# CITY OF EL PASO, TEXAS AGENDA ITEM DEPARTMENT HEAD'S SUMMARY FORM

AGENDA DATE: February 13, 2024

PUBLIC HEARING DATE: N/A

CONTACT PERSON(S) NAME AND PHONE NUMBER: Mirella Craigo, Assistant Director 915-212-1617

Karina Brasgalla, Interim Director 915-212-1570

DISTRICT(S) AFFECTED: All

STRATEGIC GOAL:

1. Cultivate an Environment Conducive to

Strong, Economic Development

**SUBGOAL:** 1.1 Stabilize and expand El Paso's tax base

#### SUBJECT:

APPROVE a resolution / ordinance / lease to do what? OR AUTHORIZE the City Manager to do what? Be descriptive of what we want Council to approve. Include \$ amount if applicable.

A Resolution authorizing the City Manager to direct City staff to follow the recommendations outlined in the International Economic Development Council (IEDC) Equitable Economic Development Playbook to to create strategies to improve economic mobility for small businesses, particularly those that are minority- and women-owned in the City of El Paso, Texas.

#### **BACKGROUND / DISCUSSION:**

Discussion of the what, why, where, when, and how to enable Council to have reasonably complete description of the contemplated action. This should include attachment of bid tabulation, or ordinance or resolution if appropriate. What are the benefits to the City of this action? What are the citizen concerns?

The International Economic Development Council (IEDC) is a non-profit, non-partisan entity with over 4,500 members, making it the largest organization of its kind. IEDC serves economic developers working across various sectors, including cities, counties, states, public-private partnerships, and chambers of commerce. These economic developers play a crucial role in promoting the economic well-being and quality of life in their communities by creating, retaining, and expanding jobs. IEDC offers a comprehensive range of services, from training courses and webinars to cutting-edge publications and conferences, positioning its members for success both in the United States and globally.

The collaboration between the International Economic Development Council (IEDC) and the City of El Paso through the Equitable Economic Development Playbook Initiative signifies a dedicated effort to foster equity and inclusion. El Paso was selected as one of five cities to participate its first Equity Communities Cohort. El Paso's commitment to improving government contracting for minority- and women-owned businesses, combined with the tailored Equity Action Plan developed by the IEDC technical assistance team, reflects a strategic approach to enhancing outreach, expanding opportunities, and tracking success through measurable metrics. These initiatives not only aim to benefit individual businesses but also hold the potential to diversify contract recipients, contributing significantly to the broader economic development goals of the City of El Paso.

#### PRIOR COUNCIL ACTION:

Has the Council previously considered this item or a closely related one?

Revised 04/09/2021

	<u>OF FUNDING:</u> nded? Has the item been budgeted? If so, identify funding source by scription of account. Does it require a budget transfer?
HAVE ALL AFFECTED DE	PARTMENTS BEEN NOTIFIED? _X_ YESNO
PRIMARY DEPARTMENT: SECONDARY DEPARTME	Economic and International Development  NT:
*****	**************************************
DEPARTMENT HEAD:	
	(If Department Head Summary Form is initiated by Purchasing, client department should sign also)

#### RESOLUTION

WHEREAS, the International Economic Development Council ("IEDC") launched the Equitable Economic Development Playbook Initiative targeted at increasing equity and inclusion; and

WHEREAS, the City of El Paso ("City") aims to improve government contracting for minorityand women-owned businesses, increase equity and inclusion in its business climate, and provide procurements and opportunities for minority- and women-owned businesses; and

**WHEREAS,** on December 10, 2021 the City was selected as one of the five Equity Communities Cohort participants; and

WHEREAS, on February 1, 2022 the City Council for the City of El Paso ("Council") executed a Memorandum of Understanding with the IEDC, to provide support to the IEDC's Equity Communities Cohort to create an Equity Action Plan in accordance with the terms and conditions of the MOU and Council's authorization; and

WHEREAS, on July 12 - 14, 2022 the IEDC technical assistance team visited the City; and

