

OFFICE OF BUSINESS OPPORTUNITY

Department Description and Mission

The Office of Business Opportunity (OBO) is committed to cultivating a competitive and diverse economic environment in the City of Houston by promoting the success of small businesses and developing Houston's workforce, with special emphasis on historically underutilized businesses and disenfranchised individuals.

The vision of OBO is to achieve success through execution of its mission to support the growth of local businesses and foster workforce opportunities for individuals. By executing its mission, the department creates a culture of efficiency, transparency and cooperation amongst all stakeholders while at the same time, obliterating internal and external barriers in contracting and other opportunities.

This can be achieved through various means, including:

- Attracting qualified Certification candidates;
- Administering reputable Certification and Hire Houston First Programs while providing unparalleled service delivery;
- Ensuring that prime contractors consistently meet and exceed MWDBE Goals on contracts;
- Providing small business development services and capacity building programs;
- Tracking progress towards departmental Contracting Goals in order to create transparency through metrics and analytics; and
- Facilitating job skills training and job placement.

The primary services offered by OBO comprise of:

Certification and Designation Division: Certifies businesses for participation on City and federally funded projects. The types of Certifications include Minority, Women, Small, and Persons with Disabilities Business Enterprises (MWSBE and PDBE), as well as Disadvantaged Business Enterprises (DBE), collectively, "certified firms." As a result of their Certification, these businesses may be eligible to participate for Goal credit on goal-oriented and regulated City contracts. The Division also designates businesses as a part of the Hire Houston First Program so that they may be eligible for a local preference in the awarding of City contracts.

Contract Compliance Division: Enforces local and federal labor standards and prompt payment requirements on contracts in addition to monitoring contracts to ensure that Good Faith Efforts are made to meet MWBE and DBE Goals. This division, through its Department Services team, evaluates MWBE goal waivers, proposed contract MWDBE goals, and pre-award MWBE participation plans. This unit assists departments with setting contract-specific goals based on market availability of certified firms and divisible work in each project. The Department Services team also facilitates the Department Services Training Institute which provides departments with information about common compliance issues and best practices. Along with OBO's Contract Compliance Division, it provides periodic training to the contracting community.

External Affairs and OBO Solutions Center: Raises awareness of OBO's services and City contracting opportunities through regular presentations to the public at targeted events, quarterly newsletters and weekly email notifications. This unit provides one-on-one business development assistance to certified firms. The OBO Solutions Center, with the assistance of community partners, provides free assistance including business development counseling, financial advice, legal counseling, business resource guides and business training workshops to businesses in all stages of development that would like to obtain information on how to start, own, operate and/or grow their own businesses.

Turnaround Houston Initiative/Workforce Development: The Office of Business Opportunity assembled an internal task force charged with coordinating resources for chronically unemployed and formerly incarcerated individuals. As a part of the Turnaround Houston Initiative, OBO coordinates resource fairs, connects individuals to wrap-around services, facilitates legal clinics, and provides entrepreneurial assistance. The Initiative has expanded to include the development of a workforce inclusion plan focused on augmenting the local workforce through targeted employment-ready training programs for underemployed and hard to employ

populations. Additionally, through external partnerships, such as Facebook, OBO is ensuring that local businesses are able to enhance their workforce through digital literacy.

The Home Builders Institute (HBI) Acres Homes Program: Designed to serve young men and women ages 18-24 years in the Acres Homes community who have a strong interest in launching a career in construction, forges community partnerships in the workforce realm. HBI introduces students to construction skills, exposure to the industry and its opportunities, mentorship, financial literacy, and professional skills development. The underlying goal of the Program is to support alternative and vocational training and career paths which can ultimately assist the students in pursuing economic opportunities.

