A Look Ahead

In 2019, the small business community can expect the city to have an increased focus on capacity building and scaling up support for our small business community. We are excited about the opportunities and initiatives and will embrace them together. The DSBO team is honored to partner with stakeholders and we are excited about the opportunities ahead as we build a future for small, minority and women-owned businesses in Denver.

Special thanks to 2018 BELT Members:
Eric Hiraga, Executive Director, Denver Economic Development & Opportunity
Kim Day, CEO, Denver International Airport
Murphy Robinson, Executive Director, Department of General Services
Tykus Holloway, Deputy Chiefs Project Officer, Mayor’s Office
Stephanie O’Malley, Mayoral Executive, Mayor’s Office
Eulois Cleckley, Executive Director, Denver Public Works
Allegra “Happy” Haynes, Executive Director, Denver Parks & Rec
Ginger White, Executive Director, Denver Arts & Venues
Gretchen Hollrah, Executive Director, Mayor’s Office of the National Western Center
Greetings,

On behalf of the Denver Economic Development & Opportunity’s Division of Small Business Opportunity (DSBO), it is our pleasure to present the 2018 DSBO Annual Report. This marks another year of collaboration with city agencies, prime contractors, and resource partners to align the city’s value of business equity with the talent among small, minority and women-owned businesses in the local marketplace to foster an inclusive city contracting environment.

In 2018, DSBO focused on how the city can further advance and promote small business equity. Under the guiding leadership of Mayor Michael B. Hancock, DEDO Executive Director Eric Hiraga, and city agencies, we formed the Business Equity Leadership Team (BELT) to ensure small business equity in communication, strategies, tactics, and metrics in city procurements. Through the coordination and collaboration of BELT, DSBO was involved in assisting all city agencies and programs in developing two-year agency-specific plans to increase participation of small, minority and woman-owned business enterprises in their procurement activities.

This past year we also received the results of the 2018 Disparity Study which provided an examination of city procurements, qualitative and quantitative analyses and general market conditions from 2012-2016. And while this report underscored the need for the work of DSBO to be continued, I’m pleased to report that from 2017-18 we had across the board increases in number of certified firms (17% increase), as well as the number of awards and payments to certified firms (24% and 18% respectively).

Now more than ever, the dedicated staff within the Division of Small Business Opportunity — and all the City and County of Denver’s partner agencies — will continue to work diligently to ensure nondiscrimination, create a level playing field, remove barriers, maximize small business participation, and provide businesses the tools and support they need so that they can compete for city contracts and beyond.

Thank you for your interest and support.

With gratitude,

ADRINA GIBSON
Director,
Division of Small Business Opportunity

Megaprojects

First issuance of Elevate Denver bond projects. DSBO worked with the Elevate Denver Bond team to receive frequent updates on bond projects in the first issuance and identify projects that will have an MWBE goal or encourage prime participation through the SBE Defined Selection Pool program.

Phases 1 & 2 of the National Western Center Campus. 43 Minority/Women-owned and/or Disadvantaged firms were awarded on the 12 active or complete contracts in 2018.

Great Hall Project at Denver International Airport. Of the 32 contractors on the 19 design/professional services contracts, there were 14 MWBE firms working as first tier contractors and 10 as second tier contractors.

Concourse Expansion (West). Turner/Flatiron Joint Venture (TFJV) facilitated over 50+ outreach events, pre-bids, and pre-qualification trainings; and awarded $24 million in contracts directly to M/WBE subcontractors.

Concourse Expansion (East). Out of 75 total firms currently contracted on the project, 29 firms (39%) are certified MWBE firms. Of those 29 MWBE firms, 10 are a direct sub to the Holder-FCI JV Team.

Disparity Study

DEDO engaged BBC Research & Consulting to conduct a 2018 Disparity Study that examined the participation of small, minority and women-owned businesses on city contracts awarded between 2012-2016. The report presented recommendations on how to reduce disparities in the city contracting environment. The full report can be found at denvergov.org/dsbo.

