for additional studies, namely a new Disparity Study\*, and time to conduct an administrative review to identify potential adjustment(s) to the existing programs. A new Disparity Study is expected to begin in July, 2011.

## Proposed Amendment Language

**SECTION 1.** That Subsection (b) of Section 28-83, D.R.M.C. will be amended by deleting the language stricken and adding the language underlined to read as follows:

#### Sec. 28-83. Review and sunset.

(b) This division 3 will be repealed effective December 31, 2011 June 30, 2013.

**SECTION 2.** That Subsection (b) of Section 28-234, D.R.M.C. will be amended by deleting the language stricken and adding the language underlined to read as follows:

## Sec. 28-234. Review and sunset.

(b) This division 3 will be repealed effective December 31, 2011 June 30, 2013.

#### Previous City Council Action

On March 23, 2011 the Office of Economic Development presented a comprehensive description and analysis of the Division of Small Business Opportunity programs to the Business Workforce and Sustainability Committee. An extension of Ordinance 2006-0760 was specifically discussed both in Committee and in numerous one-on-one meetings with interested Council Members.

\* A 2006 Disparity Study conducted by NERA Economic Consulting, found compelling evidence that:

•Availability of disadvantaged M/WBEs in the Denver construction and design services marketplace was substantially lower than expected in a race- and gender-neutral environment

•Minorities and women are substantially less likely to have their own businesses as a result of discrimination •MWBE's suffer substantial and significant earnings disadvantages

Date Entered:

To be completed by Mayor's Legislative Team: