

CITY OF TOLEDO OHIO

Disparity Study Report | June, 2022



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I. INTRODUCTION

A. Scope of Work

In March 2021, The City of Toledo, Ohio (“City”) contracted with Griffin & Strong, P.C. (“GSPC”) to conduct a disparity study (“Study”), to evaluate and make improvement recommendations for contracting and procurement policies and practices with regard to minority and women-owned firms.

The Study focuses on the availability and utilization of Minority Business Enterprises (“MBE” or “Minority owned”), and Non-minority Woman Business Enterprises (“WBE” or “Non-minority Woman”) (collectively “MWBES”) and examines relevant evidence of race or gender-based disparities in the City’s contracting.

Governmental entities across the country authorize disparity studies in response to City of Richmond v. J.A. Croson Co., 488 U.S. 469 (1989) and subsequent cases in order to determine whether there is a compelling interest for the creation or continuation of remedial procurement programs, based upon race, gender, and ethnicity. In order for the legal requirements of Croson and its progeny to be satisfied for any race or gender-based activities, GSPC must determine whether the City has been a passive or active participant in any identified disparities with regard to the access of MBEs and WBEs to its procurement and contracting opportunities.

Toward achievement of these ends, GSPC has analyzed the prime contracting and subcontracting activities for the City’s purchases of Construction, Architecture & Engineering (“A&E”), Professional Services, Other Services and Goods during the five (5) year study period based on the City’s fiscal years from FY2016 through FY2020 (“Study Period”).

B. Objectives

The principal research questions are to determine:

- Is there is a statistically significant disparity in the relevant geographic and product markets between the percentage of certified minority and women owned businesses willing and able to provide goods or services to the City in each of the categories of contracts and the percentage of dollars spent by the City or City contractors with such firms?
- If a statistically significant disparity exists, have factors, other than race and gender been ruled out as the cause of that disparity?
- Can the discrimination be adequately remedied with race- and gender-neutral remedies?
- If race- and gender-neutral remedies are not sufficient, does the evidence from the Study legally support race and/or gender conscious remedial program elements?
- Are the proposed remedies narrowly tailored to the strong basis in evidence from the Study?

C. Technical Approach

In conducting this Study and preparing its recommendations, GSPC followed a carefully designed work plan that allowed Study team members to fully analyze availability, utilization, and disparity with regard to MWBE participation. The final work plan consisted of, but was not limited to, the following major tasks:

- Establishing data parameters and finalizing a work plan;
- Legal analysis;
- Reviewing policy and processes;
- Collecting electronic data, inputting manual data, organizing, and cleaning data, as well as filling any data gaps;
- Conducting geographic and product market area analyses;
- Conducting utilization analyses;
- Determining the availability of qualified firms;
- Analyzing the utilization and availability data for disparity and statistical significance;
- Conducting private sector analysis including credit and self-employment analysis, as well as analysis of building permit data;
- Collecting and analyzing anecdotal evidence;
- Establishing findings of fact regarding the existence and nature of marketplace discrimination and /-or other barriers to MWBE participation in City contracts; and
- Preparing a final report that identifies and assesses the efficacy of various race- and gender-neutral and narrowly tailored race- and gender-based remedies if indicated by the findings.

Study definitions are contained in Appendix H.

D. Report Organization

This report is organized into the following sections, which provide the results of GSPC's analytical findings and recommendations for The City of Toledo. In addition to this introductory chapter, this report includes:

- Chapter II, which presents GSPC's detailed findings and recommendations.
- Chapter III, which is an overview of the legal framework and basis for the Study;
- Chapter IV, which provides a review of The City of Toledo's purchasing policies, practices, and programs;
- Chapter V, which presents the methodology used in the collection of statistical data from The City of Toledo and the analyses of the data regarding relative MWBE availability and utilization analyses, and includes a discussion on levels of disparity for the City's prime contractors;
- Chapter VI, which analyzes whether present or ongoing effects of past discrimination are affecting The City of Toledo's marketplace; and
- Chapter VII, which outlines the qualitative analyses: the analysis of anecdotal data collected from the online survey, personal interviews, focus groups and public meetings.

II. EXECUTIVE SUMMARY OF FINDINGS AND RECOMMENDATIONS

This chapter presents the findings and recommendations resulting from the Study for the City of Toledo, Ohio related to the Industry Categories: Construction, Architecture & Engineering (A&E), Professional Services, Other Services, and Goods for FY2016-FY2020.

As outlined in the Legal Analysis, the courts have indicated that for race-based or gender-based preference programs to be maintained there must be a strong basis in the evidence for the establishment of such programs or the continuation of existing programs. As the detailed findings below will demonstrate, GSPC found some statistically significant underutilization of some MWBE firms in each of the five (5) Industry Categories that GSPC analyzed. The exceptions will be discussed in the findings below.

A regression analysis was performed and GSPC found that there was evidence to indicate disparities by race, ethnicity, or gender status of the firm owners even after controlling for capacity and other race- and gender-neutral factors. This statistical evidence found support in the anecdotal evidence of the experiences of firms in the City of Toledo's marketplace.

A. FINDINGS

1. Legal Finding

FINDING 1: LEGAL FINDING

Consistent with the “narrow tailoring” aspect of the strict scrutiny analysis discussed in the Legal Chapter, the City of Toledo continues to implement race and gender neutral measures in addition to its MBE goals program to try to increase utilization of MBE firms, but the present Study shows that those measures have not been effective in resolving or significantly reducing the identified disparities.¹ Accordingly, the City has a basis to introduce some race and gender conscious remedies or policies toward that goal for some Industry Categories and for some ethnic and gender groups.²

Moreover, the use of a regression analysis and consideration of the contracting environment in the private sector as part of this Study allow the City to demonstrate that factors *other than* MBE and WBE status cannot fully account for the statistical disparities found. Stated otherwise, the City of Toledo can show that

¹ See *City of Richmond v. J. A. Croson Company*, 488 U.S. 469, 507-508; 109 S. Ct. 706 (1989).

² *Id.*

MBE and WBE status continues to have an adverse impact on a firm's ability to secure contracting opportunities with the City, further supporting more aggressive remedial efforts.

Lastly, having obtained statistical and anecdotal evidence of disparities that are race, ethnicity, and gender specific, the City can ensure that the more robust remedies considered as a result of this Study can be limited to minority groups for which underutilization and an inference of discrimination has been identified.³

2. Quantitative Findings

FINDING 2: RELEVANT GEOGRAPHIC AND PRODUCT MARKETS

The Study compares the availability and utilization of firms in a common area, the Relevant Geographic Market, where about 75% of Toledo spending with vendors takes place. The Geographic Relevant Market was the Toledo Metropolitan Statistical Area (MSA)⁴, based on the following percentages of spending.

- In Construction, 81.11%
- In A&E, 88.30%
- In Professional Services, 45.01%
- In Other Services, 78.51%
- In Goods, 33.62%

Given that 76.46% of all Toledo spending was with firms located in this relevant market (and 80.78 percent of spending excluding Goods), GSPC determined that one consistent Relevant Geographic Market across all Industry Categories was appropriate.

FINDING 3: AVAILABILITY

The measures of availability utilized in this Study incorporate all of the criteria of availability required by City of Richmond v. J.A. Croson Co., 488 U.S. 469 (1989).

- The firm does business within an industry group from which Toledo makes certain purchases.
- The firm's owner has taken steps to demonstrate interest in doing business with government.
- The firm is located within a relevant geographical area such that it can do business with Toledo.

³ Id.; see also H.B. Rowe Company, Inc. v. W. Lindo Tippett, 615 F.3d 233, 256-58 (4th Cir. 2010) (finding strong basis in evidence for remedial action for African American and Native American firms, but no similar basis for inclusion of other minority groups (including women-owned businesses) in the remedial policy).

⁴ The MSA includes the counties of Fulton, Lucas, Ottawa, and Wood in Ohio.

The firms used to calculate Availability came from the Master Vendor File in the Relevant Market Area. GSPC found that firms were available to provide goods and services to Toledo as reflected in the following percentages by each race, ethnicity, and gender group (Table 1).

Table 1: Availability Estimates by Work Category

*In the Relevant Market
(Based upon the Master Vendor File)
Toledo Disparity Study*

Business Owner Classification	Construction	A&E	Professional Services	Other Services	Goods
African American	7.13%	2.20%	5.61%	4.70%	1.57%
Asian American	0.22%	1.10%	0.00%	0.16%	0.26%
Hispanic American	2.67%	3.30%	0.35%	0.82%	0.39%
Native American	0.45%	1.10%	0.70%	0.08%	0.00%
TOTAL MINORITY	10.47%	7.69%	6.67%	5.77%	2.23%
Non-Minority Woman	3.12%	4.40%	0.35%	0.74%	1.70%
TOTAL MWBE	13.59%	12.09%	7.02%	6.67%	4.06%
TOTAL NonMWBE	86.41%	87.91%	92.98%	93.33%	95.94%
TOTAL	100.00%	100.00%	100.00%	100.00%	100.00%

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Detailed Availability Number can be found in Appendix B of the Study.

FINDING 4: MWBE PRIME UTILIZATION

As Table 2 below shows, Toledo paid a total of \$709.59 million in prime construction spending in the Relevant Market during the Study Period and \$96,20 million of this amount, or 13.56% was paid with MWBE firms as prime contractors. MWBEs were paid 3.81% of A&E Services, 35.65% of Professional Services, 10.85% of Other Services, and 1.88% of Goods. MWBEs won 11.69% of prime payments across all purchasing categories.

Table 2: Summary of Prime Utilization by Work Category

In the Relevant Market
(Based upon Payments FY2016-FY2020)
Toledo Disparity Study

Business Ownership Classification	Construction	A&E	Professional Services	Other Services	Goods	Total
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ 1,835,696	\$ 368,737	\$ 3,507,921	\$ 635,296	\$ 14,240	\$ 6,361,890
Asian American	\$ -	\$ -	\$ -	\$ 48,594	\$ 1,250,091	\$ 1,298,685
Hispanic American	\$ 94,120,857	\$ 2,508,396	\$ -	\$ 1,394,758	\$ 19,138	\$ 98,043,149
Native American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL MINORITY	\$ 95,956,553	\$ 2,877,133	\$ 3,507,921	\$ 2,078,648	\$ 1,283,469	\$ 105,703,724
Non-minority Woman	\$ 243,096	\$ -	\$ -	\$ 6,874,037	\$ 435,620	\$ 7,552,753
TOTAL MWBE	\$ 96,199,649	\$ 2,877,133	\$ 3,507,921	\$ 8,952,685	\$ 1,719,089	\$ 113,256,477
TOTAL NON-MWBE	\$ 613,390,260	\$ 72,549,906	\$ 6,332,426	\$ 73,541,952	\$ 89,535,625	\$ 855,350,169
TOTAL FIRMS	\$ 709,589,909	\$ 75,427,039	\$ 9,840,347	\$ 82,494,637	\$ 91,254,714	\$ 968,606,646
Business Ownership Classification	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	Total
	(%)	(%)	(%)	(%)	(%)	(%)
African American	0.26%	0.49%	35.65%	0.77%	0.02%	0.66%
Asian American	0.00%	0.00%	0.00%	0.06%	1.37%	0.13%
Hispanic American	13.26%	3.33%	0.00%	1.69%	0.02%	10.12%
Native American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TOTAL MINORITY	13.52%	3.81%	35.65%	2.52%	1.41%	10.91%
Non-minority Woman	0.03%	0.00%	0.00%	8.33%	0.48%	0.78%
TOTAL MWBE	13.56%	3.81%	35.65%	10.85%	1.88%	11.69%
TOTAL NON-MWBE	86.44%	96.19%	64.35%	89.15%	98.12%	88.31%
TOTAL FIRMS	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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FINDING 5: MWBE TOTAL UTILIZATION

Total Utilization (prime plus subcontracting) as represented in Table 3. MWBEs received 19.17% of Total Construction dollars, 6.51% of Total A&E dollars, 36.73% of Professional Services, and 12.41% of Other Services dollars. There was little to no subcontract dollars in Goods, which is common.

Table 3: Total Utilization- Construction Services, A&E, Professional Services, Other Services

*In the Relevant Geographic Market
Distribution of Dollars by Business Ownership and Fiscal Year
(Using Payment Dollars, FY 2016-2020)
Toledo Disparity Study*

Business Ownership Classification	Construction	A&E	Professional	Other Services
	(\$)	(\$)	Services	(\$)
African American	\$ 30,561,270	\$ 550,237	\$ 3,507,921	\$ 1,919,933
Asian American	\$ -	\$ 194,665	\$ -	\$ 48,594
Hispanic American	\$ 99,013,867	\$ 4,144,144	\$ 106,585	\$ 1,394,758
Native American	\$ 2,177,454	\$ -	\$ -	\$ -
TOTAL MINORITY	\$ 131,752,591	\$ 4,889,046	\$ 3,614,506	\$ 3,363,285
Non-minority Woman	\$ 4,250,419	\$ 17,654	\$ -	\$ 6,874,037
TOTAL MWBE	\$ 136,003,010	\$ 4,906,700	\$ 3,614,506	\$ 10,237,322
TOTAL NON-MWBE	\$ 573,586,899	\$ 70,520,339	\$ 6,225,841	\$ 72,257,315
TOTAL FIRMS	\$ 709,589,909	\$ 75,427,039	\$ 9,840,347	\$ 82,494,637
Business Ownership Classification	Construction	A&E	Professional	Other Services
	(%)	(%)	Services	(%)
African American	4.31%	0.73%	35.65%	2.33%
Asian American	0.00%	0.26%	0.00%	0.06%
Hispanic American	13.95%	5.49%	1.08%	1.69%
Native American	0.31%	0.00%	0.00%	0.00%
TOTAL MINORITY	18.57%	6.48%	36.73%	4.08%
Non-minority Woman	0.60%	0.02%	0.00%	8.33%
TOTAL MWBE	19.17%	6.51%	36.73%	12.41%
TOTAL NON-MWBE	80.83%	93.49%	63.27%	87.59%
TOTAL FIRMS	100.00%	100.00%	100.00%	100.00%

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FINDING 6: SUMMARY OF DISPARITY ANALYSIS FOR FY2016-FY2020

Table 4 below indicates those MWBE groups where a statistically significant disparity (X) was found in prime utilization for Construction, A&E, Professional Services, Other Services, or Goods. There was underutilization in prime contracts for some MWBEs groups, however, there was overutilization of African Americans in Professional Services, Asian Americans in Goods, Hispanic Americans in Construction Services, A&E, and Other Services and Non-minority Women in Other Services.

*Table 4: Summary of Statistically Significant Underutilization of MWBEs in Total Utilization
Toledo Disparity Study*

Business Owner Classification	Construction	A&E	Professional Services	Other Services	Goods
African American	X	X		X	X
Asian American	X	X		X	
Hispanic American			X		X
Native American	X	X	X	X	
Non-minority Women	X	X	X		X

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Disparity was also examined eliminating larger prime projects using award data. Disparity was found for all MWBE groups for prime payments less than \$500,000 and less than \$1 million for all procurement categories, except that Hispanic Americans were overutilized in A&E for projects less than \$500,000 and less than \$1,000,000.

For Total Utilization (prime plus subcontracting) African Americans were overutilized in Professional Services. Hispanic Americans were over utilized in all four categories, as were Non-minority Women in Other Services. (Table 5).

Table 5: Summary of Statistically Significant Underutilization of MWBEs in Prime Contracting

Toledo Disparity Study

Business Owner Classification	Construction	A&E	Professional Services	Other Services
African American	X	X		X
Asian American	X	X		X
Hispanic American				
Native American	X	X	X	X
Non-minority Women	X	X	X	

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3. Policy Findings

FINDING 7: THRESHOLDS

With respect to contract thresholds, informal procurement methods generally can be used by the City for contracts and purchases less than \$40,000. Contracts and purchases totaling \$40,000 or more require use of formal procurement (“competitive bidding”), and there are special considerations and processes for construction contracts valued over \$100,000.

FINDING 8: APPRENTICESHIP AND PROJECT LABOR AGREEMENT (PLA) REQUIREMENTS

Again, construction projects and purchases of goods and services costing over \$40,000 require competitive bidding consistent with the City ordinances.

For construction contracts valued over \$100,000, however, special evaluation criteria and award approval procedures apply. For example, included in the criteria are “whether the bidder’s employees participate in a bona fide apprenticeship program that is approved by the Ohio State Apprenticeship Council and the U.S. Department of Labor[,]” and “whether the bidder is in compliance with any affirmative action or disadvantaged business enterprise program that the City is required by law to enforce in connection with the funds to be spent.”

Also, where funded by the City of Toledo or other funding sources that do not exclude Project Labor Agreements (PLAs), successful bidders for \$100,000-plus construction projects must negotiate a PLA with the Northwest Ohio Building and Construction Trades Council (NWOBTC).

FINDING 9: MBE GOALS PROGRAM

The City has a commitment to greater inclusion and sets contract goals on construction projects and on goods and services. The Office of Diversity and Inclusion is tasked with collecting and reporting MBE utilization data, and interviewees confirmed that monthly, quarterly, and annual MBE utilization reports were generated during the Study period.

Guidance for the MBE Program and an affirmation that Good Faith Efforts (GFEs) at MBE participation have been undertaken on a project are provided to bidders on covered projects:

Ordinance No. 838-91 established Minority Business Enterprise (MBE) goals for all City of Toledo construction projects, HUD assisted construction projects, and suppliers of goods and services. Likewise, Administrative Policy & Procedure# 13 reiterated and enhanced the City of Toledo's MBE goals. Specifically, the MBE goals for the City of Toledo are: 21% in HUD assisted construction projects, 15.0% in City construction projects, 10% in City-funded purchases of goods, materials, supplies and services. Ordinance# 838-91, as well as AP&P# 13, requires that the Office of Diversity & Inclusion establish procedures and guidelines for the implementation of this goal. All City of Toledo departments, divisions, boards, and agencies, as well as other entities that receive funds through the City of Toledo for construction, renovation projects, goods, materials, supplies, and services shall commit to a "Good Faith Effort" in achieving the City of Toledo's MBE goals.

FINDING 10: CERTIFICATION

The City has its own certification process for MBEs, which must be renewed every two (2) years, but it also grants reciprocity for MBE certifications granted by the State (Ohio D.A.S.). Policy interviews also revealed

that the City will accept certifications for firms located in nearby southern Michigan, if certified by a state or local program.

FINDING 11: LACK OF SBE-SPECIFIC PROGRAM

Toledo does not currently have a purchasing inclusion program for small businesses (SBEs) through which bid preferences, goals, or other participation tools may be utilized. Local SBEs are eligible for the City's local preference program, but that program is also open to non-SBEs.

FINDING 12: LOCAL PREFERENCE PROGRAM

The City implements a Local Preference program which gives bid preferences ranging from 2.25% to 5% depending on the value of the contract and on whether the bidder's business is located in the City of Toledo, in Lucas City (but outside the City), or within the Northwest Ohio 10 City Area. The greatest percentage bid preference of 5% is available on contracts valued under \$40,000 to firms with their principal place of business in the City; such firms receive a 3% bid preference on contracts valued above \$40,000. The maximum amount of the preference is \$300,000, regardless of the percentage attached.

FINDING 13: EDL LOANS

The City's Economic Development Division is tasked with administering a development loan program intended to assist local small businesses increase competitiveness and capacity. Loans under the EDL program can be used for a number of business purposes, including purchase of machinery or equipment, inventory, fixtures, or furniture, and working capital.

In addition to the EDL program, block grants, inclusion grants, and programs providing more favorable financing are also available through coordination between the City's Economic Development Division and the private sector.

FINDING 14: CONTRACT BUNDLING/UNBUNDLING

City ordinance establishes the potential for bundling or unbundling of projects or contracts, and policy interviews showed that some unbundling does occur in an effort to increase SBE and MBE participation, but it is not common.

FINDING 15: BONDING AND INSURANCE

Bid bonds are required for informal and formal purchases (i.e., awards under \$40,000 and over \$40,000). The bid bonds are 5% of the value of the award, with a maximum of \$1,000 for informal and \$200,000 for formal purchases.

Performance bonds equal to the value of the contract are also required for contracts over \$40,000 but can be waived for “single delivery” contracts. Interviews indicated that there were some complaints by bidders or potential bidders that bonds requirements were a barrier to participation in City contracting.

Insurance requirements are established by Risk Management group (in the Law Department). Insurance likewise was occasionally cited in interviews as a potential barrier to participation.

About 17.5% of MWBE survey respondents reported performance bonds as a barrier. Insurance likewise was occasionally cited in interviews as a potential barrier to participation. However, only 5.0% of MWBE survey respondent reported insurance as a barrier.

FINDING 16: PROMPT PAYMENT

The City does not address prompt payment requirements in its ordinances or policies, and interviews indicated a lack of clarity on this issue. Interviewees shared that the City has been improving on its record of timely paying contractors, but that during the Study Period there were complaints by primes and subcontractors regarding prompt payment.

FINDING 17: STAFFING

Concerns were also raised about the proper level of staffing for the Office of Diversity and Inclusion generally, and the MBE program specifically. With three full-time positions, and multiple responsibilities for each position, there were concerns that compliance, outreach, certification site visits, and supportive services may not be as robust as intended. Interviews also indicated lots of turnover in the Office, perhaps due to the current staffing levels.

4. Regression Analysis and Private Sector Findings

FINDING 18: LOWER REVENUES FOR SMALL, MINORITY, AND WOMEN OWNED FIRMS

Relative to non-SMWBEs, the proxied revenue shares of all SMWBEs is collectively, and approximately .01 percent—or approximately 1/10 of 1 percent. Lower revenues for SMWBEs in the Toledo Market Area are suggestive of private sector discrimination that undermines their capacity to enter the market and compete with non-SMWBEs firms for public contracting and subcontracting opportunities.

FINDING 19: PACIFIC ISLANDERS LESS LIKELY TO BE SELF EMPLOYED AND AFRICAN AMERICAN SELF-EMPLOYMENT IS INCREASING

Relative to non-SMWBEs, Pacific Islanders less likely to be self-employed in the Toledo Market Area. This is suggestive of these firms facing barriers to self-employment in the Toledo Market Area. The lower likelihood for being self-employed for these type of SMWBEs could reflect disparities in public contracting

as there is evidence that the self-employment rate of African Americans is increasing with respect to the provisioning and establishment of SMWBE public procurement programs.

FINDING 20: WOMEN, NATIVE AMERICAN, ASIAN AMERICANS, AND OTHER RACES LESS LIKELY TO BE SELF-EMPLOYED IN CONSTRUCTION

Relative to non-SMWBEs, Women, Native Americans, Asian Americans, and Other Race are less likely to be self-employed in the Toledo Market Area construction sector. This is suggestive of these types of SMWBEs facing barriers to self-employment in the construction sector.

FINDING 21: NON-SMWBE FIRMS DOMINATE COMMERCIAL CONSTRUCTION

The estimated low commercial building permit shares for SMWBEs, suggests that, in the Toledo market area there are private sector barriers that constrain the ability of these type of firm to participate in the economy. For firms not classified as SMWBEs, Black-owned or Women-owned, account for approximately 99 percent of building permits in the Toledo during the 2015 - 2021 calendar years.

FINDING 22: CERTIFIED MBES, BLACK, AND HISPANIC OWNED FIRMS HAVE MORE COMMERCIAL LOAN DENIALS

Certified Minority-owned businesses, and those owned by African Americans, and Hispanic Americans have more commercial bank loan denials relative to non-SMWBEs. This suggests that these type of SMWBEs are relatively more likely to have their capacity to compete in the market for public procurement constrained as a result of private sector credit market discrimination.

FINDING 23: IN THE AGGREGATE MBES SUBMIT MORE PRIME BIDS

Relative to non-SMWBEs, firms classified as Minority submit more prime bids. This suggests that for certified Minority Business firms, any public contracting disparities between them and non-SMWBEs cannot be explained by differences in prime bid submissions.

When disaggregating by race/ethnicity/gender, there are no differences in prime bid submissions between firms owned by non-SMWBEs and SMWBEs. This suggests that any disparities in public outcomes between firms owned by ethnic/racial/gender minorities and non-SMWBEs in the City of Toledo market area cannot be explained by lower bid submissions of firms owned by ethnic/racial/gender minorities.

FINDING 24: MINORITY, AFRICAN AMERICANS, AND WOMEN MORE LIKELY TO PERCEIVE DISCRIMINATION

Firms owned by African Americans, and classified as Minority and Women, are more likely to perceive discrimination against them by the City of Toledo. This suggests that, at least for SMWBEs owned by African Americans, Women, and Minorities as a whole, the City of Toledo public contracting disparities may at least

in part be explained by perceived discrimination, which could possibly disincentivize prime bid submissions, that lower chances at successfully winning prime contracts at City of Toledo.

FINDING 25: AFRICAN AMERICAN AND BI/MULTIRACIAL OWNED FIRMS MORE LIKELY TO NEVER BEEN A PRIME OR SUBCONTRACTOR

Firms owned by African Americans and Bi/Multiracials are more likely to have “never” been a prime contractor or subcontractor with the City of Toledo.

Certified Disadvantaged firms received fewer City of Toledo prime contracts since July of 2015, which could constrain them from acquiring experience that is potentially beneficial for enhancing the likelihood of securing future public contracts with the City of Toledo.

FINDING 26: SMWBES, AFRICAN AMERICANS, BI/MULTIRACIALS AND WOMEN EXCLUDED FROM INFORMAL NETWORKS

For all broadly classified SMWBES and for firms owned by African Americans, Bi/Multiracials and Women, contracting disparities between them and non-SMWBEs are potentially explained by their exclusion from informal Toledo public contracting informal networks that reduces their ability to secure prime contracts and subcontracts.

5. Anecdotal Findings

FINDING 27: INFORMAL NETWORKS

In anecdotal interviews, focus groups, and public hearings, City vendors reported that informal networks in the City is a problem that particularly affects small and minority firms. According to the Survey of Business Owners, the question “Do you believe that there is an informal network of prime and subcontractors doing business with City of Toledo that monopolizes the public contracting process?” 46.1% (n=59) of participants responded yes, while 53.9% (n=69) responded no.

FINDING 28: PLANET BIDS

Although it was noted that PlanetBids was a great addition to the procurement process for the City of Toledo, there were a number of issues noted that might be preventing small and minority businesses to bid for projects and even use the platform.

Some participants found it difficult to navigate PlanetBids, and how to submit bids. Participants noted that it took them a while to figure out how to submit bids, and where in PlanetBids they could submit bids in the portal. Participants that noted that there was not guidance from the City on how to use it.

One important and repetitive comment was that there was no communication or feedback from PlanetBids in that there is no one to talk to if a vendor is having difficulties and there is no feedback once the bid is submitted. A number of business owners would like the City to improve their communication with vendors, especially when they are having questions about bids and the bidding process. Additionally, participants tended to feel that pre-bid meetings are beneficial but noted that the City of Toledo has stopped doing pre-bid meetings. Finally, participants feel that the City of Toledo needs to be more transparent about their bidding process through PlanetBids, and better support vendors throughout the bidding process.

FINDING 29: PROMPT PAY

Participants in anecdotal data collection stated that prompt pay is often an issue. A number of business owners shared concerns that the City of Toledo needs to improve how fast they pay their prime contractors because it particularly affects subcontractors. Small and minority firms usually take on more projects as subcontractors, and therefore might experience more delayed payments from the City and prime contractors.

In the Survey of Business Owners, we asked the questions “*What is the amount of time that it typically takes to receive payment, from the date you submit your invoice, from City of Toledo for your services on City of Toledo projects?*” On table 54, you can see the results to these questions. 39.3% (n=22) responded that it usually takes 30-59 days to receive a payment. 25% (n=14) responded that it takes less than 30 days and 10.7% (n=6) responded that it takes 60-89 days to receive a payment.

FINDING 30: PERCEPTIONS ON BIDDING PROCESS

City of Toledo vendors that participated in our anecdotal collection felt that the bidding process required too much time, focus and staffing resources for small businesses to take on. Vendors that participated in the Study would like to see bids that require less paperwork, and that can be done in a short period of time.

FINDING 31: CERTIFICATION

Participants felt frustrated with the length of process to get a certification, and the amount of work needed to do to get certified. They also shared frustration with the lack of certification reciprocity.

In the Survey of Business Owners, when asked if they were certified 36.58% of the WBE respondents and 38.63% of MBE respondents said they were not certified. When asked why they were not certified, of those firms that were not certified, 34.48% (10 out of 29) MWBEs said they did not understand how their firm would benefit and likewise another 34.48% (10 out of 29) MWBEs said the process was too time consuming, and 31.03% (9 out of 29) MWBEs said they did not understand the certification process.

FINDING 32: UNFAIR COMPETITION AGAINST LARGE FIRMS

Firms stated that they believed there was unfair competition with larger firms that have greater resources and time to submit a competitive bid package. In the Survey of Business Owners when asked to select from a list of things that may prevent companies from bidding or obtaining work on a project. In their experience, have any of the following been a barrier to your firm obtaining work on projects for City of Toledo, 16.4% of respondents (21 out of 128) which included 39.4% (13 out of 33) Black respondents selected unfair competition with large firms. This was further expressed in the following ways:

1. The scope of work for some of the projects were too broad, so that only a large company could bid for them, suggesting that projects should be broken down into smaller part in order to allow multiple smaller firms to bid on projects. In the Survey of Business Owners when asked if they agreed that sometimes the bid specs are not clear in that smaller scale project work is contained within the larger project work and it is hard to decipher, 27.9% (34 of 122) of respondents agreed or strongly agreed which included 25% of the Women (10 of 40) and 48.5% (16 of 33) of Black respondents.
2. RFPs are sometimes written for big companies. This creates an immediate exclusion of small and minority businesses from winning certain projects.
3. Smaller firms are not getting the work that they deserve because they are competing with larger firms and being left with less desirable projects.

FINDING 33: BIG COMPANIES CIRCUMVENTING MWBE GOALS

MWBE vendors expressed concerns that larger companies acting as prime contractors with the City were circumventing MWBE goals, leaving MWBE firms behind.

In the Survey of Business Owners, when asked whether *“Sometimes, a prime contractor will contact a Minority, Woman, Disadvantaged or Small business to ask for quotes, but never give the proposal sufficient review to consider giving the firm that award,”* 26.2% (32 out of 122) of respondents agreed or strongly agreed which included 51.5% (17 of 33) Black, 40% (2 of 5) Hispanic, compared to 10.2% (4 of 39) Non-minority respondents.

In another statement in the Survey of Business Owners it stated *“Sometimes, a prime contractor will include a MWBE on a bid to meet participation goals, then drop the company as a subcontractor after winning the award,”* 34% (28 out of 122) of respondents agreed or strongly agreed which included 51.5% (17 of 33) Black, 15% (6 of 40) Women, and 7.7% (3 of 39) Non-minority respondents.

In response to another statement presented in the survey of business owners *“I believe that some non-MWBE prime contractors only utilize MWBE companies when required to do so by City of Toledo,”* 41.0% (50 out of 122) of respondents agreed or strongly agreed which included 66.7% (22 of 33) Black, 30% (12 of 40) Women, and 25.6% (10 of 39) Non-minority respondents.

FINDING 34: COMMUNICATION, OUTREACH AND VISIBILITY

Participants raised issues about a lack of communication, outreach, and visibility that could be rectified by increasing networking events, public hearings, and pre-bid meetings. Vendors perceive that these efforts will provide an opportunity for City of Toledo staff to learn more about their MWBE firms, and hopefully create stronger ties with the community. Additionally, consistent public hearings would enable City staff to hear about potential challenges and barriers that the community is facing, and hopefully improve practices.

Firms cited lack of communication during and after the proposal process, long and strenuous bid packages. In addition to the difficulties of putting together a bid package, there was concern about the lack of communication from the City on project bids. Vendors say that they usually have questions about the bids that are not answered by City staff.

B. COMMENDATIONS

COMMENDATION 1: The City should be commended for already approving and adding staff to its Office of Diversity and Inclusion in anticipation of a more robust program.

COMMENDATION 2: The City should be commended for its Economic Development Loan (EDL) Program and Other Financial Assistance administered by the City's Economic Development Division to assist local small businesses.

COMMENDATION 3: The City should be commended for already approving the acquisition of contract compliance software to better monitor and track commitments and payments, particularly to minority and women owned businesses.

COMMENDATION 4: Although there is still some statistically significant underutilization of MWBEs in various categories, the City should be commended for its current MWBE subcontractor goals program which encourages the use of MWBEs.

COMMENDATION 5: The City should be commended for its efforts to unbundle certain contracts to allow small businesses to bid as prime contractors.

C. RECOMMENDATIONS

RECOMMENDATION 1: ESTABLISH POLICY TO INVESTIGATE POSSIBLE DISCRIMINATION

It is GSPC's recommendation that the City implement a regulation permitting an investigation into possible intentional discrimination in cases where the lowest bidding prime contractor has failed to reach a certain percentage of MWBE participation that might be expected on a project based upon a review of the Availability for the Industry and the relevant scopes of work. This recommendation is intended to prevent the City from passively and/or unwittingly participating in or funding private discriminatory conduct. This tool does not have to be used for every project but should be consistently utilized for larger projects in which bidders submit little to no proposed MWBE utilization.

Passive participation can be found where a governmental entity fails to adjust its procurement practices to account for the effects of private discrimination on the availability and utilization of minority- and women-owned businesses. Stated otherwise, the governmental entity can refuse to essentially fund private discrimination in the award of public contracts (*i.e.*, infusing funds into a discriminatory industry). GSPC submits that a significant failure to achieve or approach the expected participation of MWBEs in a project raises the potential for private discrimination such that the City risks becoming a passive participant to discrimination if it fails to inquire further about the potential for intentional discrimination before awarding a contract implicating public monies.

RECOMMENDATION 2: ANNUAL AND CONTRACT-BY-CONTRACT ASPIRATIONAL GOALS

GSPC found substantial underutilization of most MWBE groups in prime contracting, but in Total Utilization where subcontracting was allocated to the various MWBE groups, GSPC found that there was overutilization for some ethnicities in some Industry Categories. This is likely because the City has been utilizing MWBE subcontracting goals and but for these goals, the overutilization would not exist. This is supported by the regression analysis of the Toledo Market Area. However, since the City does not have contracts in which there are no goals for GSPC to compare (to determine what happens in subcontracting when there are no goals) GSPC recommends that the City continue to utilize aspirational goals to increase and sustain MWBE participation as subcontractors.

Aspirational goals are an internal measure of how well the City has reached the Availability benchmarks established by the Disparity Study. It is the aggregated annual attainment of MBE and WBE attainment using all of the "tools" for promoting MBE and WBE participation. Although aspirational goals as based upon Availability, they can be ramped up to achieving full Availability over several years. GSPC can work with the EOC Office to set annual goals for the first year and the formula for succeeding years. The City should set separate MBE and WBE aspirational goals.

It is not recommended that the same aspirational goals be applied to every contract in an Industry Category, but that they be adjusted on a contract-by-contract basis by accessing the Availability of MBE and WBE firms for the scopes of work on that particular contract. Those contract-by-contract aspirational goals should be communicated to prime contractors in the solicitation requesting that the prime assist the City in meeting those goals. Once the prime contractor has submitted its MBE and WBE achievement in the bid submission, that achievement should become part of the prime contractors' contract commitment. This commitment should be tracked by the City to make sure that the prime contractor adheres to this contractual commitment.

It is not the intention of this recommendation that a bid be rejected if a certain aspirational goal is not met, however certain failures to adhere to the City's Non-Discrimination Policies may result in an investigation and rejection of a bid in accordance with Recommendation 1 above.

RECOMMENDATION 3: SMALL BUSINESS RESERVE PROGRAM

Many small and MWBE firms complained about unfair competition against large firms in prime contracting where GSPC found the deepest disparities. Since many MWBE firms are also small businesses, one method to assist in increasing MWBE participation as well as increase the capacity of small businesses is a small business reserve program. GSPC recommends that the City establish a threshold under which only small businesses can bid. GSPC will work with the City to establish that threshold.

RECOMMENDATION 4: STREAMLINE THE CERTIFICATION PROCESS & INITIATE A CAMPAIGN TO FOR MWBE FIRMS TO CERTIFY

The anecdotal evidence seems to be in concert in pointing to certification as an issue for firms in Toledo. GSPC recommends that the City streamline its certification process and initiate a campaign for MWBE firms to certify. The most important aspect of such a campaign should be to educate firms on how certification will benefit them. The City should also review ways to expedite certification. There is also some misunderstanding about the City's reciprocal certification policies. However, those policies should be reviewed to make sure that they are not cumbersome to firms seeking reciprocity.

RECOMMENDATION 5: STREAMLINE PLANETBIDS AND SMALL PROJECT BID DOCUMENTS

The City should review the PlanetBids process to streamline it for so that the required submissions are not overly burdensome, particularly for small firms on smaller projects. It is also important that firms get feedback once they have submitted their bids and that during the process there is a live person help desk to assist firms with their submissions.

Further, there were numerous concerns that smaller awards require the same amount of paperwork and formality as large contracts. GSPC recommends that the City streamline the paperwork needed to submit bid responses on smaller contracts to encourage small businesses with less resources to bid.

RECOMMENDATION 6: FORECASTING, OUTREACH, AND SUPPORTIVE SERVICES

46.1% of respondents to the Survey of Business Owners complained of the informal network. Part of an informal network is that firms that already have relationships with the City know about bids before they are issued. One way to partially address this issue is to forecast upcoming solicitation opportunities as far ahead of the bid as possible, preferably at least a year ahead of time. This gives all firms an equal opportunity to prepare for opportunities and gives time to plan for teaming or joint ventures. This will also allow the City to provide supportive services well in advance of the bid issuance, if needed. Where there is no formal bid, lists of the City's upcoming needs and types of services and goods anticipated should also be made available to firms with opportunities posted.

Supportive services may be offered internally in coordination with other agencies, the Small Business Administration bonding program, and the Small Business Development Centers. This is particularly important on the City's large capital projects to insure diverse supplier participation.

GSPC is further recommending a more formal relationship with business development centers, particularly ones that the City may be assisting or may seek out. They should have an accountability to the City which includes goals, reports, and accountability of how many businesses are being supported and tracking the success rate of firms in obtaining public and private contracts.

Specifically, the City should:

- **Conduct Targeted Outreach-** Annual forecasting will enable the contract compliance personnel to target firms that are capable of doing the work for notification of the work. This is important so that firms, including those outside of construction are aware of upcoming opportunities;
-
- **Encourage Teaming-** Knowing ahead of time what work will be presented in the coming year will give room for contract compliance to schedule networking events and encourage firms to team. It also gives more time for mandatory pre-bid conferences where potential prime contractors can meet potential subcontractors.

RECOMMENDATION 7: CONTRACT COMPLIANCE

To effectively administer effective remedial programs, the City should enhance its contract compliance efforts, including robust tracing and monitoring to make sure that prime contractors utilize firms as committed to in their bid package. The five (5) steps of Contract Compliance are:

- Assessment – An initial assessment of individual firm availability and capacity for specific scopes of work.
- Outreach – An on-going campaign to let the MWBE business community know that the City wants to do business with them, and that the City is willing to work with firms to create opportunities and assist, particularly local firms in building capacity.
- Certification/Verification –the City should continue to encourage and assist firms in getting certified and should accept bona fide third-party certifications but should have audit rights with any non-governmental agencies, including the right to reject the City’s acceptance of a certification that it deems not sufficiently supported.
- Procurement – All applicable solicitation packages and awarded contracts should include the MWBE commitments as contract terms, as well as City participation requirements, such as all firms performing commercially useful functions.
- Tracking & Monitoring – It is essential that there is close tracking and monitoring of vendor performance and the efficient closeout of projects to verify that MWBE firms are actually performing the work that they contracted to perform and that they are compensated in a timely manner and in the amounts committed. Monitoring vendor performance should also assure equal and fair treatment on contracts.

RECOMMENDATION 8: REVIEW THE THRESHOLD OF THE APPRENTICESHIP PROGRAM

The City requires that for construction contracts valued over \$100,000, bidder’s employees must participate in a bona fide apprenticeship program that is approved by the Ohio State Apprenticeship Council and the U.S. Department of Labor. This requirement, on its face may be a barrier to small, minority and women owned businesses that do not have the resources to have an internal apprenticeship program and may not be members of the unions that have these programs. The City should review the threshold and seek to find flexibility for small businesses.

RECOMMENDATION 9: ALLOW BONDING WAIVERS

Bid bonds are required for informal and formal purchases (i.e., awards under \$40,000 and over \$40,000) which have reportedly both from staff and businesses been a barrier to small, minority, and women owned firms. The City should grant authority to the Purchasing Agent to grant bonding and insurance on low-risk contracts. For example, the County Code in Fulton County, GA allows the County Purchasing Agent to reduce or waive performance and payment bond if they determine it is in the best interest of the County to do so. Similarly in 2011 Metropolitan Nashville Government authorized the Purchasing Agent to look at bonding on a project-by-project basis in construction to make sure that the limits were necessary.

RECOMMENDATION 10: PROMPT PAY

The City does not have a prompt pay ordinance and in practice, there seemed to be a lack of clarity on how quickly payments must be processed. GSPC heard complaints from both primes and subcontractor about slow pay and the survey revealed that 40% of interviewees shared that the City has been improving on its record of timely paying contractors, but that during the Study Period there were complaints by primes and subcontractors regarding prompt payment.

spite a 30-day prompt pay act, firms reported getting paid well after the 30-day period. GSPC recommends that the City analyze payments at the departmental level to improve the time for prime contractors to get paid. It was stated that payments are delayed because the City is not getting valid invoices. Since this seems to be a pattern, the City may need to do more outreach and training of vendors on this issue. Process improvement may also be needed.

RECOMMENDATION 11: INSTITUTE DATA REFORM

GSPC encountered several challenges as it relates to collecting the data for this Study. It recommends that the City undertake to make the following data reforms which should be a priority in order to properly track and monitor the other program recommendations:

- Vendor System/File: Add a unique vendor number and make sure vendors have full addresses, ethnicities, and NAICS/commodity codes. Currently, the vendor system might have more than 1 entry for the same vendor with different vendor ids even though it is the same firm.
- Subcontractor data: Most of the data provided by the city was very organized. However, some of the subcontractor data was not collected throughout contract maintenance, especially with reference to Non-MWBE subcontractor data. It is important that the City tracks all subcontractor data, particularly Non-MWBE subcontractor data.
- Commodity Codes: the GL object codes are very vague and broad. GSPC recommends use of commodity codes to ensure accuracy of any analysis done on the City's data.
- Bid tabs: Create a data base for bid tabs that is readily available to the city without having to ask PlanetBids for a whole export. This will allow you to pull all bid tabs in a timely manner and provide columns such as bid number, date opened, date closed, vendor info, project detail, and so forth. This would also help eliminate the need to download hundreds of excel files.