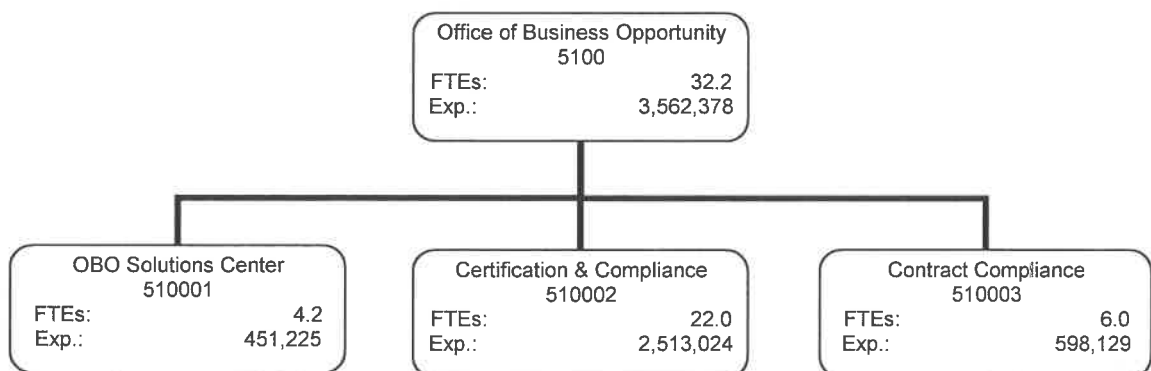
Department Short Term Goals

- Update the department’s mission to reflect the Mayor’s vision and augmented services.
- Develop a comprehensive workforce development strategy leveraging existing and new resources.
- Enhance existing capacity building initiatives to meet the identified needs of the business community.
- Develop a repository of resources to assist businesses in the recovery process post-Harvey and enhance their resiliency.
- Develop strategic partnerships with local organizations to increase program visibility and patronage of our services by the business community.
- Encourage the increased use of the online certification application process for improved efficiencies.
- Engage all necessary internal and external partners/stakeholders to facilitate the completion and implementation of a Disparity Study in the areas of Professional Services, Goods & Non-Professional Services and Construction.

Department Long Term Goals

- Continually update internal policies and procedures to include current and best practices.
- Use current technology to:
 - Significantly reduce our carbon footprint in our Certification and Contract Compliance areas.
 - Create efficiencies in work performance and leverage full reporting capabilities.
- Explore whether nominal fees should be charged to businesses for our services (e.g., local Certification application and/or recertification).

Department Organization





FISCAL YEAR 2020 BUDGET

Business Area Budget Summary

Fund Name : General Fund
Business Area : Office of Business Opportunity
Fund No. /Bus. Area No. : 1000 / 5100

	FY2018 Actual	FY2019 Current Budget	FY2019 Estimate	FY2020 Budget
Personnel Services	2,579,249	3,187,789	2,642,112	3,185,531
Supplies	34,573	45,282	45,282	27,767
Other Services and Charges	460,790	447,677	447,677	349,080
Total M & O Expenditures	3,074,612	3,680,748	3,135,071	3,562,378
Debt Service & Other Uses	0	0	0	0
Total Expenditure	3,074,612	3,680,748	3,135,071	3,562,378

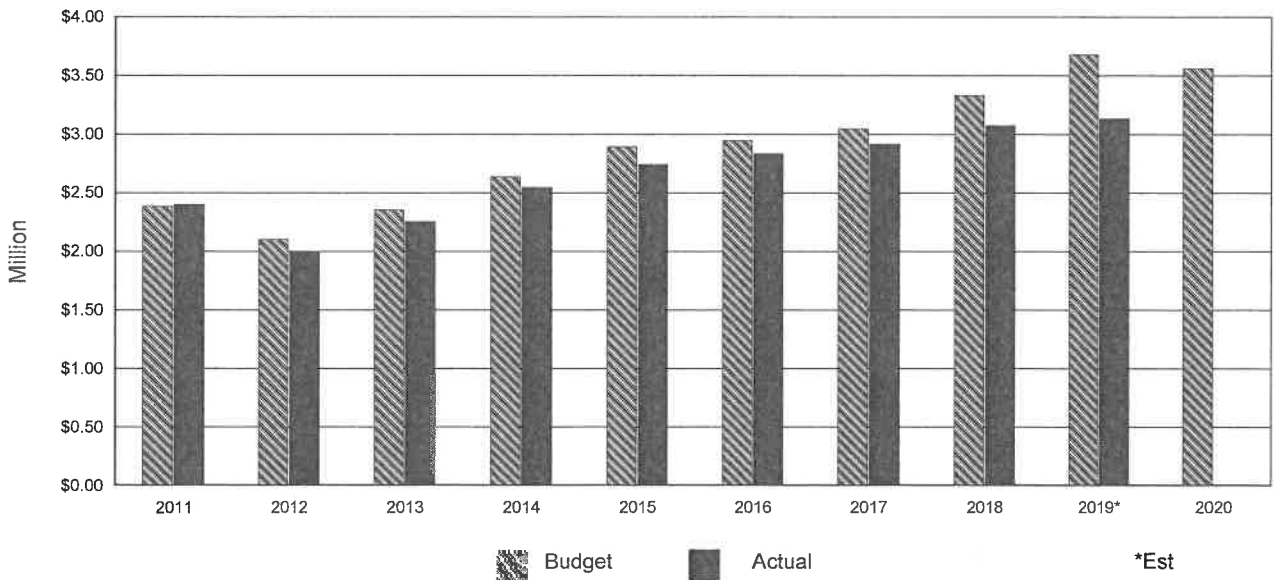
Revenues	182,681	590,769	480,500	633,629
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Staffing	27.7	35.0	28.1	32.2
Full-Time Equivalents - Civilian	27.7	35.0	28.1	32.2
Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
Full-Time Equivalents - Cadets	0.0	0.0	0.0	0.0
Total	27.7	35.0	28.1	32.2
Full-Time Equivalents - Overtime	0.0	0.0	0.0	0.0

