



CITY OF EL PASO

Equity Action Plan Recommendations

Economic & International Development | Mirella Tamayo Craigo

Goal 1. Create an environment conducive to strong, sustainable economic development

Item 4

Background

International Development Council (IEDC) First Equities Communities Cohort Grant

Context:

International Economic Development Council (IEDC) prioritizes understanding economic development's role in addressing issues and combating structural racism

Significance:

Acknowledges the need to address structural racism as a top priority and promote equitable standards in economic development

Event Trigger:

While issues related to racism and equity have been present for generations, several pivotal events in 2020 shone a bright light on the scale and pervasive nature of racial disparities

Broader Focus:

Recognizes the broader role of economic development in mitigating issues related to social justice and a more inclusive economy

El Paso Demographics

The El Paso – Juarez region is the largest bilingual, binational work force in the Western Hemisphere called the Borderplex Region with 2.6m residents.



867, 947

County Population

- 83% are Latino/Hispanic
- 53.7% are between 0 – 34 years old



\$16.43

Median County Wage

- Median County Income - \$34,180
- Median Household Income - \$51,707



83,196

Businesses

- 83% have 20 employees or less
- **5,694 Minority** and 2,016 Women-Owned employer businesses

City of El Paso Procurement

Discovery:

The City doesn't track demographic data across various divisions

- Strengths, weaknesses, opportunities and threats
- Data and Relevant indicators
- Barriers to success
- Key stakeholders and what are their roles
- This initiative aligns with the **Diversity, Equity & Inclusion**, Cross-Functional Team's Key Performance Metrics



Purchasing Power

	Goods & Services	Construction	Totals	%
Local	74,336,436	83,074,636	157,411,073	44%
Non-Local	168,456,530	31,852,211	200,308,741	56%
Totals	242,792,966	114,926,848	357,719,815	100%

STRENGTHS

1. City's Cooperative Purchasing Expo
2. Micro business assistance funding
3. Federal opportunities/resources:
 - Small Business Association – Trainings, 8a opportunity
 - Women's Border Business Center – Third party certification for Women Business Enterprise (WBEs)
 - Procurement Technical Assistance Centers – Counseling, training
 - Veterans Business Outreach Center – Veteran counseling
4. Abundance of diverse technical assistance providers and professional associations for best practices

SWOT Analysis

WEAKNESSES

1. Need data
 - No demographic data collected in the business registration process, bidding process analysis
2. Gaps – knowledge, information sharing, centralized place for data
3. Communication
 - Outreach
 - Follow-up with businesses
4. Conflicting information/knowledge of city's capacity
5. Staffing Changes – No consistent POC or office contact for clarity
6. Lack of financial literacy training programs for entrepreneurs
7. Non-diversification of vendor and contractor base

SWOT Analysis

OPPORTUNITIES

1. Procurement Contracting Academy collaboration (San Antonio)
2. Supply El Paso launch
3. Build resources and training library with recorded trainings
4. Fort Bliss + military/veteran workforce
5. BRE+ Incentive for MBE/WBE/DBE/VBE inclusion
6. Young population: w/ increasing retirement of older demographics, allows more ability for jobs
7. Exporting

SWOT Analysis

THREATS

1. Workforce leaving the community
2. Spanish language trainings not always available or transparent
3. Vendors/contractors' discomfort/distrust with government payment systems
4. Non-local general contractors and subcontractors easier to obtain jobs than local counterparts

SWOT Analysis

Purchasing and Strategic Sourcing

Key Performance Indicators

Key performance Indicator	FY18 Actual	FY19 Actual	FY20 Actual	FY 21 Actual	FY22 Actual	FY23 Actual	Annual Target
Increase participating vendors in EP Marketplace	74	32	49	52	41	61	50↑
EP Marketplace Spend	\$12,403,355	\$20,416,199	\$38,306,634	\$40,937,094	\$40,310,364	\$68,291,105	\$10,000,000
% Local Spend	52%	69%	71%	54%	57%	44%	50%

Procurement Process Improvements

Goal: Increase bids, number of local, minority and women-owned businesses doing business with the City (ideally not have to re-bid over and over).