RECOMMENDATION 12: ALLOCATING RESOURCES AND STAFFING

The following recommendations represent the need for an increase in both resources and staffing. The City should not undertake these recommendations without first considering allocating sufficient resources. This may include additional staffing. GSPC is aware that additional funding may be delayed due to the budgeting process. However, until resources can be applied, this time can be utilized with:

1. Accepting the Study and its Recommendations;
2. Conducting a Gap Analysis (What needs new legislation and what can be implemented under current authority)
3. Plan for Implementation (Steps, Phases, and Tasks)
4. Draft New Program Plan
5. Determine Budget and Staffing Needs for New Program Elements
6. Develop a Training Protocol and Train Staff

III. LEGAL ANALYSIS – HISTORICAL OVERVIEW

The City of Toledo (hereafter “City” or “Toledo”) has engaged Griffin & Strong, P.C. (GSPC) to conduct this Disparity Study assessing the City’s procurement policies, procedures, and overall purchasing environment.

The City currently has an inclusion policy for Minority Owned Business Enterprises (“MBEs”) which includes aspirational goals. The policy does not include contract set-asides or other bid preferences for MBEs, however, and does not cover Women Owned Businesses (“WBEs”) as part of its goals-based policy. Toledo does provide bid preferences for local businesses by ordinance.⁵

This is the first disparity study conducted by the City. By way of overview, the analysis contained throughout this Legal Chapter underscores the several purposes for which such a disparity study may be done, the importance of methodological soundness, and the usefulness of the data and other information contained therein. Disparity studies can provide context regarding prior government procurement practices, a contemporary snapshot of current procurement practices, and a predictive preview of future challenges/needs.

There is also, however, an important historical legal basis for the advent of disparity studies in the first instance. The bedrock judicial decisions from the United States Supreme Court anticipating and inviting increased use of disparity studies are therefore discussed first in the following legal analysis, before digging deeper into the legal considerations and related evidentiary requirements for sustaining an MBE/WBE program in the face of a challenge on constitutional grounds.

GSPC has also included in the historical analysis below a significant decision of the United States Court of Appeals for the Sixth Circuit, as this decision demonstrates the continuing significance and vitality of the prior Supreme Court precedent, and also highlights the legal foundation under which any challenge to the City of Toledo policies or programs will be analyzed.

A. Development of the Relevant Law

The outgrowth of disparity studies was in large measure a response to constitutionally based legal challenges made against federal, state, and local minority business enterprise programs enacted to remedy past or present discrimination (whether real or perceived).

Such studies were effectively invited by the United States Supreme Court in rendering its seminal decision in City of Richmond v. J. A. Croson Company, 488 U.S. 469; 109 S. Ct. 706; 102 L. Ed. 2d 854 (1989), and

⁵ City Code, Chapter 187, Section 187.34, et. seq.

subsequent judicial decisions have drawn a direct line between Croson and the utilization of disparity studies.⁶

Disparity studies have therefore become an important tool for governmental entities in deciding whether to enact minority business programs or legislation, and in justifying existing programs or legislation in the face of constitutional challenge. To better understand the proper parameters of such programs, one must understand their judicial origin.

B. The Supreme Court's Decision in City of Richmond v. Croson

To fully appreciate the usefulness of disparity studies for development and defense of minority business programs, an overview of the Croson decision is helpful.

Laws that, on their face, favor one class of citizens over another, may run afoul of the Equal Protection Clause of the Fourteen Amendment. MBE/WBE programs and legislation are among the types of laws invoking such concerns. Depending on the nature of the differentiation (e.g., based on race, ethnicity, gender), courts evaluating the constitutionality of a minority business program will apply a particular level of judicial scrutiny. As explained at greater length below, race-based programs are evaluated under a "strict scrutiny" standard, and gender-based programs may be subject to strict scrutiny or under a less-rigorous "intermediate scrutiny" standard, depending on the federal circuit within which the entity sits.

In its Croson decision, the Supreme Court ruled that the City of Richmond's Minority Business Enterprise (hereinafter "MBE") program failed to satisfy the requirements of "strict scrutiny." "Strict scrutiny" review involves two co-equal considerations: First, the need to demonstrate a compelling governmental interest; Second, implementation of a program or method narrowly tailored to achieve/remedy the compelling interest. In Croson, the Supreme Court concluded that the City of Richmond failed to show that its minority set-aside program was "necessary" to remedy the effects of discrimination in the marketplace.

In fact, the Court found that the City of Richmond had not established the necessary factual predicate to infer that discrimination in contracting had occurred in the first place. The Court reasoned that a mere statistical disparity between the overall minority population in Richmond (50 percent African American) and awards of prime contracts to minority-owned firms (0.67 percent to African American firms) was an irrelevant statistical comparison and insufficient to raise an inference of discrimination.

⁶ See, for example, Adarand Constructors, Inc. v. Slater (Adarand III), 228 F.3d 1147, 1172-73 (10th Cir. 2000) ("Following the Supreme Court's decision in Croson, numerous state and local governments have undertaken statistical studies to assess the disparity, if any, between availability and utilization of minority-owned businesses in government contracting.").

Addressing the disparity evidence that Richmond proffered to justify its MBE program, the Court emphasized the need to distinguish between “societal discrimination,” which it found to be an inappropriate and inadequate basis for social classification, and the type of identified discrimination that can support and define the scope of race-based relief.

Specifically, the Court opined that a generalized assertion of past discrimination in an entire industry provided no guidance in determining the present scope of the injury a race-conscious program seeks to remedy and emphasized that “there was no direct evidence of race discrimination on the part of the City in letting contracts or any evidence that the City’s prime contractors had discriminated against minority-owned subcontractors.”⁷

Accordingly, the Court concluded there was no prima facie case of a constitutional or statutory violation by anyone in the construction industry that might justify the MBE program. Justice O’Connor nonetheless provided some guidance on the type of evidence that might indicate a proper statistical comparison:

[W]here there is a significant statistical disparity between the number of qualified minority contractors willing and able to perform a particular service and the number of such contractors actually engaged by the locality or the locality’s prime contractors, an inference of discriminatory exclusion could arise. [Croson, 488 U.S. at 509]

Stated otherwise, the statistical comparison should be between the percentage of MBEs in the marketplace qualified to do contracting work (including prime contractors and subcontractors), and the percentage of total government contract awards (and/or contractual dollars paid) to minority firms. The relevant question among lower federal courts has been which tools or methods are best for such analysis; a matter addressed in the detailed discussion of statistical comparison provided below.

Additionally, the Court in Croson stated that identified anecdotal accounts of past discrimination also could provide a basis for establishing a compelling interest for local governments to enact race-conscious remedies. However, conclusory claims of discrimination by City officials, alone, would not suffice, nor would an amorphous claim of societal discrimination, simple legislative assurances of good intention, or congressional findings of discrimination in the national economy. In order to uphold a race- or ethnicity-based program, the Court held, there must be a determination that a strong basis in evidence exists to support the conclusion that the remedial use of race is necessary.

Regarding the second prong of the strict scrutiny test, the Croson Court ruled that Richmond’s MBE program was not narrowly tailored to redress the effects of discrimination. First, the Court held that Richmond’s MBE program was not remedial in nature because it provided preferential treatment to minorities such as Eskimos and Aleuts, groups for which there was no evidence of discrimination in Richmond. Thus, the scope of the City’s program was too broad.

⁷ Croson, 488 U.S. at 480.

Second, the Court ruled that the thirty percent (30%) goal for MBE participation in the Richmond program was a rigid quota not related to identified discrimination. Specifically, the Court criticized the City for its lack of inquiry into whether a particular minority business, seeking racial preferences, had suffered from the effects of past discrimination.

Third, the Court expressed disappointment that the City failed to consider race-neutral alternatives to remedy the under-representation of minorities in contract awards. Finally, the Court highlighted the fact that the City's MBE program contained no sunset provisions for a periodic review process intended to assess the continued need for the program.⁸

Subsequent to the decision in Croson, the Supreme Court and the federal Circuit Courts of Appeal have provided additional guidance regarding the considerations, measurements, information, and features surrounding an MBE/WBE program which will assist in protecting the program from constitutional challenge under a strict scrutiny analysis. These recommendations have in many respects provided a roadmap of sorts for useful disparity studies and are therefore discussed in greater detail below.

C. The Supreme Court's Decision in Adarand v. Peña and Subsequent Circuit Court Proceedings

Six years after its decision in Croson, the Supreme Court was again confronted with an equal protection challenge to a minority business program, in Adarand Constructors, Inc. v. Peña, 515 U.S. 200 (1995) (Adarand II). This time, however, the program under challenge was enacted by the federal government, thus implicating the Fifth Amendment rather than the Fourteenth Amendment analysis required for the local (state) program in Croson.

Reversing the decision of the Tenth Circuit, the Supreme Court ruled that federal programs are not reviewed for constitutionality under a more lenient standard (as had been indicated in some prior Supreme Court opinions); strict scrutiny is likewise to be applied to such programs.⁹ Because the district court and the Tenth Circuit had not applied the proper standard of review, the Supreme Court remanded the case back to the district court to apply strict scrutiny to the program, consistent with Croson.¹⁰

On remand, the district court (D. Colo.) essentially ruled that no program can meet the strict scrutiny standard --- i.e., it is "fatal in fact." The Tenth Circuit disagreed, upholding the federal program even under a strict scrutiny standard, finding a compelling state interest, and the required narrow tailoring to achieve such compelling interest. Adarand Constructors, Inc. v. Slater, 228 F.3d 1147 (10th Cir. 2000) (Adarand III).

⁸ Croson, 488 U.S. at 500.

⁹ Id. at 222-26.

¹⁰ Id.

Consistent with Croson and subsequent opinions, the Tenth Circuit described its task regarding the compelling state interest as follows:

[O]ur inquiry necessarily consists of four parts: First, we must determine whether the government's articulated goal in enacting the race-based measures at issue in this case is appropriately considered a "compelling interest" under the governing case law; if so, we must then set forth the standards under which to evaluate the government's evidence of compelling interest; third, we must decide whether the evidence presented by the government is sufficiently strong to meet its initial burden of demonstrating the compelling interest it has articulated; and finally, we must examine whether the challenging party has met its ultimate burden of rebutting the government's evidence such that the granting of summary judgment to either party is proper. We begin, as we must, with an inquiry into the meaning of "compelling interest." [Adarand III, 228 F.3d at 1164]

If satisfied that the compelling state interest prong had been met, the court then needed to determine whether the federal DBE program was narrowly tailored, as required under Croson (and strict scrutiny jurisprudence generally).¹¹

The court first found that the government's proffered interest – "remedying the effects of racial discrimination and opening up federal contracting opportunities to members of previously excluded minority groups" – met the standard.¹²

As for the "strong basis in evidence" that remedial action was necessary, the court in Adarand III found that the government established that minority contractors faced significant discriminatory barriers to entry into the disbursement programs, such as a classic "old boy" network of contractors, denial of access to capital, and denial of or difficulty in obtaining union membership to assist in access.¹³ The government also demonstrated, the court found, that existing minority contractors faced barriers to competition, owing to various methods of "discrimination by prime contractors, private sector customers, business networks, suppliers, and bonding companies[.]"¹⁴

In support of its position, the government produced statistical and anecdotal evidence, both direct and circumstantial, taken from local disparity studies which demonstrated under-utilization of minority subcontractors (described in more detail below), and the effect on utilization rates when affirmative action programs or efforts were discontinued for one reason or another.¹⁵

¹¹ Id. at 1176-77.

¹² Id. at 1164-65 ("[W]e readily conclude that the federal government has a compelling interest in not perpetuating the effects of racial discrimination in its own distribution of federal funds and in remedying the effects of past discrimination in the government contracting markets created by its disbursements.").

¹³ 228 F.3d at 1168-69.

¹⁴ Id. at 1170-72.

¹⁵ Id. at 1174-75.

The Court went on to discuss at length its reasoning that the government also adequately demonstrated that its program was narrowly tailored to achieve the compelling interest discussed previously.¹⁶ In sum, the Court found that the government satisfactorily met the following important factors: “the necessity for the relief and the efficacy of alternative remedies; the flexibility and duration of the relief, including the availability of waiver provisions; the relationship of the numerical goals to the relevant labor market; and the impact of the relief on the rights of third parties.”¹⁷

The case was therefore returned to the district court for further proceedings “consistent with this opinion.”¹⁸

D. The Sixth Circuit’s Decision in *Associated General Contractors v. Drabik*

Having the benefit of the Supreme Court’s thinking in *Croson* and *Adarand*, the Sixth Circuit addressed the constitutionality of the State of Ohio’s minority business enterprise statute (“MBEA”) in *Associated Gen. Contrs. of Ohio, Inc. v. Drabik*, 214 F.3d 730, 735 (6th Cir. 2000), an opinion which remains among the most significant M/WBE appellate decisions in the Circuit covering the City.

In *Drabik*, the Court of Appeals affirmed the district court’s finding that Ohio’s MBEA was not narrowly tailored to remedy past discrimination. The court found the statute lacked narrow tailoring because (1) the MBEA suffered from under inclusiveness and over inclusiveness, (lumping together racial and ethnic groups without identified discrimination); (2) the MBEA lacked a sunset date; and (3) the state failed to provide specific evidence that Ohio had considered race-neutral alternatives before adopting the plan to increase minority participation.¹⁹

Specifically, the court ruled that the State of Ohio failed to satisfy the strict scrutiny standard to justify the state’s minority business enterprise act by relying on statistical evidence that did not account for which firms were qualified, willing and able to perform on construction contracts.²⁰ The court stated that “although Ohio’s most compelling statistical evidence compares the percentage of contracts awarded to minorities to the percentage of minority-owned businesses...the problem is that the percentage of minority-owned businesses in Ohio (7% of 1978) did not take into account which were construction firms and those who were qualified, willing and able to perform on state construction contracts.”²¹ Although this was more data than was submitted in *Croson*, it was still insufficient under strict scrutiny, according to the court.²²

¹⁶ 228 F.3d at 1176-1187.

¹⁷ *Id.* at 1177. These remedial concepts are covered in greater detail below.

¹⁸ *Id.*

¹⁹ *Drabik*, 214 F.3d 739.

²⁰ *Id.* at 736.

²¹ *Id.*

²² *Id.*

Drabik thus underscores that M/WBE Programs must be designed so that the benefits of the programs are targeted specifically toward those firms that faced discrimination in the local marketplace. To withstand a challenge, relief must extend only to those minority groups for which there is evidence of discrimination.²³

Finally, expressly relying on Croson, the Drabik Court cited the requirement that there not only be a strong basis in evidence for a conclusion that there has been discrimination, but also for a conclusion that the particular remedy is made necessary by the discrimination. In other words, there must be a “fit” between past/present harm and the remedy.²⁴

²³ See Drabik, 214 F.3d at 735.

²⁴ Id. at 730 (“[O]utdated evidence does not reflect prior unremedied or current discrimination.”).

IV. PURCHASING POLICIES, PRACTICES, AND PROCEDURES REVIEW

A. Introduction

This chapter is designed to review the written policies and practices of the City of Toledo (hereafter “City” or “Toledo”) with respect to purchasing and contracting, including related programs or efforts to enhance inclusion of MWBEs. This is the first Disparity Study commissioned by Toledo.

Toledo currently has a program that employs percentage-based utilization goals for Minority owned Business Enterprises (MBEs) on contracts for construction and for goods and services.²⁵ There are no project/contract set-asides, bid preferences, or other advantages for MBEs or WBEs, however.²⁶

The City also has a local business program which provides differing bid preferences for businesses located in the City of Toledo, Lucas County, or the Northwest Ohio 10-county area.²⁷

Underlying this policy review is an understanding that written policies and practices may not always be consistently administered as there is often room for interpretation or discretionary implementation. Accordingly, policy interviews are intended to identify any deviations or differing interpretations of policies in order to determine whether there may be any effect on participation by businesses owned by minorities and women.

At the end of the present Disparity Study, specific findings about the City of Toledo’s policies, practices, and procedures will be provided, and formal recommendations for improvement of the overall procurement program and greater achievement of its goals given the findings.

²⁵ See Procedures and Guidelines for Minority Business Enterprise (MBE), 3/10/2016 (discussed *infra*).

²⁶ *Id.*

²⁷ Toledo Municipal Code, Chapter 187.34.

B. Document Review and Personnel Interviews

In preparation for the policy interviews, GSPC reviewed, among other materials:

- Toledo Municipal Code, including Chapters 123, 125, 136, and 187
- Ohio state statutes relating to contracting and procurement
- The City of Toledo Purchasing Process and Procedure documents, including several Administrative Policy and Procedure (APP) documents
 - The government website, including Purchases and Supplies, the Office of Diversity and Inclusion, and the Department of Economic and Business Development webpages
 - Other publicly available resources relating to City of Toledo purchasing

GSPC conducted policy interviews between March and May 2021 with decisionmakers and officials regularly engaging in purchasing and contracting for Toledo. Included in these interviews were personnel in the Division of Purchases and Supplies, the Office of Diversity and Inclusion, the Finance Department, Public Utilities, the Department of Economic and Business Development, and the Law Department.

C. Overview of City of Toledo Purchasing

Procurement with the City of Toledo is fairly centralized in the Division of Purchases and Supplies,²⁸ but there are a number of other City departments and offices that play important roles in the procurement process.

By statute, the Office of Diversity and Inclusion is charged with oversight of affirmative action programs (programs promoting diversity and inclusion) and contract compliance.²⁹ The Mayor’s office, the City Council, and the Board of Awards are each involved in procurement to some extent when competitive bidding is required, including award determinations, final approvals, and contract execution.³⁰

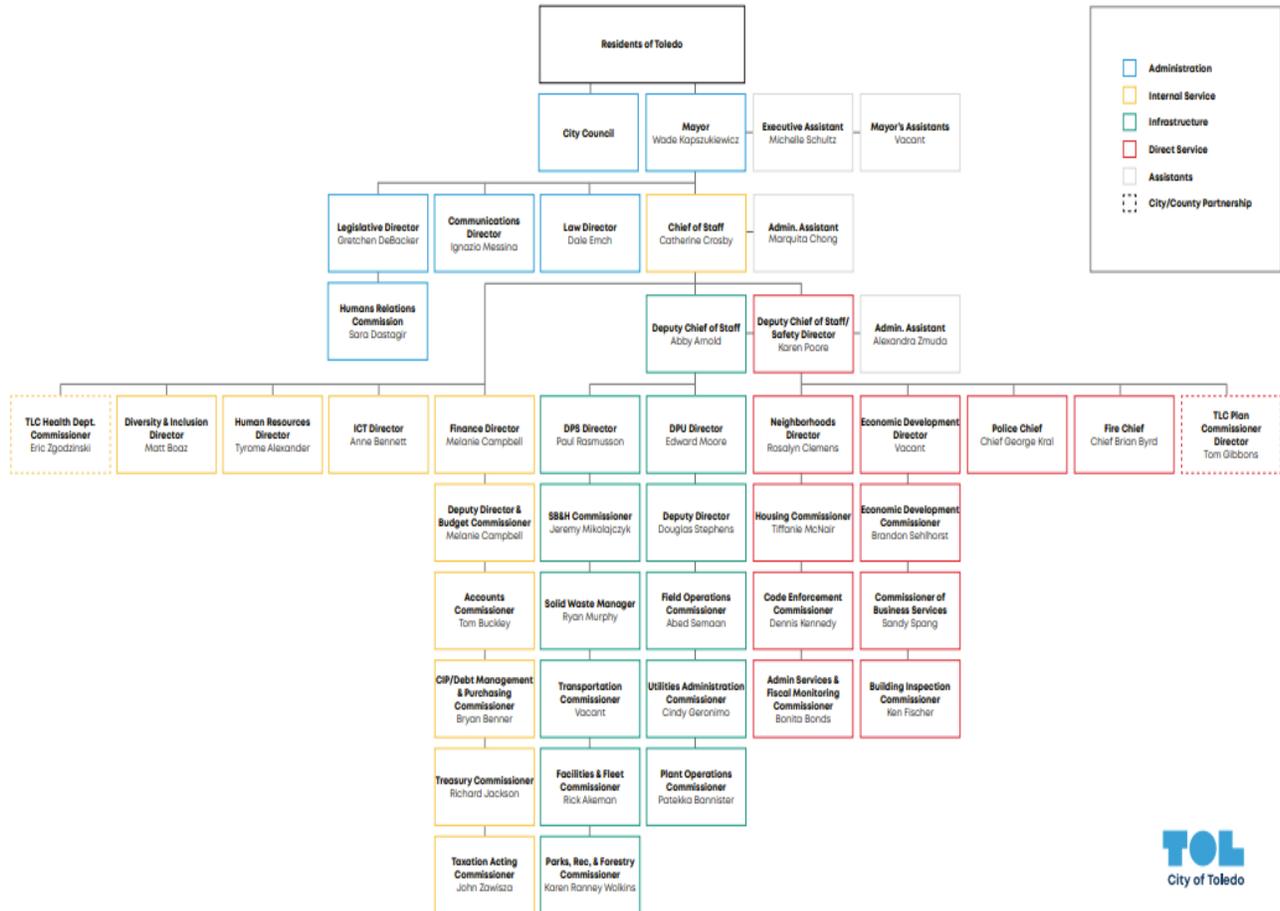
²⁸ See generally, Toledo Municipal Code, Chapter 123.02 establishing the Division of Purchasing and Supplies and charging it with all purchases of materials and supplies for the City. See also, Administrative Policy and Procedure (APP) #5 (the Commissioner of the Division of Purchases and Supplies is the “primary officer charges with overseeing [City] purchases.”); (“[T]he Commissioner of Purchases and Supplies with the support of the Mayor and his or her administration, works to make certain that a diverse group of vendors provide high quality goods, superior service, and timely delivery for the best value.”).

²⁹ Toledo Municipal Code, Chapter 125.01

³⁰ Toledo Municipal Code, Chapter 187.27; City of Toledo Purchasing Process and Procedures; Administrative Policy and Procedure (APP) #6. The Board of Awards is comprised of the Mayor’s office, the Director of Finance, the Director of Law, the Commissioner of Purchases and Supplies, and the requesting City department for the purchase. APP #6.

TOLEDO OHIO DISPARITY STUDY

The Organizational Chart below shows the overall City government structure, including the Mayor’s Office, the City Council, and the Finance Department, which includes the Division of Purchasing and Supplies.



Toledo Annual Information Statement (2020), p. 10.

With respect to contract thresholds, informal procurement methods generally can be used by the City for contracts and purchases less than \$40,000. Contracts and purchases totaling \$40,000 or more require use of formal procurement (“competitive bidding”), and there are special considerations and processes for construction contracts valued over \$100,000 (addressed below).

1. Informal Procurement

Generally, informal procurement is used by the City for purchases of goods and non-professional services costing less than \$40,000; within that threshold there are different requirements for purchases under \$10,000 and those between \$10,000 and \$40,000.³¹

The City permits the use of Procurement Cards (P-Cards) for purchases under \$1,000. The P-Cards are issued by PNC Bank; interviewees were not certain whether P-Card purchases are tracked for MWBE utilization.

Informal purchases under \$10,000 are made by a user department and require at least three (3) competitive quotes – and departments are “encouraged” to obtain at least one quote from a MWBE.³² For contracts and purchases between \$10,000 and \$40,000, informal bids are solicited from firms likely to provide the goods or services, and user departments are “highly encouraged” to seek bids from MWBE firms.³³ Awards of these informal purchases must be supported by legislative authority and a written contract, which must be executed by the Mayor’s office.³⁴

There are no MWBE bid preferences, set-asides, or other race based or gender-based benefits in these informal procurement methods beyond the MBE goals program (described below).

2. Formal Procurement

For construction projects and purchases of goods and services costing more than \$40,000 competitive bidding, or formal procurement, is required consistent with the City ordinances.³⁵ The City utilizes Requests for Proposals (RFPs), Requests for Qualifications (RFQs), and Requests for Information (RFIs) in the competitive bidding process.³⁶

For construction contracts valued over \$100,000, special evaluation criteria and award approval procedures apply.³⁷ For example, included in the criteria are “whether the bidder’s employees participate in a bona fide apprenticeship program that is approved by the Ohio State Apprenticeship Council and the U.S. Department of Labor[,]” and “whether the bidder is in compliance with any affirmative action or

³¹ See generally, City of Toledo Purchasing Process and Procedures, pp. 1-2.

³² Toledo Municipal Code, Chapters 187.03, 187.04; Purchasing Process and Procedure, p. 2.

³³ Toledo Municipal Code, Chapter 187.04; Purchasing Process and Procedure, p. 2; Administrative Policy and Procedure #5, subsection (H).

³⁴ Toledo Municipal Code, Chapters 187.04, 1987.27; Purchasing Process and Procedure, p. 2.

³⁵ Toledo Municipal Code, Chapters 187.04, 187.05, and 187.06; Purchasing Process and Procedure, pp. 2-4. The City utilizes a web-based vendor and bid management software program (Planet Bids), and vendors must register with the City to participate. See City’s website, “How to Do Business with the City.”

³⁶ Purchasing Process and Procedure, p. 1.

³⁷ Toledo Municipal Code, Chapters 187.12(a),(c); Purchasing Process and Procedures, pp. 5-6; APP #6 (discussing the Board of Awards). In addition to contract approval for construction contracts over \$100,000, the Board of Awards addresses any “major contract” or “major purchase” in which the user department decides not to accept the lowest and best bid. APP #6.

disadvantaged business enterprise program that the City is required by law to enforce in connection with the funds to be spent.”³⁸

As discussed more fully below, where funded by the City of Toledo or other funding sources that do not exclude Project Labor Agreements (PLAs), successful bidders for \$100,000-plus construction projects must negotiate a PLA with the Northwest Ohio Building and Construction Trades Council (NWOBTC).³⁹

A two-tiered selection process may be employed when there is a competitively bid public improvement project anticipated to cost more than \$10 million; first, bidders submit a response to an RFQ (or prequalification packet), then all bidders that meet the minimum evaluation score submit written bids.⁴⁰

Again, there are MBE goals applied to certain City contracts, but no other MWBE bid preferences, set-asides, or other race based or gender-based benefits in formal procurement.

3. Project Labor Agreements

Project Labor Agreements (PLAs) are required on certain City construction projects by an ordinance in effect during the Study Period (passed in 2016).⁴¹ The rationale by the City Council for including the PLA provision was as follows:

Throughout the United States, private and public construction users have regularly utilized and required project labor agreements to establish uniform terms and conditions of employment for contractors and crafts construction employees. Project Labor Agreements have been shown to provide an effective mechanism for overall construction project staffing, planning, and labor stability on job sites.

Moreover, uniformity of terms and conditions and efficient administration of public works is especially needed given the current levels of unemployment.

In addition, project labor agreements are legal under federal and Ohio law, have been successfully utilized on a large number of major public improvement projects throughout the United States, and neither union nor non-union contractors and employees are precluded from competitively bidding or working under project labor agreements.⁴²

Under this provision, successful bidders on construction project over \$100,000 (for which PLAs are not prohibited) must enter into a PLA with the NWOBTC, a sample of which is provided to bidders by the City.

This Ordinance shall apply to only construction contracts, \$100,000 or greater, funded by the City of Toledo or other funding sources that do not exclude Project Labor Agreements.

³⁸ Toledo Municipal Code, Chapter 187.12(c)(2)(C) and (c)(2)(E).

³⁹ Toledo Municipal Code, Chapter 187.12(d).

⁴⁰ Toledo Municipal Code, Chapter 187.42.

⁴¹ See Toledo Municipal Code, Chapter 187.12; Ordinance 280-15 / 200-16.

⁴² Ordinance 280-15 / 200-16.

For all projects defined in the preceding paragraph, once the successful bidder (“Bidder”) is notified a pre meeting will be held involving the Bidder, the Northwest Ohio Building and Construction Trades Council (“NWOBTC”), the City of Toledo’s Director of Diversity & Inclusion and the Director of Finance.

Within 15 days of this pre meeting, the Parties (“Bidder and NWOBTC collectively”) shall negotiate a project labor agreement. The purpose of which is to advance the city’s procurement interest in cost, efficiency, and quality while promoting labor management stability as well as compliance with applicable legal requirements governing safety and health, equal employment opportunity, labor and employment standards, and other related matters.

The bidding documents for each such construction project shall contain a written provision requiring the successful bidder, and all of the bidder’s contractors and subcontractors, to comply with and adhere to all of the provisions off the project labor agreement negotiated by the Parties for the project.⁴³

Policy interviews revealed some questions about the reasoning behind the PLA requirement and whether the policy presented a barrier to greater MWBE participation.

4. Exceptions to Formal Bidding Requirements

Exceptions from the City’s formal procurement procedures are not specifically enumerated in a City ordinance or policy document, but they are implied by other legislation. Exceptions include Professional Services contracts and emergency purchases.⁴⁴

5. Qualifications-Based Procurement

Professional Services, which are exempt from the competitive bidding requirements of the City purchasing ordinances, are generally procured through competitive RFPs.⁴⁵ The various factors for evaluating an award for professional services are set forth in the ordinance.⁴⁶ Also, the ordinance provides that the Mayor is empowered to award a professional services contract without formal competitive bidding when “justified” by emergency or confidential/sensitive matters (e.g., litigation).⁴⁷

6. Cooperative Purchasing

Cooperative purchasing is not discussed in the governing ordinances or the City’s Purchasing Process and Procedures, but policy interviews indicated that cooperative purchasing does occur, and some interviewees

⁴³ Id.

⁴⁴ See Toledo Municipal Code, Chapters 187.20 (providing for emergency purchases), and 187.24 (covering procurement methods for Professional Services).

⁴⁵ Toledo Municipal Code, Chapter 187.24.

⁴⁶ Toledo Municipal Code, Chapter 187.24(c)(1-2).

⁴⁷ Toledo Municipal Code, Chapter 187.24(b).

opined that cooperative purchasing may present a barrier to greater participation by MWBEs and other small businesses. Cooperative purchases made through the State of Ohio apparently are tracked for MWBE status, but it is not clear whether purchases done with municipal or regional cooperatives (including Sourcewell) likewise track MWBE spend.

7. Bundling and Unbundling

City ordinance establishes the potential for bundling or unbundling of projects or contracts, and policy interviews showed that some unbundling does occur, but it is not common.⁴⁸ One particular area cited for possible unbundling was sidewalk repair/maintenance contract, which, interviews indicated, could result in greater participation by small businesses (and MWBEs).

D. Bonding, Insurance, and Prompt Pay Issues

1. Bonding and Insurance

Bid bonds are required for informal and formal purchases (*i.e.*, awards under \$40,000 and over \$40,000). The bid bonds are 5% of the value of the award, with a maximum of \$1,000 for informal and \$200,000 for formal purchases.⁴⁹ Performance bonds equal to the value of the contract are also required for contracts over \$40,000, but can be waived for “single delivery” contracts.⁵⁰ Interviews indicated that there were some complaints by bidders or potential bidders that bonds requirements were a barrier to participation in City contracting, but anecdotal interviews may reveal such concerns and will be addressed (if appropriate) in the Anecdotal Chapter.

Insurance requirements are established by Risk Management group (in the Law Department). Insurance likewise was occasionally cited in interviews as a potential barrier to participation, but vendor input on these issues will be addressed in the Anecdotal Chapter of the Study.

2. Prompt Payment

The State of Ohio has a prompt payment statute for payment of subcontractors, requiring primes to pay subcontractors within ten (10) days of receipt of payment by the owner (public or private); there is no provision for payment of prime contractors by owners, however.⁵¹ The City does not address payment requirements in its ordinances or policies, and interviews indicated a lack of clarity on this issue.

That said, interviewees shared that the City has been improving on its record of timely paying contractors, but that during the Study Period there were complaints by primes and subcontractors regarding prompt payment. In the Survey of Business Owners, when asked, “*What is the amount of time that it typically*

⁴⁸ Toledo Municipal Code, Chapter 187.08(a).

⁴⁹ Toledo Municipal Code, Chapter 187.09; Purchasing Process and Procedure, p. 4.

⁵⁰ Toledo Municipal Code, Chapters 187.14, 187.28.

⁵¹ Ohio Rev. Code, Section 4113.61(A)(1).

takes to receive payment, from the date you submit your invoice, from City of Toledo for your services on City of Toledo projects? 39.3% (n=22) responded that it usually takes 30-59 days to receive a payment. 25% (n=14) responded that it takes less than 30 days and 10.7% (n=6) responded that it takes 60-89 days to receive a payment.

E. Race and Gender-Neutral Programs

Of note, Toledo does not currently have a purchasing inclusion program for small businesses (SBEs) through which bid preferences, goals, or other participation tools may be utilized. Local SBEs are eligible for the City's local preference program, described below, but that program is also open to non-SBEs.

1. Local Preference Program

The City operates a Local Preference program which gives bid preferences ranging from 2.25% to 5% depending on the value of the contract and on whether the bidder's business is located in the City of Toledo, in Lucas County (but outside the City), or within the Northwest Ohio 10 County Area.⁵² The greatest percentage bid preference of 5% is available on contracts valued under \$40,000 to firms with their principal place of business in the City; such firms receive a 3% bid preference on contracts valued above \$40,000.⁵³ The maximum amount of the preference is \$300,000, regardless of the percentage attached.⁵⁴

2. Economic Development Loan (EDL) Program and Other Financial Assistance

The City's Economic Development Division is tasked with administering a development loan program intended to assist local small businesses increase competitiveness and capacity.

The Enterprise Development Loan (EDL) program is intended to encourage private lenders to provide credit to firms, which have difficulty securing reasonable financing that, promotes growth, while preserving working capital. In addition, the EDL program is intended to directly serve the needs of disadvantaged business enterprises that quite often lack the necessary resources to obtain credit through conventional means. The EDL program's primary goals are the retention and creation of jobs for low- and moderate-income residents of the City of Toledo by providing subordinated term-financing at attractive rates.⁵⁵

⁵² Toledo Municipal Code, Chapter 187.34. See also, Administrative Policy and Procedure #55 ("The Toledo City Council has determined that it is in the public interest for the City of Toledo to purchase equipment, materials, and supplies from local businesses, and to hire local contractors to perform public improvement contracts. City Council has approved via legislative action, for a system of preferences for local businesses that are calculated to benefit the local economy, increase local job opportunities and generate additional tax revenues for the City of Toledo.").

⁵³ Toledo Municipal Code, Chapter 187.34(a)(1), (a)(2).

⁵⁴ Toledo Municipal Code, Chapter 187.34(f).

⁵⁵ EDL Loan Program Guidelines, p. 1.

Loans under the EDL program can be used for a number of business purposes, including purchase of machinery or equipment, inventory, fixtures, or furniture, and working capital.⁵⁶ According to the EDL program guidelines, the maximum EDL participation is \$100,000, the minimum is \$5,000, and the EDL portion of a project may not exceed 33% of the eligible project cost.⁵⁷

In addition to the EDL program, block grants, inclusion grants, and programs providing more favorable financing are also available through coordination between the City's Economic Development Division and the private sector. Interviews revealed a micro-lending program with Huntington directed toward MWBEs and VBEs which lowers some of the normal thresholds for lending (called "LIFT"); inclusion grants up to \$50,000 through the statewide Jobs Ohio program for capacity building (generally for equipment); and block grants up to \$5,000 for micro-businesses, which are directed toward MBEs and WBEs. Again, these are in addition to the development loan (EDL) program.

F. Race Conscious MBE Program

As referenced above, the City has a commitment to greater inclusion and sets contract goals on construction projects and on goods and services.⁵⁸ The Office of Diversity and Inclusion is tasked with collecting and reporting MBE utilization data, and interviewees confirmed that monthly, quarterly, and annual MBE utilization reports were generated during the Study period.

Guidance for the MBE Program and an affirmation that Good Faith Efforts (GFEs) at MBE participation have been undertaken on a project are provided to bidders on covered projects.⁵⁹

Ordinance No. 838-91 established Minority Business Enterprise (MBE) goals for all City of Toledo construction projects, HUD assisted construction projects, and suppliers of goods and services. Likewise, Administrative Policy & Procedure# 13 reiterated and enhanced the

⁵⁶ Id.

⁵⁷ Id. The 33% cap may be waived for DBE firms.

⁵⁸ See Administrative Policy and Procedure #5 (F):

Diversity and Inclusion. It is the policy of the City of Toledo that businesses owned and operated by minorities shall be given every opportunity to participate in the procurement of goods and services for the City. Proposals obtained in response to a Request for Proposal (RFP), must include a confirmation that a good faith effort has been made toward MBE inclusion on a project, as well as identify the MBE vendor(s), if any, that the responder plans to use on the project. For development projects, the contractor shall provide any relative and pertinent plans as it relates to supplier and workforce diversity. The supplier diversity and/or workforce diversity inclusion plan is not a condition of the contract award, but helps the city assess the diversity and inclusion commitment and efforts of the contractor throughout the marketplace.

⁵⁹ See Procedures and Guidelines for Minority Business Enterprise (MBE), 3/10/2016.

City of Toledo's MBE goals. Specifically, the MBE goals for the City of Toledo are: 21% in HUD assisted construction projects, 15.0% in City construction projects, 10% in City-funded purchases of goods, materials, supplies and services. Ordinance# 838-91, as well as AP&P# 13, requires that the Office of Diversity & Inclusion establish procedures and guidelines for the implementation of this goal. All City of Toledo departments, divisions, boards, and agencies, as well as other entities that receive funds through the City of Toledo for construction, renovation projects, goods, materials, supplies, and services shall commit to a "Good Faith Effort" in achieving the City of Toledo's MBE goals.⁶⁰

The MBE Program guidance also establishes that MBEs participating in a contract serve a “commercially useful function” (defined in the guidance), and the considerations for evaluating GFEs are expressly articulated for bidders.⁶¹ At bottom, bidders are instructed that “[m]ere pro forma efforts are not good faith efforts to meet the MBE contract goals.”⁶²

Bidders are notified that failure to meet the project goal may result in rejection of the bid, depending on the circumstances:

Consideration of Other Bidders

In determining whether a bidder has made good faith efforts, the City may take into account the performance of other bidders in meeting the contract goal. For example, when the apparent successful bidder fails to meet the goal, but other bidders meet it, the City may reasonably raise the question of whether, with additional reasonable efforts, the apparent successful bidder could have met the goal. If the apparent successful bidder fails to meet the goal, but meets or exceeds the average MBE participation obtained by other bidders, the City may view this, in conjunction with other factors, as evidence of the apparent successful bidder having made good faith efforts.⁶³

Policy interviews indicated that there is little guidance on whether and when to reject a bid for insufficient GFEs, and there was some question about the extent of compliance/enforcement generally.

Concerns were also raised about the proper level of staffing for the Office of Diversity and Inclusion generally, and the MBE program specifically. With three full-time positions, and multiple responsibilities for each position, there were concerns that compliance, outreach, certification site visits, and supportive services may not be as robust as intended. Interviews also indicated lots of turnover in the Office, perhaps due to the current staffing levels.

⁶⁰ Id.

⁶¹ Id. The Office of Diversity and Inclusion is tasked with evaluating the purported GFEs.

⁶² Id. at p. 3.

⁶³ Id. at p.1.

1. Certification

The City has its own certification process for MWBEs, which must be renewed every two (2) years, but it also grants reciprocity for MWBE certifications granted by the State (Ohio D.A.S.).⁶⁴ Policy interviews also revealed that the City will accept certifications for firms located in nearby southern Michigan, if certified by a state or local program.

2. DBE Liaison Duties

The Office of Diversity and Inclusion also acts as the DBE liaison with the Ohio Department of Transportation (ODOT) in implementing the ODOT DBE goals program for road projects in the City for which DOT monies (state or federal) are utilized. The DBE goals are set by ODOT, and the Office assists to ensure that the goals are met as required.

G. Conclusion

City of Toledo procurement is governed by comprehensive municipal ordinances and supporting Administrative Policy and Procedure documents. At present, the City has implemented race and gender-neutral policies and programs to try to meet its express objective at greater inclusion and has also established contract goals for MBEs on construction projects and goods and services. At the close of the present Disparity Study, GSPC will provide specific findings regarding the procurement policies and practices at the City and will also make recommendations for achieving greater MWBE participation should the quantitative and qualitative evidence gathered and analyzed indicate disparity(ies) in these areas.

⁶⁴ Office of Diversity and Inclusion website (FAQs).

V. QUANTITATIVE ANALYSIS

A. Introduction

The quantitative analysis of a disparity study measures and compares the availability of firms in each race/ethnicity/gender group within Toledo's geographical and product market areas to the utilization of each such group (measured by the payments to these groups by Toledo).

The outcome of the comparison shows if a disparity exists between availability and utilization, and whether that disparity is an overutilization, an underutilization, or in parity (the amount to be expected). Further, the disparity is tested to see if it is statistically significant. Legal precedents have clearly established that the presence of such significant statistical disparities that adversely affect the participation of the underutilized firms. Finally, the regression analysis tests for other explanations for the disparity to determine if it is likely that the disparity is caused by race/ethnicity/gender status, or other factors. If there is statistically significant underutilization of MWBEs that is likely caused by race/ethnicity/gender, then GSPC will determine as part of its findings whether there is a factual predicate for Toledo to use narrowly tailored race and gender conscious remedies.

Research Question:

Is there a disparity that is statistically significant between the percentage of available, qualified, and willing MWBE, firms, in the Relevant Geographic and Product Markets, and the percentage of dollars spent with MWBE firms in those same markets during the Study Period?

B. Data Assessment and Requests

GSPC conducted several meetings with representatives who were familiar with Toledo's data. The objective of the meetings was for GSPC to get a better understanding of how Toledo's data are kept and how best to request the data needed for the Study. Following the data assessment meetings, GSPC presented written requests for the data, detailing the type and fields of data needed to complete the quantitative analysis. The Data Assessment Report is attached at Appendix E.

The electronic data was uploaded to GSPC by Toledo in Microsoft SharePoint where they were catalogued and stored in GSPC's own cloud repository. The data collected was used to develop data files containing purchasing history for each major purchasing category, that is, Construction, Architecture & Engineering (A&E), Professional Services, Other Services, and Goods.

Additionally, GSPC worked on verifying the gender and ethnicity of vendors, and completed necessary information about vendor address, Industry Category, and other related areas. Gender and ethnicity verification were based on official certification listings. GSPC used vendor ZIP codes to identify the county where businesses are located to determine whether a vendor will be included in the Relevant Geographic

Market analysis. Some files submitted by Toledo did not contain the necessary information, including vendors' physical addresses. To supplement the missing information, more data was obtained from Dun & Bradstreet databases, or by simply searching the businesses' name on the internet. As GSPC developed data files, those files were shared for approval with Toledo and Toledo was given access to all files and tables in GSPC's cloud repository.

C. Data Assignment, Cleanup and Verification

After the completion of data collection, the data was electronically and manually cleaned to find duplicates and remove all unrelated payments such as payment to personnel, nonprofit organizations, and governmental agencies. The cleanup phase also included the following five (5) tasks:

- Assigning and verifying race/ethnicity/gender of each firm;
- Assigning each firm to Industry Categories;
- Utilizing zip codes to determine certain areas to assign each firm's location;
- Matching files electronically to pick up addresses, ethnicity/race/gender, and/or Industry Category; and
- Filling in any additional necessary data on firms.