“Creating and expanding opportunities for small businesses and ensuring business equity requires much more dedication and focus than simply our Division of Small Business Opportunity. By bringing all of our major contracting agencies together through our Business Equity Leadership Team, we’re taking a 360-degree approach to level the playing field.”

ERIC HIRAGA, Executive Director
Denver Economic Development & Opportunity
2018

Highlights

Improvements

Changed goal setting process. This allowed for a more data-driven process that measures the availability of certified firms to determine a project goal. Additionally, DSBO and partner agencies approved a policy that requires Executive approval if a 0% goal is requested based on the availability of certified firms.

Implemented all program changes required by the 2017 Ordinance amendment. DSBO worked with a third-party consultant to evaluate and improve DSBO processes and programs. DSBO also automated prompt payment reporting in B2G software system that allows certified firms to report payment discrepancies or late payments.

Increased cross-agency coordination by establishing the Business Equity Leadership Team (BELT). The city’s largest agencies developed an agency-wide and a citywide Master Plan to align recommendations from both the community and disparity study. This plan outlined new programs and policies intended to increase participation of small, minority and women-owned businesses on city contracts.

Outreach

150 business owners attended our monthly DSBO certification trainings to learn about becoming certified to do business with the city.

DEDO partnered with Mi Casa Resource Center in June 2018 to provide technical assistance to certified firms. Mi Casa conducted 238 needs assessments and 75 in-person consultations.

40 community events attended by DEDO staff, with presentations at the following: The Mountain Region Business Economic Summit, DEN AIE Concourse Expansion Industry Forum, DEN Business Connect and the West Denver Business Summit.

THANK YOU CEI! Our dedicated Construction Empowerment Initiative (CEI) participants consist of small, minority, and women-owned, small business resource partners and contractors. Over the last year, they attended 10 meetings with more than 290 community members in attendance. This group seeks to ensure that business opportunities created by the expenditure of public funds are made available to all community members.

OUR CORE GOALS

enhance

the value of being certified as a small, minority and women-owned business with the City and County of Denver

improve

access for small, minority and women-owned businesses to work on city contracts and procurements

expand

the capacity of small, minority and women-owned businesses through internal and external partnerships

create

environments where small businesses can access large, prime contractors/consultants and build working relationships

“Minority, women, and small businesses in Denver are key to keeping our neighborhoods, communities and local economy strong. Their success is essential to providing jobs, diversifying our economy, and reaching our goal as a city to put people on an equitable path to prosperity. We’re working extensively with the community and across city agencies to bring forward meaningful changes and strengthen efforts that connect these local businesses to opportunity.”

MAYOR MICHAEL B. HANCOCK
**2018 BY THE NUMBERS**

**1,954** total certified firms, **162** newly certified in 2018

**60%** of certified firms have business establishments in the 7-county Denver Metropolitan Area.

**133** city projects had a DSBO goal for certified firms

**$119.3 million** awarded to certified firms (many multi-year contracts)

**$113.6 million** payments to certified firms

**519** certified firms actively participated on city contracts

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**Aspirational Annual M/WBE Goals**

Aspirational goals represent the percentage of M/WBE (Minority, Women-Owned Business Enterprise) participation that could be attained in the available market. The aspirational goals are based upon an analysis of factors such as size and scope of the contract and the availability of M/WBEs to perform various elements of the contract.

**Progress Toward M/WBE Aspirational Annual Goal**

**Construction:** 20.64%

(20.5% in 2017) **Goal = 24%**

**Professional Design:** 26.83%

(22.5% in 2017) **Goal = 33%**

**Goods & Services:** 37.9%

(57% in 2017) **Goal = 8%**

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“We knew that in order for us to do business on city contracts we had to get certified. Denver Economic Development & Opportunity not only helped us through the process but also created networking opportunities for us to get our name out to the community. Within six months of being certified, we landed contracts with National Western Center and Denver International Airport.”

**LARRY HOPKINS, King Star HVAC**