
INTEROFFICE MEMORANDUM

TO: ALD. WILLIE HINES
FROM: TERRI GABRIEL- FISCAL REVIEW ANALYST-SR.
SUBJECT: SURVEY – DISADVANTAGE BUSINESS ENTERPRISE PROGRAMS (DBE)
DATE: MARCH 14, 2002
CC: BARRY ZALBEN, MARIANNE WALSH

You requested the Legislative Reference Bureau to determine how other jurisdictions financed their disadvantaged business enterprise (or similar) certification programs and whether applicants were charged a fee for certification.

I surveyed several municipalities, counties, and state governments. The table below summarizes the information collected.

Jurisdiction	Program	Application fee	Program Financing
City of Baltimore	MBE/WBE	No fee	Certification program is part of the city's budget
City of Boston	MBE/WBE	No fee	Certification program is part of the city's budget
City of Chicago	MBE/WBE	No fee	Certification program is part of the city's budget
City of New Orleans	MBE/WBE	No fee	Certification program is part of the city's budget
City of Philadelphia	MBE/WBE/DS-DBE	No fee	Certification program is part of the city's budget
City of Minneapolis	Small & Underutilized Business Program	No fee	Certification program is part of the city's budget
Allegheny County (Pennsylvania - includes City of Pittsburgh)	MBE/WBE/DBE	No fee	Certification program is part of the county's budget
Connecticut Department of Transportation	DBE	No fee	Financed by the federal program: Transportation Equity Act for the 21st Century (TEA-21)

MBE= Minority Business Enterprise
WBE=Women's Business Enterprise
DS-DBE=Disabled Owner Disadvantaged Business Enterprise



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City of Milwaukee, Alderman
Mr. Willie L. Hines Jr., District 17
200 East Wells Street
Milwaukee, Wisconsin 53202

April 10, 2002

Dear Alderman Mr. Hines:

We read with great interest, and concern, the article that appeared in the business section of the March 10, 2002, Milwaukee Journal Sentinel title ("Some businesses quit program, fee to participate is too high some say"), regarding the lack of disadvantage enterprise certification or re-certification application submissions to the City of Milwaukee's Program. Currently, "the fee for certification or re-certification for a city disadvantage enterprise is 0.2% of the gross sales with the fee not to exceed \$2,400". Subsequently, we have attended, participated in, and closely followed the discussions and outcomes of these meetings regarding the disadvantage business certification. Thus the Women's Caucus of NAMC-WI wishes to go on record stating the organization's position.

There should be no fee or, only if absolutely necessary a nominal fee. We feel that completing the paper work required for certification or re-certification puts a comparatively extraordinary load on that portion of the Business Enterprise community hindered by size and available resources. To the best of our knowledge, similar requirements are not in place for larger established firms not classified as disadvantage

We further ask that the Economic Development Committee direct the DBE Director and staff to check their records of firms certified and re-certified to date to see how many have gotten meaningful contract work from the City? If such certification and fee must exist we believe the Committee, Council, and Department personnel, especially planning and procurement staff take a proactive approach. The DBE Director and staff should have a role in making every effort to see that certified and re-certified firms have every opportunity to be aware of and bid on city contracts within their company skill sets. We ask that the Committee assume oversight of and monitor this effort to make sure where opportunity exist it is available uniformly and fairly.

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Finally, we strongly encourage the city to maintain a residency requirement and or preference regarding all city opportunities. This presents one good way we can help assure and protect the city's tax base. It is our understanding this is doable and feasible for the same reasons that some years ago the Economic Development Committee championed, and the Common Council approved, the City of Milwaukee Resident Preference Program, which was instrumental in helping the City of Milwaukee, Miller Park Baseball Stadium constructions meet its EEO and M/D/W/ Enterprise goals.

We understand that at the March 18, 2002 Economic Development Committee meeting there were two files introduced regarding this matter: *Item (File #011505): "Under this ordinance, a flat fee of \$50 shall be paid by and entity seeking certification or re-certification". The outcome of this matter was t hold the file in Committee to be brought back at the request of the Committee. Item #6 (File #019771): a duplicate file. The Committee's action was to place this item on file.*

NAMC-WI, led by our Women's Caucus would be pleased t work with you and other parties deemed appropriate to accomplish these goals. We are available to meet with you to receive your input or answer your questions. We thank you for your cooperation and assistance.

Respectfully,



C. Levonne Laughinghouse

C: Aldermen and Alderwomen
Disadvantage Business Director, Rhonda Kelsey
Executive Committee
Women's Caucus