The file cleanup was comprehensive. Information provided by Toledo was linked to certain indicators, like purchase order number, or cross-referenced with other files to fill in missing fields. This cleanup and re-tabulation produced a lower total dollar amount than the designated budget for each category since many vendors/purchases – payments that went to local and state governments, utility companies, not-for profits, and educational institutions.

1. Assignment of Race/Ethnicity/Gender/Size

To identify all Minority owned firms, GSPC utilized only those certified by:

- State of OH SBA 8A Certified Vender list (from sba.gov)
- State of OH SBA WBE GOV certified Vendor List (from sba.gov)
- City of Toledo MBE Certified Vendor Directory
- City of Toledo WBE Certified Vendor Directory
- State of OH Unified DBE Vendor Directory (from ODOT.gov)
- City of Cleveland Certified Vendor Directory- MBE (from B2Gnow System)
- City of Detroit Business Certification Register (from City of Detroit Open Data Portal)
- City of Cincinnati Certified MBE List (from City of Cincinnati DEI Office)
- City of Cincinnati Certified WBE List (from City of Cincinnati DEI Office)

An assignment of MWBE status was given to firms if they were certified through an official certification process. All Minority owned firms were categorized according to their race/ethnicity and not by gender.

Non-minority Woman owned firms were categorized individually by their race and gender. Non-minority Male owned firms, and publicly owned corporations were categorized as Non-MWBE firms.

2. Assignment of Business Categories

In order to place firms in the proper business categories, GSPC adopted a three-step strategy. First, the description of the purchase/contract along with General Ledger Description were used to categorize vendors in Construction Services, A&E, Professional Services, Other Services, and Goods. Second, all vendors were searched online to find or verify the type of services provided, and third, the assigned classifications were reviewed and verified by Toledo.

3. Master Vendor File

GSPC developed a Master Vendor File availability source for this report. The purpose of the Master Vendor File was to collect, in one data file, a listing of all firms that provide goods and services in the Industry Categories utilized by Toledo. It includes internal lists from Toledo as well as outside governmental lists. The Master Vendor File was also used to match and verify data in other data files, particularly to make sure that information assigned to firms for utilization calculations matched the information assigned to firms for availability calculations, e.g., making sure there were no inconsistent ethnicities. This is important to make sure that GSPC compared relevantly similar data. The Master Vendor File contains the lists of firms from the following data sources:

- City of Toledo Payments
- City of Toledo Awards
- City of Toledo Subcontractor Payments
- City of Toledo Bid Tabulations
- City of Toledo Vendor List
- Ohio Department of Transportation Prequalified Contractors Vendor List
- Ohio Department of Transportation Prequalified Consultants Vendor List
- Ohio Department of Transportation Unified Certification Program Directory District
- State of OH SBA 8A Certified Vendor list (from sba.gov)
- State of OH SBA WBE GOV certified Vendor List (from sba.gov)
- City of Toledo MBE Certified Vendor Directory
- City of Toledo WBE Certified Vendor Directory
- City of Cleveland Certified Vendor Directory- MBE (from B2Gnow System)
- City of Detroit Business Certification Register (from City of Detroit Open Data Portal)
- City of Cincinnati Certified MBE List (from City of Cincinnati DEI Office)
- City of Cincinnati Certified WBE List (from City of Cincinnati DEI Office)

Availability is determined by using all the unique firms in the Master Vendor File within the Relevant Geographic Market.

D. Relevant Geographic Market Analysis

Antitrust lawsuits originated the current standard that the Relevant Geographic Market should encompass around 75% of the qualified vendors that serve a particular sector.⁶⁵ In *Croson*, Justice O'Connor specifically criticized the City of Richmond, for making Minority Business Enterprises (MBEs) all over the country eligible to participate in its set-aside programs.⁶⁶ The Court reasoned that a mere statistical disparity between the overall Minority population in Richmond, Virginia, which was 50% African American, and the award of prime contracts to Minority owned firms, 0.67% of which were African American owned firms, was an insufficient statistical comparison to raise an inference of discrimination. Justice O'Connor also wrote that the relevant statistical comparison is one between the percentage of Minority Business Enterprises in the marketplace [or *Relevant Geographic Market*] who were qualified to perform contracting work (including prime contractors and subcontractors) and the percentage of total City contracting dollars awarded to Minority firms.

The Relevant Geographic Market has been determined for each of the major purchasing categories:

- Construction Services
- A&E
- Professional Services
- Other Services
- Goods

For each purchasing category, GSPC measured the Relevant Geographic Market as the area where about 75% of Toledo's dollars were paid during the Study Period. GSPC measured the geographic territory where payments were made by Toledo. In analyzing the Relevant Geographic Market data, GSPC tabulated the percentage of dollars paid. Postal Zip Codes were used to identify the County location of each vendor. Counties were used in calculating the Relevant Geographic Market starting with Toledo. The relevant market was the Toledo Metropolitan Statistical Area (MSA).⁶⁷

Table 6 details the dollars paid in the Relevant Geographic Market for each purchasing category. In Construction Services 81.11% of all the dollars paid were paid within the Toledo market area. The Toledo market area covered 88.30% of A&E, 45.01 of Professional Services, 78.51% of Other Services, and 33.62% of Goods. Given that 76.46% of all Toledo spending was with firms located in this relevant market (and 80.78 percent of spending excluding Goods), GSPC determined that one consistent Relevant Geographic Market across all Industry Categories was appropriate. A more detailed breakdown of the Relevant Geographic Market by County is included in Appendix A.

⁶⁵ D. Burman. "Predicate Studies: The Seattle Model," Tab E of 11-12 Minority and Women Business Programs Revisited (ABA Section of Public Contract law, Oct. 1990)

⁶⁶ *City of Richmond v. J.A. Croson Company*, 488 U.S. 469, 709 S. Ct. 706 (1989).

⁶⁷ The relevant market area is composed of Fulton, Lucas, Ottawa, and Wood counties.

TOLEDO OHIO DISPARITY STUDY

Table 6: Relevant Geographic Market
(Using Payment Dollars, FY 2016-2020)
Toledo Disparity Study

Work Category	Area	Amount	Percent	Cumulative %
Construction	Relevant Market Area	\$ 813,182,944	81.11%	81.11%
	Rest of Counties in Ohio	\$ 147,695,449	14.73%	95.84%
	Rest of USA	\$ 41,661,065	4.16%	100.00%
	Outside of USA	\$ -	0.00%	100.00%
	Total	\$ 1,002,539,458	100.00%	
A&E	Relevant Market Area	\$ 93,782,391	88.30%	88.30%
	Rest of Counties in Ohio	\$ 3,569,080	3.36%	91.66%
	Rest of USA	\$ 8,859,870	8.34%	100.00%
	Outside of USA	\$ -	0.00%	100.00%
	Total	\$ 106,211,341	100.00%	
Other Professional Services	Relevant Market Area	\$ 10,660,082	45.01%	45.01%
	Rest of Counties in Ohio	\$ 3,822,937	16.14%	61.15%
	Rest of Counties in Michigan	\$ 4,095,919	17.29%	78.44%
	Rest of USA	\$ 5,105,630	21.56%	100.00%
	Outside of USA	\$ -	0.00%	100.00%
	Total	\$ 23,684,568	100.00%	
Other Services	Relevant Market Area	\$ 96,978,575	78.51%	78.51%
	Rest of Counties in Ohio	\$ 7,143,550	5.78%	84.29%
	Rest of USA	\$ 19,399,537	15.71%	100.00%
	Outside of USA	\$ -	0.00%	100.00%
	Total	\$ 123,521,662	100.00%	
Goods & Commodities	Relevant Market Area	\$ 103,986,346	33.62%	33.62%
	Rest of Counties in Ohio	\$ 97,807,112	31.63%	65.25%
	Rest of Counties in Michigan	\$ 8,485,622	2.74%	67.99%
	Rest of Counties in Indiana	\$ 24,028,024	7.77%	75.76%
	Rest of USA	\$ 74,955,214	24.24%	100.00%
	Outside of USA	\$ -	0.00%	100.00%
	Total	\$ 309,262,318	100.00%	

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E. Availability Analysis

1. Methodology

Understanding if a disparity exists within the Relevant Geographic Market requires a determination of the availability of businesses for public contracting. It is crucial that sound methodology is used in such a determination because it is an important benchmark in examining the utilization of the MWBE Study Groups and their availability in the marketplace.

Availability Estimate is the determination of the percentage of MWBEs that are “ready, willing, and able” to provide goods or services to the City of Toledo

Croson and subsequent decisions give only general guidance as to how to measure availability. A common indication from the court cases is that an available firm would be qualified to perform work in a local jurisdiction. Additionally, the firm must have demonstrated a willingness and ability to perform the work. This Study’s measures of availability incorporated all the required Croson criteria:

- The firm does business in an industry group from which Toledo makes certain purchases.
- The firm’s owner has taken steps (such as bidding, certification, prequalification, etc.) to demonstrate interest in doing business with government.
- The firm is located within a relevant geographical area such that it can do business with Toledo.

The MWBE availability percentage is computed (in each purchasing group) by dividing the number of MWBE firms by the total number of businesses in the pool of firms for that purchasing category. Once these Availability Estimates were calculated, GSPC compared them to the percentage of firms utilized in the respective business categories in order to generate the disparity indices to be discussed later in this analysis.

2. Measurement Basis for Availability

There are numerous approaches to measuring available, qualified firms. GSPC’s methodology measured availability based on demonstrated interest in doing business with governments in the Relevant Geographic Market and in the relevant purchasing categories.

3. Capacity

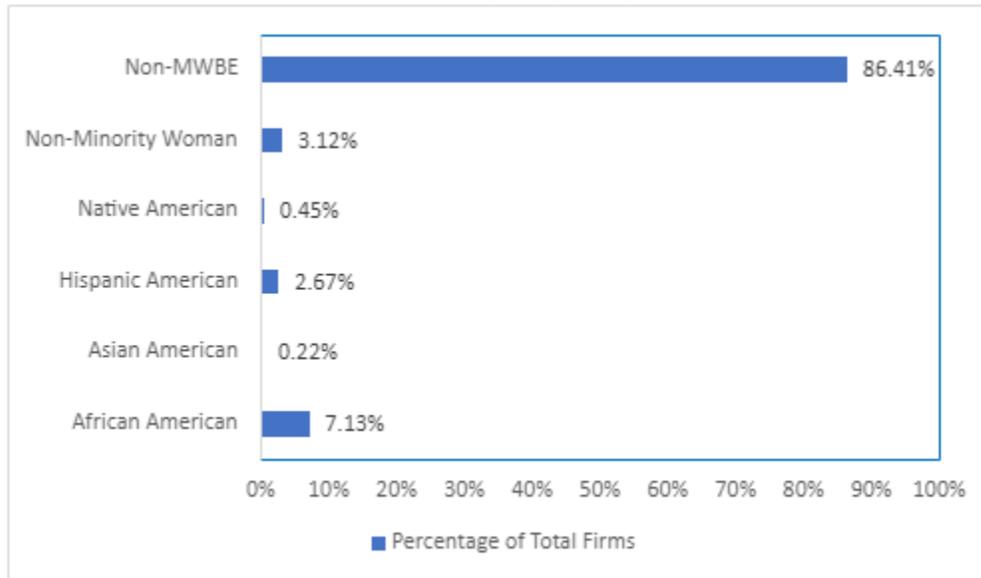
The ability or capacity to perform the work is tested in the Regression Analysis conducted in Chapter VI – Private Sector Analysis below. The regression analysis shows whether Study Group status is an impediment to the success of MWBEs in obtaining awards in the marketplace. And whether, excluding those factors, firms would be able to provide Goods and Services at a higher rate than their present utilization. GSPC also generated disparity ratios removing larger contracts in Appendix C to this report.

4. Availability Estimates of MWBE firms

The following are the Availability Estimates for the Study. The data are separated into the four (4) major business categories. Figures 1-5 show the percent of firms by race/ethnicity/gender as compared with the total number of firms. Detailed Availability Number can be found in Appendix B of the Study.

The Toledo Relevant Geographic Market availability in the table below shows that, in Construction Services, African American owned firms make up 7.13% of all Construction Services firms, Hispanic American owned firms make up 2.67%. Non-minority Woman-owned firms are 3.12%, while Asian American owned firms and Native American owned firms have availability of 0.22% and 0.45% in Construction Services, respectively. In total, MWBEs account for 13.59% of all available firms in Construction Services.

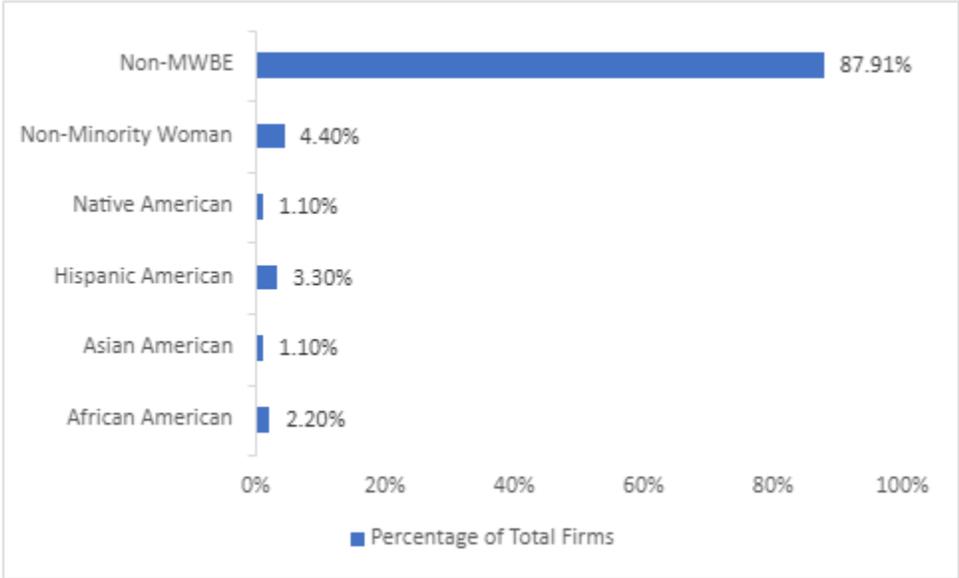
*Figure 1: Availability Estimates- Construction Services
In the Relevant Geographic Market
Toledo Disparity Study*



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Of the A&E firms, African American owned firms make up 2.20% and Non-minority Woman owned firms make up 4.40%. Asian American owned firms have 1.10%. Hispanic American owned firms have 3.30% and Native American owned firms have 1.10% availability in this category. MWBEs are 12.09% of all available firms in A&E (Figure 2).

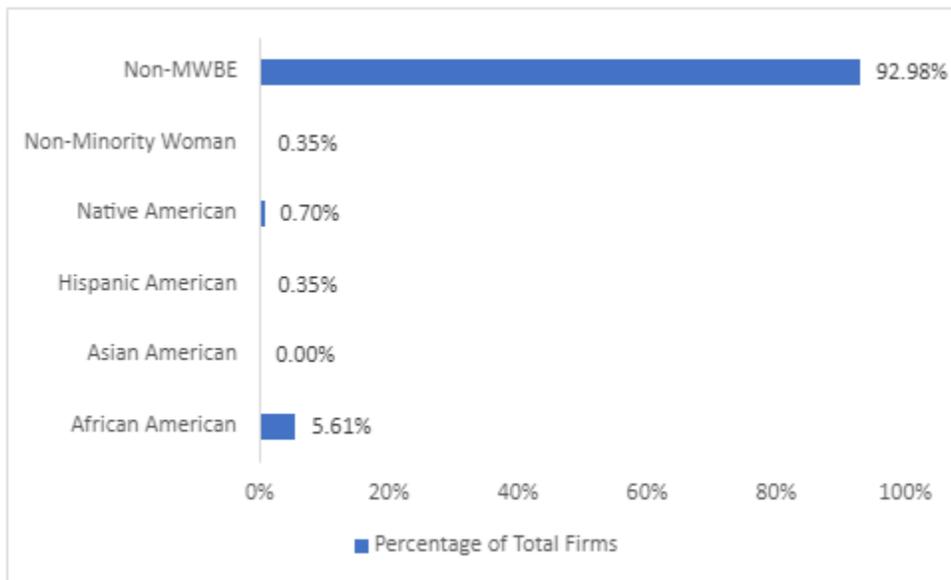
*Figure 2: Availability Estimates- A&E
In the Relevant Geographic Market
Toledo Disparity Study*



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In Professional Services, businesses owned by African Americans make up 5.61% of the availability and Non-minority Woman owned 0.35% of the firms. Hispanic American owned firms have 0.35%, Native American owned firms have 0.70% availability. There are no Asian American owned firms in Professional Services. MWBEs total 7.02% of all available firms in Professional Services (Figure 3).

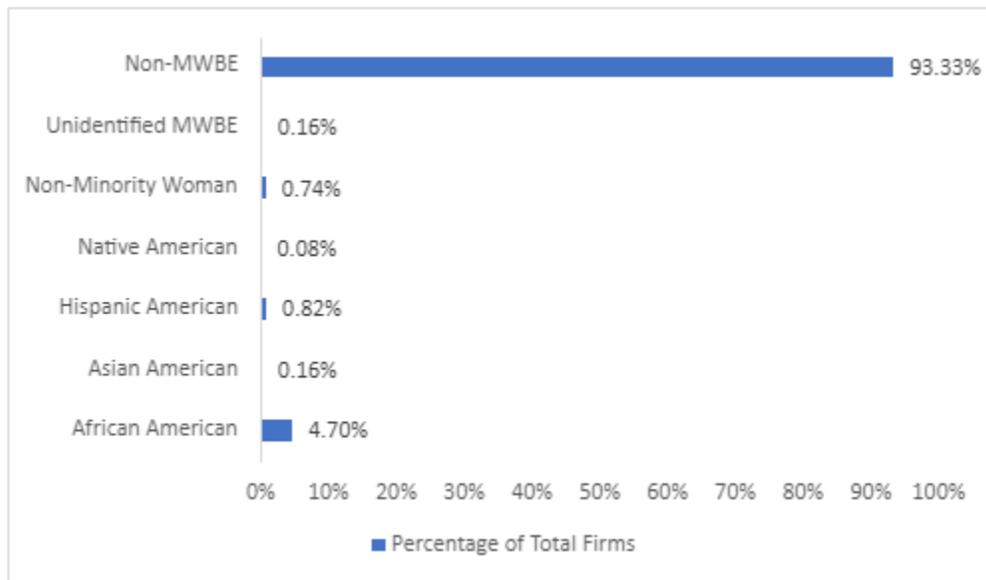
*Figure 3: Availability Estimates- Professional Services
In the Relevant Geographic Market
Toledo Disparity Study*



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In Other Services, businesses owned by African Americans make up 4.70% of the availability and Non-minority Woman owned 0.74% of the firms. Hispanic American owned firms have 0.82%, Asian American owned firms and Native American owned firms have 0.08% and 0.08% availability, respectively. MWBEs total 6.67% of all available firms in Other Services (Figure 4).

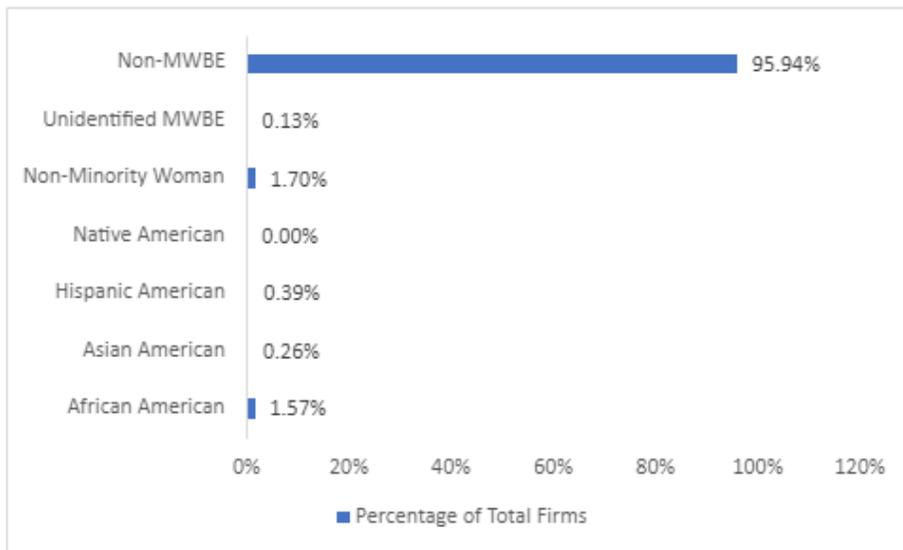
*Figure 4: Availability Estimates - Other Services
In the Relevant Geographic Market
Toledo Disparity Study*



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In Goods, businesses owned by African Americans were 1.57% of the firms and Non-minority Woman owned firms make up 1.70%. Hispanic American owned firms have 0.39%, Asian American owned firms have 0.26 availability in this category. There are no Native American owned firms in Goods. MWBEs total 4.06% of all available firms in Goods (Figure 5).

*Figure 5: Availability Estimates- Goods
In the Relevant Geographic Market
Toledo Disparity Study*



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F. Utilization Analysis

1. Prime Utilization of MWBEs

This prime utilization section analyzes the history of direct payments Toledo made during the study period to MWBEs as compared to all vendors. The relevant payment history for Toledo was recorded based upon the paid amounts provided by Toledo. In the Prime Utilization tables below, the dollars and percentage of dollars paid in each of the five (5) major Industry Categories have been broken out by race/ethnicity/gender for each year of the Study Period.

***PRIME UTILIZATION** is the percentage of actual payments made directly by Toledo during the Study Period to MWBEs in comparison to all actual payments made directly to all vendors by Toledo during the Study Period.*

As shown in Tables 7 and 8, in Construction Services during the Study Period, thirteen (13) MBEs were paid \$95.96 million and two (2) Non-minority Woman owned firms were paid \$243,096, for a total of five (15) MWBEs receiving \$96.20 million over the Study Period. This represented 13.56% of the total Construction Services dollars paid to prime contractors and was an average of \$6,413,310 per MWBE firm over the Study Period. Hispanic owned firms were by far the largest share (97.84%) of MWBE dollars. In contrast, one hundred and one (101) non-MWBE firms were paid \$613.39 million, for an average to each firm of \$6,073,171 over the Study Period.

Table 7: Prime Utilization- Construction Services by Number of Firms In the Relevant Geographic Market

*Number of Businesses by Business Ownership and Fiscal Year
FY 2016-2020*

Fiscal Year	African American		Asian American		Hispanic American		Native American		Total MBE		on-Minority Woman		Total MWBE		Non-MWBE		TOTAL	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%
2016	5	6.94%	0	0.00%	1	1.39%	0	0.00%	6	8.33%	2	2.78%	8	11.11%	64	88.89%	72	100.00%
2017	3	5.45%	0	0.00%	4	7.27%	0	0.00%	7	12.73%	2	3.64%	9	16.36%	46	83.64%	55	100.00%
2018	8	12.12%	0	0.00%	4	6.06%	0	0.00%	12	18.18%	1	1.52%	13	19.70%	53	80.30%	66	100.00%
2019	4	5.13%	0	0.00%	5	6.41%	0	0.00%	9	11.54%	2	2.56%	11	14.10%	67	85.90%	78	100.00%
2020	5	7.81%	0	0.00%	4	6.25%	0	0.00%	9	14.06%	1	1.56%	10	15.63%	54	84.38%	64	100.00%
Total 2016-2020	25	7.46%	0	0.00%	18	5.37%	0	0.00%	43	12.84%	8	2.39%	51	15.22%	284	84.78%	335	100.00%
Total Number of Unique Business*	8	6.90%	0	0.00%	5	4.31%	0	0.00%	13	11.21%	2	1.72%	15	12.93%	101	87.07%	116	100.00%

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* Total unique number represents the number of unduplicated firms during the Study Period.

*Table 8: Prime Utilization- Construction Services by Dollars
In the Relevant Geographic Market
Distribution of Dollars by Business Ownership and Fiscal Year
(Using Payment Dollars, FY 2016-2020)
Toledo Disparity Study*

Business Ownership Classification	2016	2017	2018	2019	2020	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ 402,469	\$ 448,537	\$ 553,025	\$ 168,435	\$ 263,230	\$ 1,835,696
Asian American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hispanic American	\$ 10,749,080	\$ 7,738,126	\$ 26,723,450	\$ 30,541,878	\$ 18,368,323	\$ 94,120,857
Native American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL MINORITY	\$ 11,151,549	\$ 8,186,663	\$ 27,276,475	\$ 30,710,313	\$ 18,631,553	\$ 95,956,553
Non-minority Woman	\$ 28,525	\$ 21,640	\$ 15,205	\$ 25,601	\$ 152,125	\$ 243,096
TOTAL MWBE	\$ 11,180,074	\$ 8,208,303	\$ 27,291,680	\$ 30,735,914	\$ 18,783,678	\$ 96,199,649
TOTAL NON-MWBE	\$ 24,712,992	\$ 73,167,622	\$ 149,874,898	\$ 192,979,387	\$ 172,655,361	\$ 613,390,260
TOTAL FIRMS	\$ 35,893,066	\$ 81,375,925	\$ 177,166,578	\$ 223,715,301	\$ 191,439,039	\$ 709,589,909
Business Ownership Classification	2016	2017	2018	2019	2020	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	1.12%	0.55%	0.31%	0.08%	0.14%	0.26%
Asian American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Hispanic American	29.95%	9.51%	15.08%	13.65%	9.59%	13.26%
Native American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TOTAL MINORITY	31.07%	10.06%	15.40%	13.73%	9.73%	13.52%
Non-minority Woman	0.08%	0.03%	0.01%	0.01%	0.08%	0.03%
TOTAL MWBE	31.15%	10.09%	15.40%	13.74%	9.81%	13.56%
TOTAL NON-MWBE	68.85%	89.91%	84.60%	86.26%	90.19%	86.44%
TOTAL FIRMS	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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As shown in Tables 9 and 10, in A&E during the Study Period, three (3) MBEs were paid \$2,877,133 over the Study Period. This represented 3.81% of the total A&E dollars paid to prime consultants and was an average of \$959,044 per MWBE firm over the Study Period. In contrast, thirty (30) non-MWBE firms were paid \$72.55 million, for an average to each firm of \$2,418,330 over the Study Period.

*Table 9: Prime Utilization- A&E by Number of Firms
In the Relevant Geographic Market
Number of Businesses by Business Ownership and Fiscal Year
FY 2016-2020*

Fiscal Year	African American		Asian American		Hispanic American		Native American		Total MBE		Non-Minority Women		Total MWBE		Non-MWBE		TOTAL	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%
2016	1	5.26%	0	0.00%	2	10.53%	0	0.00%	3	15.79%	0	0.00%	3	15.79%	16	84.21%	19	100.00%
2017	1	5.88%	0	0.00%	1	5.88%	0	0.00%	2	11.76%	0	0.00%	2	11.76%	15	88.24%	17	100.00%
2018	1	5.56%	0	0.00%	1	5.56%	0	0.00%	2	11.11%	0	0.00%	2	11.11%	16	88.89%	18	100.00%
2019	0	0.00%	0	0.00%	1	6.25%	0	0.00%	1	6.25%	0	0.00%	1	6.25%	15	93.75%	16	100.00%
2020	1	6.67%	0	0.00%	1	6.67%	0	0.00%	2	13.33%	0	0.00%	2	13.33%	13	86.67%	15	100.00%
Total 2016-2020	4	4.71%	0	0.00%	6	7.06%	0	0.00%	10	11.76%	0	0.00%	10	11.76%	75	88.24%	85	100.00%
Total Number of Unique Business*	1	3.03%	0	0.00%	2	6.06%	0	0.00%	3	9.09%	0	0.00%	3	9.09%	30	90.91%	33	100.00%

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* Total unique number represents the number of unduplicated firms during the Study Period.

Table 10: Prime Utilization- A&E by Dollars

In the Relevant Geographic Market
 Distribution of Dollars by Business Ownership and Fiscal Year
 (Using Payment Dollars, FY 2016-2020)
 Toledo Disparity Study

Business Ownership Classification	2016	2017	2018	2019	2020	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$31,166.00	\$ 59,462	\$ 19,528	\$ -	\$ 258,581	\$ 368,737
Asian American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hispanic American	\$ 114,502	\$ 1,230,563	\$ 597,702	\$ 377,171	\$ 188,458	\$ 2,508,396
Native American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL MINORITY	\$ 145,668	\$ 1,290,025	\$ 617,230	\$ 377,171	\$ 447,039	\$ 2,877,133
Non-minority Woman	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL MWBE	\$ 145,668	\$ 1,290,025	\$ 617,230	\$ 377,171	\$ 447,039	\$ 2,877,133
TOTAL NON-MWBE	\$ 1,405,310	\$ 6,542,399	\$ 21,412,036	\$ 20,526,356	\$ 22,663,805	\$ 72,549,906
TOTAL FIRMS	\$ 1,550,978	\$ 7,832,424	\$ 22,029,266	\$ 20,903,527	\$ 23,110,844	\$ 75,427,039
Business Ownership Classification	2016	2017	2018	2019	2020	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	2.01%	0.76%	0.09%	0.00%	1.12%	0.49%
Asian American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Hispanic American	7.38%	15.71%	2.71%	1.80%	0.82%	3.33%
Native American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TOTAL MINORITY	9.39%	16.47%	2.80%	1.80%	1.93%	3.81%
Non-minority Woman	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TOTAL MWBE	9.39%	16.47%	2.80%	1.80%	1.93%	3.81%
TOTAL NON-MWBE	90.61%	83.53%	97.20%	98.20%	98.07%	96.19%
TOTAL FIRMS	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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As shown in Tables 11 and 12, in Professional Services during the Study Period, two (2) MBEs were paid \$3,507,921, and no WBEs were paid over the Study Period. This represented 35.65% of the total Professional Services dollars paid to prime firms and an average of \$1,753,961 per firm. In contrast, forty-nine (49) non-MWBE firms were paid \$6,332,426, for an average to each firm of \$129,233 over the Study Period.

*Table 11: Prime Utilization- Professional Services by Numbers of Firms
In the Relevant Geographic Market
Number of Businesses by Business Ownership and Fiscal Year
FY 2016-2020*

Fiscal Year	African American		Asian American		Hispanic American		Native American		Total MBE		Non-Minority Woman		Total MWBE		Non-MWBE		TOTAL	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%
2016	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	19	100.00%	19	100.00%
2017	1	4.76%	0	0.00%	0	0.00%	0	0.00%	1	4.76%	0	0.00%	1	4.76%	20	95.24%	21	100.00%
2018	1	3.45%	0	0.00%	0	0.00%	0	0.00%	1	3.45%	0	0.00%	1	3.45%	28	96.55%	29	100.00%
2019	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	24	100.00%	24	100.00%
2020	1	5.26%	0	0.00%	0	0.00%	0	0.00%	1	5.26%	0	0.00%	1	5.26%	18	94.74%	19	100.00%
Total 2016-2020	3	2.68%	0	0.00%	0	0.00%	0	0.00%	3	2.68%	0	0.00%	3	2.68%	109	97.32%	112	100.00%
Total Number of Unique Business*	2	3.92%	0	0.00%	0	0.00%	0	0.00%	2	3.92%	0	0.00%	2	3.92%	49	96.08%	51	100.00%

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* Total unique number represents the number of unduplicated firms during the Study Period.

*Table 12: Prime Utilization- Professional Services by Dollars
In the Relevant Geographic Market
Distribution of Dollars by Business Ownership and Fiscal Year
(Using Payment Dollars, FY 2016-2020)
Toledo Disparity Study*

Business Ownership Classification	2016	2017	2018	2019	2020	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ -	\$ -	\$ 858,556	\$ 1,379,011	\$ 1,270,354	\$ 3,507,921
Asian American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hispanic American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Native American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL MINORITY	\$ -	\$ -	\$ 858,556	\$ 1,379,011	\$ 1,270,354	\$ 3,507,921
Non-minority Woman	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL MWBE	\$ -	\$ -	\$ 858,556	\$ 1,379,011	\$ 1,270,354	\$ 3,507,921
TOTAL NON-MWBE	\$ 626,572	\$ 760,261	\$ 774,159	\$ 2,503,389	\$ 1,668,045	\$ 6,332,426
TOTAL FIRMS	\$ 626,572	\$ 760,261	\$ 1,632,715	\$ 3,882,400	\$ 2,938,399	\$ 9,840,347
Business Ownership Classification	2016	2017	2018	2019	2020	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	0.00%	0.00%	52.58%	35.52%	43.23%	35.65%
Asian American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Hispanic American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Native American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TOTAL MINORITY	0.00%	0.00%	52.58%	35.52%	43.23%	35.65%
Non-minority Woman	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TOTAL MWBE	0.00%	0.00%	52.58%	35.52%	43.23%	35.65%
TOTAL NON-MWBE	100.00%	100.00%	47.42%	64.48%	56.77%	64.35%
TOTAL FIRMS	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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As shown in Tables 13 and 14, in Other Services during the Study Period, sixteen (16) MBEs were paid \$2,078,648, and two (2) Non-minority Woman owned firms were paid \$6,874,037, for eighteen (18) MWBEs receiving a total of \$8,952,685 over the Study Period. This represented 11.85% of the total Other Services dollars paid to prime firms and was an average of \$497,371 per MWBE firm over the Study Period. In contrast, two hundred ninety-five (295) non-MWBE firms were paid \$73,541,952, for an average to each firm of \$249,295 over the Study Period.

*Table 13: Prime Utilization- Other Services by Numbers of Firms
In the Relevant Geographic Market
Number of Businesses by Business Ownership and Fiscal Year
FY 2016-2020*

Fiscal Year	African American		Asian American		Hispanic American		Native American		Total MBE		Non-Minority Woman		Total MWBE		Non-MWBE		TOTAL	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%
2016	3	2.73%	0	0.00%	3	2.73%	0	0.00%	6	5.45%	1	0.91%	7	6.36%	103	93.64%	110	100.00%
2017	4	3.60%	0	0.00%	4	3.60%	0	0.00%	8	7.21%	2	1.80%	10	9.01%	101	90.99%	111	100.00%
2018	3	2.08%	0	0.00%	4	2.78%	0	0.00%	7	4.86%	2	1.39%	9	6.25%	135	93.75%	144	100.00%
2019	6	3.43%	0	0.00%	3	1.71%	0	0.00%	9	5.14%	2	1.14%	11	6.29%	164	93.71%	175	100.00%
2020	8	5.19%	0	0.00%	2	1.30%	0	0.00%	10	6.49%	1	0.65%	11	7.14%	143	92.86%	154	100.00%
Total 2016-20	24	3.46%	0	0.00%	16	2.31%	0	0.00%	40	5.76%	8	1.15%	48	6.92%	646	93.08%	694	100.00%
Total Number of Unique Business*	11	3.51%	0	0.00%	5	1.60%	0	0.00%	16	5.11%	2	0.64%	18	5.75%	295	94.25%	313	100.00%

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* Total unique number represents the number of unduplicated firms during the Study Period.

*Table 14: Prime Utilization- Other Services by Dollars
In the Relevant Geographic Market
Distribution of Dollars by Business Ownership and Fiscal Year
(Using Payment Dollars, FY 2016-2020)
Toledo Disparity Study*

Business Ownership Classification	2016 (\$)	2017 (\$)	2018 (\$)	2019 (\$)	2020 (\$)	TOTAL (\$)
African American	\$ 23,589	\$ 56,524	\$ 157,966	\$ 132,818	\$ 264,399	\$ 635,296
Asian American	\$ -	\$ -	\$ -	\$ 491	\$ 48,103	\$ 48,594
Hispanic American	\$ 209,986	\$ 260,853	\$ 325,123	\$ 405,602	\$ 193,194	\$ 1,394,758
Native American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL MINORITY	\$ 233,575	\$ 317,377	\$ 483,089	\$ 538,911	\$ 505,696	\$ 2,078,648
Non-minority Woman	\$ 1,665,465	\$ 1,130,497	\$ 788,952	\$ 1,195,027	\$ 2,094,096	\$ 6,874,037
TOTAL MWBE	\$ 1,899,040	\$ 1,447,874	\$ 1,272,041	\$ 1,733,938	\$ 2,599,792	\$ 8,952,685
TOTAL NON-MWBE	\$ 7,335,248	\$ 12,002,454	\$ 15,360,361	\$ 18,647,901	\$ 20,195,988	\$ 73,541,952
TOTAL FIRMS	\$ 9,234,288	\$ 13,450,328	\$ 16,632,402	\$ 20,381,839	\$ 22,795,780	\$ 82,494,637
Business Ownership Classification	2016 (%)	2017 (%)	2018 (%)	2019 (%)	2020 (%)	TOTAL (%)
African American	0.26%	0.42%	0.95%	0.65%	1.16%	0.77%
Asian American	0.00%	0.00%	0.00%	0.00%	0.21%	0.06%
Hispanic American	2.27%	1.94%	1.95%	1.99%	0.85%	1.69%
Native American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TOTAL MINORITY	2.53%	2.36%	2.90%	2.64%	2.22%	2.52%
Non-minority Woman	18.04%	8.40%	4.74%	5.86%	9.19%	8.33%
TOTAL MWBE	20.57%	10.76%	7.65%	8.51%	11.40%	10.85%
TOTAL NON-MWBE	79.43%	89.24%	92.35%	91.49%	88.60%	89.15%
TOTAL FIRMS	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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As shown in Tables 15 and 16, in Goods during the Study Period three (3) MBEs received a total of \$1,283,469 over the Study Period and five (5) WBEs receive \$435,620. This represented 1.88% of the total Goods dollars paid to prime firms and was an average of \$214,886 MWBE firm over the Study Period. In contrast, two hundred and eighty-six (286) non-MWBE firms were paid \$89.34 million, for an average to each firm of \$313,062 over the Study Period.

*Table 15: Prime Utilization- Goods by Number of Firms
In the Relevant Geographic Market
Number of Businesses by Business Ownership and Fiscal Year
FY 2016-2020*

Fiscal Year	African American		Asian American		Hispanic America		Native American		Total MBE		n-Minority Wom		Total MWBE		Non-MWBE		TOTAL	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%
2016	1	0.62%	0	0.00%	0	0.00%	0	0.00%	1	0.62%	3	1.86%	4	2.48%	157	97.52%	161	100.00%
2017	0	0.00%	0	0.00%	1	0.63%	0	0.00%	1	0.63%	2	1.27%	3	1.90%	155	98.10%	158	100.00%
2018	1	0.64%	1	0.64%	0	0.00%	0	0.00%	2	1.27%	1	0.64%	3	1.91%	154	98.09%	157	100.00%
2019	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	2	1.28%	2	1.28%	154	98.72%	156	100.00%
2020	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	2	1.47%	2	1.47%	134	98.53%	136	100.00%
Total 2016-2020	2	0.26%	1	0.13%	1	0.13%	0	0.00%	4	0.52%	10	1.30%	14	1.82%	754	98.18%	768	100.00%
Total Number of Unique Business*	1	0.34%	1	0.34%	1	0.34%	0	0.00%	3	1.02%	5	1.70%	8	2.72%	286	97.28%	294	100.00%

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* Total unique number represents the number of unduplicated firms during the Study Period.

Table 16: Prime Utilization- Goods by Dollars

In the Relevant Geographic Market
 Distribution of Dollars by Business Ownership and Fiscal Year
 (Using Payment Dollars, FY 2016-2020)
 Toledo Disparity Study

Business Ownership Classification	2016	2017	2018	2019	2020	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ 5,500	\$ -	\$ 8,740	\$ -	\$ -	\$ 14,240
Asian American	\$ -	\$ -	\$ 9,435	\$ 290,196	\$ 950,460	\$ 1,250,091
Hispanic American	\$ -	\$ 17,944	\$ 1,194	\$ -	\$ -	\$ 19,138
Native American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL MINORITY	\$ 5,500	\$ 17,944	\$ 19,369	\$ 290,196	\$ 950,460	\$ 1,283,469
Non-minority Woman	\$ 32,541	\$ 9,748	\$ 46,055	\$ 94,469	\$ 252,807	\$ 435,620
TOTAL MWBE	\$ 38,041	\$ 27,692	\$ 65,424	\$ 384,665	\$ 1,203,267	\$ 1,719,089
TOTAL NON-MWBE	\$ 13,587,101	\$ 15,115,656	\$ 21,433,013	\$ 17,523,907	\$ 21,875,948	\$ 89,535,625
TOTAL FIRMS	\$ 13,625,142	\$ 15,143,348	\$ 21,498,437	\$ 17,908,572	\$ 23,079,215	\$ 91,254,714
Business Ownership Classification	2016	2017	2018	2019	2020	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	0.04%	0.00%	0.04%	0.00%	0.00%	0.02%
Asian American	0.00%	0.00%	0.04%	1.62%	4.12%	1.37%
Hispanic American	0.00%	0.12%	0.01%	0.00%	0.00%	0.02%
Native American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TOTAL MINORITY	0.04%	0.12%	0.09%	1.62%	4.12%	1.41%
Non-minority Woman	0.24%	0.06%	0.21%	0.53%	1.10%	0.48%
TOTAL MWBE	0.28%	0.18%	0.30%	2.15%	5.21%	1.88%
TOTAL NON-MWBE	99.72%	99.82%	99.70%	97.85%	94.79%	98.12%
TOTAL FIRMS	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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2. Total Utilization

The Total Utilization data is used to present the percentage of dollars awarded to Prime and Subcontractors by their ethnic/gender category in Construction, A&E and Other Services. There was almost no subcontracting in other procurement categories, so those tables are not presented.

TOTAL UTILIZATION is the percentage of dollars awarded to (in the Relevant Geographic Market) Prime contractors and Subcontractors combined, by ethnic/gender category.

MBEs received \$131,752,591 during the Study Period, 18.57% of the total Construction Services paid to prime and subcontractor dollars, while Non-minority Woman owned firms were paid a total of \$4,250,419 0.60% of the total Construction Services paid dollars. MWBEs received 19.17% of the total Construction Services paid dollars (Table 17).

MBEs received \$4,889,046 during the Study Period, 6.48% of the total A&E Services paid to prime and subcontractor dollars, while Non-minority Woman owned firms were paid a total of \$17,654, 0.02% of the total A&E Services paid dollars. MWBEs received 6.51% of the total A&E Services paid dollars (Table 17).

MBEs received \$3,614,506 during the Study Period, 36.73% of the total Other Services paid to prime and subcontractor dollars, while Non-minority Woman owned firms were paid zero in this category of total Other Services paid dollars. (Table 17).

MBEs received \$3,363,285 during the Study Period, 4.08% of the total Other Services paid to prime and subcontractor dollars, while Non-minority Woman owned firms were paid a total of \$6,874,037, 8.33% of the total Other Services paid dollars. MWBEs received 12.41% of the total Other Services paid dollars (Table 17).

