

## 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 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 Minority, Women, Disadvantaged Business Enterprises (MWDDBE) Goals on contracts as well as comply with other contractual regulatory requirements;
- Providing measurable and impactful small business development services and capacity building programs;
- Tracking progress towards achieving citywide aspirational Minority, Women, and Small Business Enterprises (MWSBE) goals, on the departmental level, in order to foster accountability and transparency through metrics and analytics; and
- Facilitating job skills training, coupled with job placement.

The primary services offered by OBO comprise of:

**Certification and Designation Division:** Certifies businesses for participation on City and federally funded projects. Certification types include Minority, Women, Small Business Enterprise (MWSBE), and Persons with Disabilities Business Enterprises (PDBE), Disadvantaged Business Enterprises (DBE), and Airport Concession Disadvantaged Business Enterprises (ACDBE), collectively, "certified firms." As a result of their certification, these businesses may be eligible to participate for MWSBE, DBE, or ACDBE goal credit on goal-oriented and regulated City contracts. Additionally, the division facilitates the certification of Historically Underutilized Businesses (HUB) on behalf of the State of Texas. 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, state, and federal labor standards and prompt payment requirements on contracts in addition to monitoring with MWSBE and DBE contracts to ensure compliance with the City's written Good Faith Efforts policy. Relatedly, OBO's Department Services unit evaluates MWBE goal waivers, proposed contract MWDDBE 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 on 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, the unit 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, bimonthly 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. OBO's business development and capacity building programs and partnerships are managed and administered by the External Affairs team. These programs include Build Up Houston, Accelerate Latinx, Turnaround Entrepreneurship Program, and Liftoff Houston, an annual business plan competition. Additional programming, administered by staff in the Director's Office (Executive Oversight) include: (1) the Houston Small Business Legal Consultations program, a coordinated effort with participating law

firms providing FREE, holistic, focused consultations via telephone with pro bono lawyers assisting Houston area small businesses, and (2) the Bonding & Business Capacity Building Program, a six-part weekly workshop series focusing on technical assistance, access to capital, and procurement education.

**Turnaround Houston Initiative/Workforce Development:** OBO's External Affairs team and Workforce Development efforts are also housed within this program. 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 individuals and connecting those individuals to tangible opportunities.

**Title VI Compliance:** OBO is responsible for overseeing citywide compliance with Title VI of the Civil Rights Act of 1964, ensuring that on a departmental level, there is equitable access to the City's programs, activities and services so that every citizen has the greatest opportunity to achieve and obtain the foundations necessary for self-sufficiency and success. All City departments are responsible for ensuring that no person is subjected to discrimination, excluded from participation in or denied the benefits of its services on the basis of race, color, national origin, sex, age, creed, disability, or English language proficiency.