WHEREAS, the IEDC technical assistance team developed an individualized Equity Action Plan for the City with specific recommendations in the areas of providing public/community matchmaking events, improve outreach on existing resources, record trainings and events, simultaneous Spanish language events, expand certification opportunities, having an informal bidding system, collect demographic data collection to effectively design and diversify programs and track their success, and establishing benefits/incentives for local minority- and women-owned businesses; and

WHEREAS, a key component of tracking success is analyzing metrics on the presence and engagement of business owners along with the procurement process. These strategies will not only better the growth and wealth of individual businesses, but it will also identify goals for diversifying contract recipients to better the economy and economic development of the City.

# NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

That the City Manager be authorized to direct City staff to follow and adopt the recommendations outlined in the International Economic Development Council (IEDC) Equitable Economic Development Playbook, attached to this Resolution as Exhibit A, to create strategies to improve economic mobility for small businesses, particularly those that are minority- and women-owned in the City of El Paso, Texas.

[Signatures begin on the following page.]

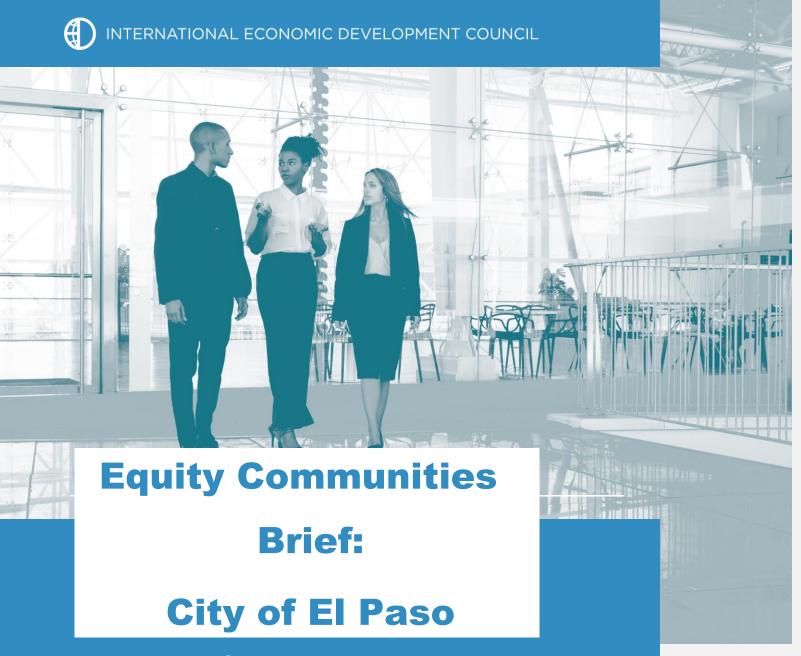
APPROVED THIS DAY OF	, 2024.
	CITY OF EL PASO:
	Oscar Leeser
ATTEST:	Mayor
Laura D. Prine City Clerk	
APPROVED AS TO FORM:	APPROVED AS TO CONTENT:
Oscar Gomez	Karina Brasgalla Interim Director

Economic & International Development

Assistant City Attorney

### Exhibit A

Economic Development Playbook



September 2022

www.iedconline.org

The International Economic Development Council has partnered with The Rockefeller Foundation, The Kresge Foundation, Surdna Foundation, and PNC on an Equitable **Economic Development Playbook and** accompanying technical assistance. This brief contributes to technical assistance offered to El Paso.



### Introduction

#### Scope

The City of El Paso is aiming to improve government contracting for minority- and women-owned businesses. Additionally, the city hopes to increase equity and inclusion in its business climate and produce procurements and opportunities for minority- and women-owned businesses.

#### Introduction

The City of El Paso is the sixth-largest city in Texas with a population of 687,000 people; the surrounding metro region—comprised of El Paso and Hudspeth Counties—has almost 840,000 residents, making it one of the largest metro regions in the Southwestern United States and the largest on the US-Mexico border.