Table 17: Total Utilization- Construction Services, A&E, Professional Services, Other Services

In the Relevant Geographic Market
 Distribution of Dollars by Business Ownership and Fiscal Year
 (Using Payment Dollars, FY 2016-2020)
 Toledo Disparity Study

Business Ownership Classification	Construction	A&E	Professional	Other Services
	(\$)	(\$)	Services	(\$)
African American	\$ 30,561,270	\$ 550,237	\$ 3,507,921	\$ 1,919,933
Asian American	\$ -	\$ 194,665	\$ -	\$ 48,594
Hispanic American	\$ 99,013,867	\$ 4,144,144	\$ 106,585	\$ 1,394,758
Native American	\$ 2,177,454	\$ -	\$ -	\$ -
TOTAL MINORITY	\$ 131,752,591	\$ 4,889,046	\$ 3,614,506	\$ 3,363,285
Non-minority Woman	\$ 4,250,419	\$ 17,654	\$ -	\$ 6,874,037
TOTAL MWBE	\$ 136,003,010	\$ 4,906,700	\$ 3,614,506	\$ 10,237,322
TOTAL NON-MWBE	\$ 573,586,899	\$ 70,520,339	\$ 6,225,841	\$ 72,257,315
TOTAL FIRMS	\$ 709,589,909	\$ 75,427,039	\$ 9,840,347	\$ 82,494,637
Business Ownership Classification	Construction	A&E	Professional	Other Services
	(%)	(%)	Services	(%)
African American	4.31%	0.73%	35.65%	2.33%
Asian American	0.00%	0.26%	0.00%	0.06%
Hispanic American	13.95%	5.49%	1.08%	1.69%
Native American	0.31%	0.00%	0.00%	0.00%
TOTAL MINORITY	18.57%	6.48%	36.73%	4.08%
Non-minority Woman	0.60%	0.02%	0.00%	8.33%
TOTAL MWBE	19.17%	6.51%	36.73%	12.41%
TOTAL NON-MWBE	80.83%	93.49%	63.27%	87.59%
TOTAL FIRMS	100.00%	100.00%	100.00%	100.00%

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G. Determination of

Disparity

This section of the report addresses whether, and to what extent, there is disparity between the utilization of MWBEs as measured against their availability in the Toledo marketplace.

DISPARITY INDICES calculate the difference between the percentage of Toledo's UTILIZATION of MWBEs during the Study Period and the AVAILABILITY percentage of MWBEs.

1. Methodology

To assess the existence and extent of disparity, GSPC compared the MWBE utilization percentages (by dollars) to the percentage of the total pool of MWBE firms in the relevant geographic and product areas. The actual disparity derived from this approach is measured by use of a Disparity Index (DI).

The Disparity Index is defined as the ratio of the percentage of MWBE firms utilized (U) divided by the percentage of such firms available in the marketplace, (A):

- Let: U =Utilization percentage for the MWBE group
- A =Availability percentage for the MWBE group
- DI =Disparity Index for the MWBE group
- DI =U/A

A disparity analysis results in one of three conclusions: overutilization, underutilization, or parity. Underutilization is when the Disparity Index is below one. Overutilization is when the Disparity Index is over one. Parity or the absence of disparity is when the Disparity Index is one (1.00) which indicates that the utilization percentage equals the availability percentage. In situations where there is availability, but no utilization, the corresponding disparity index will be zero. Finally, in cases where there is neither utilization nor availability, the corresponding disparity index is undefined and designated by a dash (-) symbol. Disparity analyses are presented separately for each Industry Category and for each race/ethnicity/gender group.

2. Determining the Significance of Disparity Indices

The determination that a particular ethnic or gender group has been overutilized or underutilized is not, standing alone, proof of discrimination. A statistically significant disparity also needs to be shown to permit an inference of discrimination. Typically, the determination of whether a disparity is “statistically significant” is based on the depth of the disparity. Any disparity index that is less than .80 is considered to

be a statistically significant underutilization, and any disparity index over 100 is considered to be a statistically significant overutilization. The disparity indices impact designated in the tables below as “overutilization”, “underutilization”, or “parity” are bolded to indicate such statistically significant impact.

Typically, the determination of whether a disparity is “substantially significant” can be based on any disparity index that is less than .80. Further, GSPC used a statistical test to assess whether or not the typical disparity index across all vendor categories is equal to unity. Such a result would constitute a null hypothesis of “parity”. The test estimates the probability that the typical disparity index would depart from unity, and the magnitude of the calculated test statistic would indicate whether there is typically underutilization or overrepresentation. Statistical significance tests were performed for each disparity index of each MWBE group, and in each purchasing category. This approach to statistical significance is consistent with the case law and the Transportation Research Board approach to statistical significance in disparity studies.

The existence of a statistically significant disparity between the availability and utilization of Minority or Non-minority Woman owned businesses that is determined to be because of the owners’ race/ethnicity/gender will establish an inference of the continued effects of discrimination which are adversely affecting market outcomes for underutilized groups. Accordingly, such findings would impact the recommendations provided in this Study. GSPC, in such a case, would make recommendations for consideration of appropriate and narrowly tailored race/ethnicity/gender neutral remedies for this discrimination, to give all firms equal access to public contracting with Toledo. GSPC would also, if appropriate, recommend narrowly tailored race/ethnicity/gender conscious remedies to remedy identified barriers and forms of discrimination. If no statistically significant disparity is found to exist, or if such a disparity is determined not to be a likely result of the firm owners’ race, ethnicity, or gender upon their success in the marketplace, GSPC may still make recommendations to support the continuation of engagement, outreach, small business development, and non-discrimination policies in the purchasing processes of Toledo.

3. Prime Disparity Indices

Table 18 provides prime disparity ratios over the Study Period in the Relevant Geographic Market. Detailed disparity tables by year and over the Study Period corresponding to Table 18 are located in Appendix C. There was some underutilization in prime contracts for all MWBEs groups, however, there was overutilization of African Americans in Professional Services, Asian Americans in Goods, Hispanic Americans in Construction Services, A&E, and Other Services and Non-minority Women in Other Services.

Disparity was also examined eliminating larger prime projects. The same pattern of disparity for all MWBE groups was also found for prime payments less than \$500,000 and less than \$1 million for all procurement categories, except that Hispanic Americans were overutilized in A&E for projects less than \$500,000 and less than \$1,000,000. Results for Disparity Analysis for contracts less than \$500,000 and \$1 million are in Appendix C.

*Table 18: Disparity Indices- Prime
Business Ownership Classification by Fiscal Year
Toledo Disparity Study*

Business Ownership Classification	Construction Services	A&E	Professional Services	Other Services	Goods
African American	0.04	0.22	6.35	0.16	0.01
Asian American	0.00	0.00	n/a	0.36	5.23
Hispanic American	4.96	1.01	0.00	2.05	0.05
Native American	0.00	0.00	0.00	0.00	n/a
TOTAL MBE	1.29	0.50	5.35	0.44	0.63
Non-minority Woman	0.01	0.00	0.00	11.24	0.28
TOTAL MWBE	1.00	0.32	5.08	0.00	0.00
NON-MWBE	1.00	1.09	0.69	1.63	0.46

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Legend:

* Statistically significant disparity (Confidence interval of 95% and probability of error of less than 5%).

**Very small number to produce statistical significance

Substantial Underutilization (Disparity percentage below 80%).
Disparity, But not Substantial (Disparity percentage 80% to 99.9%).
Parity (Disparity percentage 100%)
Overutilization (Disparity percentage over 100%).

No color is parity. Parity is equal to 1.00.

4. Total Utilization Disparity Indices

Table 19 provides Total Utilization (prime + subcontractors) disparity ratios over the Study Period in the Relevant Geographic Market for Construction Services, A&E, Professional Services, and Other Services (there was no measurable subcontracting in Goods). African Americans were overutilized in Professional Services. Hispanic Americans were over utilized in all four categories, as were Non-minority Women in Other Services.

*Table 19: Disparity Indices- Total Utilization
Business Ownership Classification by Fiscal Year
Toledo Disparity Study*

Business Ownership Classification	Construction Services	A&E	Professional Services	Other Services
African American	0.60	0.33	6.35	0.50
Asian American	0.00	0.23	n/a	0.36
Hispanic American	5.22	1.67	3.09	2.05
Native American	0.69	0.00	0.00	0.00
TOTAL MBE	1.77	0.84	5.51	0.71
Non-minority Woman	0.19	0.01	0.00	11.24
TOTAL MWBE	1.41	0.54	5.23	0.00
NON-MWBE	0.94	1.06	0.68	1.86

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Legend:

* Statistically significant disparity (Confidence interval of 95% and probability of error of less than 5%).

**Very small number to produce statistical significance

Substantial Underutilization (Disparity percentage below 80%).
Disparity But not Substantial (Disparity percentage 80% to 99.9%).
Overutilization (Disparity percentage over 100%).

No color is parity. Parity is equal to 1.00.

H. Conclusion

There was underutilization in prime contracts for all MWBEs groups, except African Americans in Professional Services and Hispanic Americans in Construction Services and Other Services and Non-minority Women in Other Services. The same pattern of disparity for all MWBE groups was also found for prime payments less than \$500,000 and less than \$1 million for all procurement categories, except that Hispanic Americans were overutilized in A&E for projects less than \$500,000 and less than \$1,000,000. Hispanic Americans were over utilized in Total Utilization in all categories. Native Americans were over utilized in Construction Total Utilization and Non-minority Women were overutilized on Other Services Total Utilization. African Americans were under-utilized in Construction Services, but it was not substantial.

VI. Analysis of Marketplace Contracting Disparities In the Toledo Market Area

A. Introduction

In this section GSPC considers the market entry, private sector, public contracting and subcontracting outcomes, and other relevant market experiences of MWBEs (which include race and gender identified Disadvantaged Business Enterprises (DBE)) relative to Non-MWBEs in the Toledo Market Area⁶⁸. Our analysis utilizes data from businesses that are willing, able, or have actually contracted/subcontracted in the Toledo Market Area, with the aim of determining if the likelihood of successful contracting/subcontracting opportunities—actual and perceived—in the Toledo Market Area is conditioned, in a statistically significant manner, on the race, ethnicity, or gender status of firm owners. Such an analysis is a useful and important compliment to estimating simple disparity indices, which assume all things important for success and failure are equal among businesses competing for public contracts. This analysis is based on unconditional moments, that is, statistics that do not necessarily inform causality or the source of differences across such statistics. As simple disparity indices do not condition on possible confounders⁶⁹ of new firm entry, and success and failure in public sector contracting/subcontracting by businesses, they are only suggestive of disparate treatment, and their implied likelihood of success/failure could be biased. Further details on this statistical analysis is provided in Appendix C.

B. Race and Gender as Causal Factors

Our analysis put forth certain possible confounders of success and failure in the entry of new firms in the market and public sector contracting/subcontracting that are sources of heterogeneity, or diverse characteristics among businesses that lead to differences in success and failure. Failure to condition on these sources of heterogeneity in success/failure in new firm formation and public sector contracting/subcontracting outcomes can leave simple disparity indices devoid of substantive policy implications as they ignore the extent to which firm owner race/ethnicity characteristics are causal factors. Disparate outcomes could possibly reflect in whole or in part, outcomes driven by disparate business firm characteristics that matter fundamentally for success/failure in the formation of new firms and public sector contracting/subcontracting outcomes. If the race, ethnicity, or gender status of a firm owner conditions lower likelihoods of success/failure, this would be suggestive of these salient and mostly immutable characteristics causing the observed disparities.

A broad context for considering disparities by firm ownership status can be informed by considering private sector outcomes in the Toledo Market Area. In general, the success and failure of MWBEs in public

⁶⁸ In particular, the Toledo Ohio Metropolitan Statistical Area (“MSA”) from the US Census Bureau, and as identified by the variable MET2013 in the Integrated Public Uses Microdata Series (IPUMs) at the University of Minnesota.

⁶⁹ A confounder can be defined as a variable that, when added to the regression model, changes the estimate of the association between the main independent variable of interest (exposure) and the dependent variable (outcome) by 10% or more.

contracting could be conditioned by their outcomes in the private sector regarding their revenue generating capacity. The value of a descriptive private sector analysis is that it situates disparity analyses in the "but-for" justification. Ian Ayres and Toledo Vars (1998), in their consideration of the constitutionality of public affirmative programs posit a scenario in which private suppliers of financing systematically exclude or charge higher prices to Minority businesses, which potentially increases the cost of which Minority owned businesses can provide services required under public contracts relative to Non-minority owned businesses.⁷⁰ This private discrimination means that MBEs may only have recourse to higher cost financing due to facing discrimination in private sector capital markets, which compromises the competitiveness of their bids. Such a perspective on discrimination suggests that barriers faced by MWBEs in the private sector can rationalize targeted contracting programs by political jurisdictions, as the counterfactual is that in the absence of such private sector discrimination, they would be able to compete with other firms in bidding for public contracts.

C. Firm Revenue

Table 20 below reports on firm ownership type and payroll for the relevant market area—the Toledo MSA captured from the US Census Bureau's 2019 Annual Business Survey (ABS).⁷¹ We report payroll as a proxy for firm revenue as it is proportional to firm revenue. The use of payroll is governed by total revenue not being available at the firm level in the 2019 ABS for firms in the Toledo MSA. GSPC's descriptive private sector analysis considers the percentage of representation in the population of firms and revenue across the available and relevant firm ownership type classifications. Measuring at the firm level, business ownership is defined as having more than 50% of the stock or equity in the business and is categorized by sex, ethnicity, race, and publicly held and other firms not classifiable by sex, ethnicity, and race.

There is limitation with the 2019 ABS data for the Toledo Market Area. First, because of presumably small cell counts in certain firm categories that would compromise anonymity, the number of firms, along with their revenue and/or payroll were suppressed to preserve anonymity. This confidentiality data suppression held for all MWBEs with the exception of firms owned by Women. In this context, our analysis of revenue shares of MWBE firms in the Toledo Market Area can only be specific about those owned by Women. With respect to other MWBE's their revenue shares can only be inferred as a collective, relative to the revenue shares of Caucasian owned firms.

⁷⁰ See: Ayres, Ian, and Fredrick E. Vars. 1998, "When does private discrimination justify public affirmative action?" *Columbia Law Review*, 98: 1577-1641.

⁷¹ ABS data are publicly available at <https://www.census.gov/programs-surveys/abs/data.htm>. The ABS provides information on selected economic and demographic characteristics for businesses and business owners by sex, ethnicity, race, and veteran status. Further, the survey measures research and development (for microbusinesses), new business topics such as innovation and technology, as well as other business characteristics. The ABS is conducted jointly by the U.S. Census Bureau and the National Center for Science and Engineering Statistics within the National Science Foundation. It replaces the five-year Survey of Business Owners for employer businesses, the Annual Survey of Entrepreneurs, the Business R&D and Innovation for Microbusinesses survey, and the innovation section of the Business R&D and Innovation Survey.

For the Toledo Market Area, Table 20 reveals that relative to Caucasian owned firms, the proxied revenue shares of all MWBEs is collectively, and approximately .01%—or approximately 1/10 of 1%.⁷² Collectively, the firm shares of MWBEs is approximately 6%.⁷³ This suggests that MWBEs have proxied revenue shares far smaller than their firm representation shares. As a particular example, we can consider firms owned by Women in the Toledo Market Area. Women owned firms have a ratio of firm to revenue share of approximately 2.12, implying that revenue would have to increase by a factor approximately equal to 2 for firms owned by women to be at parity with their firms share—or to realize a revenue share reflecting their firm share. In general, the computations in Table 20 suggest that collectively, all MWBEs are revenue underrepresented relative to Caucasian owned firms in the Toledo market Area. This is consistent with and suggestive of, but not necessarily causal evidence for MWBEs facing discriminatory barriers in the private sector of the Toledo Market Area.

Table 20: Firm Ownership Type and Revenue Characteristics

Toledo Market Area:
2019 Annual Business Survey

Ownership Structure	Number of Firms	Percentage of all Firms (approximate)	Market Area Total Payroll (\$1,000)	Percentage of Market Area Total Payroll (approximate)	Ratio of Firm Share to Revenue Share (approximate)
All	9,789	100	\$12,847,452	100	1.0
Women	428 ^b	.044 ^b	\$24,032 ^b	.002 ^b	22 ^b
Caucasian	8,158 ^b	.833 ^b	\$5,032,368	.392 ^b	2.12 ^b
African American	Suppressed	Suppressed ^a	Suppressed ^a	Suppressed ^a	Suppressed ^a
Native American & Alaskan Native	Suppressed ^a	Suppressed ^a	Suppressed ^a	Suppressed ^a	Suppressed ^a
Asian	Suppressed	Suppressed ^a	Suppressed ^a	Suppressed ^a	Suppressed ^a
Native Hawaiian & Other Pacific	Suppressed ^a	Suppressed ^a	Suppressed ^a	Suppressed ^a	Suppressed ^a
Hispanic	Suppressed	Suppressed ^a	Suppressed ^a	Suppressed ^a	Suppressed ^a
Publicly Held and not classifiable by race, gender,	1,077 ^b	.110 ^b	\$7,664,237 ^b	.597 ^b	.184 ^b

Source: US Census Bureau 2019 Annual Business Survey. ^aValue suppressed to preserve confidentiality as a result of very few firms or there are one or two large firms that dominate the statistic. In several cases, values were suppressed for several racial/ethnic ownership categories. As such, the percentages reported

⁷² This is computed by subtracting from 1, the sum total of the payroll shares of Caucasian-owned and Publicly held non-classifiable firms. Note that the computed percentages columns do not “add-up” to one, as the Women ownership category is not “mutually exclusive” of the other race/ethnicity/gender categories.

⁷³ This is computed by subtracting from 1, the sum total of the firm shares of Caucasian-owned and Publicly held non-classifiable firms.

Overall, the descriptive summary in Table 20 suggests that in the Toledo Market Area private sector, MWBEs face barriers that translate into lower firm revenues. In general, if being an MWBE in the Toledo Market Area private sector is associated with lower firm revenue, absolutely and relative to their firm share in the market, this lends some support to the “but-for” justification for affirmative action in public procurement. Lower revenues for MWBEs in the Toledo Market Area is suggestive, but does not necessarily prove, the existence of private discrimination that undermines their capacity to compete with Non-MWBEs for public contracting opportunities. This could motivate a private discrimination justification for Affirmative Action in public procurement policies, otherwise the is potentially a passive participant in private discrimination against MWBEs with respect to its procurement practices.

D. Self-Employment

The Concrete Works decision upholding an MWBE program was based in part on evidence that “African Americans, Hispanic Americans, and Native Americans working in Construction have lower rates of self-employment than similarly situated Caucasian Americans.”⁷⁴

To explicitly examine potential disparities in the rates of business ownership in the Toledo Market Area, GSPC estimated the parameters of a Logit regression model using 2019 American Community Survey (ACS) data from the Integrated Public Use Microdata Series (IPUMS) housed at the University of Minnesota.⁷⁵ The ACS is a project of the U.S. Census Bureau that has replaced the decennial census as the key source of information about American population and housing characteristics. The 2018 ACS is an approximately 1-in-100 weighted public use sample consisting of U.S households with the smallest identifiable unit being the Public Use Microdata Unit (PUMA), which is a geography containing at least 100,000 individuals. The specification of each model controls for those variables customary in the literature that are utilized to explain self-employment, so as to estimate the effects of MWBE status on self-employment while minimizing and/or eliminating confounding factors.⁷⁶ GSPC determines statistical significance on the basis of the estimated coefficient’s probability value—or P-value. The P-value is the probability of obtaining an estimate of the coefficient by chance alone, assuming that the null hypothesis of the variable having a zero effect is true. As a convention, GSPC rejects the null hypothesis of no effect, and concludes the estimated coefficient is statistically significant as long as P-value $\leq .10$, which we highlight in bold in the tables for all parameter estimates.

Our ACS data define the Toledo Market Area as the Toledo Metropolitan Statistical Area (MSA). In particular, we selected the ACS sample on the basis of the MET2013 variable, which identifies MSAs using the 2013 definitions for MSA from the U.S. Office of Management and Budget (OMB). An MSA is a region

⁷² *Concrete Works v. City and County of Denver*, 321 F.3 950 (10th Cir 2003).

⁷⁵ ACS data are publicly available at <https://usa.ipums.org/usa/>. See: *Steven Ruggles, Sarah Flood, Ronald Goeken, Josiah Grover, Erin Meyer, Jose Pacas, and Matthew Sobek. IPUMS USA: Version 10.0 [dataset]. Minneapolis, MN: IPUMS, 2020. https://doi.org/10.18128/DO10.V10.0*

⁷⁶ See: Grilo, Isabel, and Roy Thurik. 2008. "Determinants of Entrepreneurial Engagement Levels in Europe and the US." *Industrial and Corporate Change* 17: pp. 1113-1145, and Van der Sluis, Justin, Mirjam Van Praag, and Wim Vijverberg. 2008. "Education and Entrepreneurship Selection and Performance: A Review of the Empirical Literature." *Journal of economic surveys* 22: pp. 795-841.

consisting of a large urban core together with surrounding communities that have a high degree of economic and social integration with the urban core.

In the GSPC Logit regression model of self-employment, the estimated parameters are odds ratios, and when greater (or less) than unity indicate that having a particular characteristics increases (or decreases) the likelihood of being self-employed. In the case of the MWBE status indicators (e.g. African American, Woman), the excluded category is Caucasian Males, and a positive (or negative) odds ratio indicates that relative to Caucasian Males, having that MWBE characteristic increases (or decreases) the likelihood of being self-employed in the Toledo Market Area. The MWBE status indicator are of primary interest, as they inform the extent to which MWBE status is a driver of disparities in outcomes. The other covariates serve as controls for firm capacity. The capacity to do business is conceptually defined as how much, and how effectively/efficiently, a firm can produce and sell within a market, independent of MWBE status. In particular, GSPC measures a firm's capacity for public contracting as a function of owner's education, firm revenue, its financing capacity, and its bonding capacity. Each of these control covariates capture fundamental capabilities associated with a firm's capacity to produce and sell a good/service effectively and efficiently.

Table 21 reports parameter estimates across all business sectors in the Toledo Market Area. The estimated odds ratios less than unity with statistical significance suggest that relative to firms owned by Caucasian Americans, firms owned by Pacific Islanders and Veterans are less likely to be self-employed in the Toledo Market Area. This is suggestive of these firms facing barriers to self-employment in the Toledo Market Area. The lower likelihood for being self-employed for these type of Minority owned firms in the could reflect disparities in public contracting as Chatterji, Chay, and Fairlie (2014) find that the self-employment rate of African Americans is increasing with respect to the provisioning and establishment of MWBE public procurement programs.⁷⁷

Table 22 reports parameter estimates for Construction in the Toledo Market Area—an important sector in the market for public procurement. The estimated odds ratios less than unity with statistical significance suggest that relative to firms owned by Caucasian Americans, firms owned by Women, Native Americans, Asian Americans, and Other Race are less likely to be self-employed in the Toledo Market Area construction sector. This is suggestive of these firms facing barriers to self-employment in the construction sector. The lower likelihood these type of MWBEs being self-employed in the construction sector in the Toledo Market Area could reflect disparities in public contracting, as Marion (2009) finds that the self-employment rate of African Americans in construction is increasing with respect to the provisioning and establishment of MWBE public construction procurement programs.⁷⁸

⁷⁷ Chatterji, Aaron K., Kenneth Y. Chay, and Robert W. Fairlie. 2014. "The Impact of City Contracting Set-asides on African American Self-employment and Employment." *Journal of Labor Economics* 32: pp. 507-561.

⁷⁸ Marion, Justin. 2009. "Firm Racial Segregation and Affirmative Action in the Highway Construction Industry." *Small Business Economics* 33: Article 441.

*Table 21: Self-Employment/Business Ownership in Toledo Market Area:
Logit Parameter Odds Ratio Estimates From The 2019 American Community Survey*

	Coefficient	P-value
<i>Regressand: Self-Employed: Binary</i>		
Age	1.1037	0.0000
Age Squared	0.9993	0.0001
Respondent is Married: Binary	1.0577	0.7411
Respondent is Woman: Binary	0.7444	0.0002
Respondent is Non-Hispanic African American: Binary	1.2269	0.2179
Respondent is Non-Caucasian Hispanic: Binary	2.6737	0.0000
Respondent is Native American: Binary	0.5300	0.3872
Respondent is a Pacific Islander: Binary	0.2512	0.0000
Respondent is Asian: Binary	1.2545	0.5401
Respondent is Other Race: Binary	0.3996	0.4647
Respondent is veteran: Binary	0.6878	0.0390
Respondent has a 4-year degree: Binary	1.2273	0.3504
Respondent speaks only English: Binary	0.8997	0.8863
Respondent is Disabled: Binary	1.7526	0.2446
Value of Home	1.0482	0.0000
Interest, Dividend, and Rental Income	1.1341	0.0484
Mortgage Payment	1.2317	0.6542
Number of Observations	2,894	

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Bold approximate P-value indicates statistical significance level of .05 or lower.

Source of Data: American Community Survey 2019, IPUMs USA

*Table 22: Construction Sector Self-Employment/Business Ownership in Toledo Market Area:
Logit Parameter Odds Ratio Estimates From The 2019 American Community Survey*

	Coefficient	P-value
<i>Regressand: Self-Employed In Construction Industry: Binary</i>		
Age	1.3599	0.0000
Age Square	0.9969	0.0001
Respondent is Married: Binary	0.7582	0.5300
Respondent is Woman: Binary	0.1051	0.0002
Respondent is Non-Hispanic African American: Binary	0.2713	0.0000
Respondent is Non-Caucasian Hispanic: Binary	1.1088	0.8715
Respondent is Native American: Binary	0.1324	0.0001
Respondent is a Pacific Islander: Binary	0.7341	0.0000
Respondent is Asian: Binary	0.1372	0.0000
Respondent is Other Race: Binary	0.2136	0.0003
Respondent is veteran: Binary	1.1361	0.8070
Respondent has a 4-year degree: Binary	1.2754	0.6212
Respondent speaks only English: Binary	1.0356	0.9608
Respondent is Disabled: Binary	3.7697	0.0948
Value of Home	1.3214	0.9442
Interest, Dividend, and Rental Income	0.9999	0.0388
Mortgage Payment	0.9997	0.1312
Number of Observations	2,892	
Pseudo R ²	0.1206	

Griffin & Strong, P.C., 2021

Bold approximate P-value indicates statistical significance level of .05 or lower.

Source of Data: American Community Survey 2019, IPUMs USA

E. Building Permit Analysis

To enable a closer look at the extent of Minority, Women, and Disadvantaged Business Enterprise (MWBE) participation in the overall Toledo relevant market area, Table 23 reports on the distribution of building permits by identifiable firm type in Toledo for the 2015 -2021 calendar years. While building permits are directly related to the construction industry, construction activities are a vital component of an economy, and engender spending on other economic activities. As such, an analysis of the distribution of building permits by firm type can inform the extent to which MWBEs are participating in the market economy of a given political jurisdiction such as the City of Toledo.

Our analysis of commercial building permits in the Toledo Market Area linked rosters of identified MWBEs to submitted building permits for the 2016– 2021 calendar years.⁷⁹ GSPC utilized a Fuzzy Matching (FM) procedure to link the text strings of firm names in the certified vendor matching list, along with any race, ethnicity, and gender identifiers to the firm names in the building permit applications. FM enables linking two data sets together that do not have a unique identifier common to both data sets to produce one that is common across a particular alphabetic string such as the name of a business/firm. A Microsoft Power Query FM was utilized to identify MWBEs from the Toledo building permit data for the 2016 – 2021 calendar years, which ultimately consisted of 62,378 entries with text strings indicating the names of businesses/firms that submitted commercial building permit applications.

Table 23 reports the distribution of building permits by firm type for the 2016 – 2021 calendar years in the Toledo Market Area. Our matching algorithm enable the identification of firms broadly classified as certified DBEs, and those who are owned by Asian Americans, African Americans, Hispanic Americans, and Women. In the case of the race/gender identifications, there is no inherent mutual exclusivity with the DBE classification, as some of the firms identified as being owned by African Americans, Hispanic Americans may also be certified as DBEs.

The distribution of commercial building permits reported in Table 23 reveal that for the 2016 - 2021 calendar years, the total number of building permits going to any of the firm types classified as MWBE was 547, which constituted approximately 0.877% or 1% of all commercial building permits issued. For firms identified as African American owned, not necessarily certified as MWBE, a total of 371 permits were secured, constituting approximately 4 tenths of 1% of all building permits. For firms identified as Disadvantaged, a total of 69 permits were secured, constituting approximately 1 tenth of 1% of all building permits. In the case of firms identified as being Women owned, a total of 23 permits were secured, constituting approximately less than 1 tenth of 1% of all building permits.

The estimated low commercial building permit shares for MWBEs, suggests that, in the Toledo Market Area there are private sector barriers that constrain the ability of these type of firm to participate in the economy. Our estimates suggest that firms not classified as MWBEs, African American owned or Women owned, account for approximately 99% of building permits in the Toledo during the 2015 - 2021 calendar years. To the extent that experience acquired by participating in the private sector translates into an enhanced capacity to compete in the market for public sector contracts and subcontracts, the almost complete dominance of Non-MWBEs in securing building permits in the Toledo suggest the presence of significant private sector barriers faced by MWBEs. This could undermine the ability of MWBEs to compete for public contracts and subcontracts. In this context, if there are any public contracting/subcontracting disparities between MWBEs and non-MWBEs in the Toledo Market Area, it could constitute passive discrimination against MWBEs, as the disparities could reflect the barriers, possibly discriminatory, that MWBEs face in the private sector that serve to undermine their capacity to compete for contracts and subcontracts with the City of Toledo.

⁷⁹ In particular, the relevant time period was 1/1/16 – 4/30/21.

*Table 23: Distribution of Building Permits
In Toledo Market Area
Calendar Years 2016 - 2021*

Business/Firm Type	Number of Building Permits	Percent of Building Permits^a
Asian owned	5	0.00008
African American owned	35	0.00056
Disadvantaged Business Enterprise	181	0.00290
Hispanic owned	66	0.00106
Women owned	260	0.00417
Total MWBE	547	0.00877
Total Non-MWBE	61,831	0.9912
Total	62,378	1.000

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Notes: ^a Rounded to nearest 10 thousandth

F. Bank Loan Denials

To the extent that Small, Minority, Women, and Disadvantaged firms (SMWBEs) are credit-constrained as a result of facing discrimination in private lending markets, their capacity to compete for and execute public project could be compromised. In this context, a political jurisdiction that awards public contracts is potentially a passive participant in discrimination as SMWBEs may only have recourse to higher cost financing due to facing discrimination in private credit markets, which compromises the competitiveness of their bids. Such a perspective on discrimination suggests that barriers faced by SMWBEs in the private sector credit markets can rationalize targeted public contracting programs by political jurisdictions, and the capacity and growth of SMWBEs could be enhanced with access to public contracting opportunities (Bates, 2009).⁸⁰

⁸⁰ See: Bates, Timothy. 2009 "Utilizing Affirmative Action in Public Sector Procurement as a Local Economic Development Strategy." *Economic Development Quarterly*, 23: pp. 180 - 192., Bates, Timothy, and Alicia Robb. 2013. "Greater Access to Capital is Needed to Unleash the Local Economic Development Potential of Minority owned Businesses." *Economic Development Quarterly*, 27: pp.250 - 259., and Shelton, Lois M., and Maria Minniti. 2018.

To determine if SMWBEs face barriers in the private credit market in the Toledo Market Area, Tables 24-25 report, for each of the distinct SMWBEs and owner self-reported race/ethnicity/gender ownership characteristics in the GSPC sample, the estimated parameters of an Ordinal Logit BRM with the dependent variable being a categorical variable for the number of times the firm was denied a private commercial bank loan firm since July of 2015. The data are based on a customized GSPS survey of all firms based upon City of Toledo bidder lists, and described fully in appendix, with additional parameters estimates on how MWBE status affect a variety of private and public sector outcomes in the Toledo Market Area.

The estimated odds ratios in Table 24 reveal that for the four distinct broadly classified SMWBEs in the GSPC sample, relative to non-SMWBEs—the excluded group in the CRM specification—the estimated odds ratio is greater than unity and statistically significant for firms classified as Minority. This suggests that certified Minority Business Enterprises, face barriers in the private credit market. When disaggregated by the race/ethnicity/gender of owners, the results in Table 25 suggest that firms owned by African Americans, and Hispanic Americans have more commercial bank loan denials relative to non-SMWBEs as the estimated odds ratio is greater than unity and statistically significant in these instances. This suggests that among SMWBEs in the Toledo Market Area, firms that are owned by African Americans, and Hispanic Americans are relatively more likely to have their capacity to compete in the market for public procurement constrained as a result of private sector credit market discrimination.

"Enhancing product market access: Minority Entrepreneurship, Status Leveraging, and Preferential Procurement Programs." *Small Business Economics*, 50: pp. 481-498.

Table 24: Ordinal Logit Parameter Estimates-Bank Loan Denials (Odds Ratio):

Owner Racial/Ethnic Status and Commercial Bank Loan Denials

In Toledo Market Area

	Coefficient	P-value
<i>Regressand</i> ; Number of times denied commercial bank loan: (Ordinal)		
Firm owner has more than 20 years' experience: (Binary)	0.8106	0.0140
Firm has more than 10 employees: (Binary)	0.5784	0.2547
Firm owner has a baccalaureate degree: (Binary)	1.2100	0.6464
Firm gross revenue greater than 1.5 million: (Binary)	1.0934	0.8594
Firm Bonding limit greater than 1.5 million: (Binary)	1.0901	0.8466
Financing is a barrier for securing City of Toledo projects: (Binary)	0.3962	0.0256
Firm is in the construction sector: (Binary)	1.5108	0.4264
Firm is registered to do business with City of Toledo: (Binary)	1.6495	0.2785
Firm is a willing/able prime contractor for City of Toledo: (Binary)	0.3016	0.0265
Firm is a willing/able subcontractor for City of Toledo: (Binary)	2.1105	0.4126
Firm is a certified Minority business enterprise: (Binary)	1.5264	0.0388
Firm is a certified Woman enterprise: (Binary)	0.4162	0.1436
Firm is a certified disadvantaged business enterprise: (Binary)	0.4751	0.3105
Firm is a certified small business enterprise: (Binary)	1.2630	0.7131
Number of Observations	128	
Pseudo R ²	0.0577	

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Table 25: Ordinal Logit Parameter Estimates-MWBE Commercial Bank Loan Denials

MWBE Status and Commercial Bank Loan Denials

In Toledo Market Area

	Coefficient	P-value
<i>Regressand:</i> Number of times denied commercial bank loan: (Ordinal)		
Firm owner has more than 20 years' experience: (Binary)	0.9719	0.8036
Firm has more than 10 employees: (Binary)	0.8765	0.2653
Firm owner has a baccalaureate degree: (Binary)	1.0831	0.4452
Firm gross revenue greater than 1.5 million: (Binary)	0.9897	0.0328
Firm Bonding limit greater than 1.5 million: (Binary)	1.0134	0.0217
Financing is a barrier for securing City of Toledo projects: (Binary)	0.8737	0.0245
Firm is in the construction sector: (Binary)	1.0773	0.5514
Firm is registered to do business with City of Toledo: (Binary)	1.0827	0.4659
Firm is a willing/able prime contractor for City of Toledo: (Binary)	0.7727	0.1882
Firm is a willing/able subcontractor for City of Toledo: (Binary)	1.1683	0.4893
Firm is African American owned: (Binary)	1.1639	0.0344
Firm is Hispanic owned: (Binary)	1.0373	0.0213
Firm is Asian owned: (Binary)	1.1558	0.7976
Firm is Subcontinent Asian owned: (Binary)	0.8238	0.4248
Firm is Native American owned: (Binary)	1.0231	0.1483
Firm is bi/multiracial owned: (Binary)	1.6401	0.1262
Firm is other race owned: (Binary)	1.2183	0.1437
Firm is Woman owned: (Binary)	0.8941	0.3095
Number of Observations	128	
Pseudo R ²	.0632	

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G. Conclusion

A descriptive and inferential private sector analysis of the Toledo Market Area revealed that in general, being an MWBE in the Toledo Market Area is associated with lower firm revenue, and for the construction sector, which is an important venue for public contracting, lower self-employment likelihoods for firms owned by Women, Native Americans, Asian Americans, and Other Race. This lends some support to the “but-for” justification for affirmative action in public procurement. Lower revenues for MWBEs in the Toledo Market Area are suggestive of private sector discrimination that undermines their capacity to enter the market and compete with non-MWBEs firms for public contracting and subcontracting opportunities. An analysis of the distribution of building permits reveal that non-MWBEs dominate economic activity in the Toledo market area. The almost complete dominance of Non-MWBEs in securing building permits suggest the presence of private sector barriers faced by MWBEs, that inhibit their ability to gain access to

public contracting/subcontracting opportunities with the City of Toledo. Relative to Caucasian owned firms in the Toledo Market Area, certified Minority Enterprises, and those owned by African Americans and Hispanic Americans have more commercial bank loan denials, suggesting these type of firms face private credit market barriers that may inhibit their capacity to compete for public procurement.

In other relevant outcomes, regression results reported in Appendix F provide specific detail on which particular SMWBEs in the broad Toledo Market Area are potentially constrained by discrimination that could translate into lower likelihoods of winning prime contracts with the City of Toledo. In general, the regression results suggest that firms owned by African Americans, and classified as Minority and Women, are particularly harmed by perceived discrimination against them by the City of Toledo. Firms owned by African Americans and Bi/Multiracials are more likely to have “never” been a prime contractor or subcontractor with the City of Toledo. Certified Disadvantaged firms received fewer City of Toledo prime contracts since July of 2015, which could undermine them from acquiring experience that is potentially beneficial for enhancing the likelihood of securing future public contracts with the City of Toledo. Lastly, we find that for all broadly classified SMWBEs and for firms owned by African Americans, Bi/Multiracials and Women, Toledo contracting disparities between them and non-MWBEs are potentially explained by their exclusion from the Toledo public contracting networks that reduces their ability to secure prime contracts and subcontracts.

VII. Anecdotal Evidence

A. Introduction

The objective of this chapter of the Study is to present and analyze the experiences, perceptions and beliefs of individuals, businesses, and groups in and around City of Toledo. The quotes, themes and conversations presented are not intended to be representative of every single community member or even the majority of the community but are an attempt to authentically represent the variety of individual perspectives about the City's contracting, procurement and small, minority and women owned business utilization as possible. Those experiences can be and often are perceived differently from person to person. However, perceived experiences undergird and inform beliefs and those beliefs then undergird and inform behavior. Since the behavior of all parties involved in contracting and procurement is relevant to the Study, the beliefs, experiences, and perceptions are integral to those beliefs as well.

The GSPC Study team did not seek to verify, disprove, or correct insights shared by participants in anecdotal data collection to honor the integrity of the information gathered. Therefore, there may be conclusions included which are not reflective of written policy and procedures, but those conclusions are included to provide readers with as much information as possible about the community's experience doing or attempting to do business with the City. They may also serve to highlight areas where communication between the City and the public regarding policy and procedure can be bolstered or improved.

The Study team used a variety of methods to gather evidence from a diverse collection of participants. The Study team convened three virtual public engagement meetings which were widely publicized through social media, press releases to area news outlets, email blasts, and an announcement on the Study website. The Study team also assembled two virtual focus groups of randomly selected stakeholders to facilitate discussions about working with the City. Both anecdotal interviews and focus groups participants were selected from a list of City of Toledo vendors. This vendor list was categorized by their ethnicities and later randomized. Recruitment for both interview and focus groups were done via telephone. Both the focus groups and public meetings were held online to adhere to safe social distancing practices recommended by state and federal governments during the ongoing COVID-19 crisis. Email and other online commentary were gathered through the duration of the Study, including from participants of the public hearings who chose not to speak but rather participate using the available chat function of the meeting platform. In addition, GSPC circulated an Online Survey of Business Owners widely throughout the area asking for detailed information about demographics and previous or current experience working with the City. The Study team engaged with a randomly selected, diverse group of local vendors and businesses for several 30- to 60-minute virtual or phone interviews. Finally, an industry organization was interviewed to gain insight on the general business environment in City of Toledo and the surrounding metropolitan area.

By synthesizing and spotlighting specific themes expressed in these focus groups, interviews, public meetings and online commentary, this analysis seeks to empower the City with comprehensive findings to inform effective recommendations.

The period of data collection for this Disparity Study lasted from May 1st, 2021 until October 10, 2021. The anecdotal interviews were taken place between May 27, 2021 and July 12, 2021, there were a total of 30 anecdotal interviews completed. The anecdotal interviews were conducted via zoom or by phone in order to respect COVID guidelines. There were two public hearings conducted on June 30, 2021 and July 1, 2021. The two public hearings were conducted virtually via zoom, and there were 50 participants in the first public hearing and 20 in the second public hearing. Furthermore, GSPC conducted two virtual focus groups that took place on August 31 and July 1, 2021. The focus groups lasted for about an hour and a half, and there were eight people in the first focus groups and twelve participants in the second. Finally, GSPC conducted their Survey of Business Owners, which was an online survey directed at all Toledo business owners. The survey contained 43 questions, and it was distributed through email blasts, flyers, press releases and advertisement by the City of Toledo. There was a total of 128 responses in the Survey of Business Owners.

The data that was collected through interviews, focus groups, public hearings and the survey were later analyzed and coded in order to create common themes. There were several themes that arose from the anecdotal data collection and analysis. The main themes that we will discuss in this chapter are major barriers that MWBEs face doing business with the City of Toledo. The themes include informal networks, PlanetBids, Prompt Pay, Perceptions on Bidding Process, Certification Process, Big Companies Circumventing MWBE goals, Communication, Visibility and Outreach.

Key Themes from Anecdotal Data Analysis	
1	Informal Networks
2	PlanetBids
3	Prompt Pay
4	Perceptions on Bidding for Process
5	Certification Process
6	Big Companies Circumventing MWBE Goals
7	Communication, Outreach and Visibility

B. Informal Networks

Informal networks can be defined as firms that have an advantage in gaining awards because of their relationship inside the City of Toledo. Relationship building is an important part of doing business, although informal networks go a step beyond. At best, informal networks tend to favor the same firms with which an agency is familiar because of perhaps a previous working arrangement. At worst, informal networks serve as back channels providing information and preference to the same firms. In either case, they exclude the entrance of new firms into doing business with a public agency. While private sector firms can legitimately and exclusively use the same firms over and over, that practice is not permissible with publicly funded work because it feeds a continuing practice of exclusion of underutilized tax paying populations. During our anecdotal data collection, we found that City of Toledo vendors find that informal networks in the City is a problem, and a problem that affects particularly small and minority firms in doing business with the City.

According to the survey of business owners, the question “Do you believe that there is an informal network of prime and subcontractors doing business with City of Toledo that monopolizes the public contracting process?” 46.1% (n=59) of participants responded yes, while 53.9% (n=69) responded no. During our anecdotal interviews, focus groups and public hearings, informal networks was also something discussed.

