OFFICE OF BUSINESS OPPORTUNITY

Department Description and Mission

The Office of Business Opportunity 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 department creates a culture of efficiency, transparency and cooperation amongst all stakeholders while executing its mission, with an eye towards equity. The ultimate goal of these efforts is to reduce internal and external barriers in contracting and other opportunities.

OBO strives to execute its mission by:

- Attracting a diverse array of Certification applicants in various industries;
- Administering reputable Certification and Hire Houston First Programs, while providing unparalleled service delivery;
- Ensuring that prime contractors consistently meet and exceed MWSDBE Goals on contracts;
- Providing small business development services and capacity building programs;
- Tracking progress towards departmental diversity 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, and Small Business Enterprises (MWSBE and PDBE), as well as Disadvantaged Business Enterprises (DBE), and Airport Concessionaire Disadvantaged Business Enterprise (ACDBE) collectively, "certified firms." Additionally, the division facilitates the certification of Historically Underutilized Businesses (HUB) on behalf of the State of Texas. 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: The Division monitors City contracts to ensure that Good Faith Efforts are made to meet MWBE and DBE Goals, with the exception of Housing and Community Development Department and Houston Airport System contracts. The division also enforces local and federal labor standards, including prevailing wage compliance, and prompt payment requirements on contracts. OBO's Department Services unit also performs contract compliance functions which include evaluating 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. OBO's Contract Compliance team also facilitates the Department Services Training Institute which provides departments with information about common MWBE compliance issues and best practices and provides periodic training to the contracting community.

External Affairs and OBO Solutions Center: The OBO Solutions Center (OBOSC) 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. OBOSC administers several capacity-building programs (such as Build Up Houston and Accelerate Latinx) and an annual business plan competition. OBOSC, 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. OBO's External Affairs team and Workforce Development efforts are also housed within this program. Turnaround Houston and HBI Acres Homes are two of the workforce development programs that OBO facilitates. 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 to individuals that are chronically unemployed and/or formerly incarcerated. 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. The Home Builders Institute (HBI) Acres Homes Program is 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.

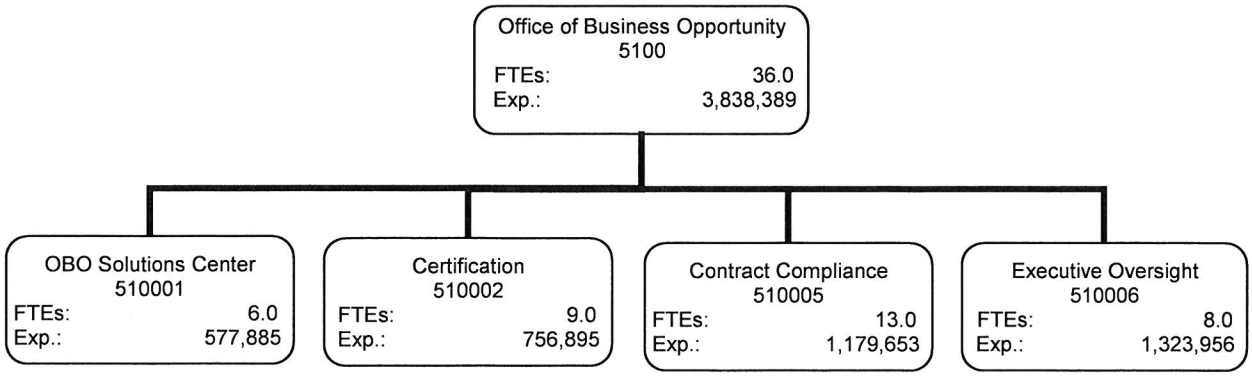
Department Short Term Goals

- 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 enhancing 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 and enhance the user experience of the online certification application process for improved efficiencies.
- Reengineer the process, policies, and procedures for Contract Compliance monitoring to ensure that expectations are clear for all stakeholders, with an eye towards quality and customer service. Leverage technology to create additional efficiencies.
- Engage all necessary internal and external partners/stakeholders to facilitate the implementation of a Disparity Study.

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 fees should be charged to businesses for our services (e.g., local Certification application and/or recertification).

Department Organization



CITY OF HOUSTON
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Business Area Budget Summary

