

PUBLIC NOTICE

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Midtown Management District

Disadvantage Business Enterprise (DBE) Goals

Fiscal Years 2023 - 2025

Midtown Management District (Midtown) has set its Disadvantage Business Enterprise (“DBE”) goal for federally funded contracts for fiscal years 2023 - 2025.

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 **10.5%** through race-neutral means. 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 2023 – 2025

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 2023-2025.

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 **10.5%**—neutral en términos raciales. 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

	NAICS Code	Project	Amount of DOT funds on project:	% of total DOT funds (weight)
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
Total FTA-Assisted Contract Funds			\$5,300,000.00	1.0000

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

	NAICS Code	Project	Number of DBEs available	Number of all firms available	Relative Availability
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
Combined Totals			106	4216	0.0251

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

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

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.

	Past Participation
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.

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

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.