From Appendix G: Survey of Business Owners

Table 101: Do you believe there is an informal network of prime and subcontractors doing business with City of Toledo that monopolizes the public contracting process?

	Owners' Minority Status						Total
	Non-minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Yes	9 20.9 %	19 46.3 %	26 78.8 %	1 16.7 %	1 100 %	3 75 %	59 46.1 %
No	34 79.1 %	22 53.7 %	7 21.2 %	5 83.3 %	0 0 %	1 25 %	69 53.9 %
Total	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Many participants shared their concerns about informal networks in the City of Toledo, and how that created a barrier for these small, minority business to get work with the City. In an anecdotal interview, a Latino business owner expressed his concern with informal networks, he stated “There seems to be an informal network when it comes to big projects, and all the same big four companies get awarded. And they pick subcontractors that they already have a relationship with.” He feels as though these informal networks prevents him from getting more opportunities to work with the City of Toledo.

This concern seems to be predominant with regard to the City’s larger projects. Several participants agreed that most of the large projects go to the same “big four” companies. The perception of informal networks includes prime contractors and subcontractors. Meaning, that big firms that get awarded bigger projects, tend to subcontract with the same firms. A Latino business owner in the City of Toledo, expressed his experience with this issue during an anecdotal interview. “I get companies working with the same firms over and over, because it is something they are familiar with- but that leaves smaller firms out of it, and they don’t even have a chance to prove that we can do the work too”. This business owner believes that informal networks prevent small businesses from participating in City projects and do not allow MWBE firms to grow and prosper.

City of Toledo MWBEs see these informal networks as a barrier for them to do business with the City. They believe that they are more than capable to do the same work, but the award always goes to the bigger companies. This is a problem, because it impedes small and minority firm to do work with the City, and it feeds into the narrative that the City of Toledo is leaving MWBES out of the picture. An African American business owner, talked about this issue during an anecdotal interview. He stated that *“The local minority contractors are frozen out of the projects, but the larger white firms come in from three and four states and take those jobs.”* He also expressed a concern that the City of Toledo does not do much to prevent these informal networks, and that the City does not do a good job in reaching out to local MWBE firms, *“They claim [the City of Toledo] that they can’t find minority contractors, but they truly haven’t properly looked”*. The same business owner mentioned that usually these informal networks persist, because MWBE firms are not giving a chance to prove themselves *“Minority companies can’t get bonded for a million-dollar job because they have never done one before, but that’s because they have never been given the opportunity.”* Not giving MWBE firms a chance to “prove themselves can create a cycle that perpetuates exclusion from networks.

Across various methods of anecdotal data collection, participants expressed a perception that most of the bigger projects in the City of Toledo were awarded to non-local larger companies. Participants also felt as though the City of Toledo does not take the time and initiative to contact small and minority contractors that can do the job that bigger non-local firms can. A number of City of Toledo small and minority business owners that responded to the Study feel “left out” from the jobs that they know that they can accomplish. Additionally, many participants felt that they have not been given an opportunity to work on larger projects with the City of Toledo, because larger projects often go to larger more established companies.

The detriment of the existence of an informal network in contracting is that it does not allow smaller and minority firms to participate in the procurement process with the City of Toledo. Additionally, they tend to prevent not give opportunities for smaller companies to start working and establish business in larger projects. Informal networks can also function to prevent local businesses from gaining a foothold in contracting with the City of Toledo.

Some participants suggested that City should be broken down into various scopes of work. This would give the opportunity for multiple smaller and minority business to participate in one big project and encourage more local business to bid for projects and allow new business to also be introduced to the procurement process. Furthermore, it will give more space for small and minority business to participate in City projects that they are often excluded.

C. Planet Bids

PlanetBids is the online software used by the City of Toledo for vendors to submit their bids and learn about upcoming projects with the City. PlanetBids can also be used as a form of communication between vendors and City of Toledo procurement staff, especially during bid submissions. Vendors use PlanetBids to submit documents for their bids and ask any questions that they might have about the project or bidding process.

PlanetBids was implemented by the City of Toledo in the recent years. During our anecdotal data collection, participants noted that PlanetBids was a great addition to the procurement process for the City of Toledo, making bidding for projects easier, and a more effective way to find out about upcoming jobs in the City. Even though there were some commendations about PlanetBids, participants also noted issues with PlanetBids that might be preventing small and minority businesses to bid for projects and even use the platform.

Some participants found it difficult to navigate PlanetBids, and how to submit bids. Participants noted that it took them a while to figure out how to submit bids, and where in PlanetBids they could submit bids in the portal. One business owner mentioned that he feels as though he has a great literacy when it comes to computers and technology, and it was hard for him to understand how to use PlanetBids. “I can’t imagine how it is to navigate planet bids when your computer literacy is not the best.”

The participants that noted issues understanding PlanetBids portal also mentioned that there was not guidance from the City on how to use it. During a focus group, an African American Business Owner explained his experience with PlanetBids. He felt as though there is a lack of communication from the City on how to use PlanetBids, and often vendors are confused about how to use it. *“The City needs to communicate with contractors about the mechanics of the PlanetBids system.”* Participants feel that the City needs to do a better job in teaching vendors on how to use the system.

Participants shared concerns about not receiving enough training on how to use PlanetBids, and they believe that the City needs to create a type of instructions and talk through vendors on how to use PlanetBids. Many participants feel that the City needs to take into consideration that some vendors are not technologically savvy, and they might need additional assistance with the portal.

The biggest issue that was noted among participants regarding PlanetBids was lack of communication about bids that were submitted. Participants in interviews and public hearings shared that when they submit bids through PlanetBids, they do not hear any feedback, such as if the bid was received, the status of the process, and to whom it was awarded. Understandably, after the effort expended to bid, this can generate anxiety among business owners.

Some participants noted that an issue that they encounter with PlanetBids, is that they have to submit a large quantity of documents, but they never know if it was received. During an Anecdotal Interview, and African American business owners expressed his struggles using PlanetBids after submitting a proposal, *“When I submitted all my 18 documents on PlanetBids for a particular project, I did not know if all my 18 documents were received. We have a deadline to submit the bids, but there is nothing to communicate with vendors if they have received the documents or not.”* This participant feels that he never knows if his proposals are actually submitted through PlanetBids, which is a source of concern for him.

Participants were also frustrated with the lack of communication and feedback on bid submittal through PlanetBids. A participant during a focus group expressed his frustration on the lack of communication from the City. *“In the last bid that I have applied to, I have not heard anything back from the City, if it was awarded, who it was awarded to, if I was even close to being awarded.”* This lack of communication in the bidding process, creates many barriers for MWBE to submit bids.

Some noted that PlanetBids took out an important aspect of the bidding process which is communication. They feel as though the process is not as transparent anymore, and they would like a greater communication from the City about the bidding processes. This is such an issue, that some participants rather not bid anymore, because of the lack of communication and transparency. A business owner during a public hearing expresses his frustration with this issue, *“There is a bid right now that I have simply chosen to ignore it because we have not gotten any feedback from the City in our bids in the past two years.”* The lack of communication and transparency during the bidding process, is actually deterring business owners from submitting proposals.

Additionally, participants noted that it is challenging to get their questions answered about bids. There are questions about filling out bid packages, but vendors do not feel that the City helps in answering them. Vendors are instructed to ask questions about bids and projects through PlanetBids. However, there is an agreement that the answers to those questions are always vague and not helpful. During a public hearing, an African American business owner talked about this issue. *“All bids are done through PlanetBids, but it does not allow you to pick up a phone and talk to anyone.”* Another participant in a public hearing, expressed concerns about not being able to get questions answered from the City about bids, *“It is hard for people to figure out how to bid on Planet Bids, we usually don’t get a response when we ask a question, the responses they get are not informative, there is no confirmation that the item sent has been received. It is more difficult than it should be.”*

Anecdotal data collection revealed that a number of business owners would like the City to improve their communication with vendors, especially when they are having questions about bids and the bidding process. Additionally, participants tended to feel that pre-bid meetings are beneficial but noted that the City of Toledo has stopped doing pre-bid meetings. Finally, participants feel that the City of Toledo needs to be more transparent about their bidding process through PlanetBids, and better support vendors throughout the bidding process.

D. Prompt Pay

Prompt pay is an important issue, especially for small businesses, which might be operating on tighter margins and must closely monitor cashflow. Small business highly depends on prompt pay to keep their business afloat, and so much as one delayed payment, can greatly impact their finances. Participants in anecdotal data collection stated that prompt pay is often an issue. A number of business owners shared concerns that the City of Toledo needs to improve how fast they pay their prime contractors. The issue with prompt pay particularly affects subcontractors, since they have to wait for the prime contractors to get paid first, and then the prime will distribute payment to subcontractors. Small and minority firms usually take

on more projects as subcontractors, and therefore might experience more delayed payments from the City and prime contractors.

In the Survey of Business Owners, we asked the questions “*What is the amount of time that it typically takes to receive payment, from the date you submit your invoice, from City of Toledo for your services on City of Toledo projects?*” On table 54, you can see the results to these questions. 39.3% (n=22) responded that it usually takes 30-59 days to receive a payment. 25% (n=14) responded that it takes less than 30 days and 10.7% (n=6) responded that it takes 60-89 days to receive a payment. Ideally vendors would like to get paid in less than 30 days, so they are able to pay their own workers.

During anecdotal interviews, a Woman-owned business described her work with the City of Toledo being a great experience, except for the payment process. She mentioned that they did not respect the payment terms, and she waited for a long time to get paid. “*My payment terms were not being respected, waiting to get paid for 6-8 months*”. Multiple participants shared the same experience about issues with prompt pay. More specifically, they talked about the consequences of not getting paid on time as a small business. A Women business owner in a focus group talked about the struggles of paying her staff when they were not paid for a project. “*It’s very difficult when you have paid your employees and you’re still waiting to be paid.*” Not paying small MWBE firms on time, can have a detrimental effect on their whole business, including their ability to pay employees and, ultimately, to grow.

Participants in the anecdotal data collection stated that issues with prompt pay in the City of Toledo have gotten better in the past couple of years, but they would like to see further improvement. They shared that it is difficult to manage their cash flow when there is not an established deadline for when they will get paid. Additionally, when vendors work as subcontractors, they feel as though there is no protecting them if they do not get paid by prime contractors. Participants in the focus group suggested that there should be a system to hold prime contractors accountable for paying subcontractors in a timely manner. As one business owner stated during a focus group, “*Most importantly, it’s difficult to manage the cash when you don’t know when you’ll get paid. The city doesn’t have any bond requirements to protect subcontractors, so if a prime decides not to pay you, there is no resource because that bond is not required at time of bid.*”

During an anecdotal interview, an African American business owner spoke on the matter of how prompt pay affects small businesses and can even impact the overall cost of the work. “*Most contractors would probably say that is one of their biggest challenges. The city always says our prices are high, but our prices are high because you have to factor in the slow payment part of it.*” Participants also expressed a need for more policy protection and enforcement around slow payments by prime contractors. One African American business owner stated in her interview that “*The State of Ohio has a prompt-pay clause that says when the contractor is paid, any subcontractors must be paid within 10 days, but we all know that doesn’t always happen,*” reinforcing the need for follow-up and enforcement if and when the City of Toledo puts a policy in place.

Prompt pay can be a barrier for barrier for small businesses who seek to contract with the City of Toledo as they rely heavily on consistent projects and their payments to remain solvent. Delayed payments can impact payments to employees also, which has a broader effect on Toledo’s economy. On the Survey of Business Owners, the question was asked “On average, how many employees and regular independent contractors does your company keep on the payroll, including full-time and part-time staff? Table 11 from Appendix G: Survey of Business Owners below shows that 60.2% (n=77) have at least 1-10 employees on payroll. 20.3%(n=26) have at least 11-30 employees on payroll. This highlights how important prompt pay is for small and minority businesses. Payment delays may deter smaller businesses from continuing to attempt to do business with the City, increase the price of services or, in the worst case, put businesses in jeopardy that are relying on City business to survive.

From Appendix G: Survey of Business Owners
Table 54: What is the amount of time that it typically takes to receive payment, from the date you submit your invoice, from City of Toledo for your services on City of Toledo projects?

	Owners' Minority Status						Total
	Non-minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Less than 30 days	5 20.8 %	4 22.2 %	4 50 %	1 20 %	0 0 %	0 0 %	14 25 %
30-59 days	12 50 %	6 33.3 %	1 12.5 %	2 40 %	0 0 %	1 100 %	22 39.3 %
60-89 days	3 12.5 %	1 5.6 %	1 12.5 %	1 20 %	0 0 %	0 0 %	6 10.7 %
90-119 days	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
120 days or more	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
Don't Know/NA	4 16.7 %	7 38.9 %	2 25 %	1 20 %	0 0 %	0 0 %	14 25 %
Total	24 100 %	18 100 %	8 100 %	5 100 %	0 100 %	1 100 %	56 100 %

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From Appendix G: Survey of Business Owners

Table 11: On average, how many employees and regular independent contractors does your company keep on the payroll, including full-time and part-time staff? (Number of Employees)

	Owners' Minority Status						Total
	Non-minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
None	4 9.3 %	2 4.9 %	5 15.2 %	0 0 %	0 0 %	0 0 %	11 8.6 %
1-10	22 51.2 %	24 58.5 %	25 75.8 %	3 50 %	1 100 %	2 50 %	77 60.2 %
11-30	10 23.3 %	11 26.8 %	3 9.1 %	1 16.7 %	0 0 %	1 25 %	26 20.3 %
31-50	0 0 %	0 0 %	0 0 %	1 16.7 %	0 0 %	0 0 %	1 0.8 %
51-75	0 0 %	1 2.4 %	0 0 %	1 16.7 %	0 0 %	0 0 %	2 1.6 %
76-100	1 2.3 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 0.8 %
101-300	3 7 %	2 4.9 %	0 0 %	0 0 %	0 0 %	0 0 %	5 3.9 %
Over 300	3 7 %	1 2.4 %	0 0 %	0 0 %	0 0 %	1 25 %	5 3.9 %
Total	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

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E. Perceptions and Barriers to Doing Work with the City of Toledo

Anecdotal data collected for the Study has shown that, for some, the process of bidding for projects with the City of Toledo creates barriers to entry. Several participants expressed that the City of Toledo's proposal process and project structure do not seem to be geared toward generating participation from small and minority businesses. The primary concern across our data collection methods was that the bidding process is seen by some as confusing, time consuming, and as creating unfair competition against bigger companies.

Participants felt that proposing with Toledo can be prohibitive because bid packages usually take a very long time to complete and require resources and labor that small and minority businesses struggle to access. They see themselves in a disadvantage compared to larger firms that usually have designated staff whose purpose is to work on bidding for projects. Vendors feel as though this is a barrier for them to win projects with the City, and sometimes deters them from bidding. One African American business owner talked about this during an anecdotal interview *"When you bid against companies that have been around for a long time, it is hard to put on a package that is comparable to those big firms. They have a division that focus only on proposals, whereas small firms have one person working on these bids."* He feels as though there is an unfair competition with larger firms that have greater resources and time to put a competitive bid package.

Another business owner in an anecdotal interview also touched on this subject. As a business owner, he feels that he does not have enough time to create a competitive proposal for projects. *"Contracts are too long to bid, being a small business and running a business on my own, I do not have time to do all the paperwork required to bid on a project."* The length of paperwork that needs to be done to complete a bid package, is a barrier for small businesses, that might not have enough time and resources to create a competitive bid package. In the Survey of Business Owners, the question *"The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Toledo?."* 19.5% (n=25) participants responded that excessive paperwork was a factor that prevented companies from bidding.

From Appendix G: Survey of Business Owners

Table 35: The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for City of Toledo? (check all that apply) [Excessive paperwork]

	Owners' Minority Status						Total
	Non-minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	33 76.7 %	34 82.9 %	28 84.8 %	5 83.3 %	0 0 %	3 75 %	103 80.5 %
Selected	10 23.3 %	7 17.1 %	5 15.2 %	1 16.7 %	1 100 %	1 25 %	25 19.5 %
Total	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

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Additionally, participants felt that the scope of work for some of the projects are too broad, and that only a large company could bid for them. Participants agree that projects should be broken down into smaller part in order to allow multiple smaller firms to work on projects. The issue with projects with a broad scope of work, is that usually leaves small and minority businesses behind, and does not give them an opportunity to take on larger projects where the money is at. One Latino business owner talked about this issue during an anecdotal interview. *“Large projects should be broken down into smaller parts and be awarded to different smaller companies, instead of providing a big project to just one big company.”* He feels that by breaking down the scope of work, it would give opportunity to more small business to bid on projects and get a change to work with the City.

In addition to the broad scope of work, some vendors felt that the RFPs are sometimes written for big companies. This creates an immediate exclusion of small and minority businesses from winning certain projects. Furthermore, vendors believe that the RFPs are often confusing and are written by city employees that do not have experience in the type of work that is needed. Which results in RFPs not being specific enough for projects, leading to confusion when creating a bid package. During an anecdotal interview, an African American business owner touched on this issue, *“There seems to be a disconnect on how proposals are written to do a certain job. They are tailored by the governments without a consultation expert on what it takes to do a certain job.”* Participants feel as though that RFPs should be written with consultation

from matter experts, to ensure a more detailed and accurate RFP, preventing confusion on the part of the proposer and refining the scope of work.

Some vendors also expressed that they do not receive support from the City when they have questions about bids and suggested that the City of Toledo improve its communication with vendors and provide assistance when bidding for projects. An African American business owner talked about this during an anecdotal interview, “[the] actual proposal generated a lot of questions, it made it difficult to respond. If something is not clear, you respond based on what you think, and that opens a chance of guessing wrong.” This topic also came up during one of the focus groups. Once focus group participant shared the following, “There is not a lot of information provided about the bidding process. The City needs to be better about educating the public about details on the bidding process.”

Competing with large firms was an area of concern for many vendors as well. In the Survey of Business Owners, the question ““The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Toledo?” 16.4% (n=21) of participants selected that “unfair competition with large firms” was a factor that prevented companies from bidding and getting projects awarded in the City of Toledo (See Table 50 from Appendix G: Survey of Business Owners).

From Appendix G: Survey of Business Owners							
Table 50: Unfair competition with large firms							
	Owners' Minority Status						Total
	Non-minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	40 93 %	37 90.2 %	20 60.6 %	5 83.3 %	1 100 %	4 100 %	107 83.6 %
Selected	3 7 %	4 9.8 %	13 39.4 %	1 16.7 %	0 0 %	0 0 %	21 16.4 %
Total	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

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One of the factors for this unfair competition may be that larger firms are more established and several MWBEs felt that, since their large competitors are already established in the City, it is harder for small firms to get a foot in the door. An African American business owner, talked about this issue in an anecdotal

interview *“The reality of the situation is that we are having to compete with companies that have been doing business with the City for over 100 years. So, they have this relationship for decades, which puts them in advantage.”* He feels as though this creates a barrier for MWBE to get a foot in the door.

There appears to be a frustration among small and minority business owners who responded in our various methods of data collection. They feel that they are not getting the work that they deserve because they are competing with larger firms and expressed a feeling of being left out and left with less desirable projects. Small and Minority firms feel that there should be a more equal process when it comes to smaller firms competing against bigger firms. A Woman African American business owner described this issue during a focus group,

“It is difficult for MWBEs and small business to get their foot on the door. Sometimes they end up with less desirable jobs that no one else wants to do. They need a chance to prove that they’re not just a business that formed with no real plan.”

Another focus group participant, an African American business owner, said that they “spend a lot of time chasing crumbs” on smaller projects, when the “big money” is going to large firms. Compounding a sense of unfairness is a prevailing impression that those large firms that are regularly contracting with the City of Toledo are not local. An African American business owner touched on this subject during an anecdotal interview.

“There must be RFPs going out for the type of work that we do, but somehow, they are only going to big companies that may not even have local offices. We shouldn’t have to get just the scrap of work that is left over.”

These frustrations at a seeming lack of mobility within the City of Toledo’s contracting landscape may be mitigated by efforts on the part of the City to ease the contracting process through smaller scopes of work or breaking down large contracts, a simplified bidding process, and a focus on generating local participation.

F. Registration and Certification Process

A theme that wove throughout the anecdotal data collection process were the challenges business owners were facing in the City of Toledo’s certification process. Participants felt frustrated with the length of the process to get a certification, and the amount of work needed to do to get certified. They also shared frustration that they could not get certified with the City, even if they were already certified with the State of Ohio and other jurisdictions, indicating that firms may be receptive to a reciprocal certification scheme.

In the Survey of Business Owners, we asked the participants about registering with the City. To the question *“Is your company registered to do business with the City of Toledo?”* 68% (n=87) responded that they were registered, 24.1% (n=31) said that they were not sure if they were registered and 7.8% (n=10) responded

that they were not registered. Although there are a majority of respondents registered as vendors, there was a significant percentage of those who were not registered or were not aware of registration status.

From Appendix G: Survey of Business Owners

Table 16: Is your company registered to do business with City of Toledo?

	<i>Owners' Minority Status</i>						Total
	Non-minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Yes	29 67.4 %	26 63.4 %	23 69.7 %	6 100 %	0 0 %	3 75 %	87 68 %
No	3 7 %	4 9.8 %	3 9.1 %	0 0 %	0 0 %	0 0 %	10 7.8 %
Not sure	11 25.6 %	11 26.8 %	7 21.2 %	0 0 %	1 100 %	1 25 %	31 24.2 %
Total	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

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In the Survey of Business Owners, we also asked whether the businesses were registered with any other government entity. “*Is your company registered to do business with any other government entity such as: State of Ohio, Ohio DOT, City of Detroit?*” The results are shown on Table 17 from Appendix G: Survey of Business Owners below, 72.7% (n=93) responded yes, and 27.3% (n=35) responded no. This aligns with the anecdotal evidence that we found. Many participants in the anecdotal data collection agreed that they were registered with the City of Toledo and the State of Ohio, however they found it a very difficult and time-consuming process to register with the City of Toledo compared to the State registration.

From Appendix G: Survey of Business Owners

Table 17: Is your company registered to do business with any other government entity (including but not limited to): City of Toledo, State of Ohio, Ohio DOT, City of Detroit.

	Owners' Minority Status						Total
	Non-minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Yes	34 79.1 %	29 70.7 %	20 60.6 %	5 83.3 %	1 100 %	4 100 %	93 72.7 %
No	9 20.9 %	12 29.3 %	13 39.4 %	1 16.7 %	0 0 %	0 0 %	35 27.3 %
Total	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

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The Survey also asked more detailed questions about the reasoning for not registering for the participants that responded no. From the people that were not registered, the main reasons were the following: 30% (n=3) did not know how to register, 40% (n=4) did not know a register existed, 30% did not see any benefit in registering, 30% did not see opportunities in their field of work, and 30% did not believe that their firm would be awarded a contract from registering their business. The results for these questions in the survey of business owners can be found in Appendix G.

In our anecdotal data collection, we were able to gather more information on those vendors that were certified with the City of Toledo, and their perceptions on that process. Many believe that the process is harder than it should be, and there is a great amount of paperwork and verification that needs to be done. In one of our focus groups, a Woman business owner explained her experience with Toledo’s certification process the *“process of becoming a certified minority supplier is not as smooth as it could be. It is difficult to keep track of all the different requirements.”* Another focus group participant agreed with that statement, and added that it was hard for her, as an Asian American business owner to get certified. The City made her get proof of her ethnicity, which proved to be very difficult. *“My certification process was difficult, and I felt that I was put “through the wringer.” I had to go back generations in my family to prove my ethnicity.*

In the same focus group, an African American business owner agreed with the previous statement and stated that there is too much paperwork and red tape to get certified. *“The City should also reduce the amount of paperwork and red tape required to submit bids, and they should allow cross certification. Business already has to be certified by the State of Ohio and all different cities.”* Many believe that if they

are already registered to do business with the State of Ohio, that should be enough to be certified with the City of Toledo. The long and strenuous certification process seems like a barrier for MWBEs to get business with the City of Toledo.

There seems to be a need to increase communication about the certification process with the City of Toledo and get more MWBEs certified. Additionally, it would be important for the City to explain the process of certification to its vendors and take a deeper look at the process and identify some barriers that might be making it challenging for MWBEs to register. This will have a tremendous impact for MWBEs as it will increase certifications and will allow more MWBEs to be a part of the City of Toledo procurement process. Organizations in the area like the state-funded Minority Business Assistance Center have staff available to provide certification assistance as well as advocacy and other business aid.

G. Big Companies Circumventing MWBE Goals

The City of Toledo has minority and women business enterprise (“MWBE”) goals on its projects, which is an opportunity for MWBE firms to participate in projects within the City. Usually, prime contractors contact MWBE firms in order to partner with them on projects, and therefore fulfill the MWBE goals. Although the MWBE program and goals are a useful initiative to gain minority and women owned business participation, the collection of anecdotal data for this Study revealed some concerns and frustrations among participants in the program. Specifically, MWBE vendors expressed concerns that larger companies acting as prime contractors with the City were circumventing MWBE goals, leaving MWBE firms behind.

In the Survey of Business Owners, there were questions asked about MWBEs working as subcontractors to fulfill MWBE goals. The first statement was “*Sometimes, a prime contractor will contact a Minority, Woman, Disadvantaged or Small business to ask for quotes, but never give the proposal sufficient review to consider giving the firm that award.*” In Table 104 from Appendix G: Survey of Business Owners below, there are the results for this statement. 12.3% (n=15) strongly agreed with the statement. 13.9 % (n=17) agreed with the statement and 60.7% (n=74) neither agreed nor disagreed.

From Appendix G: Survey of Business Owners

Table 104: Sometimes, a prime contractor will contact a Minority, Woman, Disadvantaged or Small business to ask for quotes but never give the proposal sufficient review to consider giving that firm the award.

	Owners' Minority Status						Total
	Non-minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multiracial	
Strongly agree	2 5.1 %	3 7.5 %	10 30.3 %	0 0 %	0 0 %	0 0 %	15 12.3 %
Agree	2 5.1 %	4 10 %	7 21.2 %	2 40 %	0 0 %	2 50 %	17 13.9 %
Neither agree nor disagree	27 69.2 %	30 75 %	13 39.4 %	2 40 %	1 100 %	1 25 %	74 60.7 %
Disagree	3 7.7 %	2 5 %	1 3 %	1 20 %	0 0 %	1 25 %	8 6.6 %
Strongly disagree	5 12.8 %	1 2.5 %	2 6.1 %	0 0 %	0 0 %	0 0 %	8 6.6 %
Total	39 100 %	40 100 %	33 100 %	5 100 %	1 100 %	4 100 %	122 100 %

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In another statement in the Survey of Business Owners it stated “Sometimes, a prime contractor will include a MWBE on a bid to meet participation goals, then drop the company as a subcontractor after winning the award.” In Table 105 from Appendix G: Survey of Business Owners below illustrates the results where 11.5% (n=14) strongly agreed to this statement, 11.5% (n=14) agreed with the statement, and 66.4% (n=74) neither agreed nor disagreed with the statement. Therefore 23% of business owners believe that prime contractors do not adhere to their agreement to participate in a project after it has been awarded.

From Appendix G: Survey of Business Owners

Table 105: Sometimes, a prime contractor will include a Minority, Woman, Disadvantaged or Small subcontractor on a bid to meet participation goals, then drop the company as a subcontractor after winning the award.

	Owners' Minority Status						Total
	Non-minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Strongly agree	1 2.6 %	2 5 %	10 30.3 %	0 0 %	0 0 %	1 25 %	14 11.5 %
Agree	2 5.1 %	4 10 %	7 21.2 %	1 20 %	0 0 %	0 0 %	14 11.5 %
Neither agree nor disagree	28 71.8 %	32 80 %	15 45.5 %	3 60 %	1 100 %	2 50 %	81 66.4 %
Disagree	3 7.7 %	2 5 %	0 0 %	1 20 %	0 0 %	1 25 %	7 5.7 %
Strongly disagree	5 12.8 %	0 0 %	1 3 %	0 0 %	0 0 %	0 0 %	6 4.9 %
Total	39 100 %	40 100 %	33 100 %	5 100 %	1 100 %	4 100 %	122 100 %

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In response to another statement presented in the survey of business owners “*I believe that some non-MWBE prime contractors only utilize MWBE companies when required to do so by City of Toledo,*” Table 106 from Appendix G: Survey of Business Owners below illustrates the results, where 16.4% (n=20) strongly agreed with the statement. 24.6% (n=30) agreed with the statement, 50% (n=60) neither agreed nor disagreed with the statement. Meaning that 42.8% of participants agreed that non-MWBE prime contractors will only contact MWBE companies as a way to fulfill the Good Faith Efforts required by the City of Toledo.

From Appendix G: Survey of Business Owners

Table 106: I believe that some non- MWBE prime contractors only utilize MWBE companies when required to do so by City of Toledo.

	Owners' Minority Status						Total
	Non-minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Strongly agree	2 5.1 %	4 10 %	12 36.4 %	1 20 %	0 0 %	1 25 %	20 16.4 %
Agree	8 20.5 %	8 20 %	10 30.3 %	2 40 %	0 0 %	2 50 %	30 24.6 %
Neither agree nor disagree	22 56.4 %	28 70 %	8 24.2 %	2 40 %	1 100 %	0 0 %	61 50 %
Disagree	4 10.3 %	0 0 %	1 3 %	0 0 %	0 0 %	1 25 %	6 4.9 %
Strongly disagree	3 7.7 %	0 0 %	2 6.1 %	0 0 %	0 0 %	0 0 %	5 4.1 %
Total	39 100 %	40 100 %	33 100 %	5 100 %	1 100 %	4 100 %	122 100 %

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In response to a sentiment presented in the survey stating, “Prime Contractors do not communicate timely for my small business to respond,” and illustrated in the table below, 8.3% (n=10) of participants strongly agreed with that statement. 13.2% (n=16) of participants agreed with the statement and 59.2% of participants neither agreed nor disagreed with that statement. There are different opinions about this statement, however, 21.5% agree that prime contractors usually contact in the last minute for a project.

From Appendix G: Survey of Business Owners

Table 108: Prime contractors do not communicate timely for my small business to respond.

	Owners' Minority Status						Total
	Non-minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Strongly agree	0 0 %	2 5 %	8 25 %	0 0 %	0 0 %	0 0 %	10 8.3 %
Agree	2 5.1 %	6 15 %	7 21.9 %	1 20 %	0 0 %	0 0 %	16 13.2 %
Neither agree nor disagree	26 66.7 %	26 65 %	15 46.9 %	2 40 %	1 100 %	2 50 %	72 59.5 %
Disagree	7 17.9 %	6 15 %	1 3.1 %	2 40 %	0 0 %	2 50 %	18 14.9 %
Strongly disagree	4 10.3 %	0 0 %	1 3.1 %	0 0 %	0 0 %	0 0 %	5 4.1 %
Total	39 100 %	40 100 %	32 100 %	5 100 %	1 100 %	4 100 %	121 100 %

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The Survey of Business Owners shows several issues related to prime contractors' adherence to the program guidelines and engagement of MWBEs. Chief among them were a lack of timely communication, not following up on their contract, and not wanting to communicate with MWBEs unless it is a project requirement. This data gathered is complementary to that collected in other methods of anecdotal engagement.

Participants in the anecdotal data collection shared that they had issues subcontracting with prime contractors because they would reach out to them with very short notice. An African American business owner touched on this issue during an anecdotal interview. "There were instances where we were asked to be a part of a project for MWBE goals, but it was last minute. We had four days to prepare for a bid, so we had to back out." Due to the short notices that they sometimes get from contractors, they do not have the capacity to put together a bid, which leads them to have to withdraw from an opportunity. A Latino

business owner also shared similar experiences during an anecdotal interview. *“As a small firm, we don’t have the time, resources, and staff to complete everything that is needed to be a subcontractor when they [prime contractors] ask for it last minute.”* This business owner also had experiences with prime contractors reaching out to them last minute. He agrees, that as a small firm, they do not have the time and resources to put together a bid with short notice. This issue was also brought up during a focus group, when a Woman business owner expressed that *“The opportunities for subcontracting, they are needed right away, and sometimes we don’t have enough time to prepare everything for bidding.”* Business owners agree that there should be more time provided to them to complete a bid as a subcontractor

MWBE firms indicated that they are not able to get all the paperwork done in time and submit it when contacted on short notice, and a put in a position of having to decline such opportunities when there is not enough time to prepare for the bid. Some respondents believe that this is a way for prime contractors to show that they have done their part on Good Faith Efforts, and it is a tactic that they use to circumvent the goals. An African American business owner explained this during an anecdotal interview. *“On their side [prime contractors], they do it last minute to say that they made a good faith effort to get those MWBE firms, to me that is shady, and it covers their backs.”* This is a reoccurring issue, that many MWBE and small business face, working as a subcontractor in the City of Toledo.

Another issue that participants have faced when working with prime contractors, is that they will not notify the subcontractor when the award is won. There were experiences where the subcontractor does not work on the job, because they were not notified that they won the bid. This Asian American Woman business owner shares her experience around this issue:

“They [prime contractor] added me to their contract in their proposal in order to meet the 15% requirement, but once they were awarded the contract, they did not notify me. I had to look into it myself to find out they got the contract, and they told me they didn't have any work with me.”

Another participant in focus group also shared their thoughts and perception on this issue working as a subcontractor:

“There's a loophole in the contract that allows the prime contractor to not have to do the 15% MWBE/WBE requirement. It takes a lot of time to follow up on all this to see if the prime was awarded the contract but left them out, and once she did that in this situation, no one seemed to care or to think it was wrong. They [City of Toledo] were already aware of it and didn't try to make it right to uphold the integrity of the MWBE program.”

Additionally, many MWBE firms do not know if big companies actually reach out to MWBE subcontractors and fulfill the MWBE goals. They feel as though there is not enough enforcement by the City of Toledo on the MWBE goals and Good Faith Efforts. An African American business owner shared their thoughts on the matter during a focus group. *“We never get contact on anything to fulfill the MWBE qualifications. We don’t know if those big firms actually met those goals. It would be nice to know that”*

Insofar as such efforts to circumvent MWBE goals can be monitored or prevented, they should be addressed by the City of Toledo as it can pose a significant barrier and exclude MWBE firms for whom the program should be a useful opportunity to work with the City. A re-evaluation of Good Faith Efforts policies in light of potential strategies to circumvent, as well as a robust system for reporting and enforcement may go a long way to alleviate the pressures felt by the respondents to this Study.

H. Communication, Outreach and Visibility

Communication, Outreach and Visibility is a theme that arose throughout the discussions and anecdotal data collections. Vendors feel as though there is not much communication between vendors and City of Toledo procurement staff, and it is something that needs to be improved. It is a thread that runs through other issues, such as those regarding PlanetBids—where some vendors feel that the City staff does not appropriately answer questions—and the bidding process, where they expressed a concern about hearing back after proposals. Some in the business community feel that the City of Toledo does not know their local and small and MWBE business well enough and expressed a desire for the City to have more involvement and get to know their vendors better. This would not only be beneficial for networking, but also as a way for the City to understand their MWBE vendor’s needs. One recurring assertion among participants was the need for City of Toledo to engage more with their local MWBE vendors. They believe that the City does not know their vendors well, which is why it is challenging for MWBEs to get jobs in the City. An African American businesswoman in the City of Toledo, commented on this issue in a focus group.

“Get to know the companies, get to know the barriers that they have, and understand how they can improve to include these companies.”

Some believe that they are overlooked because the City is not aware of their existence as MWBEs in the marketplace. As one African American business owner shared their perspective of this in a public hearing:

“We [MWBEs] are almost like a neglected pool or an afterthought, The city needs to reconsider the way it engages with vendors and utilized our input and our experience and include us in their development and how they plan their innovations.”

He believes that the City needs to have a different approach when engaging with MWBEs and small business in the City of Toledo. He also added the City tends to “drop in without really understanding the landscape and the community impact” and that local organizations “are hardly being recognized or engaged.” Vendors feel as that if the City engages with and learns from the experiences of their local businesses, they can get a better sense of their barriers and how they can improve their processes of inclusion. Participants talked about creating meet and greets and networking nights, which will be a great way for the City staff to get to know their vendors. An African American public hearing participant spoke on this matter:

“It would be helpful for the City of gather their vendors and talk about their upcoming projects for minority owned businesses. This would bring in more vendors if the City is showing the upcoming projects.”

In discussions about PlanetBids and general bidding process, many participants mentioned that they often had questions, needed help or technical assistance from the City of Toledo, but did not receive adequate help. A Woman business owner talked about providing technical assistance to vendors during a focus group, saying that it would be “a tremendous help.” In addition to issues with technical assistance, some participants never got a response to their questions about bidding. Participants feel as that the City of Toledo needs to improve its communication methods with the community.

It is crucial to the creation of an inclusive marketplace for entities such as the City of Toledo to have quality and constant communication with vendors and to be available to questions and provide assistance with bidding and certifications. This accessibility can be instrumental to MWBEs receiving awards for projects and becoming key performers for the City. Additionally, it promotes transparency, which is very important to efficient and cost-effective procurement, and to the confidence of business owners in the process.

Outreach to vendors is essential to these outcomes. Participants indicated that the City of Toledo could improve its outreach and visibility strategies, and some noted that there are multiple resources for MWBEs that the broader community does not know about, and it is the responsibility of the City of Toledo to spread that information. An African American business owner spoke on this in a focus group, *“The city needs to be more aware of the local resources that are available and invite these businesses to develop and plan projects with the City.”* Another African American business owner talked about this matter during an anecdotal interview, stating that the *“Office of diversity and Inclusion needs to do a better job with outreach. It would be a great opportunity to get to know MWBE[s] and...the work that they do”*. By getting to know the local businesses in the area, it could open doors and opportunities for small and MWBE businesses in the City of Toledo to work with the City.

I. Conclusion

The purpose of this anecdotal chapter of the Study has been to compile and analyze the anecdotal evidence collected throughout the Study Period. This evidence was collected in an effort to engage the business community in the Study, obtain feedback on the City of Toledo’s procurement and contracting processes, to illustrate, support, or otherwise explain the findings of the statistical analysis, and to provide insight into the marketplace as experienced by business owners who seek to or are currently contracting with the City. In this anecdotal analysis, data was collected from interviews, focus groups and public hearings as well as the Survey of Business Owners and presented thematically based on the recurrence of responses across data-gathering methods.

The anecdotal findings presented in this chapter highlight some of the barriers that may prevent small and MWBE businesses from participating in the City of Toledo’s procurement process. These barriers, however, are able to be rectified and reveal the achievable room for improvement in the inclusion of small and MWBE businesses in the City of Toledo’s procurement process and practices. There are major themes that emerged in our anecdotal findings that can be seen as a major barrier for small and MWBE businesses to engage with the City of Toledo’s procurement. The major barriers were identified as established informal networks, PlanetBids, prompt pay, prime contractors circumventing participation goals, perceptions on bidding process, certification process, issues with communication, outreach, and visibility.

The conclusion from all of these themes, is there it seems to be a frustration among MWBE vendors in the City of Toledo, about how some procurement practices are being conducted, and they feel as though they are excluded from the procurement process at times. This may cause MWBE firms to be less involved in City of Toledo projects as they do not feel that they can compete with larger, highly resourced firms.

Throughout various methods of engaging participants, the Study team noted the perception among MWBEs and small businesses, that large firms have an unfair advantage in getting work with the City of Toledo due multiple factors, such as informal networks, long and strenuous bidding process, issues with communication, and circumvention of MWBE goals. As noted by multiple participants, the policies that are in place to prevent these occurrences and barriers are not always effective on the ground, and they pointed to a need for stricter enforcement, particularly of policies that are intended to manage the compliance of prime contractors.

Barriers in the bidding process were also highlighted as a particular issue for MWBE firms attempting to do business with the City. Firms cited lack of communication during and after the proposal process, difficulty understanding PlanetBids, long and strenuous bid packages. City of Toledo vendors that participated in our anecdotal collection felt that the bidding process required too much time, focus and staffing resources for small businesses to take on. Vendors that participated in the Study would like to see bids that require less paperwork, and that can be done in a short period of time. By allowing this, small and MWBE firms would have a greater opportunity to bid for City of Toledo projects and have a greater chance to win them. In addition to the difficulties of putting together a bid package, there was concern about the lack of communication from the City on project bids. Vendors say that they usually have questions about the bids that are not answered by City staff. The lack of response seems to be when questions are asked through PlanetBids. Furthermore, several vendors stated that it is hard to understand the system, and they never know if their bid was submitted. The experience from vendor around the lack of communication between City staff creates a perception of lack of transparency in the procurement process. Some suggested more targeted training for vendors on the PlanetBids system and ensuring that staff are available to answer questions.

Throughout the anecdotal data collection, members of the MWBE vendor community spoke of ways to improve the process so they would feel more included and that would allow for more MWBE firms to conduct business with the City of Toledo. Some improvements that were suggested were for the City of Toledo to increase outreach and visibility in the form of networking events, public hearings, and pre-bid meetings. Vendors perceive that these efforts will provide an opportunity for City of Toledo staff to learn more about their MWBE firms, and hopefully create stronger ties with the community. Additionally, consistent public hearings would enable City staff to hear about potential challenges and barriers that the community is facing, and hopefully improve practices. The findings from this analysis will be included in the Findings and Recommendations chapter of this Study, which will include vendors' useful suggestions to assist Toledo in its efforts to increase and improve small, minority, and women-owned business participation.



APPENDIX A
DETAILED RELEVANT MARKET
ANALYSIS
(BY COUNTY)

APPENDIX A: DETAILED RELEVANT MARKET ANALYSIS BY CITY PRIME SPEND

The tables in Appendix A (Tables A-1 through A5) present the dollar value of awards by counties for all Toledo prime spending, broken down by the five procurement categories. The top twenty counties are arranged from the highest dollar value to the lowest dollar value. The first percentage column is the percentage of Toledo prime spending with firms in that county and the last column is the cumulative percentage of Toledo spending with firms for that county and the counties above it. The counties highlighted in orange are the relevant market for the study.