Launched online bidding System (IonWave)

- Goods & Services launched May 2022 and Construction launched January 2023.
- Improved online registration, created access to solicitations online, created templates to ensure consistent information provided in proposals and bid documentation.
- Enhanced notifications to be real-time and segmented (rather than manual)

Outreach efforts (IonWave)

- Total number of registered vendors: 2,566
 - Local vendors: 847 (33%)
 - Non-Local Vendors: 1,719 (67%)

Launched procurement forecast

- Automatically run quarterly, in alignment with COEP budget updates
- Creating efficient process for staff, accurate data



Procurement Process Improvements

Goal: Increase bids, number of local, minority and women-owned businesses doing business with the City (ideally not have to re-bid over and over).

- **Launched PaymentWorks Online Vendor Management Self-service Portal**

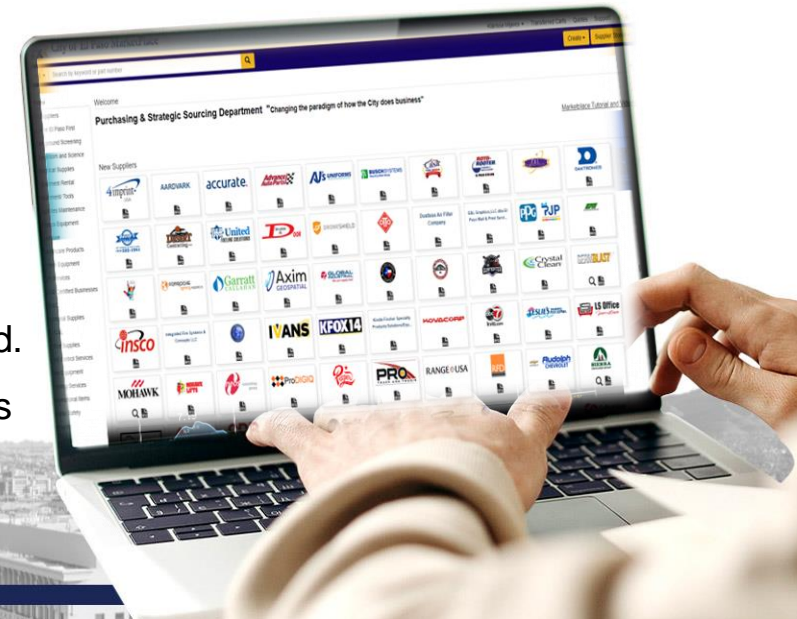
- Launched January 2023 to improve vendor payments
- Allows businesses to enter information online & eliminated data entry error
- Verifies validity of businesses, decreasing fraud potential

- **Outreach efforts (PaymentWorks)**

- Total number of registered vendors: 1,396
- Local vendors: 658 (47%)
- Non-Local Vendors: 737 (53%)

- **E-Invoicing *Pilot***

- Better pay vendors/suppliers on the EP Marketplace
- EP Marketplace - Online shopping experience mainly goods
- Starting w/ large, national vendors and expanding to vendors registered.
- Implemented as a result of payments not being made, leading accounts getting locked, & COEP staff not getting orders processed.



Best Practices:

Researched other U.S. cities; most have already implemented demographic information fields on their applications

Collect Demographic Data:

- **Planning & Inspections:** Contractor Registrations
- **Economic Development:** Incentive Applications
- **Purchasing:** Vendor, Suppliers and Contractors