El Paso is a majority-minority city with 82 percent of its population identifying as Hispanic; unfortunately, this does not automatically ensure access to higher income or even economic security for the Hispanic population. More than 47 percent of the Hispanic population live at or below the federal poverty line. Although the city's median annual income recently increased six percent (between the third quarter of 2020 and the third quarter of 2021), its value, \$43,506, is still significantly below the national average.

Low-income levels are not due to lack of employment: employment rates within El Paso have steadily increased from the Great Recession of 2008 until March 2020, the beginning of Covid quarantine. Although El Paso's employment rate has not returned to pre-pandemic levels, it has been steadily rising since July 2020.

The city's job sector is concentrated in several industries: health and social/government services is the largest set of employers, followed by retail, education services, and hospitality. El Paso's registered businesses number over 94,000 but only 15,000 are identified as small businesses and only 7,710 as federally certified minority or women-owned business enterprises (MWBEs).<sup>1</sup>

The city and its resource partners have developed several campaigns to promote local businesses and encourage intraregional commerce including <a href="Buy El Paso">Buy El Paso</a> and El Paso Marketplace. Resource partners are a mix of private and public institutions that work with individuals and businesses to obtain training and services for improving their businesses' operations. This includes—but is not limited to—marketing, access and assistance to financing, networking, capacity building, and even industry or class certification. The Women's Border Business Center, a service of the El Paso Hispanic Chamber of Commerce, is one of only four non-government agencies that can certify a women-owned business (a full list of local resource partners on pp 2-3.)

Some of these small businesses have had repeated difficulty in participating in procurement with the city government. The City of El Paso, particularly its Department of Economic and International Development, is committed to identifying the hurdles to small businesses' participation in the procurement process and dismantle them, particularly for minority- and women-owned businesses.

<sup>&</sup>lt;sup>1</sup> Although all MWBEs are minority or women-owned businesses, the reverse is not always true. MWBEs have been certified by the federal government, a state government, or an approved Third-Party Certifier (<u>Small Business Administration</u>, 2022). In addition to verifying majority ownership of their firm by a woman or person(s) of color, there are certain size and revenue generating standards to qualify. Although the number of El Paso-based MWBEs are small, the actual number of minority- and women-owned businesses is likely larger, though the exact number is unclear (<u>US Census, 2017</u>). The term MWBE will only be used in this paper for certified MWBEs.



The technical assistance visit from IEDC's team, conducted from July 12-July 14, involved meeting with multiple community stakeholders:

- Contractors
  - o Aztec Contractors, Inc.
  - o Dawco Home Builders
  - o El Paso Association of Contractors
  - o Mirador Enterprises, Inc.
- · City Government Departments:
  - o Capital Improvement Department
  - o Economic & International Development Department:
    - o Mirella Craigo, Assistant Director
    - o Denisse Carter, Business Service Coordinator
    - o Melissa Chaidez, Economic Development Analyst
    - o Kerry Maguire, Administrative Assistant
  - o Performance Department
  - o Planning & Inspections Department
  - o Procurement Department
  - o Purchasing Department
- · City Officials:
  - o Dionne Mack, Deputy City Manager
  - o Isabel Salcido, City Council Representative District 5
- County Government:
  - o Michael Hernandez, Director Economic Development Department
- · Educational Institutions
  - o El Paso Community College Advanced Technology Center
  - o Southwest University at El Paso
  - o Western Technical College
- · Financial Lending Institutions
  - o Liftfund (CDFI)
  - o PeopleFund (CDFI)



- o Government Employees Credit Union (CDFI/commercial lender)
- o First Light Credit Union (commercial lender)
- Resource Partners<sup>2</sup>
  - o Better Business Bureau
  - o Contract Opportunities Center (PTAC), El Paso Community College
  - o El Paso Chamber of Commerce
  - o El Paso Hispanic Chamber of Commerce
    - o Women's Border Business Center
  - o Pioneers 21
  - o Small Business Administration El Paso District Office
  - o Small Business Development Center
  - o Veterans Business Association
  - o Workforce Solutions Borderplex