Table A-1

Toledo Disparity Study

Prime Construction by Counties

(Using Payment Dollars, FY 2015-2019)

	County, State	Amount	Percent	Cumulative Percent
MSA	Lucas County OH	\$ 739,405,526.15	73.75%	73.75%
MSA	Fulton County OH	\$ 48,418,050.74	4.83%	78.58%
MSA	Wood County OH	\$ 24,601,431.59	2.45%	81.04%
MSA	Ottawa County OH	\$ 757,935.80	0.08%	81.11%
CSA	Sandusky County OH	\$ 24,729.00	0.00%	81.11%
	Cuyahoga County OH	\$ 128,711,891.57	12.84%	93.95%
	Franklin County OH	\$ 67,104.03	0.01%	93.96%
	Henry County OH	\$ 9,213,665.94	0.92%	94.88%
	Hamilton County OH	\$ 3,024.82	0.00%	94.88%
	Huron County OH	\$ 5,384,263.14	0.54%	95.42%
	Williams County OH	\$ 3,005,836.00	0.30%	95.72%
	Mahoning County OH	\$ 1,101,130.00	0.11%	95.83%
	Union County OH	\$ 158,706.30	0.02%	95.84%
	Medina County OH	\$ 23,690.00	0.00%	95.84%
	Defiance County OH	\$ 1,407.84	0.00%	95.84%
	Monroe County MI	\$ 13,329,543.30	1.33%	97.17%
	Wayne County MI	\$ 4,254,044.50	0.42%	97.60%
	Oakland County MI	\$ 3,572,619.18	0.36%	97.95%
	Macomb County MI	\$ 3,190,864.04	0.32%	98.27%
	Washtenaw County MI	\$ 38,000.00	0.00%	98.28%

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Table A-2

Toledo Disparity Study

Prime A&E by Counties

(Using Payment Dollars, FY 2015-2019)

	County, State	Amount	Percent	Cumulative Percent
MSA	Lucas County OH	\$ 93,244,005.46	87.79%	87.79%
MSA	Wood County OH	\$ 511,230.77	0.48%	88.27%
MSA	Ottawa County OH	\$ 27,155.00	0.03%	88.30%
	Summit County OH	\$ 66,740.58	0.06%	88.36%
	Franklin County OH	\$ 2,215,043.52	2.09%	90.45%
	Greene County OH	\$ 1,048,162.58	0.99%	91.43%
	Delaware County OH	\$ 125,012.25	0.12%	91.55%
	Mahoning County OH	\$ 43,440.00	0.04%	91.59%
	Medina County OH	\$ 22,991.00	0.02%	91.61%
	Meigs County OH	\$ 19,440.00	0.02%	91.63%
	Montgomery County OH	\$ 11,510.00	0.01%	91.64%
	Hamilton County OH	\$ 6,809.90	0.01%	91.65%
	Wayne County OH	\$ 3,450.00	0.00%	91.65%
	Cuyahoga County OH	\$ 6,480.00	0.01%	91.66%
	Washtenaw County MI	\$ 916,985.65	0.86%	92.52%
	Wayne County MI	\$ 597,787.60	0.56%	93.08%
	Oakland County MI	\$ 12,300.00	0.01%	93.10%
	Macomb County MI	\$ 5,503.20	0.01%	93.10%
	San Diego County CA	\$ 1,714,000.00	1.61%	94.71%
	Allegheny County PA	\$ 1,469,838.28	1.38%	96.10%

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Table A-3
Toledo Disparity Study
Prime Professional Services by Counties
(Using Payment Dollars, FY 2015-2019)

	County, State	Amount	Percent	Cumulative Percent
MSA	Lucas County OH	\$ 10,163,557.81	42.91%	42.91%
MSA	Wood County OH	\$ 496,524.12	2.10%	45.01%
CSA	Hancock County OH	\$ 478,099.60	2.02%	47.03%
	Medina County OH	\$ 1,727,160.16	7.29%	54.32%
	Franklin County OH	\$ 830,134.84	3.50%	57.82%
	Allen County OH	\$ 217,887.96	0.92%	58.74%
	Marion County OH	\$ 236,384.10	1.00%	59.74%
	Summit County OH	\$ 191,884.72	0.81%	60.55%
	Montgomery County OH	\$ 55,173.85	0.23%	60.79%
	Cuyahoga County OH	\$ 46,255.84	0.20%	60.98%
	Stark County OH	\$ 20,300.00	0.09%	61.07%
	Hamilton County OH	\$ 9,632.00	0.04%	61.11%
	Lake County OH	\$ 8,384.00	0.04%	61.14%
	Middlesex County OH	\$ 1,640.00	0.01%	61.15%
	Ingham County MI	\$ 2,589,239.13	10.93%	72.08%
	Wayne County MI	\$ 1,380,697.22	5.83%	77.91%
	Lenawee County MI	\$ 89,200.00	0.38%	78.29%
	Monroe County MI	\$ 19,456.00	0.08%	78.37%
	Grand Traverse County MI	\$ 10,250.00	0.04%	78.41%
	Shiawassee County MI	\$ 5,140.00	0.02%	78.44%

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Table A-4

Toledo Disparity Study

Prime Other Services by Counties

(Using Payment Dollars, FY 2015-2019)

	County, State	Amount	Percent	Cumulative Percent
MSA	Lucas County OH	\$92,476,951.18	74.87%	74.87%
MSA	Wood County OH	\$ 3,882,632.87	3.14%	78.01%
MSA	Ottawa County OH	\$ 483,854.90	0.39%	78.40%
MSA	Fulton County GA	\$ 135,136.26	0.11%	78.51%
CSA	Seneca County OH	\$ 575,741.04	0.47%	78.98%
CSA	Sandusky County OH	\$ 31,838.36	0.03%	79.00%
CSA	Hancock County OH	\$ 7,000.00	0.01%	79.01%
	Montgomery County OH	\$ 3,363,972.78	2.72%	81.73%
	Cuyahoga County OH	\$ 921,680.60	0.75%	82.48%
	Stark County OH	\$ 699,054.29	0.57%	83.04%
	Franklin County OH	\$ 263,812.42	0.21%	83.26%
	Fulton County OH	\$ 196,940.00	0.16%	83.42%
	Trumbull County OH	\$ 195,872.00	0.16%	83.58%
	Summit County OH	\$ 195,261.63	0.16%	83.73%
	Allen County OH	\$ 191,985.04	0.16%	83.89%
	Medina County OH	\$ 131,418.12	0.11%	84.00%
	Greene County OH	\$ 81,945.92	0.07%	84.06%
	Lake County OH	\$ 66,590.00	0.05%	84.12%
	Auglaize County OH	\$ 60,526.00	0.05%	84.17%
	Huron County OH	\$ 32,004.00	0.03%	84.19%

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Table A-5

Toledo Disparity Study

Prime Good by Counties

(Using Payment Dollars, FY 2015-2019))

	County, State	Amount	Percent	Cumulative Percent
MSA	Lucas County OH	\$ 79,970,959.88	25.86%	25.86%
MSA	Wood County OH	\$ 23,849,747.15	7.71%	33.57%
MSA	Ottawa County OH	\$ 122,161.85	0.04%	33.61%
MSA	Fulton County OH	\$ 43,476.63	0.01%	33.62%
CSA	Sandusky County OH	\$ 12,091,336.41	3.91%	37.53%
CSA	Hancock County OH	\$ 248,615.75	0.08%	37.61%
CSA	Seneca County OH	\$ 53,427.29	0.02%	37.63%
	Hamilton County OH	\$ 15,965,254.23	5.16%	42.79%
	Summit County OH	\$ 12,532,245.86	4.05%	46.85%
	Franklin County OH	\$ 9,342,832.67	3.02%	49.87%
	Cuyahoga County OH	\$ 8,823,741.04	2.85%	52.72%
	Columbiana County OH	\$ 7,112,490.79	2.30%	55.02%
	Crawford County OH	\$ 5,858,237.02	1.89%	56.91%
	Lake County OH	\$ 4,845,003.70	1.57%	58.48%
	Auglaize County OH	\$ 4,348,058.88	1.41%	59.89%
	Stark County OH	\$ 2,663,487.19	0.86%	60.75%
	Clark County OH	\$ 2,299,914.68	0.74%	61.49%
	Portage County OH	\$ 1,776,130.70	0.57%	62.07%
	Ashland County OH	\$ 1,770,883.35	0.57%	62.64%
	Butler County OH	\$ 1,019,075.16	0.33%	62.97%

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APPENDIX B
DETAILED AVAILABILITY IN THE
RELEVANT MARKET

APPENDIX B – DETAILED AVAILABILITY IN THE RELEVANT GEOGRAPHIC MARKET

Tables B-1 through B-5 presents numbers on MWBE availability corresponding to the availability percentages in Figures 1-5 in the Quantitative Analysis chapter. The availability methodology for creating the Master Vendor table for these availability tables is contained in the Quantitative Analysis chapter.

Table B-1
Availability of Firms by Business Ownership in Market Area
Construction - Master Vendor List
Toledo Disparity Study

Vendor Ethnicity	Number of Firms	Percentage of Total Firms
African American	32	7.13%
Asian American	1	0.22%
Hispanic American	12	2.67%
Native American	2	0.45%
TOTAL MINORITY	47	10.47%
Non-Minority Woman	14	3.12%
TOTAL MWBE	61	13.59%
Non-MWBE	388	86.41%
TOTAL	449	100.00%

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Table B-2
Availability of Firms by Business Ownership in Market Area
A&E Services - Master Vendor List
Toledo Disparity Study

Vendor Ethnicity	Number of Firms	Percentage of Total Firms
African American	2	2.20%
Asian American	1	1.10%
Hispanic American	3	3.30%
Native American	1	1.10%
TOTAL MINORITY	7	7.69%
Non-Minority Woman	4	4.40%
TOTAL MWBE	11	12.09%
Non-MWBE	80	87.91%
TOTAL	91	100.00%

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Table B-3
Availability of Firms by Business Ownership in Market Area
Professional Services - Master Vendor List
Toledo Disparity Study

Vendor Ethnicity	Number of Firms	Percentage of Total Firms
African American	16	5.61%
Asian American	0	0.00%
Hispanic American	1	0.35%
Native American	2	0.70%
TOTAL MINORITY	19	6.67%
Non-Minority Woman	1	0.35%
TOTAL MWBE	20	7.02%
Non-MWBE	265	92.98%
TOTAL	285	100.00%

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Table B-4
Availability of Firms by Business Ownership in Market Area
Prime Data, Other Services - Master Vendor List
Toledo Disparity Study

Vendor Ethnicity	Number of Firms	Percentage of Total Firms
African American	57	4.70%
Asian American	2	0.16%
Hispanic American	10	0.82%
Native American	1	0.08%
TOTAL MINORITY	70	5.77%
Non-Minority Woman	9	0.74%
Unidentified MWBE	2	0.16%
TOTAL MWBE	81	6.67%
Non-MWBE	1133	93.33%
TOTAL	1214	100.00%

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Table B-5
Availability of Firms by Business Ownership in Market Area
Goods - Master Vendor List
Toledo Disparity Study

Vendor Ethnicity	Number of Firms	Percentage of Total Firms
African American	12	1.57%
Asian American	2	0.26%
Hispanic American	3	0.39%
Native American	0	0.00%
TOTAL MINORITY	17	2.23%
Non-Minority Woman	13	1.70%
Unidentified MWBE	1	0.13%
TOTAL MWBE	31	4.06%
Non-MWBE	732	95.94%
TOTAL	763	100.00%

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APPENDIX C
DETAILED DISPARITY IN THE
RELEVANT MARKET

Appendix C: Disparity Ratios

The tables in Appendix C (Tables C-1 through C-5) presents prime disparity ratios on Toledo projects by year over the Study Period, prime disparity ratios for projects less than \$500,000 (Tables C-6 through C-10), prime disparity ratios for projects less than \$1,000,000 (Tables C-11 through C-15), and disparity ratios for Total Utilization (prime plus subcontracting) for Construction, A&E and Other Services (Table C-16 through C-18).

There was underutilization in prime contracts for some MWBEs groups, however, there was overutilization of African Americans in Professional Services, Asian Americans in Goods, Hispanic Americans in Construction Services, A&E, and Other Services and Non-minority Women in Other Services.

Disparity was also examined eliminating larger prime projects. The same pattern of disparity for all MWBE groups was also found for prime payments less than \$500,000 and less than \$1 million for all procurement categories, except that Hispanic Americans were overutilized in A&E for projects less than \$500,000 and less than \$1,000,000.

For Total Utilization (prime plus subcontracting) African Americans were overutilized in Professional Services. Hispanic Americans were over utilized in all four categories, as were Non-minority Women in Other Services.

Table C-1

**Disparity Results, Relevant Market Area, Master Vendor List
Business Ownership Classification by Fiscal Year, Construction
Using Payment Dollars, FY 2016-2020
Toledo Disparity Study**

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2016	African American	1.12%	7.13%	0.16	Underutilization	*	
	Asian American	0.00%	0.22%	0.00	Underutilization	*	
	Hispanic American	29.95%	2.67%	11.21	Overutilization		
	Native American	0.00%	0.45%	0.00	Underutilization	*	
	TOTAL MINORITY	31.07%	10.47%	2.97	Overutilization		
	Non-Minority Woman	0.08%	3.12%	0.03	Underutilization	*	
	TOTAL MWBE	31.15%	13.59%	2.29	Overutilization		
TOTAL NON-MWBE	68.85%	86.41%	0.80	Underutilization	*		
2017	African American	0.55%	7.13%	0.08	Underutilization	*	
	Asian American	0.00%	0.22%	0.00	Underutilization	*	
	Hispanic American	9.51%	2.67%	3.56	Overutilization		
	Native American	0.00%	0.45%	0.00	Underutilization	*	
	TOTAL MINORITY	10.06%	10.47%	0.96	Underutilization		
	Non-Minority Woman	0.03%	3.12%	0.01	Underutilization	*	
	TOTAL MWBE	10.09%	13.59%	0.74	Underutilization	*	
TOTAL NON-MWBE	89.91%	86.41%	1.04	Overutilization			
2018	African American	0.31%	7.13%	0.04	Underutilization	*	
	Asian American	0.00%	0.22%	0.00	Underutilization	*	
	Hispanic American	15.08%	2.67%	5.64	Overutilization		
	Native American	0.00%	0.45%	0.00	Underutilization	*	
	TOTAL MINORITY	15.40%	10.47%	1.47	Overutilization		
	Non-Minority Woman	0.01%	3.12%	0.00	Underutilization	*	
	TOTAL MWBE	15.40%	13.59%	1.13	Overutilization		
TOTAL NON-MWBE	84.60%	86.41%	0.98	Underutilization			
2019	African American	0.08%	7.13%	0.01	Underutilization	*	
	Asian American	0.00%	0.22%	0.00	Underutilization	*	
	Hispanic American	13.65%	2.67%	5.11	Overutilization		
	Native American	0.00%	0.45%	0.00	Underutilization	*	
	TOTAL MINORITY	13.73%	10.47%	1.31	Overutilization		
	Non-Minority Woman	0.01%	3.12%	0.00	Underutilization	*	
	TOTAL MWBE	13.74%	13.59%	1.01	Overutilization		
TOTAL NON-MWBE	86.26%	86.41%	1.00	Underutilization			
2020	African American	0.14%	7.13%	0.02	Underutilization	*	
	Asian American	0.00%	0.22%	0.00	Underutilization	*	
	Hispanic American	9.59%	2.67%	3.59	Overutilization		
	Native American	0.00%	0.45%	0.00	Underutilization	*	
	TOTAL MINORITY	9.73%	10.47%	0.93	Underutilization		
	Non-Minority Woman	0.08%	3.12%	0.03	Underutilization	*	
	TOTAL MWBE	9.81%	13.59%	0.72	Underutilization	*	
TOTAL NON-MWBE	90.19%	86.41%	1.04	Overutilization			
TOTAL	African American	0.26%	7.13%	0.04	Underutilization	*	p <.05
	Asian American	0.00%	0.22%	0.00	Underutilization	*	Small Number
	Hispanic American	13.26%	2.67%	4.96	Overutilization		
	Native American	0.00%	0.45%	0.00	Underutilization	*	p <.05
	TOTAL MINORITY	13.52%	10.47%	1.29	Overutilization		
	Non-Minority Woman	0.03%	3.12%	0.01	Underutilization	*	p <.05
	TOTAL MWBE	13.56%	13.59%	1.00	Underutilization		Small Number
TOTAL NON-MWBE	86.44%	86.41%	1.00	Overutilization		Small Number	

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Table C-2

Disparity Results, Relevant Market Area, Master Vendor List

Business Ownership Classification by Fiscal Year, A&E

Using Payment Dollars, FY 2016-2020

Toledo Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2016	African American	2.01%	2.20%	0.91	Underutilization		
	Asian American	0.00%	1.10%	0.00	Underutilization	*	
	Hispanic American	7.38%	3.30%	2.24	Overutilization		
	Native American	0.00%	1.10%	0.00	Underutilization	*	
	TOTAL MINORITY	9.39%	7.69%	1.22	Overutilization		
	Non-Minority Woman	0.00%	4.40%	0.00	Underutilization	*	
	TOTAL MWBE	9.39%	12.09%	0.78	Underutilization	*	
	TOTAL NON-MWBE	90.61%	87.91%	1.03	Overutilization		
2017	African American	0.76%	2.20%	0.35	Underutilization	*	
	Asian American	0.00%	1.10%	0.00	Underutilization	*	
	Hispanic American	15.71%	3.30%	4.77	Overutilization		
	Native American	0.00%	1.10%	0.00	Underutilization	*	
	TOTAL MINORITY	16.47%	7.69%	2.14	Overutilization		
	Non-Minority Woman	0.00%	4.40%	0.00	Underutilization	*	
	TOTAL MWBE	16.47%	12.09%	1.36	Overutilization		
	TOTAL NON-MWBE	83.53%	87.91%	0.95	Underutilization		
2018	African American	0.09%	2.20%	0.04	Underutilization	*	
	Asian American	0.00%	1.10%	0.00	Underutilization	*	
	Hispanic American	2.71%	3.30%	0.82	Underutilization		
	Native American	0.00%	1.10%	0.00	Underutilization	*	
	TOTAL MINORITY	2.80%	7.69%	0.36	Underutilization	*	
	Non-Minority Woman	0.00%	4.40%	0.00	Underutilization	*	
	TOTAL MWBE	2.80%	12.09%	0.23	Underutilization	*	
	TOTAL NON-MWBE	97.20%	87.91%	1.11	Overutilization		
2019	African American	0.00%	2.20%	0.00	Underutilization	*	
	Asian American	0.00%	1.10%	0.00	Underutilization	*	
	Hispanic American	1.80%	3.30%	0.55	Underutilization	*	
	Native American	0.00%	1.10%	0.00	Underutilization	*	
	TOTAL MINORITY	1.80%	7.69%	0.23	Underutilization	*	
	Non-Minority Woman	0.00%	4.40%	0.00	Underutilization	*	
	TOTAL MWBE	1.80%	12.09%	0.15	Underutilization	*	
	TOTAL NON-MWBE	98.20%	87.91%	1.12	Overutilization		
2020	African American	1.12%	2.20%	0.51	Underutilization	*	
	Asian American	0.00%	1.10%	0.00	Underutilization	*	
	Hispanic American	0.82%	3.30%	0.25	Underutilization	*	
	Native American	0.00%	1.10%	0.00	Underutilization	*	
	TOTAL MINORITY	1.93%	7.69%	0.25	Underutilization	*	
	Non-Minority Woman	0.00%	4.40%	0.00	Underutilization	*	
	TOTAL MWBE	1.93%	12.09%	0.16	Underutilization	*	
	TOTAL NON-MWBE	98.07%	87.91%	1.12	Overutilization		
TOTAL	African American	0.49%	2.20%	0.22	Underutilization	*	p <.05
	Asian American	0.00%	1.10%	0.00	Underutilization	*	p <.05
	Hispanic American	3.33%	3.30%	1.01	Overutilization		Small Number
	Native American	0.00%	1.10%	0.00	Underutilization	*	p <.05
	TOTAL MINORITY	3.81%	7.69%	0.50	Underutilization	*	p <.05
	Non-Minority Woman	0.00%	4.40%	0.00	Underutilization	*	p <.05
	TOTAL MWBE	3.81%	12.09%	0.32	Underutilization	*	p <.05
	TOTAL NON-MWBE	96.19%	87.91%	1.09	Overutilization		

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Table C-3

Disparity Results, Relevant Market Area, Master Vendor List

Business Ownership Classification by Fiscal Year, Prime Professional Services

Using Payment Dollars, FY 2016-2020

Toledo Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2016	African American	0.00%	5.61%	0.00	Underutilization	*	
	Asian American	0.00%	0.00%	n/a	Parity		
	Hispanic American	0.00%	0.35%	0.00	Underutilization	*	
	Native American	0.00%	0.70%	0.00	Underutilization	*	
	TOTAL MINORITY	0.00%	6.67%	0.00	Underutilization	*	
	Non-Minority Woman	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MWBE	0.00%	7.02%	0.00	Underutilization	*	
	TOTAL NON-MWBE	100.00%	92.98%	1.08	Overutilization		
2017	African American	0.00%	5.61%	0.00	Underutilization	*	
	Asian American	0.00%	0.00%	n/a	Parity		
	Hispanic American	0.00%	0.35%	0.00	Underutilization	*	
	Native American	0.00%	0.70%	0.00	Underutilization	*	
	TOTAL MINORITY	0.00%	6.67%	0.00	Underutilization	*	
	Non-Minority Woman	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MWBE	0.00%	7.02%	0.00	Underutilization	*	
	TOTAL NON-MWBE	100.00%	92.98%	1.08	Overutilization		
2018	African American	52.58%	5.61%	9.37	Overutilization		
	Asian American	0.00%	0.00%	n/a	Parity		
	Hispanic American	0.00%	0.35%	0.00	Underutilization	*	
	Native American	0.00%	0.70%	0.00	Underutilization	*	
	TOTAL MINORITY	52.58%	6.67%	7.89	Overutilization		
	Non-Minority Woman	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MWBE	52.58%	7.02%	7.49	Overutilization		
	TOTAL NON-MWBE	47.42%	92.98%	0.51	Underutilization	*	
2019	African American	35.52%	5.61%	6.33	Overutilization		
	Asian American	0.00%	0.00%	n/a	Parity		
	Hispanic American	0.00%	0.35%	0.00	Underutilization	*	
	Native American	0.00%	0.70%	0.00	Underutilization	*	
	TOTAL MINORITY	35.52%	6.67%	5.33	Overutilization		
	Non-Minority Woman	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MWBE	35.52%	7.02%	5.06	Overutilization		
	TOTAL NON-MWBE	64.48%	92.98%	0.69	Underutilization	*	
2020	African American	43.23%	5.61%	7.70	Overutilization		
	Asian American	0.00%	0.00%	n/a	Parity		
	Hispanic American	0.00%	0.35%	0.00	Underutilization	*	
	Native American	0.00%	0.70%	0.00	Underutilization	*	
	TOTAL MINORITY	43.23%	6.67%	6.48	Overutilization		
	Non-Minority Woman	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MWBE	43.23%	7.02%	6.16	Overutilization		
	TOTAL NON-MWBE	56.77%	92.98%	0.61	Underutilization	*	
TOTAL	African American	35.65%	5.61%	6.35	Overutilization		
	Asian American	0.00%	0.00%	n/a	Parity		
	Hispanic American	0.00%	0.35%	0.00	Underutilization	*	p <.05
	Native American	0.00%	0.70%	0.00	Underutilization	*	p <.05
	TOTAL MINORITY	35.65%	6.67%	5.35	Overutilization		
	Non-Minority Woman	0.00%	0.35%	0.00	Underutilization	*	p <.05
	TOTAL MWBE	35.65%	7.02%	5.08	Overutilization		
	TOTAL NON-MWBE	64.35%	92.98%	0.69	Underutilization	*	p <.05

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Table C-4

Disparity Results, Relevant Market Area, Master Vendor List

Business Ownership Classification by Fiscal Year, Prime Other Services

Using Payment Dollars, FY 2016-2020

Toledo Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2016	African American	0.26%	4.70%	0.05	Underutilization	*	
	Asian American	0.00%	0.16%	0.00	Underutilization	*	
	Hispanic American	2.27%	0.82%	2.76	Overutilization		
	Native American	0.00%	0.08%	0.00	Underutilization	*	
	TOTAL MINORITY	2.53%	5.77%	0.44	Underutilization	*	
	Non-Minority Woman	18.04%	0.74%	24.33	Overutilization		
	Unidentified MWBE	0.00%	0.16%	0.00	Underutilization	*	
	TOTAL MWBE	20.57%	6.67%	3.08	Overutilization		
TOTAL NON-MWBE	79.43%	93.33%	0.85	Underutilization			
2017	African American	0.42%	4.70%	0.09	Underutilization	*	
	Asian American	0.00%	0.16%	0.00	Underutilization	*	
	Hispanic American	1.94%	0.82%	2.35	Overutilization		
	Native American	0.00%	0.08%	0.00	Underutilization	*	
	TOTAL MINORITY	2.36%	5.77%	0.41	Underutilization	*	
	Non-Minority Woman	8.40%	0.74%	11.34	Overutilization		
	Unidentified MWBE	0.00%	0.16%	0.00	Underutilization	*	
	TOTAL MWBE	10.76%	6.67%	1.61	Overutilization		
TOTAL NON-MWBE	89.24%	93.33%	0.96	Underutilization			
2018	African American	0.95%	4.70%	0.20	Underutilization	*	
	Asian American	0.00%	0.16%	0.00	Underutilization	*	
	Hispanic American	1.95%	0.82%	2.37	Overutilization		
	Native American	0.00%	0.08%	0.00	Underutilization	*	
	TOTAL MINORITY	2.90%	5.77%	0.50	Underutilization	*	
	Non-Minority Woman	4.74%	0.74%	6.40	Overutilization		
	Unidentified MWBE	0.00%	0.16%	0.00	Underutilization	*	
	TOTAL MWBE	7.65%	6.67%	1.15	Overutilization		
TOTAL NON-MWBE	92.35%	93.33%	0.99	Underutilization			
2019	African American	0.65%	4.70%	0.14	Underutilization	*	
	Asian American	0.00%	0.16%	0.01	Underutilization	*	
	Hispanic American	1.99%	0.82%	2.42	Overutilization		
	Native American	0.00%	0.08%	0.00	Underutilization	*	
	TOTAL MINORITY	2.64%	5.77%	0.46	Underutilization	*	
	Non-Minority Woman	5.86%	0.74%	7.91	Overutilization		
	Unidentified MWBE	0.00%	0.16%	0.00	Underutilization	*	
	TOTAL MWBE	8.51%	6.67%	1.28	Overutilization		
TOTAL NON-MWBE	91.49%	93.33%	0.98	Underutilization			
2020	African American	1.16%	4.70%	0.25	Underutilization	*	
	Asian American	0.21%	0.16%	1.28	Overutilization		
	Hispanic American	0.85%	0.82%	1.03	Overutilization		
	Native American	0.00%	0.08%	0.00	Underutilization	*	
	TOTAL MINORITY	2.22%	5.77%	0.38	Underutilization	*	
	Non-Minority Woman	9.19%	0.74%	12.39	Overutilization		
	Unidentified MWBE	0.00%	0.16%	69.23	Overutilization		
	TOTAL MWBE	11.40%	6.67%	13.28	Overutilization		
TOTAL NON-MWBE	88.60%	93.33%	n/a	Parity			
TOTAL	African American	0.77%	4.70%	0.16	Underutilization	*	p <.05
	Asian American	0.06%	0.16%	0.36	Underutilization	*	Small Number
	Hispanic American	1.69%	0.82%	2.05	Overutilization		
	Native American	0.00%	0.08%	0.00	Underutilization	*	Small Number
	TOTAL MINORITY	2.52%	5.77%	0.44	Underutilization	*	p <.05
	Non-Minority Woman	8.33%	0.74%	11.24	Overutilization		
	Unidentified MWBE	0.00%	0.16%	0.00	Underutilization	*	Small Number
	TOTAL MWBE	10.85%	6.67%	1.63	Overutilization		
TOTAL NON-MWBE	89.15%	93.33%	0.96	Underutilization		p <.05	

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Table C-5

**Disparity Results, Relevant Market Area, Master Vendor List
Business Ownership Classification by Fiscal Year, Prime Goods
Using Payment Dollars, FY 2016-2020**

Toledo Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2016	African American	0.04%	1.57%	0.03	Underutilization	*	
	Asian American	0.00%	0.26%	0.00	Underutilization	*	
	Hispanic American	0.00%	0.39%	0.00	Underutilization	*	
	Native American	0.00%	0.00%	n/a	Parity		
	TOTAL MINORITY	0.04%	2.23%	0.02	Underutilization	*	
	Non-Minority Woman	0.24%	1.70%	0.14	Underutilization	*	
	Unidentified MWBE	0.00%	0.13%	0.00	Underutilization	*	
	TOTAL MWBE	0.28%	4.06%	0.07	Underutilization	*	
TOTAL NON-MWBE	99.72%	95.94%	1.04	Overutilization			
2017	African American	0.00%	1.57%	0.00	Underutilization	*	
	Asian American	0.00%	0.26%	0.00	Underutilization	*	
	Hispanic American	0.12%	0.39%	0.30	Underutilization	*	
	Native American	0.00%	0.00%	n/a	Parity		
	TOTAL MINORITY	0.12%	2.23%	0.05	Underutilization	*	
	Non-Minority Woman	0.06%	1.70%	0.04	Underutilization	*	
	Unidentified MWBE	0.00%	0.13%	0.00	Underutilization	*	
	TOTAL MWBE	0.18%	4.06%	0.05	Underutilization	*	
TOTAL NON-MWBE	99.82%	95.94%	1.04	Overutilization			
2018	African American	0.04%	1.57%	0.03	Underutilization	*	
	Asian American	0.04%	0.26%	0.17	Underutilization	*	
	Hispanic American	0.01%	0.39%	0.01	Underutilization	*	
	Native American	0.00%	0.00%	n/a	Parity		
	TOTAL MINORITY	0.09%	2.23%	0.04	Underutilization	*	
	Non-Minority Woman	0.21%	1.70%	0.13	Underutilization	*	
	Unidentified MWBE	0.00%	0.13%	0.00	Underutilization	*	
	TOTAL MWBE	0.30%	4.06%	0.07	Underutilization	*	
TOTAL NON-MWBE	99.70%	95.94%	1.04	Overutilization			
2019	African American	0.00%	1.57%	0.00	Underutilization	*	
	Asian American	1.62%	0.26%	6.18	Overutilization		
	Hispanic American	0.00%	0.39%	0.00	Underutilization	*	
	Native American	0.00%	0.00%	n/a	Parity		
	TOTAL MINORITY	1.62%	2.23%	0.73	Underutilization	*	
	Non-Minority Woman	0.53%	1.70%	0.31	Underutilization	*	
	Unidentified MWBE	0.00%	0.13%	0.00	Underutilization	*	
	TOTAL MWBE	2.15%	4.06%	0.53	Underutilization	*	
TOTAL NON-MWBE	97.85%	95.94%	1.02	Overutilization			
2020	African American	0.00%	1.57%	0.00	Underutilization	*	
	Asian American	4.12%	0.26%	15.71	Overutilization		
	Hispanic American	0.00%	0.39%	0.00	Underutilization	*	
	Native American	0.00%	0.00%	n/a	Parity		
	TOTAL MINORITY	4.12%	2.23%	1.85	Overutilization		
	Non-Minority Woman	1.10%	1.70%	0.64	Underutilization	*	
	Unidentified MWBE	0.00%	0.13%	0.00	Underutilization	*	
	TOTAL MWBE	5.21%	4.06%	1.28	Overutilization		
TOTAL NON-MWBE	94.79%	95.94%	0.99	Underutilization			
TOTAL	African American	0.02%	1.57%	0.01	Underutilization	*	p <.05
	Asian American	1.37%	0.26%	5.23	Overutilization		
	Hispanic American	0.02%	0.39%	0.05	Underutilization	*	p <.05
	Native American	0.00%	0.00%	n/a	Parity		
	TOTAL MINORITY	1.41%	2.23%	0.63	Underutilization	*	p <.05
	Non-Minority Woman	0.48%	1.70%	0.28	Underutilization	*	p <.05
	Unidentified MWBE	0.00%	0.13%	0.00	Underutilization	*	Small Number
	TOTAL MWBE	1.88%	4.06%	0.46	Underutilization	*	p <.05
TOTAL NON-MWBE	98.12%	95.94%	1.02	Overutilization			

Griffin & Strong, P.C., 2022

Table C-6

**Disparity Results, Relevant Market Area, Master Vendor List
Business Ownership Classification by Fiscal Year, Construction**

Using Awards Dollars, FY 2016-2020, Less than \$500,000

Toledo Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2016	African American	4.97%	7.13%	0.70	Underutilization	*	
	Asian American	0.00%	0.22%	0.00	Underutilization	*	
	Hispanic American	8.24%	2.67%	3.08	Overutilization		
	Native American	0.00%	0.45%	0.00	Underutilization	*	
	TOTAL MINORITY	13.21%	10.47%	1.26	Overutilization		
	Non-Minority Woman	0.30%	3.12%	0.10	Underutilization	*	
	TOTAL MWBE	13.51%	13.59%	0.99	Underutilization		
	TOTAL NON-MWBE	86.49%	86.41%	1.00	Overutilization		
2017	African American	7.85%	7.13%	1.10	Overutilization		
	Asian American	0.00%	0.22%	0.00	Underutilization	*	
	Hispanic American	22.19%	2.67%	8.30	Overutilization		
	Native American	0.00%	0.45%	0.00	Underutilization	*	
	TOTAL MINORITY	30.04%	10.47%	2.87	Overutilization		
	Non-Minority Woman	0.23%	3.12%	0.07	Underutilization	*	
	TOTAL MWBE	30.27%	13.59%	2.23	Overutilization		
	TOTAL NON-MWBE	69.73%	86.41%	0.81	Underutilization		
2018	African American	6.38%	7.13%	0.89	Underutilization		
	Asian American	0.00%	0.22%	0.00	Underutilization	*	
	Hispanic American	17.40%	2.67%	6.51	Overutilization		
	Native American	0.00%	0.45%	0.00	Underutilization	*	
	TOTAL MINORITY	23.78%	10.47%	2.27	Overutilization		
	Non-Minority Woman	0.11%	3.12%	0.04	Underutilization	*	
	TOTAL MWBE	23.89%	13.59%	1.76	Overutilization		
	TOTAL NON-MWBE	76.11%	86.41%	0.88	Underutilization		
2019	African American	5.19%	7.13%	0.73	Underutilization	*	
	Asian American	0.00%	0.22%	0.00	Underutilization	*	
	Hispanic American	17.04%	2.67%	6.38	Overutilization		
	Native American	0.00%	0.45%	0.00	Underutilization	*	
	TOTAL MINORITY	22.23%	10.47%	2.12	Overutilization		
	Non-Minority Woman	0.25%	3.12%	0.08	Underutilization	*	
	TOTAL MWBE	22.47%	13.59%	1.65	Overutilization		
	TOTAL NON-MWBE	77.53%	86.41%	0.90	Underutilization		
2020	African American	2.40%	7.13%	0.34	Underutilization	*	
	Asian American	0.00%	0.22%	0.00	Underutilization	*	
	Hispanic American	27.60%	2.67%	10.33	Overutilization		
	Native American	0.00%	0.45%	0.00	Underutilization	*	
	TOTAL MINORITY	30.00%	10.47%	2.87	Overutilization		
	Non-Minority Woman	1.05%	3.12%	0.34	Underutilization	*	
	TOTAL MWBE	31.04%	13.59%	2.28	Overutilization		
	TOTAL NON-MWBE	68.96%	86.41%	0.80	Underutilization	*	
TOTAL	African American	5.04%	7.13%	0.71	Underutilization	*	p <.05
	Asian American	0.00%	0.22%	0.00	Underutilization	*	Small Number
	Hispanic American	18.76%	2.67%	7.02	Overutilization		
	Native American	0.00%	0.45%	0.00	Underutilization	*	p <.05
	TOTAL MINORITY	23.80%	10.47%	2.27	Overutilization		
	Non-Minority Woman	0.44%	3.12%	0.14	Underutilization	*	p <.05
	TOTAL MWBE	24.24%	13.59%	1.78	Overutilization		
	TOTAL NON-MWBE	75.76%	86.41%	0.88	Underutilization		p <.05

Griffin & Strong, P.C., 2022

Table C-7

Disparity Results, Relevant Market Area, Master Vendor List

Business Ownership Classification by Fiscal Year, A&E

Using Awards Dollars, FY 2016-2020, Less than \$500,000

Toledo Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2016	African American	0.00%	2.20%	0.00	Underutilization	*	
	Asian American	0.00%	1.10%	0.00	Underutilization	*	
	Hispanic American	4.62%	3.30%	1.40	Overutilization		
	Native American	0.00%	1.10%	0.00	Underutilization	*	
	TOTAL MINORITY	4.62%	7.69%	0.60	Underutilization	*	
	Non-Minority Woman	3.92%	4.40%	0.89	Underutilization		
	TOTAL MWBE	8.54%	12.09%	0.71	Underutilization	*	
	TOTAL NON-MWBE	91.46%	87.91%	1.04	Overutilization		
2017	African American	0.00%	2.20%	0.00	Underutilization	*	
	Asian American	0.00%	1.10%	0.00	Underutilization	*	
	Hispanic American	0.77%	3.30%	0.23	Underutilization	*	
	Native American	0.00%	1.10%	0.00	Underutilization	*	
	TOTAL MINORITY	0.77%	7.69%	0.10	Underutilization	*	
	Non-Minority Woman	0.00%	4.40%	0.00	Underutilization	*	
	TOTAL MWBE	0.77%	12.09%	0.06	Underutilization	*	
	TOTAL NON-MWBE	99.23%	87.91%	1.13	Overutilization		
2018	African American	0.00%	2.20%	0.00	Underutilization	*	
	Asian American	0.00%	1.10%	0.00	Underutilization	*	
	Hispanic American	0.00%	3.30%	0.00	Underutilization	*	
	Native American	0.00%	1.10%	0.00	Underutilization	*	
	TOTAL MINORITY	0.00%	7.69%	0.00	Underutilization	*	
	Non-Minority Woman	0.00%	4.40%	0.00	Underutilization	*	
	TOTAL MWBE	0.00%	12.09%	0.00	Underutilization	*	
	TOTAL NON-MWBE	100.00%	87.91%	1.14	Overutilization		
2019	African American	0.00%	2.20%	0.00	Underutilization	*	
	Asian American	0.00%	1.10%	0.00	Underutilization	*	
	Hispanic American	4.16%	3.30%	1.26	Overutilization		
	Native American	0.00%	1.10%	0.00	Underutilization	*	
	TOTAL MINORITY	4.16%	7.69%	0.54	Underutilization	*	
	Non-Minority Woman	0.00%	4.40%	0.00	Underutilization	*	
	TOTAL MWBE	4.16%	12.09%	0.34	Underutilization	*	
	TOTAL NON-MWBE	95.84%	87.91%	1.09	Overutilization		
2020	African American	0.00%	2.20%	0.00	Underutilization	*	
	Asian American	0.00%	1.10%	0.00	Underutilization	*	
	Hispanic American	11.89%	3.30%	3.61	Overutilization		
	Native American	0.00%	1.10%	0.00	Underutilization	*	
	TOTAL MINORITY	11.89%	7.69%	1.55	Overutilization		
	Non-Minority Woman	0.00%	4.40%	0.00	Underutilization	*	
	TOTAL MWBE	11.89%	12.09%	0.98	Underutilization		
	TOTAL NON-MWBE	88.11%	87.91%	1.00	Overutilization		
TOTAL	African American	0.00%	2.20%	0.00	Underutilization	*	p <.05
	Asian American	0.00%	1.10%	0.00	Underutilization	*	p <.05
	Hispanic American	5.24%	3.30%	1.59	Overutilization		
	Native American	0.00%	1.10%	0.00	Underutilization	*	p <.05
	TOTAL MINORITY	5.24%	7.69%	0.68	Underutilization	*	p <.05
	Non-Minority Woman	0.61%	4.40%	0.14	Underutilization	*	p <.05
	TOTAL MWBE	5.85%	12.09%	0.48	Underutilization	*	p <.05
	TOTAL NON-MWBE	94.15%	87.91%	1.07	Overutilization		

Griffin & Strong, P.C., 2022

Table C-8

Disparity Results, Relevant Market Area, Master Vendor List

Business Ownership Classification by Fiscal Year, Professional Services

Using Awards Dollars, FY 2016-2020, Less than \$500,000

Toledo Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2016	African American	0.00%	5.61%	0.00	Underutilization	*	
	Asian American	0.00%	0.00%	n/a	Parity		
	Hispanic American	0.00%	0.35%	0.00	Underutilization	*	
	Native American	0.00%	0.70%	0.00	Underutilization	*	
	TOTAL MINORITY	0.00%	6.67%	0.00	Underutilization	*	
	Non-Minority Woman	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MWBE	0.00%	7.02%	0.00	Underutilization	*	
	TOTAL NON-MWBE	100.00%	92.98%	1.08	Overutilization		
2017	African American	0.00%	5.61%	0.00	Underutilization	*	
	Asian American	0.00%	0.00%	n/a	Parity		
	Hispanic American	0.00%	0.35%	0.00	Underutilization	*	
	Native American	0.00%	0.70%	0.00	Underutilization	*	
	TOTAL MINORITY	0.00%	6.67%	0.00	Underutilization	*	
	Non-Minority Woman	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MWBE	0.00%	7.02%	0.00	Underutilization	*	
	TOTAL NON-MWBE	100.00%	92.98%	1.08	Overutilization		
2018	African American	2.34%	5.61%	0.42	Underutilization	*	
	Asian American	0.00%	0.00%	n/a	Parity		
	Hispanic American	0.00%	0.35%	0.00	Underutilization	*	
	Native American	0.00%	0.70%	0.00	Underutilization	*	
	TOTAL MINORITY	2.34%	6.67%	0.35	Underutilization	*	
	Non-Minority Woman	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MWBE	2.34%	7.02%	0.33	Underutilization	*	
	TOTAL NON-MWBE	97.66%	92.98%	1.05	Overutilization		
2019	African American	0.00%	5.61%	0.00	Underutilization	*	
	Asian American	0.00%	0.00%	n/a	Parity		
	Hispanic American	0.00%	0.35%	0.00	Underutilization	*	
	Native American	0.00%	0.70%	0.00	Underutilization	*	
	TOTAL MINORITY	0.00%	6.67%	0.00	Underutilization	*	
	Non-Minority Woman	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MWBE	0.00%	7.02%	0.00	Underutilization	*	
	TOTAL NON-MWBE	100.00%	92.98%	1.08	Overutilization		
2020	African American	0.35%	5.61%	0.06	Underutilization	*	
	Asian American	0.00%	0.00%	n/a	Parity		
	Hispanic American	0.00%	0.35%	0.00	Underutilization	*	
	Native American	0.00%	0.70%	0.00	Underutilization	*	
	TOTAL MINORITY	0.35%	6.67%	0.05	Underutilization	*	
	Non-Minority Woman	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MWBE	0.35%	7.02%	0.05	Underutilization	*	
	TOTAL NON-MWBE	99.65%	92.98%	1.07	Overutilization		
TOTAL	African American	0.52%	5.61%	0.09	Underutilization	*	p <.05
	Asian American	0.00%	0.00%	n/a	Parity		
	Hispanic American	0.00%	0.35%	0.00	Underutilization	*	p <.05
	Native American	0.00%	0.70%	0.00	Underutilization	*	p <.05
	TOTAL MINORITY	0.52%	6.67%	0.08	Underutilization	*	p <.05
	Non-Minority Woman	0.00%	0.35%	0.00	Underutilization	*	p <.05
	TOTAL MWBE	0.52%	7.02%	0.07	Underutilization	*	p <.05
	TOTAL NON-MWBE	99.48%	92.98%	1.07	Overutilization		

