

## PUBLIC NOTICE

### PUBLIC NOTICE

#### Midtown Management District

#### Disadvantage Business Enterprise (DBE) Goals

#### Fiscal Years 2020 - 2022

Midtown Management District (Midtown) has set its Disadvantage Business Enterprise (“DBE”) goal for federally funded contracts for fiscal years 2020 - 2022.

A copy of the goal calculation is available for view on the Midtown website at <https://midtownhouston.com/about/public-notes/> and at the offices of Midtown during normal business hours.

Midtown will accept comments on its overall annual DBE goal, which is proposed at **12.5%** through race-neutral means. Public comment will be accepted for a 30-day period commencing July 01, 2019 to July 31, 2019. Public comments can be addressed to:

Midtown Management District  
DBE Liaison Officer  
410 Pierce Street, Suite 355  
Houston, TX 77002

### AVISO PÚBLICO

#### Midtown Management District

#### Meta del Programa de Empresas Comerciales en Desventaja (DBE)

#### Años Fiscales 2020 – 2022

Midtown Management District (Midtown) ha fijado su meta referente al programa de Empresas Comerciales en Desventaja (DBE, por sus siglas en inglés) para contratos financiados por el gobierno para los años fiscales 2020-2022.

Para leer los cálculos referentes a la meta fijada, visite la página web de Midtown, <https://midtownhouston.com/about/public-notes/> o visite la oficina de Midtown durante horas de oficina.

Midtown aceptará comentarios sobre la meta anual DBE, actualmente propuesta en **12.5%**—neutral en términos raciales—por 30 días a partir del 01 de julio de 2019 hasta el 31 de julio de 2019. Por favor dirigir sus comentarios a:

Midtown Management District  
DBE Liaison Officer  
410 Pierce Street, Suite 355  
Houston, TX 77002

## OVERALL GOAL CALCULATION

The process used by Midtown Management District (Midtown) to establish its DBE goal for fiscal year (FY) 2020 through 2022 is summarized below. Midtown followed a two-step process based on documented evidence of the availability of ready, willing and able DBEs relative to all businesses ready, willing, and able to participate in Midtown's FTA assisted contracts, which is referred to as relative availability of DBEs and establishes the base goal. The goal reflects Midtown's expected level of participation by DBEs.

### Step 1 – Establish Base Goal

Midtown considered all the possible FTA assisted contracting opportunities for award in FY 2020 through 2022 and compiled the North American Industry Classification System (NAICS) codes for the work included in the contracting opportunities. Midtown established the TxDOT Houston Work District as the market area to determine the total number of DBE ready, willing, and able businesses available to perform work in the same NAICS codes, which includes Brazoria, Fort Bend, Galveston, Harris, Montgomery and Waller County. Midtown established this market area due to the availability of contractors in the area and the size and cost of the projects projected. Midtown reviewed the total firms in the same counties in the TxDOT Houston Work District in the 2016 US Census County Business Patterns.

Midtown does not provide transit operations but does receive federal funding through grants for pedestrian improvements to support access to transit. Midtown only has two federally funded, construction projects expected within the next three years:

- Brazos St. Pedestrian-Transit Improvements
- Wheeler St. Pedestrian-Transit Improvements

Midtown used the suggested calculation tables to determine the weighted base goal. There are two pedestrian construction projects programmed within the next three years. Tasks involved in this project include sidewalk construction, curb construction, electrical installation, site preparation, and landscaping. Each NAICS Code is defined in the table below.

NAICS Code	Definition
221310	Water Supply and Irrigation Systems
237310	Highway, Street, and Bridge Construction – Curbs, gutters, culvert construction
238210	Electrical Contractors and Other Wiring Installation Contractors
238910	Site Preparation Contractors
238990	All Other Specialty Trade Contractors - Sidewalk construction, residential and commercial, concrete paving

**Step 1 - Determine the weight of each type of work by NAICS Code**

	<b>NAICS Code</b>	<b>Project</b>	<b>Amount of DOT funds on project:</b>	<b>% of total DOT funds (weight)</b>
1)	221310	Brazos St. Pedestrian-Transit Improvements	\$615,000.00	0.1160
2)	237310	Brazos St. Pedestrian-Transit Improvements	\$615,000.00	0.1160
3)	238210	Brazos St. Pedestrian-Transit Improvements	\$820,000.00	0.1547
4)	238910	Brazos St. Pedestrian-Transit Improvements	\$410,000.00	0.0774
5)	238990	Brazos St. Pedestrian-Transit Improvements	\$1,640,000.00	0.3094
6)	221310	Wheeler St. Pedestrian-Transit Improvements	\$180,000.00	0.0340
7)	237310	Wheeler St. Pedestrian-Transit Improvements	\$180,000.00	0.0340
8)	238210	Wheeler St. Pedestrian-Transit Improvements	\$240,000.00	0.0453
9)	238910	Wheeler St. Pedestrian-Transit Improvements	\$120,000.00	0.0226
10)	238990	Wheeler St. Pedestrian-Transit Improvements	\$480,000.00	0.0906
<b>Total FTA-Assisted Contract Funds</b>			<b>\$5,300,000.00</b>	<b>1.0000</b>