Significant Budget Changes and Highlights

- o The FY2020 Budget provides funding for health benefits, pension contribution, and municipal employees contractual pay increases.
- o The FY2020 Budget includes a reduction of \$97,137 for department savings initiatives.
- o The FY2020 Budget includes funding for enforcement of Low English Proficiency Program (LEP) and federal audit of grants.

**Office of Business Opportunity
Current Budget vs Actual Expenditures**



FISCAL YEAR 2020 BUDGET

Business Area Performance Measures				
Fund Name : General Fund Business Area : Office of Business Opportunity Fund No. /Bus. Area No. : 1000 / 5100				
Performance Measures	FY2018 Actual	FY2019 Target	FY2019 Estimate	FY2020 Target
Certification Processing Timeframe (days)	68	90	90	90
MWSBE Contract Participation - Construction	29%	34%	34%	34%
MWSBE Contract Participation - Professional Services	49%	24%	24%	24%
MWSBE Contract Participation - Purchasing	17%	11%	11%	11%
New Certified Firms	302	275	275	275
New Hire Houston First Designations	301	250	250	250
Expenditures Adopted Budget vs Actual Utilization	101%	98%	86%	98%
Revenues Adopted Budget vs Actual Utilization	145%	100%	81%	100%

FISCAL YEAR 2020 BUDGET

Division Summary							
Fund Name : General Fund Business Area : Office of Business Opportunity Fund No. /Bus Area No. : 1000 / 5100							
Division Description	FY2018 Actual		FY2019 Estimate		FY2020 Budget		
	FTEs	Costs \$	FTEs	Costs \$	FTEs	Costs \$	
OBO Solutions Center 510001 The OBO Solutions Center provides free business assistance and monitors business creation and job development by systematically tracking clients. The center also operates the Virtual Legal Lab, Liftoff Houston, and partner with community based financial institutions.	4.0	400,714	5.0	481,736	4.2	451,225	
Certification & Compliance 510002 The Certification and Compliance Division consists of Certification and Designation, Administration, Contract Compliance, and Department Services.	22.7	2,594,725	18.6	2,183,335	22.0	2,513,024	
Contract Compliance 510003 The Houston Public Works Labor Standard Compliance group consists of employees who perform work required on City, State, and Federally funded projects, enforce Labor Standards compliance requirements on existing contracts, coordinate compliance monitoring, enforce penalty language, and ensure the ability to effectively monitor contracts.	1.0	79,173	4.5	470,000	6.0	598,129	
Total	27.7	3,074,612	28.1	3,135,071	32.2	3,562,378	

FISCAL YEAR 2020 BUDGET

Business Area Revenues Summary

Fund Name : General Fund
Business Area : Office of Business Opportunity
Fund No./Bus. Area No. : 1000 / 5100

Category	FY2018 Actual	FY2019 Current Budget	FY2019 Estimate	FY2020 Budget
Charges for Services	497	1,000	500	500
Direct Interfund Services	168,564	554,769	470,000	598,129
Miscellaneous/Other	13,620	35,000	10,000	35,000
Grand Total Revenues	<u><u>182,681</u></u>	<u><u>590,769</u></u>	<u><u>480,500</u></u>	<u><u>633,629</u></u>