Griffin & Strong, P.C., 2022

Table C-9

**Disparity Results, Relevant Market Area, Master Vendor List
Business Ownership Classification by Fiscal Year, Other Services**

Using Awards Dollars, FY 2016-2020, Less than \$500,000

Toledo Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2016	African American	0.32%	4.70%	0.07	Underutilization	*	
	Asian American	0.00%	0.16%	0.00	Underutilization	*	
	Hispanic American	1.60%	0.82%	1.94	Overutilization		
	Native American	0.00%	0.08%	0.00	Underutilization	*	
	TOTAL MINORITY	1.92%	5.77%	0.33	Underutilization	*	
	Non-Minority Woman	6.58%	0.74%	8.88	Overutilization		
	Unidentified MWBE	0.00%	0.16%	0.00	Underutilization	*	
	TOTAL MWBE	8.50%	6.67%	1.27	Overutilization		
TOTAL NON-MWBE	91.50%	93.33%	0.98	Underutilization			
2017	African American	1.28%	4.70%	0.27	Underutilization	*	
	Asian American	0.00%	0.16%	0.00	Underutilization	*	
	Hispanic American	5.02%	0.82%	6.10	Overutilization		
	Native American	0.00%	0.08%	0.00	Underutilization	*	
	TOTAL MINORITY	6.30%	5.77%	1.09	Overutilization		
	Non-Minority Woman	22.26%	0.74%	30.03	Overutilization		
	Unidentified MWBE	0.00%	0.16%	0.00	Underutilization	*	
	TOTAL MWBE	28.56%	6.67%	4.28	Overutilization		
TOTAL NON-MWBE	71.44%	93.33%	0.77	Underutilization	*		
2018	African American	0.78%	4.70%	0.17	Underutilization	*	
	Asian American	0.00%	0.16%	0.00	Underutilization	*	
	Hispanic American	2.16%	0.82%	2.62	Overutilization		
	Native American	0.00%	0.08%	0.00	Underutilization	*	
	TOTAL MINORITY	2.94%	5.77%	0.51	Underutilization	*	
	Non-Minority Woman	2.73%	0.74%	3.68	Overutilization		
	Unidentified MWBE	0.00%	0.16%	0.00	Underutilization	*	
	TOTAL MWBE	5.67%	6.67%	0.85	Underutilization		
TOTAL NON-MWBE	94.33%	93.33%	1.01	Overutilization			
2019	African American	1.48%	4.70%	0.31	Underutilization	*	
	Asian American	0.00%	0.16%	0.00	Underutilization	*	
	Hispanic American	4.51%	0.82%	5.47	Overutilization		
	Native American	0.00%	0.08%	0.00	Underutilization	*	
	TOTAL MINORITY	5.98%	5.77%	1.04	Overutilization		
	Non-Minority Woman	3.17%	0.74%	4.28	Overutilization		
	Unidentified MWBE	0.00%	0.16%	0.00	Underutilization	*	
	TOTAL MWBE	9.16%	6.67%	1.37	Overutilization		
TOTAL NON-MWBE	90.84%	93.33%	0.97	Underutilization			
2020	African American	5.07%	4.70%	1.08	Overutilization		
	Asian American	0.00%	0.16%	0.00	Underutilization	*	
	Hispanic American	2.67%	0.82%	3.25	Overutilization		
	Native American	0.00%	0.08%	0.00	Underutilization	*	
	TOTAL MINORITY	7.75%	5.77%	1.34	Overutilization		
	Non-Minority Woman	1.67%	0.74%	2.26	Overutilization		
	Unidentified MWBE	0.00%	0.16%	57.18	Overutilization		
	TOTAL MWBE	9.42%	6.67%	13.58	Overutilization		
TOTAL NON-MWBE	90.58%	93.33%	n/a	Parity			
TOTAL	African American	2.01%	4.70%	0.43	Underutilization	*	p <.05
	Asian American	0.00%	0.16%	0.00	Underutilization	*	Small Number
	Hispanic American	3.06%	0.82%	3.72	Overutilization		
	Native American	0.00%	0.08%	0.00	Underutilization	*	Small Number
	TOTAL MINORITY	5.08%	5.77%	0.88	Underutilization		Small Number
	Non-Minority Woman	6.56%	0.74%	8.85	Overutilization		
	Unidentified MWBE	0.00%	0.16%	0.00	Underutilization	*	Small Number
	TOTAL MWBE	11.64%	6.67%	1.74	Overutilization		
TOTAL NON-MWBE	88.36%	93.33%	0.95	Underutilization		p <.05	

Griffin & Strong, P.C., 2022

Table C-10

Disparity Results, Relevant Market Area, Master Vendor List

Business Ownership Classification by Fiscal Year, Goods

Using Awards Dollars, FY 2016-2020, Less than \$500,000

Toledo Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2016	African American	0.02%	1.57%	0.01	Underutilization	*	
	Asian American	0.00%	0.26%	0.00	Underutilization	*	
	Hispanic American	0.00%	0.39%	0.00	Underutilization	*	
	Native American	0.00%	0.00%	n/a	Parity		
	TOTAL MINORITY	0.02%	2.23%	0.01	Underutilization	*	
	Non-Minority Woman	0.10%	1.70%	0.06	Underutilization	*	
	Unidentified MWBE	0.00%	0.13%	0.00	Underutilization	*	
	TOTAL MWBE	0.12%	4.06%	0.03	Underutilization	*	
TOTAL NON-MWBE	99.88%	95.94%	1.04	Overutilization			
2017	African American	0.00%	1.57%	0.00	Underutilization	*	
	Asian American	0.00%	0.26%	0.00	Underutilization	*	
	Hispanic American	0.11%	0.39%	0.29	Underutilization	*	
	Native American	0.00%	0.00%	n/a	Parity		
	TOTAL MINORITY	0.11%	2.23%	0.05	Underutilization	*	
	Non-Minority Woman	1.78%	1.70%	1.05	Overutilization		
	Unidentified MWBE	0.00%	0.13%	0.00	Underutilization	*	
	TOTAL MWBE	1.90%	4.06%	0.47	Underutilization	*	
TOTAL NON-MWBE	98.10%	95.94%	1.02	Overutilization			
2018	African American	0.05%	1.57%	0.03	Underutilization	*	
	Asian American	1.07%	0.26%	4.08	Overutilization		
	Hispanic American	0.00%	0.39%	0.00	Underutilization	*	
	Native American	0.00%	0.00%	n/a	Parity		
	TOTAL MINORITY	1.12%	2.23%	0.50	Underutilization	*	
	Non-Minority Woman	0.05%	1.70%	0.03	Underutilization	*	
	Unidentified MWBE	0.00%	0.13%	0.00	Underutilization	*	
	TOTAL MWBE	1.17%	4.06%	0.29	Underutilization	*	
TOTAL NON-MWBE	98.83%	95.94%	1.03	Overutilization			
2019	African American	0.00%	1.57%	0.00	Underutilization	*	
	Asian American	0.00%	0.26%	0.00	Underutilization	*	
	Hispanic American	0.00%	0.39%	0.00	Underutilization	*	
	Native American	0.00%	0.00%	n/a	Parity		
	TOTAL MINORITY	0.00%	2.23%	0.00	Underutilization	*	
	Non-Minority Woman	0.84%	1.70%	0.49	Underutilization	*	
	Unidentified MWBE	0.00%	0.13%	0.00	Underutilization	*	
	TOTAL MWBE	0.84%	4.06%	0.21	Underutilization	*	
TOTAL NON-MWBE	99.16%	95.94%	1.03	Overutilization			
2020	African American	0.00%	1.57%	0.00	Underutilization	*	
	Asian American	0.00%	0.26%	0.00	Underutilization	*	
	Hispanic American	0.00%	0.39%	0.00	Underutilization	*	
	Native American	0.00%	0.00%	n/a	Parity		
	TOTAL MINORITY	0.00%	2.23%	0.00	Underutilization	*	
	Non-Minority Woman	0.38%	1.70%	0.22	Underutilization	*	
	Unidentified MWBE	0.00%	0.13%	0.00	Underutilization	*	
	TOTAL MWBE	0.38%	4.06%	0.09	Underutilization	*	
TOTAL NON-MWBE	99.62%	95.94%	1.04	Overutilization			
TOTAL	African American	0.01%	1.57%	0.01	Underutilization	*	p <.05
	Asian American	0.21%	0.26%	0.79	Underutilization	*	Small Number
	Hispanic American	0.02%	0.39%	0.06	Underutilization	*	p <.05
	Native American	0.00%	0.00%	n/a	Parity		
	TOTAL MINORITY	0.24%	2.23%	0.11	Underutilization	*	p <.05
	Non-Minority Woman	0.62%	1.70%	0.37	Underutilization	*	p <.05
	Unidentified MWBE	0.00%	0.13%	0.00	Underutilization	*	Small Number
	TOTAL MWBE	0.87%	4.06%	0.21	Underutilization	*	p <.05
TOTAL NON-MWBE	99.13%	95.94%	1.03	Overutilization			

Griffin & Strong, P.C., 2022

Table C-11

**Disparity Results, Relevant Market Area, Master Vendor List
Business Ownership Classification by Fiscal Year, Construction
Using Awards Dollars, FY 2016-2020, Less than \$1,000,000
Toledo Disparity Study**

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2016	African American	2.29%	7.13%	0.32	Underutilization	*	
	Asian American	0.00%	0.22%	0.00	Underutilization	*	
	Hispanic American	14.55%	2.67%	5.44	Overutilization		
	Native American	0.00%	0.45%	0.00	Underutilization	*	
	TOTAL MINORITY	16.84%	10.47%	1.61	Overutilization		
	Non-Minority Woman	0.14%	3.12%	0.04	Underutilization	*	
	TOTAL MWBE	16.98%	13.59%	1.25	Overutilization		
2017	African American	4.65%	7.13%	0.65	Underutilization	*	
	Asian American	0.00%	0.22%	0.00	Underutilization	*	
	Hispanic American	13.15%	2.67%	4.92	Overutilization		
	Native American	0.00%	0.45%	0.00	Underutilization	*	
	TOTAL MINORITY	17.81%	10.47%	1.70	Overutilization		
	Non-Minority Woman	0.14%	3.12%	0.04	Underutilization	*	
	TOTAL MWBE	17.94%	13.59%	1.32	Overutilization		
2018	African American	2.45%	7.13%	0.34	Underutilization	*	
	Asian American	0.00%	0.22%	0.00	Underutilization	*	
	Hispanic American	13.51%	2.67%	5.05	Overutilization		
	Native American	0.00%	0.45%	0.00	Underutilization	*	
	TOTAL MINORITY	15.96%	10.47%	1.52	Overutilization		
	Non-Minority Woman	0.04%	3.12%	0.01	Underutilization	*	
	TOTAL MWBE	16.00%	13.59%	1.18	Overutilization		
2019	African American	1.99%	7.13%	0.28	Underutilization	*	
	Asian American	0.00%	0.22%	0.00	Underutilization	*	
	Hispanic American	23.07%	2.67%	8.63	Overutilization		
	Native American	0.00%	0.45%	0.00	Underutilization	*	
	TOTAL MINORITY	25.06%	10.47%	2.39	Overutilization		
	Non-Minority Woman	0.09%	3.12%	0.03	Underutilization	*	
	TOTAL MWBE	25.15%	13.59%	1.85	Overutilization		
2020	African American	1.38%	7.13%	0.19	Underutilization	*	
	Asian American	0.00%	0.22%	0.00	Underutilization	*	
	Hispanic American	34.31%	2.67%	12.84	Overutilization		
	Native American	0.00%	0.45%	0.00	Underutilization	*	
	TOTAL MINORITY	35.69%	10.47%	3.41	Overutilization		
	Non-Minority Woman	0.60%	3.12%	0.19	Underutilization	*	
	TOTAL MWBE	36.29%	13.59%	2.67	Overutilization		
TOTAL	African American	63.71%	86.41%	0.74	Underutilization	*	
	Asian American	2.35%	7.13%	0.33	Underutilization	*	p <.05
	Hispanic American	20.19%	2.67%	7.55	Overutilization		Small Number
	Native American	0.00%	0.45%	0.00	Underutilization	*	p <.05
	TOTAL MINORITY	22.53%	10.47%	2.15	Overutilization		
	Non-Minority Woman	0.20%	3.12%	0.07	Underutilization	*	p <.05
	TOTAL MWBE	22.74%	13.59%	1.67	Overutilization		
	TOTAL NON-MWBE	77.26%	86.41%	0.89	Underutilization		p <.05

Griffin & Strong, P.C., 2022

Table C-12

Disparity Results, Relevant Market Area, Master Vendor List

Business Ownership Classification by Fiscal Year, A&E

Using Awards Dollars, FY 2016-2020, Less than \$1,000,000

Toledo Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2016	African American	0.00%	2.20%	0.00	Underutilization	*	
	Asian American	0.00%	1.10%	0.00	Underutilization	*	
	Hispanic American	2.11%	3.30%	0.64	Underutilization	*	
	Native American	0.00%	1.10%	0.00	Underutilization	*	
	TOTAL MINORITY	2.11%	7.69%	0.27	Underutilization	*	
	Non-Minority Woman	1.79%	4.40%	0.41	Underutilization	*	
	TOTAL MWBE	3.89%	12.09%	0.32	Underutilization	*	
2017	African American	0.00%	2.20%	0.00	Underutilization	*	
	Asian American	0.00%	1.10%	0.00	Underutilization	*	
	Hispanic American	0.59%	3.30%	0.18	Underutilization	*	
	Native American	0.00%	1.10%	0.00	Underutilization	*	
	TOTAL MINORITY	0.59%	7.69%	0.08	Underutilization	*	
	Non-Minority Woman	0.00%	4.40%	0.00	Underutilization	*	
	TOTAL MWBE	0.59%	12.09%	0.05	Underutilization	*	
2018	African American	0.00%	2.20%	0.00	Underutilization	*	
	Asian American	0.00%	1.10%	0.00	Underutilization	*	
	Hispanic American	0.00%	3.30%	0.00	Underutilization	*	
	Native American	0.00%	1.10%	0.00	Underutilization	*	
	TOTAL MINORITY	0.00%	7.69%	0.00	Underutilization	*	
	Non-Minority Woman	0.00%	4.40%	0.00	Underutilization	*	
	TOTAL MWBE	0.00%	12.09%	0.00	Underutilization	*	
2019	African American	0.00%	2.20%	0.00	Underutilization	*	
	Asian American	0.00%	1.10%	0.00	Underutilization	*	
	Hispanic American	4.16%	3.30%	1.26	Overutilization		
	Native American	0.00%	1.10%	0.00	Underutilization	*	
	TOTAL MINORITY	4.16%	7.69%	0.54	Underutilization	*	
	Non-Minority Woman	0.00%	4.40%	0.00	Underutilization	*	
	TOTAL MWBE	4.16%	12.09%	0.34	Underutilization	*	
2020	African American	0.00%	2.20%	0.00	Underutilization	*	
	Asian American	0.00%	1.10%	0.00	Underutilization	*	
	Hispanic American	6.62%	3.30%	2.01	Overutilization		
	Native American	0.00%	1.10%	0.00	Underutilization	*	
	TOTAL MINORITY	6.62%	7.69%	0.86	Underutilization		
	Non-Minority Woman	10.44%	4.40%	2.38	Overutilization		
	TOTAL MWBE	17.06%	12.09%	1.41	Overutilization		
TOTAL	African American	0.00%	2.20%	0.00	Underutilization	*	p <.05
	Asian American	0.00%	1.10%	0.00	Underutilization	*	p <.05
	Hispanic American	3.50%	3.30%	1.06	Overutilization		Small Number
	Native American	0.00%	1.10%	0.00	Underutilization	*	p <.05
	TOTAL MINORITY	3.50%	7.69%	0.45	Underutilization	*	p <.05
	Non-Minority Woman	4.14%	4.40%	0.94	Underutilization		Small Number
	TOTAL MWBE	7.64%	12.09%	0.63	Underutilization	*	p <.05
	TOTAL NON-MWBE	92.36%	87.91%	1.05	Overutilization		

Griffin & Strong, P.C., 2022

Table C-13

Disparity Results, Relevant Market Area, Master Vendor List

Business Ownership Classification by Fiscal Year, Professional Services

Using Awards Dollars, FY 2016-2020, Less than \$1,000,000

Toledo Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2016	African American	0.00%	5.61%	0.00	Underutilization	*	
	Asian American	0.00%	0.00%	n/a	Parity		
	Hispanic American	0.00%	0.35%	0.00	Underutilization	*	
	Native American	0.00%	0.70%	0.00	Underutilization	*	
	TOTAL MINORITY	0.00%	6.67%	0.00	Underutilization	*	
	Non-Minority Woman	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MWBE	0.00%	7.02%	0.00	Underutilization	*	
	TOTAL NON-MWBE	100.00%	92.98%	1.08	Overutilization		
2017	African American	0.00%	5.61%	0.00	Underutilization	*	
	Asian American	0.00%	0.00%	n/a	Parity		
	Hispanic American	0.00%	0.35%	0.00	Underutilization	*	
	Native American	0.00%	0.70%	0.00	Underutilization	*	
	TOTAL MINORITY	0.00%	6.67%	0.00	Underutilization	*	
	Non-Minority Woman	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MWBE	0.00%	7.02%	0.00	Underutilization	*	
	TOTAL NON-MWBE	100.00%	92.98%	1.08	Overutilization		
2018	African American	1.22%	5.61%	0.22	Underutilization	*	
	Asian American	0.00%	0.00%	n/a	Parity		
	Hispanic American	0.00%	0.35%	0.00	Underutilization	*	
	Native American	0.00%	0.70%	0.00	Underutilization	*	
	TOTAL MINORITY	1.22%	6.67%	0.18	Underutilization	*	
	Non-Minority Woman	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MWBE	1.22%	7.02%	0.17	Underutilization	*	
	TOTAL NON-MWBE	98.78%	92.98%	1.06	Overutilization		
2019	African American	0.00%	5.61%	0.00	Underutilization	*	
	Asian American	0.00%	0.00%	n/a	Parity		
	Hispanic American	0.00%	0.35%	0.00	Underutilization	*	
	Native American	0.00%	0.70%	0.00	Underutilization	*	
	TOTAL MINORITY	0.00%	6.67%	0.00	Underutilization	*	
	Non-Minority Woman	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MWBE	0.00%	7.02%	0.00	Underutilization	*	
	TOTAL NON-MWBE	100.00%	92.98%	1.08	Overutilization		
2020	African American	0.24%	5.61%	0.04	Underutilization	*	
	Asian American	0.00%	0.00%	n/a	Parity		
	Hispanic American	0.00%	0.35%	0.00	Underutilization	*	
	Native American	0.00%	0.70%	0.00	Underutilization	*	
	TOTAL MINORITY	0.24%	6.67%	0.04	Underutilization	*	
	Non-Minority Woman	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MWBE	0.24%	7.02%	0.03	Underutilization	*	
	TOTAL NON-MWBE	99.76%	92.98%	1.07	Overutilization		
TOTAL	African American	0.36%	5.61%	0.06	Underutilization	*	p <.05
	Asian American	0.00%	0.00%	n/a	Parity		
	Hispanic American	0.00%	0.35%	0.00	Underutilization	*	p <.05
	Native American	0.00%	0.70%	0.00	Underutilization	*	p <.05
	TOTAL MINORITY	0.36%	6.67%	0.05	Underutilization	*	p <.05
	Non-Minority Woman	0.00%	0.35%	0.00	Underutilization	*	p <.05
	TOTAL MWBE	0.36%	7.02%	0.05	Underutilization	*	p <.05
	TOTAL NON-MWBE	99.64%	92.98%	1.07	Overutilization		

Griffin & Strong, P.C., 2022

Table C-14

**Disparity Results, Relevant Market Area, Master Vendor List
Business Ownership Classification by Fiscal Year, Other Services
Using Awards Dollars, FY 2016-2020, Less than \$1,000,000**

Toledo Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2016	African American	0.28%	4.70%	0.06	Underutilization	*	
	Asian American	0.00%	0.16%	0.00	Underutilization	*	
	Hispanic American	1.41%	0.82%	1.71	Overutilization		
	Native American	0.00%	0.08%	0.00	Underutilization	*	
	TOTAL MINORITY	1.69%	5.77%	0.29	Underutilization	*	
	Non-Minority Woman	11.93%	0.74%	16.10	Overutilization		
	Unidentified MWBE	0.00%	0.16%	0.00	Underutilization	*	
	TOTAL MWBE	13.62%	6.67%	2.04	Overutilization		
	TOTAL NON-MWBE	86.38%	93.33%	0.93	Underutilization		
2017	African American	1.28%	4.70%	0.27	Underutilization	*	
	Asian American	0.00%	0.16%	0.00	Underutilization	*	
	Hispanic American	5.02%	0.82%	6.10	Overutilization		
	Native American	0.00%	0.08%	0.00	Underutilization	*	
	TOTAL MINORITY	6.30%	5.77%	1.09	Overutilization		
	Non-Minority Woman	22.26%	0.74%	30.03	Overutilization		
	Unidentified MWBE	0.00%	0.16%	0.00	Underutilization	*	
	TOTAL MWBE	28.56%	6.67%	4.28	Overutilization		
	TOTAL NON-MWBE	71.44%	93.33%	0.77	Underutilization	*	
2018	African American	0.68%	4.70%	0.14	Underutilization	*	
	Asian American	0.00%	0.16%	0.00	Underutilization	*	
	Hispanic American	1.88%	0.82%	2.28	Overutilization		
	Native American	0.00%	0.08%	0.00	Underutilization	*	
	TOTAL MINORITY	2.56%	5.77%	0.44	Underutilization	*	
	Non-Minority Woman	2.37%	0.74%	3.20	Overutilization		
	Unidentified MWBE	0.00%	0.16%	0.00	Underutilization	*	
	TOTAL MWBE	4.93%	6.67%	0.74	Underutilization	*	
	TOTAL NON-MWBE	95.07%	93.33%	1.02	Overutilization		
2019	African American	1.28%	4.70%	0.27	Underutilization	*	
	Asian American	0.00%	0.16%	0.00	Underutilization	*	
	Hispanic American	3.90%	0.82%	4.73	Overutilization		
	Native American	0.00%	0.08%	0.00	Underutilization	*	
	TOTAL MINORITY	5.18%	5.77%	0.90	Underutilization		
	Non-Minority Woman	2.75%	0.74%	3.71	Overutilization		
	Unidentified MWBE	0.00%	0.16%	0.00	Underutilization	*	
	TOTAL MWBE	7.93%	6.67%	1.19	Overutilization		
	TOTAL NON-MWBE	92.07%	93.33%	0.99	Underutilization		
2020	African American	4.73%	4.70%	1.01	Overutilization		
	Asian American	0.00%	0.16%	0.00	Underutilization	*	
	Hispanic American	2.49%	0.82%	3.03	Overutilization		
	Native American	0.00%	0.08%	0.00	Underutilization	*	
	TOTAL MINORITY	7.22%	5.77%	1.25	Overutilization		
	Non-Minority Woman	1.56%	0.74%	2.10	Overutilization		
	Unidentified MWBE	0.00%	0.16%	53.31	Overutilization		
	TOTAL MWBE	8.78%	6.67%	13.67	Overutilization		
	TOTAL NON-MWBE	91.22%	93.33%	n/a	Parity		
TOTAL	African American	1.82%	4.70%	0.39	Underutilization	*	p <.05
	Asian American	0.00%	0.16%	0.00	Underutilization	*	Small Number
	Hispanic American	2.78%	0.82%	3.37	Overutilization		
	Native American	0.00%	0.08%	0.00	Underutilization	*	Small Number
	TOTAL MINORITY	4.60%	5.77%	0.80	Underutilization	*	Small Number
	Non-Minority Woman	7.37%	0.74%	9.94	Overutilization		
	Unidentified MWBE	0.00%	0.16%	0.00	Underutilization	*	Small Number
	TOTAL MWBE	11.97%	6.67%	1.79	Overutilization		
	TOTAL NON-MWBE	88.03%	93.33%	0.94	Underutilization		p <.05

Griffin & Strong, P.C., 2022

Table C-15

Disparity Results, Relevant Market Area, Master Vendor List

Business Ownership Classification by Fiscal Year, Goods

Using Awards Dollars, FY 2016-2020, Less than \$1,000,000

Toledo Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2016	African American	0.01%	1.57%	0.01	Underutilization	*	
	Asian American	0.00%	0.26%	0.00	Underutilization	*	
	Hispanic American	0.00%	0.39%	0.00	Underutilization	*	
	Native American	0.00%	0.00%	n/a	Parity		
	TOTAL MINORITY	0.01%	2.23%	0.01	Underutilization	*	
	Non-Minority Woman	0.09%	1.70%	0.05	Underutilization	*	
	TOTAL MWBE	0.10%	4.06%	0.02	Underutilization	*	
	TOTAL NON-MWBE	99.90%	95.94%	1.04	Overutilization		
2017	African American	0.00%	1.57%	0.00	Underutilization	*	
	Asian American	0.00%	0.26%	0.00	Underutilization	*	
	Hispanic American	0.08%	0.39%	0.20	Underutilization	*	
	Native American	0.00%	0.00%	n/a	Parity		
	TOTAL MINORITY	0.08%	2.23%	0.04	Underutilization	*	
	Non-Minority Woman	1.22%	1.70%	0.72	Underutilization	*	
	TOTAL MWBE	1.30%	4.06%	0.32	Underutilization	*	
	TOTAL NON-MWBE	98.70%	95.94%	1.03	Overutilization		
2018	African American	0.05%	1.57%	0.03	Underutilization	*	
	Asian American	0.94%	0.26%	3.57	Overutilization		
	Hispanic American	0.00%	0.39%	0.00	Underutilization	*	
	Native American	0.00%	0.00%	n/a	Parity		
	TOTAL MINORITY	0.98%	2.23%	0.44	Underutilization	*	
	Non-Minority Woman	0.04%	1.70%	0.03	Underutilization	*	
	TOTAL MWBE	1.03%	4.06%	0.25	Underutilization	*	
	TOTAL NON-MWBE	98.97%	95.94%	1.03	Overutilization		
2019	African American	0.00%	1.57%	0.00	Underutilization	*	
	Asian American	0.00%	0.26%	0.00	Underutilization	*	
	Hispanic American	0.00%	0.39%	0.00	Underutilization	*	
	Native American	0.00%	0.00%	n/a	Parity		
	TOTAL MINORITY	0.00%	2.23%	0.00	Underutilization	*	
	Non-Minority Woman	0.52%	1.70%	0.30	Underutilization	*	
	TOTAL MWBE	0.52%	4.06%	0.13	Underutilization	*	
	TOTAL NON-MWBE	99.48%	95.94%	1.04	Overutilization		
2020	African American	0.00%	1.57%	0.00	Underutilization	*	
	Asian American	0.00%	0.26%	0.00	Underutilization	*	
	Hispanic American	0.00%	0.39%	0.00	Underutilization	*	
	Native American	0.00%	0.00%	n/a	Parity		
	TOTAL MINORITY	0.00%	2.23%	0.00	Underutilization	*	
	Non-Minority Woman	0.27%	1.70%	0.16	Underutilization	*	
	TOTAL MWBE	0.27%	4.06%	0.07	Underutilization	*	
	TOTAL NON-MWBE	99.73%	95.94%	1.04	Overutilization		
TOTAL	African American	0.01%	1.57%	0.01	Underutilization	*	p <.05
	Asian American	0.15%	0.26%	0.58	Underutilization	*	Small Number
	Hispanic American	0.02%	0.39%	0.04	Underutilization	*	p <.05
	Native American	0.00%	0.00%	n/a	Parity		
	TOTAL MINORITY	0.18%	2.23%	0.08	Underutilization	*	p <.05
	Non-Minority Woman	0.46%	1.70%	0.27	Underutilization	*	p <.05
	TOTAL MWBE	0.64%	4.06%	0.16	Underutilization	*	p <.05
	TOTAL NON-MWBE	99.36%	95.94%	1.04	Overutilization		

Griffin & Strong, P.C., 2022

Table C-16

**Disparity Results, Relevant Market Area, Master Vendor List
Business Ownership Classification by Fiscal Year, Construction
Using Awards Dollars, FY 2016-2020, Total Utilization
Toledo Disparity Study**

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2016	African American	19.26%	7.13%	2.70	Overutilization		
	Asian American	0.00%	0.22%	0.00	Underutilization	*	
	Hispanic American	31.07%	2.67%	11.62	Overutilization		
	Native American	1.43%	0.45%	3.21	Overutilization		
	TOTAL MINORITY	51.75%	10.47%	4.94	Overutilization		
	Non-Minority Woman	1.45%	3.12%	0.46	Underutilization	*	
	TOTAL MWBE	53.20%	13.59%	3.92	Overutilization		
	TOTAL NON-MWBE	46.80%	86.41%	0.54	Underutilization	*	
2017	African American	10.77%	7.13%	1.51	Overutilization		
	Asian American	0.00%	0.22%	0.00	Underutilization	*	
	Hispanic American	10.42%	2.67%	3.90	Overutilization		
	Native American	0.54%	0.45%	1.21	Overutilization		
	TOTAL MINORITY	21.74%	10.47%	2.08	Overutilization		
	Non-Minority Woman	1.14%	3.12%	0.37	Underutilization	*	
	TOTAL MWBE	22.88%	13.59%	1.68	Overutilization		
	TOTAL NON-MWBE	77.12%	86.41%	0.89	Underutilization		
2018	African American	6.05%	7.13%	0.85	Underutilization		
	Asian American	0.00%	0.22%	0.00	Underutilization	*	
	Hispanic American	16.93%	2.67%	6.34	Overutilization		
	Native American	0.19%	0.45%	0.43	Underutilization	*	
	TOTAL MINORITY	23.17%	10.47%	2.21	Overutilization		
	Non-Minority Woman	0.63%	3.12%	0.20	Underutilization	*	
	TOTAL MWBE	23.80%	13.59%	1.75	Overutilization		
	TOTAL NON-MWBE	76.20%	86.41%	0.88	Underutilization		
2019	African American	1.30%	7.13%	0.18	Underutilization	*	
	Asian American	0.00%	0.22%	0.00	Underutilization	*	
	Hispanic American	13.70%	2.67%	5.13	Overutilization		
	Native American	0.27%	0.45%	0.60	Underutilization	*	
	TOTAL MINORITY	15.27%	10.47%	1.46	Overutilization		
	Non-Minority Woman	0.48%	3.12%	0.15	Underutilization	*	
	TOTAL MWBE	15.76%	13.59%	1.16	Overutilization		
	TOTAL NON-MWBE	84.24%	86.41%	0.97	Underutilization		
2020	African American	0.65%	7.13%	0.09	Underutilization	*	
	Asian American	0.00%	0.22%	0.00	Underutilization	*	
	Hispanic American	9.78%	2.67%	3.66	Overutilization		
	Native American	0.15%	0.45%	0.34	Underutilization	*	
	TOTAL MINORITY	10.59%	10.47%	1.01	Overutilization		
	Non-Minority Woman	0.32%	3.12%	0.10	Underutilization	*	
	TOTAL MWBE	10.91%	13.59%	0.80	Underutilization		
	TOTAL NON-MWBE	89.09%	86.41%	1.03	Overutilization		
TOTAL	African American	4.31%	7.13%	0.60	Underutilization	*	p <.05
	Asian American	0.00%	0.22%	0.00	Underutilization	*	Small Number
	Hispanic American	13.95%	2.67%	5.22	Overutilization		
	Native American	0.31%	0.45%	0.69	Underutilization	*	Small Number
	TOTAL MINORITY	18.57%	10.47%	1.77	Overutilization		
	Non-Minority Woman	0.60%	3.12%	0.19	Underutilization	*	p <.05
	TOTAL MWBE	19.17%	13.59%	1.41	Overutilization		
	TOTAL NON-MWBE	80.83%	86.41%	0.94	Underutilization		p <.05

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Table C-17

Disparity Results, Relevant Market Area, Master Vendor List

Business Ownership Classification by Fiscal Year, A&E

Using Awards Dollars, FY 2016-2020, Total Utilization

Toledo Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2016	African American	2.01%	2.20%	0.91	Underutilization		
	Asian American	5.37%	1.10%	4.89	Overutilization		
	Hispanic American	9.24%	3.30%	2.80	Overutilization		
	Native American	0.00%	1.10%	0.00	Underutilization	*	
	TOTAL MINORITY	16.62%	7.69%	2.16	Overutilization		
	Non-Minority Woman	0.00%	4.40%	0.00	Underutilization	*	
	TOTAL MWBE	16.62%	12.09%	1.38	Overutilization		
	TOTAL NON-MWBE	83.38%	87.91%	0.95	Underutilization		
2017	African American	3.03%	2.20%	1.38	Overutilization		
	Asian American	1.16%	1.10%	1.06	Overutilization		
	Hispanic American	25.45%	3.30%	7.72	Overutilization		
	Native American	0.00%	1.10%	0.00	Underutilization	*	
	TOTAL MINORITY	29.63%	7.69%	3.85	Overutilization		
	Non-Minority Woman	0.18%	4.40%	0.04	Underutilization	*	
	TOTAL MWBE	29.82%	12.09%	2.47	Overutilization		
	TOTAL NON-MWBE	70.18%	87.91%	0.80	Underutilization	*	
2018	African American	0.11%	2.20%	0.05	Underutilization	*	
	Asian American	0.09%	1.10%	0.08	Underutilization	*	
	Hispanic American	6.51%	3.30%	1.97	Overutilization		
	Native American	0.00%	1.10%	0.00	Underutilization	*	
	TOTAL MINORITY	6.70%	7.69%	0.87	Underutilization		
	Non-Minority Woman	0.01%	4.40%	0.00	Underutilization	*	
	TOTAL MWBE	6.72%	12.09%	0.56	Underutilization	*	
	TOTAL NON-MWBE	93.28%	87.91%	1.06	Overutilization		
2019	African American	0.00%	2.20%	0.00	Underutilization	*	
	Asian American	0.00%	1.10%	0.00	Underutilization	*	
	Hispanic American	1.85%	3.30%	0.56	Underutilization	*	
	Native American	0.00%	1.10%	0.00	Underutilization	*	
	TOTAL MINORITY	1.85%	7.69%	0.24	Underutilization	*	
	Non-Minority Woman	0.00%	4.40%	0.00	Underutilization	*	
	TOTAL MWBE	1.85%	12.09%	0.15	Underutilization	*	
	TOTAL NON-MWBE	98.15%	87.91%	1.12	Overutilization		
2020	African American	1.12%	2.20%	0.51	Underutilization	*	
	Asian American	0.00%	1.10%	0.00	Underutilization	*	
	Hispanic American	0.82%	3.30%	0.25	Underutilization	*	
	Native American	0.00%	1.10%	0.00	Underutilization	*	
	TOTAL MINORITY	1.93%	7.69%	0.25	Underutilization	*	
	Non-Minority Woman	0.00%	4.40%	0.00	Underutilization	*	
	TOTAL MWBE	1.93%	12.09%	0.16	Underutilization	*	
	TOTAL NON-MWBE	98.07%	87.91%	1.12	Overutilization		
TOTAL	African American	0.73%	2.20%	0.33	Underutilization	*	p <.05
	Asian American	0.26%	1.10%	0.23	Underutilization	*	p <.05
	Hispanic American	5.49%	3.30%	1.67	Overutilization		
	Native American	0.00%	1.10%	0.00	Underutilization	*	p <.05
	TOTAL MINORITY	6.48%	7.69%	0.84	Underutilization		Small Number
	Non-Minority Woman	0.02%	4.40%	0.01	Underutilization	*	p <.05
	TOTAL MWBE	6.51%	12.09%	0.54	Underutilization	*	p <.05
	TOTAL NON-MWBE	93.49%	87.91%	1.06	Overutilization		

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Table C-18

Disparity Results, Relevant Market Area, Master Vendor List

Business Ownership Classification by Fiscal Year, Professional Services

Using Awards Dollars, FY 2016-2020, Total Utilization

Toledo Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2016	African American	0.00%	5.61%	0.00	Underutilization	*	
	Asian American	0.00%	0.00%	n/a	Parity		
	Hispanic American	0.00%	0.35%	0.00	Underutilization	*	
	Native American	0.00%	0.70%	0.00	Underutilization	*	
	TOTAL MINORITY	0.00%	6.67%	0.00	Underutilization	*	
	Non-Minority Woman	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MWBE	0.00%	7.02%	0.00	Underutilization	*	
	TOTAL NON-MWBE	100.00%	92.98%	1.08	Overutilization		
2017	African American	0.00%	5.61%	0.00	Underutilization	*	
	Asian American	0.00%	0.00%	n/a	Parity		
	Hispanic American	14.02%	0.35%	39.96	Overutilization		
	Native American	0.00%	0.70%	0.00	Underutilization	*	
	TOTAL MINORITY	14.02%	6.67%	2.10	Overutilization		
	Non-Minority Woman	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MWBE	14.02%	7.02%	2.00	Overutilization		
	TOTAL NON-MWBE	85.98%	92.98%	0.92	Underutilization		
2018	African American	52.58%	5.61%	9.37	Overutilization		
	Asian American	0.00%	0.00%	n/a	Parity		
	Hispanic American	0.00%	0.35%	0.00	Underutilization	*	
	Native American	0.00%	0.70%	0.00	Underutilization	*	
	TOTAL MINORITY	52.58%	6.67%	7.89	Overutilization		
	Non-Minority Woman	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MWBE	52.58%	7.02%	7.49	Overutilization		
	TOTAL NON-MWBE	47.42%	92.98%	0.51	Underutilization	*	
2019	African American	35.52%	5.61%	6.33	Overutilization		
	Asian American	0.00%	0.00%	n/a	Parity		
	Hispanic American	0.00%	0.35%	0.00	Underutilization	*	
	Native American	0.00%	0.70%	0.00	Underutilization	*	
	TOTAL MINORITY	35.52%	6.67%	5.33	Overutilization		
	Non-Minority Woman	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MWBE	35.52%	7.02%	5.06	Overutilization		
	TOTAL NON-MWBE	64.48%	92.98%	0.69	Underutilization	*	
2020	African American	43.23%	5.61%	7.70	Overutilization		
	Asian American	0.00%	0.00%	n/a	Parity		
	Hispanic American	0.00%	0.35%	0.00	Underutilization	*	
	Native American	0.00%	0.70%	0.00	Underutilization	*	
	TOTAL MINORITY	43.23%	6.67%	6.48	Overutilization		
	Non-Minority Woman	0.00%	0.35%	0.00	Underutilization	*	
	TOTAL MWBE	43.23%	7.02%	6.16	Overutilization		
	TOTAL NON-MWBE	56.77%	92.98%	0.61	Underutilization	*	
TOTAL	African American	35.65%	5.61%	6.35	Overutilization		
	Asian American	0.00%	0.00%	n/a	Parity		
	Hispanic American	1.08%	0.35%	3.09	Overutilization		
	Native American	0.00%	0.70%	0.00	Underutilization	*	p <.05
	TOTAL MINORITY	36.73%	6.67%	5.51	Overutilization		
	Non-Minority Woman	0.00%	0.35%	0.00	Underutilization	*	p <.05
	TOTAL MWBE	36.73%	7.02%	5.23	Overutilization		
	TOTAL NON-MWBE	63.27%	92.98%	0.68	Underutilization	*	p <.05

Griffin & Strong, P.C., 2022

Table C-19

**Disparity Results, Relevant Market Area, Master Vendor List
Business Ownership Classification by Fiscal Year, Other Services
Using Awards Dollars, FY 2016-2020, Total Utilization**

Toledo Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2016	African American	1.23%	4.70%	0.26	Underutilization	*	
	Asian American	0.00%	0.16%	0.00	Underutilization	*	
	Hispanic American	2.27%	0.82%	2.76	Overutilization		
	Native American	0.00%	0.08%	0.00	Underutilization	*	
	TOTAL MINORITY	3.50%	5.77%	0.61	Underutilization	*	
	Non-Minority Woman	18.04%	0.74%	24.33	Overutilization		
	Unidentified MWBE	0.00%	0.16%	0.00	Underutilization	*	
	TOTAL MWBE	21.54%	6.67%	3.23	Overutilization		
TOTAL NON-MWBE	78.46%	93.33%	0.84	Underutilization			
2017	African American	8.87%	4.70%	1.89	Overutilization		
	Asian American	0.00%	0.16%	0.00	Underutilization	*	
	Hispanic American	1.94%	0.82%	2.35	Overutilization		
	Native American	0.00%	0.08%	0.00	Underutilization	*	
	TOTAL MINORITY	10.80%	5.77%	1.87	Overutilization		
	Non-Minority Woman	8.40%	0.74%	11.34	Overutilization		
	Unidentified MWBE	0.00%	0.16%	0.00	Underutilization	*	
	TOTAL MWBE	19.21%	6.67%	2.88	Overutilization		
TOTAL NON-MWBE	80.79%	93.33%	0.87	Underutilization			
2018	African American	1.30%	4.70%	0.28	Underutilization	*	
	Asian American	0.00%	0.16%	0.00	Underutilization	*	
	Hispanic American	1.95%	0.82%	2.37	Overutilization		
	Native American	0.00%	0.08%	0.00	Underutilization	*	
	TOTAL MINORITY	3.26%	5.77%	0.56	Underutilization	*	
	Non-Minority Woman	4.74%	0.74%	6.40	Overutilization		
	Unidentified MWBE	0.00%	0.16%	0.00	Underutilization	*	
	TOTAL MWBE	8.00%	6.67%	1.20	Overutilization		
TOTAL NON-MWBE	92.00%	93.33%	0.99	Underutilization			
2019	African American	0.65%	4.70%	0.14	Underutilization	*	
	Asian American	0.00%	0.16%	0.01	Underutilization	*	
	Hispanic American	1.99%	0.82%	2.42	Overutilization		
	Native American	0.00%	0.08%	0.00	Underutilization	*	
	TOTAL MINORITY	2.64%	5.77%	0.46	Underutilization	*	
	Non-Minority Woman	5.86%	0.74%	7.91	Overutilization		
	Unidentified MWBE	0.00%	0.16%	0.00	Underutilization	*	
	TOTAL MWBE	8.51%	6.67%	1.28	Overutilization		
TOTAL NON-MWBE	91.49%	93.33%	0.98	Underutilization			
2020	African American	1.16%	4.70%	0.25	Underutilization	*	
	Asian American	0.21%	0.16%	1.28	Overutilization		
	Hispanic American	0.85%	0.82%	1.03	Overutilization		
	Native American	0.00%	0.08%	0.00	Underutilization	*	
	TOTAL MINORITY	2.22%	5.77%	0.38	Underutilization	*	
	Non-Minority Woman	9.19%	0.74%	12.39	Overutilization		
	Unidentified MWBE	0.00%	0.16%	0.00	Underutilization	*	
	TOTAL MWBE	11.40%	6.67%	1.71	Overutilization		
TOTAL NON-MWBE	88.60%	93.33%	0.95	Underutilization			
TOTAL	African American	2.33%	4.70%	0.50	Underutilization	*	p <.05
	Asian American	0.06%	0.16%	0.36	Underutilization	*	Small Number
	Hispanic American	1.69%	0.82%	2.05	Overutilization		
	Native American	0.00%	0.08%	0.00	Underutilization	*	Small Number
	TOTAL MINORITY	4.08%	5.77%	0.71	Underutilization	*	p <.05
	Non-Minority Woman	8.33%	0.74%	11.24	Overutilization		
	Unidentified MWBE	0.00%	0.16%	0.00	Underutilization	*	Small Number
	TOTAL MWBE	12.41%	6.67%	1.86	Overutilization		
TOTAL NON-MWBE	87.59%	93.33%	0.94	Underutilization		p <.05	

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APPENDIX D

EXPANDED LEGAL ANALYSIS

APPENDIX 1 – EXPANDED LEGAL ANALYSIS

A. Expanded Legal Analysis

Having provided a historical overview of the significance and initial development of disparity studies, the following underscores the legal benefit to such studies should an M/WBE program or initiative be challenged in a court of law. There are several important legal standards and considerations which arise when a constitutional challenge to an M/WBE program is initiated, and each is addressed below.