**Step 2 - Determine the relative availability of DBE's by NAICS Code**

	<b>NAICS Code</b>	<b>Project</b>	<b>Number of DBEs available</b>	<b>Number of all firms available</b>	<b>Relative Availability</b>
1)	221310	Brazos St. Pedestrian-Transit Improvements	1	73	0.0137
2)	237310	Brazos St. Pedestrian-Transit Improvements	19	127	0.1496
3)	238210	Brazos St. Pedestrian-Transit Improvements	3	1029	0.0029
4)	238910	Brazos St. Pedestrian-Transit Improvements	20	349	0.0573
5)	238990	Brazos St. Pedestrian-Transit Improvements	10	530	0.0189
6)	221310	Wheeler St. Pedestrian-Transit Improvements	1	73	0.0137
7)	237310	Wheeler St. Pedestrian-Transit Improvements	19	127	0.1496
8)	238210	Wheeler St. Pedestrian-Transit Improvements	3	1029	0.0029
9)	238910	Wheeler St. Pedestrian-Transit Improvements	20	349	0.0573
10)	238990	Wheeler St. Pedestrian-Transit Improvements	10	530	0.0189
<b>Combined Totals</b>			<b>106</b>	<b>4216</b>	<b>0.0251</b>

**Step 3 - (Weight) x (Availability) = Weighted Base Figure**

	<b>NAICS Code</b>	<b>Project</b>	<b>Weight</b>	<b>X</b>	<b>Availability</b>	<b>Weighted Base Figure</b>
<b>1)</b>	221310	Brazos St. Pedestrian-Transit Improvements	0.11604	x	0.01370	0.0016
<b>2)</b>	237310	Brazos St. Pedestrian-Transit Improvements	0.11604	x	0.14961	0.0174
<b>3)</b>	238210	Brazos St. Pedestrian-Transit Improvements	0.15472	x	0.00292	0.0005
<b>4)</b>	238910	Brazos St. Pedestrian-Transit Improvements	0.07736	x	0.05731	0.0044
<b>5)</b>	238990	Brazos St. Pedestrian-Transit Improvements	0.30943	x	0.01887	0.0058
<b>6)</b>	221310	Wheeler St. Pedestrian-Transit Improvements	0.03396	x	0.01370	0.0005
<b>7)</b>	237310	Wheeler St. Pedestrian-Transit Improvements	0.03396	x	0.14961	0.0051
<b>8)</b>	238210	Wheeler St. Pedestrian-Transit Improvements	0.04528	x	0.00292	0.0001
<b>9)</b>	238910	Wheeler St. Pedestrian-Transit Improvements	0.02264	x	0.05731	0.0013
<b>10)</b>	238990	Wheeler St. Pedestrian-Transit Improvements	0.09057	x	0.01887	0.0017
<b>Total</b>						0.0384
Expressed as a % (*100)						3.84%
<b>Rounded, Weighted Base Figure:</b>						<b>4%</b>

**Step 2 – Base Goal Adjustment**

Previously, Midtown had an FTA-approved DBE goal of 20%. This DBE goal was 100% race neutral. Based on the statistical analysis conducted under Step 1, Establish Base Goal, Midtown will use the 4% goal as the established rounded, weighted base goal. For the past three fiscal years, Midtown has awarded \$2,729,600.00 in contracting opportunities. Midtown awarded \$1,686,892.00, or 61.8%, to DBE subcontractors over the past three fiscal years. In the past three years, Midtown has executed two similar projects to those projected for the next three fiscal years, such as construction.

	<b>Past Participation</b>
FY 2016	61.8%
FY 2017	0.0%
FY 2018	0.0%
Overall Average	20.6%

Midtown took the average of the past three fiscal years. Midtown took the rounded median, past performance percentage and the rounded, weighted base goal and averaged them together to create the adjusted DBE Goal.

<b>Adjusted DBE Goal</b>	
Rounded Weighted Base Goal	4%
Rounded Average Past Performance Percentage	21%
Total	25%
<b>Adjusted DBE Goal</b>	<b>12.5%</b>

Midtown will set the DBE goal at 12.5% based on past performance and monitor how much DBE participation occurs over the next three (3) years. This DBE Goal will be 100% Race Neutral, based on past performance. This adjusted goal is Midtown's overall program goal for the next three fiscal years.