The IEDC team assembled for this technical assistance visit consisted of:

- Winsley Durand III, Executive Director REACH Initiative, Greater Omaha Chamber of Commerce
- Tracy Irby, Director Center for Women Entrepreneurs, Texas Woman's University
- Terri Williams, CEcD, Director Center for Government Contracting, University of Texas-San Antonio
- Weintana Abraha, Economic Development Associate, IEDC

The City of El Paso, and its many stakeholders, are dedicated to improving procurement opportunities for minority- and women-owned businesses. After meeting with stakeholders from different clusters and learning more about El Paso directly, the IEDC team identified several existing variables in the business and government landscape as strengths, several variables as challenges, and a few potential threats.

#### **STRENGTHS**

#### Finances

Through the American Rescue Plan Act of 2021 (ARPA), the city was able to secure money to help sustain and even expand small businesses during the pandemic. Involvement with groups like IEDC and the Aspen Institute allows for technical assistance expertise and capital without burdening public funds or individual businesses.

<sup>&</sup>lt;sup>2</sup> Though all resource partners are based in El Paso, some are federal programs or affiliated with federal programs (e.g., SBA, Contract Opportunities Center/PTAC).



#### Resource Partners

The city's relationship with a variety of resource partners is also extremely helpful: many programs serve as a liaison to local businesses, helping inform them about upcoming contracts or guide them through navigating and bid systems. While this information is available through the city directly, the structure of these services is often spread out through different departments and different buildings around town. (See Challenges section for more analysis.)

It is not only in outreach or marketing that the resource partners help. There is training and counseling that is more available and more frequent than that which the city provides. There are also special trainings and certifications that are only available through their programs: the Women's Border Business Center is one of only four third-party women-owned business certification programs in the country. The federal government has extensive support programming as well as more procurement opportunities for local businesses, especially MWOBs and MWBEs.

#### Federal Government

The presence of federal institutions has been fruitful for MWBEs. The SBA and Contract Opportunity Center has provided in-depth training on the procurement process. Additionally, they have served as support in helping small business owners with effective methods of operating, financing, and marketing a small business. The SBA's 8(a) program has proven incredibly successful in bolstering small businesses and MWBES; even after completing the program, graduates often hold strong relationships with SBA and successfully compete for federal contract jobs.

The strong appreciation and connection to the military and veterans is not only an important part of El Paso's cultural identity, but it has also contributed to economic development efforts. Fort Bliss—only seven miles from downtown—has provided multiple million-dollar construction contracts, with many subcontractors being hired from local construction companies.

#### Commitment

The city and county governments have demonstrated an understanding of the gaps and systemic hurdles for minority- and women-owned businesses in obtaining city contracts. More importantly, they have expressed enthusiasm and commitment in improving opportunities: in recent years, the city has launched new purchasing systems to improve competition for goods and service vendors. El Paso has also engaged with external institutions for support and technical guidance: in 2021, the City of El Paso joined the Aspen Institute's City Learning and Action Lab as part of a multi-city cohort identifying patterns of Latino-owned small businesses, ultimately strengthening resources and support for the entrepreneurial ecosystem.<sup>3</sup>

#### Demographics

Quality of life in El Paso has always been an attraction to individuals and companies. El Paso's increasing population and prime location—12 miles from Ciudad Juárez, Mexico, and 24 miles from the New Mexico state border—are helpful foundations for growth and development, both for the city and its workforce.

Historically, El Paso has been a major manufacturing center and transportation hub, both for railways and international shipping. Recently, the city has become a popular base for remote workers and a training ground for skilled industrial workers including mechanical engineers, welders, HVAC technicians, and logistics professionals.

El Paso is home to 12 post-secondary institutions, including a nationally ranked mechanical engineering program at UT El Paso. The educational cluster has provided affordable and accessible post-secondary training: one in four adults over the age of 25 hold at least a bachelor's degree. The trade and vocational programs in the region boast a high graduation and job placement rate.