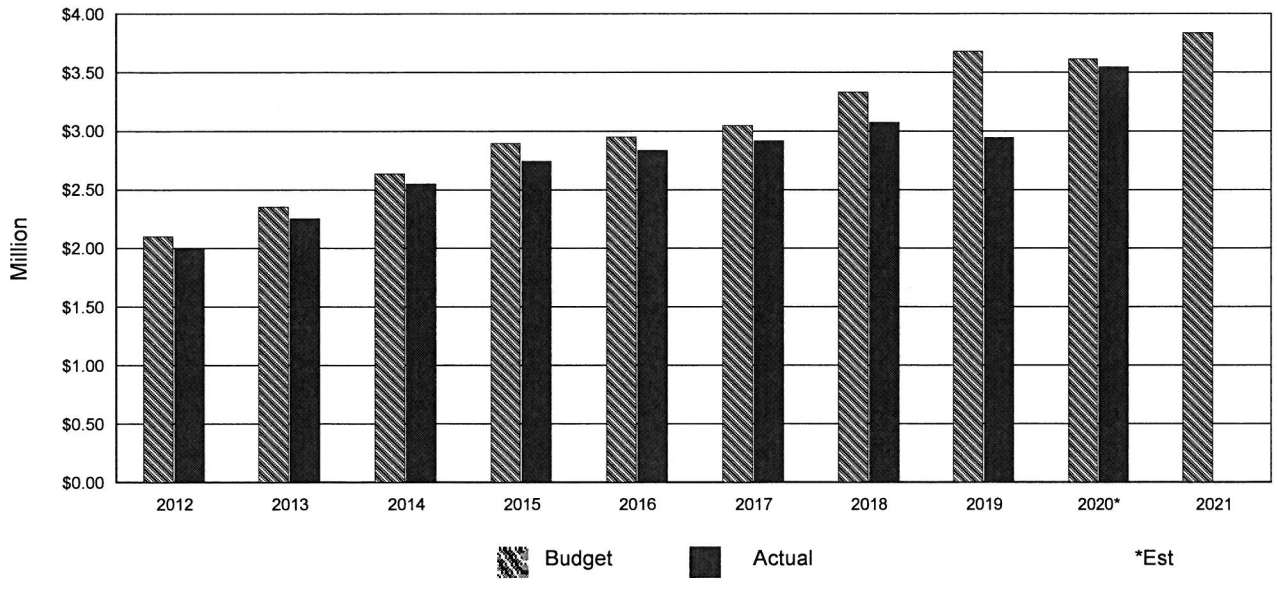
Fund Name : General Fund
Business Area : Office of Business Opportunity
Fund No. /Bus. Area No. : 1000 / 5100

		FY2019 Actual	FY2020 Current Budget	FY2020 Estimate	FY2021 Budget
Expenditures	Personnel Services	2,592,803	3,239,028	3,188,978	**3,412,405**
	Supplies	25,113	27,795	27,795	**31,275**
	Other Services and Charges	324,515	349,015	328,040	**394,709**
	Total M & O Expenditures	2,942,431	3,615,838	3,544,813	**3,838,389**
	Debt Service & Other Uses	0	0	0	**0**
	Total Expenditure	2,942,431	3,615,838	3,544,813	**3,838,389**
Revenues		414,044	633,629	609,276	**615,214**
Staffing	Full-Time Equivalents - Civilian	29.3	33.0	32.6	**36.0**
	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	29.3	33.0	32.6	**36.0**
	Full-Time Equivalents - Overtime	0.0	0.0	0.0	**0.0**

Significant Budget Changes and Highlights

- The FY2021 Budget provides funding for health benefits, pension contribution, and municipal employees contractual pay increases.
- The FY2021 Budget includes funding for two Business Development Coordinators for the Certification Division to increase capacity, remain current in processing certification application, and to address the backlog of applications.

Office of Business Opportunity
Current Budget vs Actual Expenditures



Business Area Performance Measures

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

Performance Measures	FY2019 Actual	FY2020 Target	FY2020 Estimate	FY2021 Target
Certification Processing Timeframe (days)	83	90	90	120
MWSBE Contract Participation - Construction	29%	34%	34%	27%
MWSBE Contract Participation - Professional Services	29%	24%	24%	24%
MWSBE Contract Participation - Purchasing	17%	11%	11%	9%
New Certified Firms	280	275	275	300
New Hire Houston First Designations	308	250	250	250
Expenditures Adopted Budget vs Actual Utilization	81%	98%	100%	98%
Revenues Adopted Budget vs Actual Utilization	70%	100%	96%	100%

Division Summary

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

Division Description	FY2019 Actual FTEs	FY2019 Actual Costs $	FY2020 Estimate FTEs	FY2020 Estimate Costs $	FY2021 Budget FTEs	FY2021 Budget Costs $
OBO Solutions Center 510001						
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. Provides one-on-one business development assistance to certified firms. Administers several capacity-building programs and an annual business plan competition.	3.9	381,369	3.6	489,026	**6.0**	**577,885**
Certification 510002						
Certifies businesses for participation on City and federally funded projects. The types of Certifications include Minority, Women, and Small Business Enterprises (MWSBE and PDBE), as well as Disadvantaged Business Enterprises (DBE), collectively, "certified firms". Facilitates the certification of Historically Underutilized Businesses (HUB) on behalf of the State of Texas.	21.2	2,131,361	24.0	2,462,108	**9.0**	**756,895**
Contract Compliance 510005						
Monitors City contracts to ensure that Good Faith Efforts are made to meet MWBE and DBE Goals, with the exception of HCDD and HAS contracts. Enforces local and federal labor standards, including prevailing wage compliance, and prompt payment requirements on contracts.	4.2	429,701	5.0	593,679	**13.0**	**1,179,653**
Executive Oversight 510006						
Includes OBO's Executive Leadership Team, Title VI Coordinator, and department-wide analytics and policy making. Establishes and implements the strategic direction and long-term goals of the department, manages all budget and personnel matters for all department divisions, serves as the face of the department when engaging with the Administration, City Council, contractors, and the general public	0.0	0	0.0	0	**8.0**	**1,323,956**
Total	**29.3**	**2,942,431**	**32.6**	**3,544,813**	**36.0**	**3,838,389**

Business Area Revenues Summary

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

Category	FY2019 Actual	FY2020 Current Budget	FY2020 Estimate	FY2021 Budget
Charges for Services	303	500	1,147	**600**
Direct Interfund Services	394,931	598,129	598,129	**594,614**
Miscellaneous/Other	18,810	35,000	10,000	**20,000**
Grand Total Revenues	**414,044**	**633,629**	**609,276**	**615,214**