

**MAYOR'S ADVISORY COMMISSION  
ON CONSTRUCTION INDUSTRY DIVERSITY**

**31 RECOMMENDATIONS**

**To Increase Inclusion of Minority,  
Female, and Disabled Construction  
Contractors**

**MARCH, 2009**

## **To Increase Inclusion of Minority, Female, and Disabled Construction Contractors**

*(1) The City should improve its data and monitoring systems as a foundation for oversight. The City should assemble data on the participation of male minority, female, and disabled contractors in the regional construction industry. The first step should be to assemble a consolidated list of MBE, WBE, and DBE contractors who are available to conduct projects in the Philadelphia area. The list should record type of work, contact information, MBE/WBE/DBE status, and some measure of capacity (e.g., annual volume or largest project completed).*

*(2) The City should develop and update goals for inclusion of male minority, female, and disabled construction contractors in the regional construction industry. Goals should be expressed in terms of both available capacity and utilization of that capacity.*

*(3) The City should measure annual progress toward the inclusion goals.*

*(4) The City Office of Economic Opportunity should prepare quarterly reviews of inclusion data for presentation to the Mayor's Economic Opportunity Cabinet and an annual "Inclusion Report Card" for publication. Both types of reports should include measures of changes in participation of minorities and women.*

*(5) The City should develop a database of all general contractors and construction managers that subcontractors can use to market their services. The database should track current work being bid and identify all forecasted and upcoming projects.*

*(6) The City should develop a website, similar to Face book or MySpace, to describe the project experience, capacity and resumes of each certified company.*

*(7) The City should establish a marketing training program to assist minority and women firms create marketing materials.*

*(8) The City should conduct a baseline analysis of the current participation of male minority, female, and disabled contractors in its recent construction projects.*

*(9) The City should set achievable goals for participation of male minority, female, and disabled contractors.*

*(10) The City should require bidders on public projects to document their efforts to include minorities and women in their privately funded projects.*

*(11) The City should avoid waivers of participation requirements except where genuine good faith effort is documented. Contractors should be expected to exhaust a valid list of available subcontractors before seeking waivers.*

*(12) The City should unbundle large projects whenever it is possible to do so without significant increases in cost.*

*(13) The City should review all post-award changes in roles of minority and female subcontractors and approve only where genuine good faith effort is documented.*

*(14) The City should limit opportunities to use minority and female materials suppliers to fulfill minority and female participation requirements.*

*(15) The City should create a City wide web-site to include:*

- *Bid opportunities*
- *Upcoming projects and bid forecast*
- *Certification process*
- *Check payment status of prime contractors*
- *Bank & Bonding institutions who work with MBE/WBE*
- *Marketing profiles of certified companies*
- *Banking and lending forecast*
- *Links to the TAC and PIDC loans*
- *FAQ*
- *Blog to discuss the road blocks and hazards of the industry.*
- *Business Health Check Up's – opportunities for company evaluation of AR, accounting systems, loans, lines of credit, contracts, etc.*
- *Construction and Business Management Courses through Temple & the SBA*

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*(16) The City should reduce contractors' needs for credit by expediting payments to general contractors, requiring expedited payments to subcontractors, and reducing retainage on small projects.*

*(17) The City should explore innovative ways to reduce the barriers created by bonding requirements including state legislation to allow selective reduction of bonding requirements.*

*(18) The City should develop and consistently communicate the message that goals of inclusion and equal opportunity should be standard for the construction industry in Philadelphia in both public and private sectors.*

*(19) The City should identify decision makers at every tier of the construction industry and educate them of this policy. The education process should include formal outreach to specific private project owners, lenders, bonding agencies, and insurers.*

*(20) The City should initiate and support a public/private partnership with larger GMs and CMs to develop a mentorship program to strengthen the capacity and enhance the growth of emerging minority contractors.*

*(21) Establish an ongoing collaborative and meaningful dialogue including local construction users and owners, contractors, unions, educational institutions, social service intermediaries and other interested parties on construction industry workforce demographics and development. Use the results of this dialogue to develop a practical, results-oriented and performance based implementation of: 1) Commission recommendations, 2) Availability and Utilization Study results, and 3) initiatives developed by this collaborative effort.*

*(22) The City should establish an ongoing Advisory Commission on Construction Industry Diversity including union leaders, large and small contractors, public and private project owners, and community leaders.*

*(23) Develop a database of private sector companies, non-profits and universities who engage in capital projects.*

*(24) Establish a consortium of 10 private sector companies who will institute an economic opportunity plan within their procurement departments to establish and achieve contracting goals.*

*(25) Develop a marketing plan for MBE/WBE contractors to market to the Private Sector potential clients.*

*(26) Develop a semi-annual report of public and private-sector organization participants in minority contracting.*

*(27) Project owners should make best efforts to contract with to use male minority, female, and disabled contractors and subcontractors on their projects.*

*(28) MBE/WBE/DBE Prime contractors should market to private sector owners directly.*

*(29) General contractors should strive to include male minority, female, and disabled subcontractors on their projects.*

*(30) MBE/WBE/DBE subcontractors need to market to general contractors and construction managers who bid private work.*

*(31) Successful general contractors, construction managers, and subcontractors should develop a mentorship program for aspiring MBE/WBE/DBE contracting firms. The program should include:*

- *Evaluation of company's current bookkeeping*
- *Accounting Systems (AR, AP, Equity, Cash Flow, and Loans)*
- *Overall Financial Stability*
- *Evaluation & Capability of Current Employees*
- *Estimating Practices*
- *Operating Procedures*
- *Computer Systems*
- *Safety Plans*
- *Contracts*
- *Marketing Materials and Plans*

**Discussion of these recommendations can be found in the full report.**