<sup>&</sup>lt;sup>3</sup> El Paso Herald-Post, 2021



As a hotspot for higher education and mid-to-high skills training, it makes sense that El Paso has a large youth population: nearly half of the city's residents, 47.9 percent, are under the age of 30. With a young and educated population, the potential for a strong and sustaining talent pipeline is high; unfortunately, lower wages and regional competition is causing serious vulnerabilities to that pipeline. (See Threats section for more detail.)

El Paso has the capacity to encourage and attract entrepreneurship but there are several issues that must be addressed.

#### **CHALLENGES**

#### No Data Collection/Utilization

The One Stop Shop tracks what companies are operating through the city's business registration process but there is no other mechanism to collect information on businesses. There's no way to track demographics, how frequently businesses are competing for bids, success in outreach campaigns, none of it.

Without this baseline data, the city cannot fully know the extent of which minority- and women-owned businesses are competing for city contracts. Without that knowledge, there's no way to improve the rate of minority- and women-owned businesses successfully receiving procurement contracts with the city.

#### Outreach/Awareness

Businesses are unaware of the different programs and recent campaigns proffered by the city and their resource partners.

#### Outreach/Follow-up

There seems to be slow follow-up with businesses when they engage in city services and, even worse, when they engage in the bidding process. Improved data collection can help with that going forward. However, the contact information of business owners is sometimes out of date; for business owners, follow-up can be difficult if it is unclear which city office they are supposed to be in touch with.

#### Staffing Changes

The last few years has had frequent turnover in city services: people getting promoted, transferred, or leaving public service all together. This leaves gaps in technical and institutional knowledge, which is difficult for both department operations and public engagement. This ties into:

- · No centralized list of information, resources
- Lack of resource coordination
- Inconsistency in policy application

Even without these personnel changes, it is not always clear to the business community which person or office is the correct source for certain business functions. This makes it difficult for business owners to know what resources are available to them and discourages their building positive associations or relationships with the city.

#### Lack of Financial Literacy

There are multiple CDFIs in the area with the capacity and desire to work with minority- and women-owned businesses. Again, there is a gap in knowledge of resources, effecting application of resources.

#### Non-diversification of Vendor and Contractor Base

The same vendors and contracts seem to be repeat recipients of business with the city. A recurring issue seems to be the disqualification of bidders due to a technical mistake in the bidding process rather than a business's lack of capacity. This has led to extension and repeated bids for the same jobs, frustrating both the government and business owners.



#### **THREATS**

#### Workforce Leaving the Community

The majority of manufacturing and skilled trade workers are approaching retirement age in the next decade. Unless the local students and young graduates from the university and trade schools stay in El Paso, the city will face a severe labor shortage. With the current wage rate though, these workers are being attracted to other jobs in the region offering a better salary.

#### Spanish Language Access

Despite high bilingual capacity, trainings and resources are not always available in Spanish, at least not separately from English. There's the assumption of 'We can always get someone to speak Spanish, if needed.' There should be more intentionality when it comes to the provision of bilingual services.

#### Non-local General Contractors and Subcontractors

Local business owners feel that they are positioned to be non-competitive with big businesses and especially non-local big businesses, both at the prime contractor and subcontractor level. Again, there seems to be an assumption that these frequent contractors will hire local for subcontracting aspects of the work. A consensus of local business construction firms is that out-of-town subcontractors are brought in by the prime contractors because of familiarity. Not only does this evoke negative feelings, but these funds are also going out of El Paso rather than circulating through local businesses and the local economy.

The Purchasing Department launched <u>Hire El Paso First</u> to prioritize local vendors for bids on goods and services with the city. A similar certification system could help with contract bids.

#### Status quo culture- "We've always done it that way"

This is possibly the biggest hurdle. Though filled with potential and a youthful energy, El Paso is an old city with stakeholders resistant to change, even when there's an admitted problem.