Demographic Data Collection

Goal: Initiate data tracking in key departments across the organization

Best Practices – Demographic Information Captured

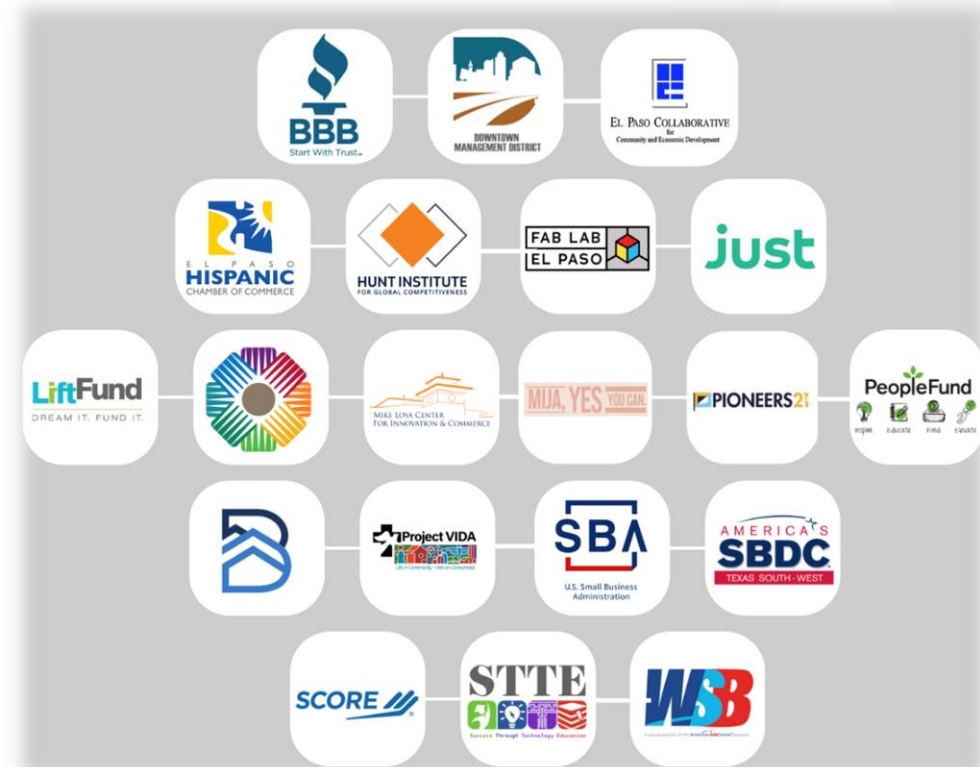
City	Department	Gender	Ethnicity	Type of Business	Classification	Self- Identify via City
Austin, TX	Purchasing	Yes	Yes	Yes	M/F MBE,WBE,SBE	Yes
Denton, TX	Purchasing - HUB	No	No	No	N/A	No
Harris County, TX	Purchasing Division	No	Yes, via COH certification	Yes	M/WBE	Yes - Via City of Houston
Houston, TX	Office of Business Opportunity System	Not yet - Currently being Studied	YES - Currently being Studied	Yes	M/WBE, SBE,DBE, LGTBE	Yes
San Antonio, TX	Purchasing Division	No - Part of S/M/WBE Program Tool - SCTRCA	Yes - through Type of Business	Yes	M/WBE, SBE	No - South Central Texas Regional Certification Agency
Denver, CO	Purchasing - General Service, Economic Development	No	Yes	Yes	M/WBE, SBE	Yes - Economic Development and Opportunity - Small Business Opportunity
Seattle, WA	Purchasing and Contracting, Public Works	No	Yes	Yes	M/WBE, SBE	Yes

Cross-Sector Collaboration

Place based intervention: Proposed Business One Stop Shop

Services Offered:

- Access to Capital
- Business Planning
- Financial Acumen
- Business Incubator
- Technology training
- UTEP Entrepreneurship Collaboration
(Pilot program launched Spring 2023)



- Place Based Intervention – Launch the Business One Stop Shop (BOSS) 2023
- House a Procurement Academy within BOSS (2023)
- Aspen Institute Latinos & Society & Drexler University – El Paso's Procurement Playbook (2023)
- National League of Cities – City Inclusive Entrepreneurship Initiative (2023)
- Disparity Study RFQ (Spring 2023)
- IEDC Equity Action Plan to City Council (2023)

Equity Action Plan Deliverables

Measurable Outcomes

- Collect and track demographic Information
- Identify number of local, minority and women-owned businesses awarded contracts
- Number of businesses who received technical assistance at the BOSS
- Number of businesses achieving certification
- Educate, train, upskill, support and nurture minority-owned business to level the playing field in the procurement space



Resolution

Resolution authorizing the City Manager to direct staff to follow the recommendations outlined in the International Economic Development Council (IEDC) Equitable Economic Development Playbook to create strategies to improve economic mobility by providing public/community matchmaking events, improve outreach on existing resources, expand certification opportunities and collect demographic data collection to effectively design and diversify programs.

MISSION



Deliver exceptional services to support a high quality of life and place for our community.

VISION



Develop a vibrant regional economy, safe and beautiful neighborhoods and exceptional recreational, cultural and educational opportunities powered by a high performing government.



VALUES

Integrity, **R**espect, **E**xcellence,
Accountability, **P**eople