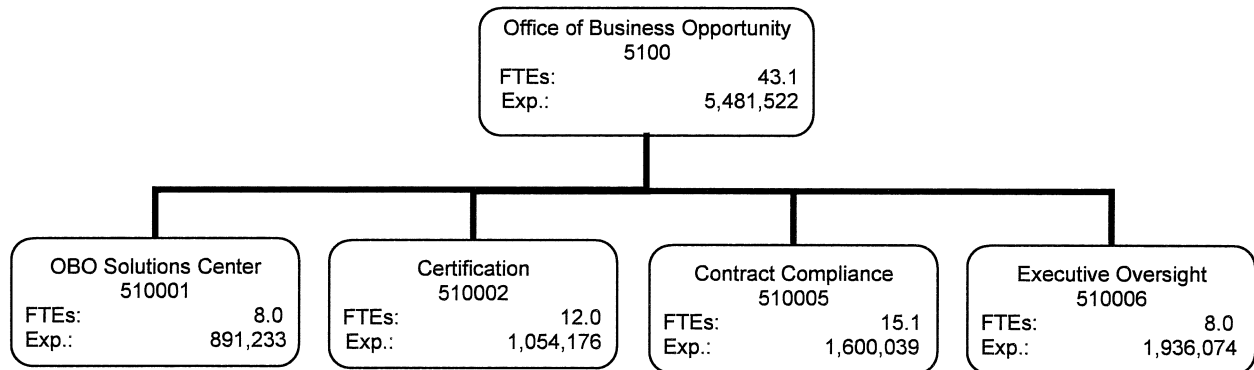
### Department Short Term Goals

- Execute a comprehensive workforce development strategy leveraging existing and new resources, with focus on workforce development for MWSBE certified firms.
- Enhance and expand existing capacity building initiatives to meet the identified needs of the business community.
- Refine and update OBO's online Resiliency Resource HUB, 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.
- Develop strategic partnerships with local entrepreneurial support organizations to complement OBO's work to connect business owners to alternate forms of capital and start-up support.
- Continue to decrease the certification application processing time, with target overall application processing time of no more than 90 days.
- Continue to reengineer the process, policies, and procedures for Contract Compliance monitoring to enhance operational efficiencies, and to ensure that expectations are clear for all stakeholders, with an eye towards quality and customer service. Leverage technology to create additional efficiencies.
- Continue city departments and contractor training on newly published departmental policies and procedures.
- Explore new revenue sources, including whether fees should be charged to businesses for our services (e.g., local Certification application and/or recertification, capacity building programs).

### Department Long Term Goals

- Build upon updated internal policies and procedures to include emerging best practices.
- Enhance current technology to:
  - Create efficiencies via automation and build out of dynamic reporting capabilities, thereby improving in work performance and guarding against the effects of staff attrition.
  - Continue to reduce our carbon footprint in all our business areas.
  - Enhance our communication and provide additional on-demand resources for the public through live virtual programming, on-demand workshops and trainings, and updated downloadable resources.