#### RECOMMENDATIONS

#### *Immediate*

#### Public/Community Matchmaking Events

The previous manager of the Purchasing Department created an annual expo for the local business community. Business owners could connect with representatives from various city departments and learn about programs; received positively, though with requests for more follow-up from department reps after initial introductions. The last event was in 2019; the program was paused during the pandemic and has not yet resumed.

There have been some efforts of bringing the expo back. It should be hosted, perhaps as a joint project with the Purchasing and Procurement Departments, with some design adjustments to accommodate virtual participants and facilitate continued engagement after the expo. In addition to city departments, perhaps county departments could also be represented.

#### • Improve Outreach on Existing Resources

Utilizing resource partners' list of contacts—both via mailers and virtually—could fill gaps from the city's list of information. When contacting participants via email, tracking open and click rates would help establish how frequently content is reaching the community.

There are extensive training and support resources already in place through resource partners. Having more direct outreach to the business community on specific issues where there is identified need, such as related to financial literacy and pre-bid rules/process, could make an additional significant impact.

#### Record Trainings and Events

With the city's transition to more virtual events and programs, the resources and systems needed for digital



recording and archiving is already in place. This would allow for consistent, permanent access to training for current and emerging businesses.

Recordings can also be made of in-person trainings and posted for those unable to attend. This will provide connection to businesses who may not always have the time to attend these functions. This should include existing training, such as on the pre-bid application process.

Data on attendees, specifically contact information, could be collected from attendees from registration and sign-in lists. This would also help facilitate outreach and follow-up (see Improve Outreach).

#### Simultaneous Spanish Language Events

Many online resources have Spanish language translations; additionally, many city employees are bilingual and/or prefer Spanish. However, a gap in accessibility and familiarity, particularly with complex or technical content, still persists. Having events, like trainings or pre-bid meetings, in Spanish separate from those conducted in English would be more effective than just providing translators. Similarly, websites and mailers in Spanish would be helpful.

#### • Recommending Certification Opportunities (Federal and Professional)

Business development resources and contract opportunities increased for small businesses and MWBEs that have obtained a certification with a federal and/or professional program. The State of Texas also has contracting opportunities for businesses that have a Historically Underutilized Business designation (HUB).

#### Long-Term

#### Informal vs Formal Bid

Having an informal bidding system in place for certain small jobs could stimulate involvement, even competition from businesses, particularly amongst those who regularly serve as subcontractors. The county and UT El Paso have a similar set-up for contracts already.

#### - Data Collection and Utilization

Currently, there is no system in place to collect any kind of data on small businesses. Without it, there's no way to track how many minority- and women-owned businesses regularly receive contracts with the city or compare the success rate of bids between small and big businesses. The lack of these metrics makes it impossible to effectively design programs and track their success. For example, it is difficult to target a program without knowing the characteristics of the businesses that are underserved. Progress (or lack thereof) toward closing the gap between minority and non-minority and local and non-local businesses can also not be measured in the absence of baseline data.

#### Disparity Study

Multiple stakeholders expressed interest in the city having some type of incentive or set-aside program to ensure that at least some city contracts go to local minority and women-owned businesses (see below). Unfortunately, that can't occur until after a disparity study is completed and that can't happen without more data collection.

The Performance Department has been attempting to start this process for several years. The key to making it happen involves securing funding and collaboration with other departments.

• Establishing Benefits/Incentives for Local Minority- and Women-Owned Businesses
Upon completion of a disparity study and proof of disparities in contract recipients, the city can begin
identifying goals for diversifying contract recipients. Although there cannot be specific quotas (i.e., a certain
percentage of successful bids must belong to a minority- or women-owned business), there is a better
understanding of the status of and opportunities for minority- and women-owned businesses. At minimum,
placing value on minority- or women-owned business' status during the bidding process would make the pool
of potential contractors more competitive.

Utilizing this in approving subcontractors for prime/general contractors would also help increase business for MWBEs. Testimonies from both business owners and federal representatives have shown past success when certified MBBEs have been selected as subcontractors on federal projects.



#### • Diversifying Goods and Services Vendors

While this falls under Purchasing Department goals rather than Procurement, it would be an excellent mechanism for supporting more minority- and women-owned businesses. With retail and hospitality as leading industries in the local economy, there are many opportunities for minority- and women-owned business in this space to work with the city (e.g., janitorial services, concessions, etc.).

As with the Procurement Department, setting goals for diversifying contract recipients is a helpful first step. Minority- and women-owned businesses can also be given increased value when evaluating bids. (This would be implemented after the completion of a disparity study.)

#### • Streamline Training and Resource Access

Setting up programs to work with potential contractors directly—for example, a resolution or mediation department to deal with bidders' potential questions or conflict—could be very effective. Many city services already have resources that could assist business owners about the procurement process: business development services, knowledge on compliance knowledge, bonding and insurance requirements, and payment systems. A city program modeled to work with minority and women business owners like SBA's 8(a) program

#### Conclusion

El Paso already has many of the resources needed to improve the procurement opportunities for their small businesses, particularly those that are minority- or women-owned. But there is a gap between the intent to change procurement opportunities and the capacity to implement these changes.

This gap is not unexpected or even insurmountable. But it will not happen all at once. Even the assessment stage—data collection and analysis; outreach to participants; setting up target goals—will require a serious commitment of time and city resources. If undertaken though, these strategies will not only better the growth and wealth of individual minority— and women-owned business, but it will also better the economy and economic development of El Paso.



# **Case Studies**



## **Data Collection – Best Practices**

**Organization: Greater Omaha Chamber** 

Location: Omaha, Nebraska

Tags: tracking, capacity-building, data collection

Communities and organizations can create solid capacity-building programs and have the best intentions to serve minority- and women-owned businesses, but a key element to their success is data collection. Without collecting, tracking, and analyzing data, it is difficult to properly market to minority- and women-owned businesses, gauge progress, iterate on program design, and share successes.

#### Who are these services meant to help?

The Greater Omaha Chamber provides technical assistance to approximately 75 minority- and women-owned businesses per year. The Chamber has a robust set of services to assist minority- and women-owned businesses with capacity-building programming.

- One-on-one technical assistance on specific plan points for local minority- and womenowned contractors
- Cohort-based education programs:
  - o A 10-week course for construction company owners
  - A year-long mentoring program where minority- and women-identifying contractors are teamed with established general contractors. The mentees receive an 80-page action plan for growing their business.

The Chamber's set of services was designed in close cooperation with the City's procurement agencies. These programs not only teach entrepreneurs, they provide connections to actual city contracts. The Chamber works with the City to understand what contracts are available, offering pre-bid sessions on specific contract opportunities, organizing "Doing Business with the City" seminars, and providing one-on-one technical assistance for those contractors that bid on contracts.

The Chamber tracks various programmatic and contract data on participants, including:

- · Number of businesses served
- Number of businesses participating in various programs
- Pre- and post-testing scores for their general contractor preparation tests. This measures
  the impact of their entrepreneurship education interventions, allowing the Chamber to refer
  qualified vendors for City contracts
- Number and dollar amount of loans



#### How does data collection help these businesses?

In 2021, the Chamber referred the 32 minority- and women-owned businesses that passed the general contractor exam to opportunities with City contacts. For those that chose to bid on contracts, the Chamber was in a position to provide technical assistance for the businesses preparing their contract bids.

Reporting data analysis is also key for the Chamber, namely in attracting and retaining funders. The Chamber understands that it's important to have extensive throughput measures, as well as meaningful measures, to show to funders that these programs are making a difference for local minority- and women-owned businesses. Funding will dry up if stakeholders don't see success.

The challenge here is that capacity-building efforts can sometimes take time to show meaningful success (such as profit, city contracts, etc.). So, the Chamber makes sure to show programmatic data initially (businesses participating in the program, acumen on financial knowledge, etc.), and places themselves in the position to keep up with companies for up to 7 years to be able to show results such as the number of contracts won, and dollars earned. The Chamber understands that data collection is a key component to its long-standing sustainability.