### Department Organization

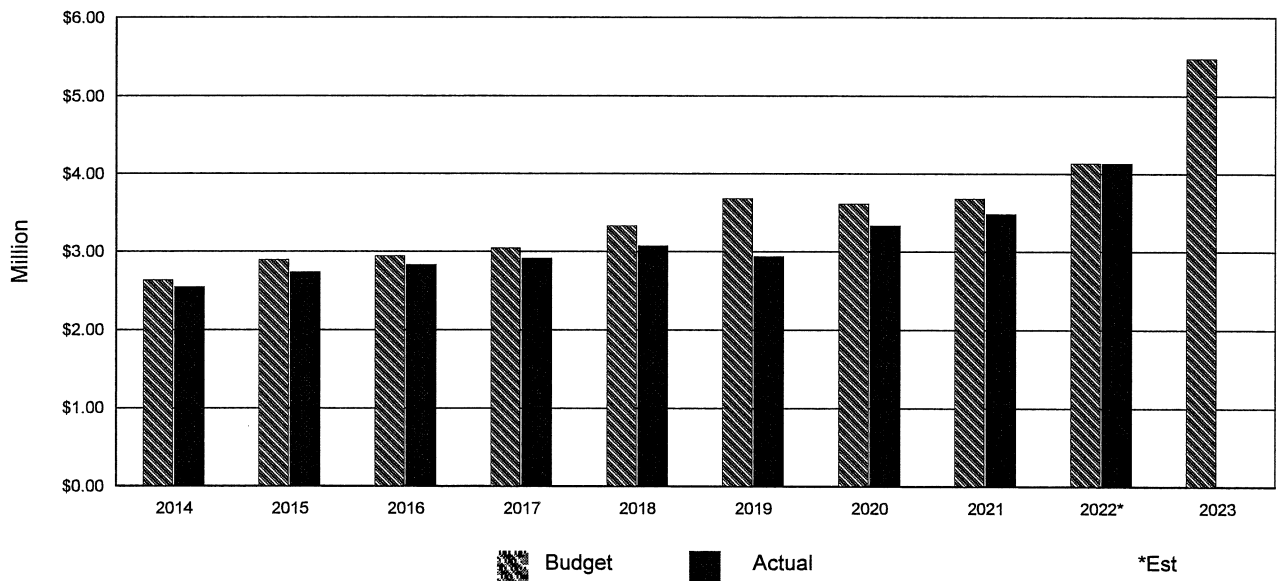


**FISCAL YEAR 2023 BUDGET**

**Business Area Budget Summary**

<b>Fund Name</b> :		<b>General Fund</b>			
<b>Business Area</b> :		<b>Office of Business Opportunity</b>			
<b>Fund No. /Bus. Area No.</b> :		<b>1000 / 5100</b>			
		<b>FY2021</b>	<b>FY2022</b>	<b>FY2022</b>	<b>FY2023</b>
		<b>Actual</b>	<b>Current Budget</b>	<b>Estimate</b>	<b>Budget</b>
Expenditures	Personnel Services	3,177,679	3,703,969	3,703,969	<b>4,488,639</b>
	Supplies	6,016	20,290	20,290	<b>20,219</b>
	Other Services and Charges	297,080	410,108	410,108	<b>972,664</b>
	Non-Capital Equipment	728	728	728	<b>0</b>
	Total M & O Expenditures	<u>3,481,503</u>	<u>4,135,095</u>	<u>4,135,095</u>	<u><b>5,481,522</b></u>
	Debt Service & Other Uses	0	0	0	<b>0</b>
	Total Expenditure	<u>3,481,503</u>	<u>4,135,095</u>	<u>4,135,095</u>	<u><b>5,481,522</b></u>
Revenues		391,537	612,907	592,707	<b>1,030,413</b>
Staffing	Full-Time Equivalents - Civilian	34.0	37.3	37.3	<b>43.1</b>
	Full-Time Equivalents - Classified	0.0	0.0	0.0	<b>0.0</b>
	Full-Time Equivalents - Cadets	0.0	0.0	0.0	<b>0.0</b>
	Total	<u>34.0</u>	<u>37.3</u>	<u>37.3</u>	<u><b>43.1</b></u>
	Full-Time Equivalents - Overtime	0.0	0.0	0.0	<b>0.0</b>
Significant Budget Changes and Highlights	<ul style="list-style-type: none"> <li>o The FY2023 Budget provides funding for health benefits, pension contribution, and municipal employees contractual pay increases.</li> <li>o The FY2023 Budget includes funding for two additional positions for the OBO Solution Center Division to serve the needs for Houston's small business and entrepreneurs, and funding for three employees transfer from Houston Public Works (HPW) for the Certification Division to assist in managing HPW contracts.</li> <li>o The FY2023 Budget includes a one-time funding for contract compliance monitoring services.</li> </ul>				

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



**FISCAL YEAR 2023 BUDGET**

**Business Area Performance Measures**

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

<b>Performance Measures</b>	<b>FY2021 Actual</b>	<b>FY2022 Target</b>	<b>FY2022 Estimate</b>	<b>FY2023 Target</b>
Certification Processing Timeframe (days)	83	120	101	100
MWSBE Contract Participation - Construction	28%	34%	34%	34%
MWSBE Contract Participation - Professional Services	35%	24%	24%	24%
MWSBE Contract Participation - Purchasing	10%	11%	11%	11%
New Certified Firms	280	300	350	350
New Hire Houston First Designations	308	300	325	325
Expenditures Adopted Budget vs Actual Utilization	91%	98%	105%	98%
Revenues Adopted Budget vs Actual Utilization	64%	100%	97%	100%

**FISCAL YEAR 2023 BUDGET**

<b>Division Summary</b>						
<b>Fund Name : General Fund</b>						
<b>Business Area : Office of Business Opportunity</b>						
<b>Fund No. /Bus Area No. : 1000 / 5100</b>						
<b>Division Description</b>	<b>FY2021 Actual</b>		<b>FY2022 Estimate</b>		<b>FY2023 Budget</b>	
	<b>FTEs</b>	<b>Costs \$</b>	<b>FTEs</b>	<b>Costs \$</b>	<b>FTEs</b>	<b>Costs \$</b>
<b>OBO Solutions Center 510001</b> 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.	5.3	510,329	5.8	584,366	8.0	891,233
<b>Certification 510002</b> Certifies businesses for participation on City and federally funded projects. The types of Certifications include Minority, Women, and Small Business Enterprises, as well as Disadvantaged Business Enterprises. Facilitates the certification of Historically Underutilized Businesses on behalf of the State of Texas.	11.1	845,342	11.8	1,092,038	12.0	1,054,176
<b>Contract Compliance 510005</b> 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.	10.2	933,248	12.2	1,150,893	15.1	1,600,039
<b>Executive Oversight 510006</b> 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.	7.4	1,192,584	7.5	1,307,798	8.0	1,936,074
<b>Total</b>	<b>34.0</b>	<b>3,481,503</b>	<b>37.3</b>	<b>4,135,095</b>	<b>43.1</b>	<b>5,481,522</b>

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**FISCAL YEAR 2023 BUDGET**

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**Business Area Revenues Summary**

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

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<b>Category</b>	<b>FY2021 Actual</b>	<b>FY2022 Current Budget</b>	<b>FY2022 Estimate</b>	<b>FY2023 Budget</b>
Charges for Services	370	500	300	311
Direct Interfund Services	384,139	592,407	592,407	1,030,102
Miscellaneous/Other	7,028	20,000	0	0
<b>Grand Total Revenues</b>	<u><u>391,537</u></u>	<u><u>612,907</u></u>	<u><u>592,707</u></u>	<u><u>1,030,413</u></u>