Thanks to the Chamber's focus on quality services and strong data collection, they are able to continue to support local minority- and women-owned businesses and contribute to equitable economies in the Greater Omaha region.

# **San Antonio Procurement Academy**

Organization: Center for Government Contracting, University of Texas-San Antonio (UTSA)

Location: San Antonio, Texas

Tags: certification, certified, Historically Underutilized Business (HUB), vendors, procurement

The UTSA Institute for Economic Development hosts 10 different centers and programs, including the Center for Government Contracting, which covers 79 counties in South Texas (including El Paso County). The Center for Government Contracting provides services such as cybersecurity for small businesses, small business emergency preparedness, a Covid business recovery accelerator, and general employer services. Along with these services, the Center for Government Contracting runs networking-style programs as well. These include a monthly breakfast with speakers from agencies to share information about procurement opportunities, the annual Small Minority Business Conference, and a matchmaking service for business owners and decision makers of larger agencies.

#### Who is this program made to help?

The Center for Government Contracting began these programs because clients frequently displayed a lack of knowledge of the procurement process and trouble getting bonding. According to their research, businesses were having a notably difficult time with state procurement in terms of awareness, outreach, bonding, and



figuring out how to contract with the State of Texas. Texas certifies companies as <a href="Historically Underutilized Businesses">Historically Underutilized Businesses</a> (HUB) to help increase the rate that minority- and women-owned businesses receive state contracts to sell goods and services; even with certification, state agencies underutilize HUBs as vendors. The Center for Government Contracting recognized this need and wanted to establish training throughout the entire procurement process by utilizing a structured curriculum, resulting in the Procurement Academy.

The Center will recruit participants for the Procurement Academy throughout the State of Texas. Besides being established as a small business for at least three years, there are not too many specific requirements. However, the Center will prioritize businesses that are HUB certified and/or certified as a <u>Disadvantaged Business Enterprise</u> (DBE); businesses' capacity for fulfillment will also be evaluated. The Procurement Academy is designed to significantly improve participants' likelihood of receiving contracts from city and state agencies, so the Center will recruit businesses that have or can develop capacity to fulfill contracts.

#### How is it doing that?

The Procurement Academy aims to start off with approximately 5,000 members and will be about a three-month cycle, with two sessions per month; participants will primarily work one-on-one with an advisor. Sessions will occur in different regions throughout Texas. Upon finishing the curriculum, the assigned advisor will continue to check in with the participant every three to six months to help with any residual questions. They will also be a point of contact to lead them to potential procurement opportunities.

Data collection plays a significant role in the Procurement Academy recruitment process and in measuring the success of the program. The Center for Government Contracting pursues data collection internally through their outreach system. Maintaining a client database allows the Center to see who clients are and what their demographics look like. They also track congressional districts and state districts to demonstrate to legislators how many clients are in their district and what types of successes have been observed.

To measure engagement success, they will use a client growth assessment (CGA). This allows the Center to see how long someone has been working with a client as well as the impact on the client after an extended amount of time. When the intended impact is achieved, the client is asked to complete the CGA to verify that the services they received led to an output (e.g., loan, contract, etc.).

The Procurement Academy is scheduled to begin in October 2022.



#### **Additional References**

- El Paso Herald-Post. "City of El Paso joins Aspen Institute's City Learning and Action Lab program." 25 August 2021. https://elpasoheraldpost.com/el-paso-joins-aspen-institutes-action-lab/
- Federal Reserve Bank of Dallas (2020) "El Paso Economic Indicators." https://www.dallasfed.org/research/indicators/ep/2020/ep2008.aspx
- 3. Small Business Administration, Office of Advocacy (2021) \*2021 Small Business Profile."

  <a href="https://cdn.advocacy.sba.gov/wp-content/uploads/2021/08/30144808/2021-Small-Business-Profiles-For-The-States.pdf">https://cdn.advocacy.sba.gov/wp-content/uploads/2021/08/30144808/2021-Small-Business-Profiles-For-The-States.pdf</a>
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