Following this discussion, GSPC provides in this analysis an overview of some of the key aspects of its own Study methodology for gathering and analyzing statistical and anecdotal evidence (which provides the “factual predicate” for any remedial program/policy), and discussion of the underlying legal basis for these methodological features.

1. Overview of Legal Challenges to MBE/WBE Programs and Legislation

There are several important legal standards and considerations which arise when a constitutional challenge to an MBE/WBE program is initiated. Matters such as standing, the burden(s) of proof, the level of judicial scrutiny to be applied, and the types of evidence necessary for the court’s evaluation, must all be addressed. Each of these concepts is discussed hereafter.

a. The Standing Requirement

Legal “standing” to bring suit is an absolute requirement for one seeking relief in any federal court of the United States or any state court called upon to decide a matter upon federal law. U.S. Const. Art. III, § 2, Cl 1; Lujan v. Defenders of Wildlife, 504 U.S. 555, 560 (1992). Though “some of its elements express merely prudential considerations that are part of judicial self-government, the core component of standing is an essential and unchanging part of the case-or-controversy requirement of Article III.”¹

[S]tanding contains three elements. First, the plaintiff must have suffered an injury in fact -- an invasion of a legally protected interest which is . . . concrete and particularized . . . [; s]econd, there must be a causal connection between the injury and the conduct complained of . . . [; and t]hird, it must be likely, as opposed to merely speculative, that the injury will be redressed by a favorable decision [of the Court wherewith the matter is brought]. [Lujan, 504 U.S. at 560-61 (internal punctuation and citations omitted)]

Under the traditional standing analysis, in order to satisfy the “injury in fact” requirement, plaintiffs must establish a causal connection between the injury, the ordinance, and the likelihood that the injury will be redressed by a favorable decision. Moreover, the courts may not tolerate a lawsuit unless the plaintiff shows

¹ Lujan, 504 U.S. at 560.

some “concrete and particularized” injury that is in fact imminent and which amounts to something more than “conjectural or hypothetical” injury.²

In the federal judicial circuit covering Toledo, the “injury in fact” element for standing was analyzed in Associated General Contractors of America v. City of Columbus, 172 F.3d 411 (6th Cir. 1999). In that case, a contractors’ association brought an action challenging the constitutionality of the City of Columbus’ minority business set-aside ordinance. After a decision by the district court striking down the ordinance, the City sought relief from the judgment citing a revised, recently enacted, set-aside ordinance.

On appeal, the Sixth Circuit held that the contractors’ association could not demonstrate the injury-in-fact required to establish standing to challenge the constitutionality of the second minority business set-aside ordinance, as the ordinance had not yet been put into effect:

Once the [first] set-aside program was gone, the constitutional violation was gone, and no condition requiring repair remained. The remedy was complete. The agreed order, however ... enjoined the City from enacting any new set-aside legislation without first obtaining District Court approval--thus, the decree aimed at eliminating a condition that did not yet exist, a condition that, at most, might violate the Constitution, if that condition should in fact materialize. [Associated General Contractors, 172 F.3d at 418]

The goal, of course, is to design and implement an MWBE program in such a manner that no legitimate claims of “reverse discrimination” by majority contractors will result, and thus, no constitutional challenge will ensue. Absent achievement of such a program, standing issues will need to be addressed at the outset of any litigation.

b. Burdens of Production/Proof

As noted above, the Croson court struck down the City of Richmond's minority set-aside program because the City failed to provide an adequate evidentiary showing of past and present discrimination as was its initial burden.³ Since the Fourteenth Amendment only allows affirmative action policies that narrowly seek to remedy particularized discrimination, the Court held that state and local governments “must identify that discrimination . . . with some specificity before they may use race-conscious relief.” The court’s rationale for judging the sufficiency of the City’s factual predicate for affirmative action legislation was whether there existed a “strong basis in evidence for its [government’s] conclusion that remedial action was necessary.”⁴

The initial burden of production on the state or local governmental entity is to demonstrate a “strong basis in evidence” that its race- and gender-conscious contract program is aimed at remedying identified past or

² Price v. City of Charlotte, 93 F.3d 1241, 1247 (4th Circuit 1996) (citing Lujan).

³ Croson, 488 U.S. at 498-506.

⁴ Croson, 488 U.S. at 500 (quoting Wygant v. Jackson Bd. of Educ., 476 U.S. 267, 277, 106 S.Ct. 1842, 1849 (1986)).

present discrimination.⁵ Merely stating a “benign” or “remedial” purpose does not constitute a “strong basis in evidence” that the remedial plan is necessary, nor does it establish a prima facie case of discrimination. Thus, the local government must identify the discrimination it seeks to redress, (Croson, 488 U.S. at 500-01), and produce particularized findings of discrimination.

A governmental entity may, for example, establish an inference of discrimination by using empirical evidence that proves a significant statistical disparity between the number of qualified MBE/WBEs, the number of MBE/WBE contractors actually awarded a contract by the governmental entity, or MBE/WBEs brought in as subcontractors by prime contractors to which a contract is awarded.

The courts maintain that the quantum of evidence required for the governmental entity is to be determined on a case-by-case basis, and in the context and breadth of the MBE/WBE program it purports to advance.⁶ If the local government is able to do this, then the burden shifts to the challenging party to rebut the municipality’s showing.⁷

Once the governmental entity has shown acceptable proof of a compelling interest in remedying past discrimination and illustrated that its plan is narrowly tailored to achieve this goal, the party challenging the affirmative action plan bears the ultimate burden of proving that the plan is unconstitutional.⁸

2. Equal Protection and Levels of Judicial Scrutiny

The Fourteenth Amendment provides that “No state shall . . . deny to any person within its jurisdiction the equal protection of the laws”. U.S. Const. amend. XIV, § 1. Courts determine the appropriate standard of equal protection review by “[f]irst. . . [determining] whether a state or local government has developed the program, or whether Congress has authorized the program’s creation”, then by examining the protected classes embodied in the statute. S. J. Groves & Sons Company v. Fulton County et. al., 920 F.2d 752, 767 (11th Cir. 1991).

⁵ See West Tennessee Chapter of Associated Builders v. City of Memphis, 302 F.Supp.2d 860, 863 (W.D. Tenn. 2004) (citing Croson; Adarand).

⁶ See Concrete Works of Colorado, Inc. v. City of Denver, 36 F.3d 1513 (10th Cir. 1994).

⁷ Id.

⁸ See Sherbrooke Turf, Inc. v. Minnesota D.O.T., 345 F.3d 964, 971 (8th Cir. 2003) (“Sherbrooke and Gross Seed have the ultimate burden of establishing that the DBE program is not narrowly tailored.”); Geyer Signal, Inc. v. Minnesota D.O.T., 2014 WL 1309092, *26 (D. Minn. 2014) (“The party challenging the constitutionality of the DBE program bears the burden of demonstrating that the government’s evidence did not support an inference of prior discrimination.”), citing Adarand III, 228 F.3d at 1166.

a. Strict Scrutiny for Race-Based Classifications

“We have held that all racial classifications imposed by government must be analyzed by a reviewing court under strict scrutiny.” Grutter v. Bollinger, 539 U.S. 306, 326 (2003).⁹ The Fourth Circuit previously put into sharp relief its view of the rationale for this level of judicial review:

Racial and ethnic distinctions of any sort are inherently suspect and thus call for the most exacting judicial examination. Wygant v. Jackson Board of Education, 476 U.S. 267, 273, 106 S.Ct. 1842 1846, 90 L.Ed.2d 260 (1986) (plurality opinion) (quoting Regents of the University of California v. Bakke, 438 U.S. 265, 291, 98 S.Ct. 2733 2748, 57 L.Ed.2d 750 (1978) (Powell, J.)). The rationale for this stringent standard of review is plain. Of all the criteria by which men and women can be judged, the most pernicious is that of race. The injustice of judging human beings by the color of their skin is so apparent that racial classifications cannot be rationalized by the casual invocation of benign remedial aims. City of Richmond v. J.A. Croson Co., 488 U.S. 469, 500, 109 S.Ct. 706, 724, 102 L.Ed.2d 854 (1989). While the inequities and indignities visited by past discrimination are undeniable, the use of race as a reparational device risks perpetuating the very race-consciousness such a remedy purports to overcome.... It thus remains our constitutional premise that race is an impermissible arbiter of human fortunes. [Podberesky v. Kirwin, 38 F.3d 147, 152 (4th Cir. 1994) (quoting Maryland Troopers Ass'n v. Evans, 993 F.2d 1072, 1076 (4th Cir.1993)]

“Under strict scrutiny, a racial classification must (1) serve a compelling state interest and (2) be narrowly tailored to achieve that interest.” Tuttle v. Arlington County School Board, 195 F.3d 698, 704 (4th Cir. 1999) (emphasis added) (citing Adarand II).¹⁰

b. Strict Scrutiny for Gender-Based Classifications

Though still a live debate in some federal Circuits, it appears settled in the Sixth Circuit that programs with gender-based classifications are evaluated for constitutionality under the same strict scrutiny standard applied to race-based classifications, and not a more relaxed level of scrutiny (such as intermediate scrutiny). See Brunet v. City of Columbus, 1 F.3d 390, 403-04 (6th Cir. 1993); Conlin v. Blanchard, 890 F.2d 811, 816 (6th Cir. 1989). To the extent the City decides to implement a gender-based policy or program it would be analyzed under the same legal standard as any race-based policy or program, discussed above.

⁹ See also Adarand II, 515 U.S. at 212 (same).

¹⁰ See also Michigan Road Builders Ass'n v. Milliken, 834 F.2d 583, 589-90 (6th Cir. 1987) (setting forth two-part analysis); Associated General Contractors v. Drabik, 214 F.3d (6th Circuit 2000); Cleveland Firefighters for Fair Housing v. City of Cleveland, 917 F.Supp.2d 668, 6679-80 (N.D. Ohio 2013). The strict scrutiny test further requires a “searching judicial inquiry into the justification” for the race conscious remedy to determine whether the classifications are remedial or “in fact, motivated by the illegitimate notions of social inferiority or simple social politics.” Doe v. Sundquist, 943 F. Supp. 886 (M.D. Tenn. 1996).

i. “Compelling Public Interest” Considerations

In order for a local government to enact a constitutionally valid MBE/WBE program or ordinance which applies to awards of its contracts, it must show a compelling governmental interest. H.B. Rowe Company, Incorporated v. W. Lyndo Tippett, 615 F.3d 233 (4th Cir. 2010):

Although imposing a substantial burden, strict scrutiny is not automatically “fatal in fact.” Adarand II, 515 U.S. at 237, 115 S.Ct. 2097. After all, “[t]he unhappy persistence of both the practice and the lingering effects of racial discrimination against minority groups in this country is an unfortunate reality, and government is not disqualified from acting in response to it.” Id.; Alexander, 95 F.3d at 315. In so acting, a governmental entity must demonstrate it had a compelling interest in “remedying the effects of past or present racial discrimination.” Shaw v. Hunt, 517 U.S. 899, 909, 116 S.Ct. 1894, 135 L.Ed.2d 207 (1996).

Thus, to justify a race-conscious measure, a state must “identify that discrimination, public or private, with some specificity,” Croson, 488 U.S. at 504, 109 S.Ct. 706, and must have a “strong basis in evidence for its conclusion that remedial action [is] necessary,” id. at 500, 109 S.Ct. 706 (quoting Wygant v. Jackson Bd. of Educ., 476 U.S. 267, 277, 106 S.Ct. 1842, 90 L.Ed.2d 260 (1986) (plurality opinion)); see also Podberesky v. Kirwan, 38 F.3d 147, 153 (4th Cir.1994). As courts have noted, “there is no ‘precise mathematical formula to assess the quantum of evidence that rises to the Croson ‘strong basis in evidence’ benchmark.” Rothe Dev. Corp. v. Dep’t of Def., 545 F.3d 1023, 1049 (Fed.Cir.2008) (Rothe II) (quoting W.H. Scott Constr. Co. v. City of Jackson, 199 F.3d 206, 218 n. 11 (5th Cir.1999)). [H.B. Rowe, at 241]

This compelling interest must be proven by particularized findings of discrimination. The strict scrutiny test ensures that the means used to address the compelling goal of remedying discrimination “fit” so closely that there is little likelihood that the motive for the racial classification is illegitimate racial prejudice or stereotype.¹¹

The relevant case law establishes that the compelling state interests of remedying past discrimination and of avoiding discrimination in the context of governmental procurement programs are well-accepted, and not controversial at this point.¹²

¹¹ Croson; Engineering Contractors Ass’n v. Metropolitan Dade County, 122 F.3d 895, 906 (11th Cir. 1997). See also, Adarand II, 515 U.S. at 235.

¹² See W.H. Scott Const. Co. v. City of Jackson, 199 F.3d 206, 217 (5th Cir. 1999) (“Combating racial discrimination is a compelling government interest.”); Croson, 488 U.S. at 492 (“It is beyond dispute that any public entity, state or federal, has a compelling interest in assuring that public dollars, drawn from the tax contributions of all citizens, do not serve to finance the evils of private prejudice.”); Adarand II, 515 U.S. at 237 (“The unhappy persistence of both the practice and the lingering effects of racial discrimination against minority groups in this country is an unfortunate reality, and government is not disqualified from acting in response to it.”).

ii. The Extent of Participation in Discrimination by the Public Entity

The courts have uniformly held that general societal discrimination is insufficient to justify the use of race-based measures to satisfy a compelling governmental interest.¹³ Rather, there must be some showing of prior discrimination by the governmental actor involved, either as an “active” or “passive” participant.¹⁴

The upshot of this dual-faceted evaluation of the enacting governmental entity is that, even if the entity did not directly discriminate, it can take corrective action. Engineering Contractors, 122 F.3d at 907 (“[I]f the County could show that it had essentially become a ‘passive participant’ in a system of racial exclusion practiced by elements of the local construction industry, the Supreme Court has made it clear that the [County] could take affirmative steps to dismantle such a system.”); Croson, 488 U.S. at 492 (“Thus, if the city could show that it had essentially become a ‘passive participant’ in a system of racial exclusion practiced by elements of the local construction industry, we think it clear that the city could take affirmative steps to dismantle such a system.”).

Subsequent lower court rulings have provided more guidance on passive participation by local governments. In Concrete Works, the Tenth Circuit held that it was sufficient for the local government to demonstrate that it engaged in passive participation in discrimination rather than showing that it actively participated in the discrimination:

Neither Croson nor its progeny clearly state whether private discrimination that is in no way funded with public tax dollars can, by itself, provide the requisite strong basis in evidence necessary to justify a municipality’s affirmative action program. Although we do not read Croson as requiring the municipality to identify an exact linkage between its award of public contracts and private discrimination, such evidence would at least enhance the municipality’s factual predicate for a race/gender-conscious program. [Id., 36 F.3d at 1529]

Thus, the desire for a government entity to prevent the infusion of public funds into a discriminatory industry is enough to satisfy the requirement. (Can a case cite be added here?)

The next question, however, is whether a public entity has the requisite factual support for its MWBE program in order to satisfy the particularized showing of discrimination required by Croson. This factual support can be developed from anecdotal and statistical evidence, as discussed hereafter.

¹³ Adarand II, 515 U.S. at 227; Croson, 488 U.S. at 496-97.

¹⁴ Croson, 488 U.S. at 498. See also Ashton v. City of Memphis, 49 F. Supp.2d 1051, 1057 (W. D. Tenn. 1999) (citing Croson). As the court in Tennessee Asphalt clarified, “[g]overnmental entities are not restricted to eradicating the effects only of their own discriminatory acts.” 942 F.2d at 974. Thus, even if the governmental unit did not directly discriminate, it can take corrective action. Engineering Contractors, 122 F.3d at 907 (“[I]f the County could show that it had essentially become a ‘passive participant’ in a system of racial exclusion practiced by elements of the local construction industry,” the Supreme Court has made it “clear that the [County] could take affirmative steps to dismantle such a system.”).

3. Types of Evidence

The types of evidence routinely presented to show the existence of a compelling interest include statistical and anecdotal evidence.¹⁵ Where gross statistical disparities exist, they alone may constitute prima facie proof of a pattern or practice of discrimination. Anecdotal evidence, such as testimony from minority contractors, is most useful as a supplement to strong statistical evidence, as it cannot carry the burden for the entity by itself.

The majority decision in Croson implicitly endorsed the inclusion of personal accounts of discrimination, but Croson and subsequent decisions also make clear that selective anecdotal evidence about MBE/WBE experiences alone would not provide an ample basis in evidence to demonstrate public or private discrimination in a municipality's construction industry.¹⁶

In sum, personal accounts of actual discrimination or the effects of discriminatory practices are admissible and effective, and anecdotal evidence of a governmental entity's institutional practices that provoke discriminatory market conditions is particularly probative. In order to carry the day, however, such evidence must be supplemented with strong statistical proof:

A state need not conclusively prove the existence of past or present racial discrimination to establish a strong basis in evidence for concluding that remedial action is necessary. See, e.g., Concrete Works, 321 F.3d at 958. Instead, a state may meet its burden by relying on "a significant statistical disparity" between the availability of qualified, willing, and able minority subcontractors and the utilization of such subcontractors by the governmental entity or its prime contractors. Croson, 488 U.S. at 509, 109 S.Ct. 706 (plurality opinion). We further require that such evidence be "corroborated by significant anecdotal evidence of racial discrimination." Md. Troopers Ass'n, Inc. v. Evans, 993 F.2d 1072, 1077 (4th Cir.1993). [H.B. Rowe, 615 F.3d at 241]

Accordingly, a combination of statistical disparities in the utilization of MBE/WBEs and particularized anecdotal accounts of discrimination by the MBE/WBEs (or others) are required to satisfy the factual predicate.¹⁷

¹⁵ Croson, 488 U.S. at 501.

¹⁶ Croson, 488 U.S. at 480 (noting as a weakness in the City's case that the Richmond City Council heard "no direct evidence of race-conscious discrimination on the part of the city in letting contracts or any evidence that the City's prime contractors had discriminated against minority-owned subcontractors"); See also Engineering Contractors Ass'n, 122 F. 3d at 925 ("[W]e have found that kind of evidence [anecdotal] to be helpful in the past, but only when it was combined with and reinforced by sufficiently probative statistical evidence.").

¹⁷ See Middleton et. al. v. City of Flint, 92 F.3d 396, 405 (6th Cir. 1996) ("Anecdotal evidence is most useful as a supplement to strong statistical evidence[.]").

Of note, several courts have rejected assertions by plaintiffs attacking programs that anecdotal evidence must be verified to be considered as part of a governmental entity's evidentiary proffer.¹⁸

a. Statistical Data Generally

The Court in Croson explained that an inference of discrimination may be made with empirical evidence that demonstrates “a significant statistical disparity between the number of qualified minority contractors . . . and the number of such contractors actually engaged by the locality or the locality's prime contractors.”¹⁹ A predicate to governmental action is a demonstration that gross statistical disparities exist between the proportion of MBEs awarded government contracts and the proportion of MBEs in the local industry “willing and able to do the work,” in order to justify its use of race-conscious contract measures.²⁰

In order to adequately assess statistical evidence, there must be information identifying the basic qualifications of minority contractors “willing and able to do the job” and the Court must determine, based upon these qualifications, the relevant statistical pool with which to make the appropriate statistical comparisons.²¹ Although subsequent lower court decisions have provided considerable guidelines for statistical analyses sufficient for satisfying the Croson factual predicate, there are multiple methods that the courts have accepted for conducting statistical analyses. The most prevalent of these are outlined hereafter.

i. Availability

The attempted methods of calculating MBE/WBE availability have varied from case to case. In Contractors Association of Eastern Pennsylvania v. City of Philadelphia, 6 F.3d 990 (3rd Cir. 1993), the Third Circuit stated that available and qualified minority-owned businesses comprise the “relevant statistical pool” for purposes of determining availability. The court permitted availability to be based on the metropolitan statistical area (MSA) and local list of the Office of Minority Opportunity for non-MBE/WBEs, which itself was based on census data.

In Associated General Contractors v. City of Columbus, the City's consultants collected data on the number of MBE/WBE firms in the Columbus MSA in order to calculate the percentage of available MBE/WBE firms. Three sources were considered to determine the number of MBE/WBEs “ready, willing and able” to perform

¹⁸ Associated General Contractors v. California D.O.T., 713 F.2d at 1196-1197 (“AGC contends that the anecdotal evidence has little or no probative value in identifying discrimination because it is not verified. AGC cites to no controlling authority for a verification requirement. Both the Fourth and Tenth Circuits have rejected the need to verify anecdotal evidence.”), citing H.B. Rowe, 6115 F.3d at 249; Concrete Works, 321 F.3d at 989. See also Kossman Contracting Co. v. City of Houston, Case No. H-14-1203, at 58 (S.D. Texas 2016) (“Plaintiff criticizes the anecdotal evidence with which NERA supplemented its statistical analysis as not having been verified and investigated. Anecdotes are not the sole or even primary evidence of discrimination in this case. . . . One reason anecdotal evidence is valuable supplemental evidence is that it reaches what statistics cannot: a witness' narrative of an incident told from the witness' perspective and including the witness' perceptions.”) (quotations and citations omitted).

¹⁹ 488 U.S. at 509.

²⁰ Ensley Branch N.A.A.C.P. v. Seibels, 31 F.3d 1548, 1556 (11th Cir. 1994).

²¹ Engineering Contractors, 122 F. 3d. at 925.

construction work for the city.²² However, the Court found that none of the measures of availability purported to measure the number of MBE/WBEs who were qualified and willing to bid as a prime contractor on City construction projects because neither the City Auditor Vendor Payment History file, Subcontractor Participation Reports, or Contract Document Database of the City were attentive to which firms were able to be responsible or provide either a bid bond or performance bond. The Court wrote, “[t]here is no basis in the evidence for an inference that qualified MBE/WBE firms exist in the same proportions as they do in relation to all construction firms in the market.”²³

In H.B. Rowe, availability was calculated using a vendor list that included: “(1) subcontractors approved by the Department to perform subcontract work on state-funded projects, (2) subcontractors that performed such work during the study period, and (3) contractors qualified to perform prime construction work on state-funded contracts.”²⁴

The issue of availability also was examined by the Eleventh Circuit in Contractors Association of South Florida.²⁵ There, the Court opined that when reliance is made upon statistical disparity, and special qualifications are necessary to undertake a particular task, the relevant statistical pool must include only those minority-owned firms qualified to provide the requested services. Moreover, these minority firms must be qualified, willing and able to provide the requested services. If the statistical analysis includes the proper pool of eligible minorities, any resulting disparity, in a proper case, may constitute prima facie proof of a pattern or practice of discrimination.

As discussed above, the Sixth Circuit in Drabik ruled that the State of Ohio failed to satisfy the strict scrutiny standard to justify the state’s minority business enterprise act because it relied on statistical evidence that did not account for which firms were qualified, willing and able to perform on construction contracts.²⁶

A common question in collecting and applying availability data is whether prime contractor and subcontractor data needs to be evaluated separately. Though the Sixth Circuit has not spoken on this particular question, the trend is to accept combined data.

NCI’s argument is that IDOT essentially abused its discretion under this regulation by failing to separate prime contractor availability from subcontractor availability. However, NCI has not identified any aspect of the regulations that requires such separation. Indeed, as the district court observed, the regulations require the local goal to be focused on overall DBE participation in the recipient’s DOT-assisted contracts. See 49 C.F.R. § 26.45(a)(1). It would make little sense to separate prime contractor and subcontractor availability as suggested by NCI when DBEs will also compete for prime contracts and any success will be

²² Associated General Contractors of America v. City of Columbus, 936 F. Supp. 1363 (1996), vacated on other grounds, 172 F.3d 411 (6th Cir. 1999).

²³ Associated General Contractors, 936 F. Supp. at 1389.

²⁴ 615 F.3d at 244. Cf. Contractors Association of South Florida v. Metropolitan Dade County, 122 F.3d 895 (11th Cir. 1997) (when special qualifications are necessary to undertake a particular task, the relevant statistical pool must include only those minority-owned firms qualified to provide the requested services.)

²⁵ 122 F.3d 895

²⁶ Drabik, 214 F.3d at 736.

reflected in the recipient's calculation of success in meeting the overall goal. [Northern Contracting, Inc. v. Illinois D.O.T., 473 F.3d 715, 723 (7th Cir. 2007)]²⁷

Also, several courts have accepted the use of a “custom census” methodology for calculating availability. For example, in Northern Contracting, after identifying the relevant geographic market and product market (transportation construction) the analyst “surveyed Dun & Bradstreet’s *Marketplace*, which is a comprehensive database of American businesses that identifies which businesses are minority or women-owned. Wainwright supplemented this survey with IDOT’s list of DBEs in Illinois.”²⁸ In Kossman, the consulting analyst “relied on data acquired from Dun & Bradstreet’s Hoovers subsidiary on the total number of businesses in the defined market area. . . Because the Dun & Bradstreet data did not adequately identify all MWBEs, NERA collected information on MWBEs in Texas and surrounding states through lists from public and private entities, as well as prior NERA studies, and culled records for MWBEs within the [City’s] defined market area.”²⁹

ii. Utilization

Utilization is a natural corollary of availability, in terms of statistical calculation. Different courts have applied utilization rates to different base measures, including percentage-based analyses regarding contract awards and dollars paid.

In Engineering Contractors,³⁰ the City’s consultants calculated the percentage of City contracting dollars that were paid to MWBE construction firms.³¹ In Associated General Contractors v. California D.O.T., the State’s disparity study consultants calculated the percentage of contracting dollars that were paid to DBE firms.³² This is referred to as the rate of utilization. From this point, one can determine if a disparity exists and, if so, to what extent. A similar methodology was utilized in Associated General Contractors of America v. City of Columbus.³³

²⁷ See Associated General Contractors v. California D.O.T., 713 F.2d at 1199 (citing Northern Contracting); Kossman, at 58 (“Separately considering prime contractors and subcontractors is not only unnecessary but may be misleading. The anecdotal evidence indicates that construction firms had served on different contracts, as both.”). See also H.B.Rowe, 615 F.3d at 245 (court accepted combined data based on experts’ explanation that prime contractors are also qualified to do subcontracting work, and often do).

²⁸ 473 F.3d at 718.

²⁹ Id. at 5. See also Midwest Fence, 840 F.3d at 950 (discussing and approving custom census method).

³⁰ 122 F.3d at 914.

³¹ 615 F.3d at 241, 250-51 (“[A] state may meet its burden by relying on ‘a significant statistical disparity’ between the availability of qualified, willing, and able minority subcontractors and the utilization of such subcontractors by the governmental entity or its prime contractors.”), citing Crosun, 488 U.S. at 509, 109 S.Ct. 706.

³² 713 F.2d at 1191-1193. In Kossman v. City of Houston, NERA used both “award amounts” and “paid amounts” to determine utilization. Id. at 3, n. 10. The court, in approving the statistical proffer, looked only at the award amounts to “simplify matters.” Id.

³³ 936 F. Supp. 1363 (City calculated the percentage of City contracting dollars that were paid to M/WBE construction firms)

In Cone Corp. v. Hillsborough County, 908 F.3d 908 (11th Cir. 1990), the following utilization statistics were developed and presented to justify an MBE program:

The County documented the disparity between the percentage of MBE contractors in the area and the percentage of contracts awarded to those MBE contractors. Hillsborough County determined that the percentage of County construction dollars going to MBE contractors compared to the total percentage of County construction dollars spent. . . . The data extracted from the studies indicates that while ten percent of the businesses and twelve percent of the contractors in the County were minorities, only 7.89% of the County purchase orders, 1.22% of the County purchase dollars, 6.3% of the awarded bids, and 6.5% of the awarded dollars went to minorities. The statistical disparities between the total percentage of minorities involved in construction and the work going to minorities, therefore, varied from approximately four to ten percent, with a glaring 10.78% disparity between the percentage of minority contractors in the County and the percentage of County construction dollars awarded to minorities. Such a disparity clearly constitutes a prima facie case of discrimination indicating that the racial classification in the County plan were necessary. [Id. at 915-16]

The Sixth Circuit signaled in Drabik, however, that statistical proof of under-utilization would be insufficient in and of itself to supply the justification for the utilization of a non-race-neutral measure in public contracting practices.³⁴ The Drabik Court did not read Croson as permitting remedial action of a non-race neutral type simply because of statistical findings of underutilization of those minority companies that were in the ready, willing and able to perform a public contracting need category, but rather required that “governments . . . identify discrimination with some specificity before they may use race-conscious relief; explicit findings of a constitutional or statutory violation must be made.”³⁵

iii. Disparity Indices

To demonstrate the under-utilization of MBE/WBEs in a particular area, parties can employ a statistical device known as the “disparity index.” The use of such an index was explained, and cited approvingly, in H.B. Rowe.³⁶

In H.B. Rowe, after noting the increasing use of disparity indices, the court explained that the State (through a consulting firm) calculated a disparity index for each relevant racial or gender group covered by the M/WBE program, and further, conducted a standard deviation analysis on each of those indices using t-

³⁴ 214 F.3d at 735.

³⁵ 214 F.3d at 735. Moreover, the Drabik Court also indicated that the government would need to present evidence demonstrating “pervasive, systematic, and obstinate discriminatory conduct” in order to satisfy Croson. 214 F.3d at 737.

³⁶ 615 F.3d at 243-44.

tests.³⁷ The resulting calculations “demonstrated marked underutilization of [] African American and Native American subcontractors,” according to the court.³⁸

The utility of disparity indices or similar measures to examine the utilization of minorities or women in a particular industry has been recognized by a number of federal circuit courts.³⁹

Specifically, courts have used these MBE/WBE disparity indices to apply the “strong basis in evidence” standard in Croson. As noted, the disparity index in H.B. Rowe was 0.46 for African Americans and was 0.48 for Native Americans. Id. at 245. Based on a disparity index of 0.22, the Ninth Circuit upheld the denial of a preliminary injunction to a challenger of the City of San Francisco's MBE plan based upon an equal protection claim.⁴⁰ Similarly, the Third Circuit held that a disparity of 0.04 was “probative of discrimination in City contracting in the Philadelphia construction industry.”⁴¹

iv. Use of Standard Deviation

The number calculated via the disparity index (established above) is then tested for its validity through the application of a standard deviation analysis. Standard deviation analysis measures the probability that a result is a random deviation from the predicted result (the more standard deviations, the lower the probability the result is a random one). Social scientists consider a finding of two standard deviations significant, meaning that there is about one chance in 20 that the explanation for the deviation could be random, so the deviation must be accounted for by some factor.

As noted above, standard deviations were applied by the State of North Carolina in the statistical analysis utilized to defend its MBE/WBE program in H.B. Rowe.⁴² The Fourth Circuit described the significance of the findings as follows:

For African Americans the t-value of 3.99 fell outside of two standard deviations from the mean and, therefore, was statistically significant at a 95 percent confidence level. In other words, there was at least a 95 percent probability that prime contractors’ underutilization of African American subcontractors was not the result of mere chance. For Native

³⁷ Id. at 244. The disparity index is calculated by dividing the percentage of available MBE/WBE participation (amount of contract dollars) by the percentage of MBE/WBEs in the relevant population of local firms. A disparity index of one (1) demonstrates full MBE/WBE participation, whereas the closer the index is to zero, the greater the MBE/WBE under-utilization. Some courts multiply the disparity index by 100, thereby creating a scale between 0 and 100, with 100 representing full MBE/WBE utilization. Engineering Contractors, 122 F.3d at 914.

³⁸ Id.

³⁹ See Concrete Works, 36 F.3d at 1523 n. 10 (10th Cir.1994) (employing disparity index); Contractors Ass'n, 6 F.3d at 1005 (3d Cir.1993) (employing disparity index); Associated Gen. Contractors v. Coalition for Economic Equity, 950 F.2d 1401, 1414 (9th Cir.1991) (employing similar statistical data).

⁴⁰ AGC v. Coal. for Economic Equity, 950 F.2d 1401, 1414 (9th Cir. 1991).

⁴¹ Contractors Ass'n., 6 F.3d at 1005.

⁴² 615 F.3d at 244-45.

American subcontractors, the t-value of 1.41 was significant at a confidence level of approximately 85 percent. [*Id.* at 245]

Similarly, the Eleventh Circuit has directed that “where the difference between the expected value and the observed number is greater than two or three standard deviations’, then the hypothesis that [employees] were hired without regard to race would be suspect.” *Peightal v. Metropolitan Dade County*, 26 F.3d 1545, 1556 (11th Cir. 1994).⁴³

v. Regression Analysis

The statistical significance of certain quantitative analyses was further evaluated in *H.B. Rowe*.⁴⁴ The *H.B. Rowe* court indicated that the appropriate test should resemble the one employed in *Engineering Contractors*, wherein two standard deviations or any disparity ratio that was higher than .80 (which is insignificant), should be used.⁴⁵

In evaluating the disparity evidence offered, and the regression analysis conducted by the State, the court favorably noted:

To corroborate the disparity data, MGT conducted a regression analysis studying the influence of certain company and business characteristics - with a particular focus on owner race and gender - on a firm's gross revenues. MGT obtained the data from a telephone survey of firms that conducted or attempted to conduct business with the Department. The survey pool consisted of a random sample of 647 such firms; of this group, 627 participated in the survey.

MGT used the firms' gross revenues as the dependent variable in the regression analysis to test the effect of other variables, including company age and number of full-time employees, and the owners' years of experience, level of education, race, ethnicity, and gender. The analysis revealed that minority and women ownership universally had a negative effect on revenue. African American ownership of a firm had the largest negative effect on that firm's gross revenue of all the independent variables included in the regression model. These findings led MGT to conclude that “for African Americans, in particular, the disparity in firm revenue was not due to capacity-related or managerial characteristics alone.” [*Id.* at 245-46; 250]

vi. Geographic Scope

The *Croson* Court also observed that because discrimination varies across market areas, state and local governments cannot rely on national statistics of discrimination in the disputed industry to draw

⁴³ Quoting *Hazelwood School District et al. v. United States*, 433 U.S. 299 (1977), quoting *Castaneda v. Partida*, 430 U.S. 482, 497 n.17, 97 S.Ct. 1272, 1281 n.17, (1977)).

⁴⁴ 615 F.3d at 244-46.

⁴⁵ *Id.*; see also, *supra*, analysis using standard deviations.

conclusions about prevailing market conditions in their respective regions.⁴⁶ However, to confine the permissible data to a governmental entity's strict geographical borders would ignore the economic reality that contracts are awarded to firms located in adjacent areas. Thus, courts closely scrutinize pertinent data related to the jurisdictional area of the state or municipality.

Generally, the scope of the statistical analyses pertains to the geographic market area from which the governmental entity offerors come. In addition, disparities concerning utilization, firm size, and formation are also relevant in determining discrimination in a marketplace. It has been deemed appropriate to examine the existence of discrimination against MBE/WBEs even when these areas go beyond the geographical boundaries of the local jurisdictions.⁴⁷

When utilizing evidence of discrimination from nearby public entities and from within the relevant private marketplace, however, extra-jurisdictional evidence must still pertain to the operation of an industry within geographic boundaries of the jurisdiction. As the court wrote in Tennessee Asphalt v. Farris, “[s]tates and lesser units of local government are limited to remedying sufficiently identified past and present discrimination within their own spheres of authority.”⁴⁸

4. Requirement for Narrowly-Tailored Remedies

Under the Croson framework, any race-conscious plan must be narrowly tailored to ameliorate the effects of past discrimination. See Michigan Road Builders Ass'n v. Milliken, 834 F.2d 583, 589-90 (6th Cir. 1987). “Generally, while ‘goals’ are permissible, unyielding preferential ‘quotas’ will normally doom an affirmative action plan.” Virdi v. DeKalb County School District, 135 Fed. Appx. 262 (11th Cir. 2005).⁴⁹

The Fourth Circuit addressed the parameters of this requirement in Tuttle v. Arlington County, 195 F.3d 698:

When reviewing whether a state racial classification is narrowly tailored, we consider factors such as: (1) the efficacy of alternative race-neutral policies, (2) the planned duration of the policy, (3) the relationship between the numerical goal and the percentage of minority group members in the relevant population or work force, (4) the flexibility of the policy, including the provision of waivers if the goal cannot be met, and (5) the burden of the policy on innocent third parties. [Id. at 706 (citation omitted)]

⁴⁶ Croson, 488 U.S. at 504.

⁴⁷ See Contractors Association of Eastern Pennsylvania v. City of Philadelphia, 91 F.3d 586, 604 (3rd Cir. 1996).

⁴⁸ 942 F.2d 969, 974 (6th Cir. 1991).

⁴⁹ See also Sherbrooke Turf, 345 F.3d at 972 (citing Croson, 488 U.S. at 496).

In Croson, the Court considered similar factors, including 1) whether the city has first considered race-neutral measures, but found them to be ineffective;⁵⁰ 2) the basis offered for the goals selected; 3) whether the program provides for waivers; and 4) whether the program applies only to MBEs who operate in the geographic jurisdiction covered by the program.⁵¹

More refined guideposts are provided in several post-Croson cases wrestling with efforts to meet the “narrowly tailored” prong – which we simply list for ease of reference:

- Relief is limited to minority groups for which there is identified discrimination;
- Remedies are limited to redressing the discrimination within the boundaries of the enacting jurisdiction;
- The goals of the programs should be flexible and provide waiver provisions;
- Race- and/or gender- neutral measures should be considered; and
- The program should include provisions or mechanisms for periodic review and sunset.

Recall that, as discussed earlier in this analysis, the Sixth Circuit in Associated General Contractors v. Drabik affirmed that Ohio’s MBEA statute was not narrowly tailored to remedy past discrimination because: (1) the MBEA suffered from under inclusiveness and over inclusiveness, (lumping together racial and ethnic groups without identified discrimination); (2) the MBEA lacked a sunset date; and (3) the state failed to provide specific evidence that Ohio had considered race-neutral alternatives before adopting the plan to increase minority participation.⁵²

Again, Drabik underscores that MBE/WBE Programs must be designed so that the benefits of the programs are targeted specifically toward those firms that faced discrimination in the local marketplace; to withstand a challenge, relief must extend only to those minority groups for which there is evidence of discrimination.⁵³

Inherent in the above discussion is the notion that MBE/WBE Programs and remedies must maintain flexibility with regard to local conditions in the public and private sectors. Courts have suggested project-by-project goal setting and waiver provisions as means of ensuring fairness to all vendors.

⁵⁰ 488 U.S. at 507-08. See also Sherbrooke Turf, 345 F.3d at 971-72 (“Narrow tailoring does not require exhaustion of every conceivable race-neutral alternative, but it does require serious, good faith consideration of workable race-neutral alternatives.”).

⁵¹ Sherbrooke Turf, 345 F.3d at 971 (“In determining whether a race-conscious remedy is narrowly tailored, we look to factors such as the efficacy of alternative remedies, the flexibility and duration of the race-conscious remedy, the relationship of the numerical goals to the relevant labor market, and the impact of the remedy on third parties.”).

⁵² 214 F.3d 739.

⁵³ 214 F.3d at 735 (discussing the need for a “fit” between past/present harm and the proffered remedy).

Finally, “review” or “sunset” provisions are strongly suggested components for an MBE/WBE program to guarantee that remedies do not outlive their intended remedial purpose. As an example, the Sixth Circuit specifically cited the lack of a “sunset” provision in criticizing the MBEA instituted by the State of Ohio.⁵⁴

5. Conclusion

The Croson decision, handed down thirty years ago, continues to cast a long shadow over M/WBE and DBE programs and legislation. Significant refinement by the Supreme Court and the federal Circuit Courts of Appeal transpired in its wake, though, addressing the acceptable and proper methodologies for achieving the legal standards established by Croson.

In fact, the Court in Kossman recently included in its opinion a lengthy legal overview of what it dubbed “Croson’s Continuing Significance.” In this section of its decision, the court opined about why a statistical analysis like that presented by the City of Houston was necessary and proper under the Equal Protection scheme established by Croson and refined by its (continuing) progeny.⁵⁵ In many respects, this opinion provides a roadmap for success in implementing and defending a DBE or M/WBE program under the current state of the law, with appropriate attribution and reference to Croson. It is in this legal environment that any M/WBE program or policy implemented by the City of Toledo will be evaluated, including in the face of any legal/constitutional challenge.

⁵⁴ Drabik, 214 F.3d at 739.

⁵⁵ Id. at pp. 34-49, and 53-62.

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U.S. Const. art. III, § 2, cl. 1

U.S. Const. amend. XIV §1



APPENDIX E

DATA ASSESSMENT REPORT

**CITY OF TOLEDO, OHIO
2021 DISPARITY STUDY
DATA ASSESSMENT REPORT**

Griffin & Strong, P.C. (“GSPC”) conducted a virtual data assessment meeting on February 18, 2021. This report summarizes this meeting and sets forth action items and preliminary questions to be answered. It is necessary to issue a data assessment report prior to completing the data collection plan in order to confirm that GSPC has the correct understanding of how and where data is kept by the City.

I. Scope Statement

The purpose of this project is to conduct a comprehensive disparity study for City of Toledo Government. The Study will collect and analyze relevant data on “ready, willing and able” vendors in the areas of:

1. Construction
2. A&E
3. Other Professional Services
4. Other Services
5. Goods

The study period for the disparity study was determined as a five-year period from FY 15 to FY 19

The dollars spent will be collected and analyzed from the City’s 13 departments: **(airport, libraries, museums, and schools are not included)**

Diversity and Inclusion	Human Resources	Neighborhoods	Public Service	Health Department
Economic Development	Information Communication and Technology	Plan Commission	Public Utilities	
Finance	Law	Police	Fire and Rescue	

The RFP recites the following:

The Contractor shall review Toledo’s Local Small Business (“LSB”) Directory, Bidders List, U.S. census data, and other relevant lists to identify all minority women and disabled-owned firms ready, willing, and able to perform work on federal, state, and locally-funded projects. The Contractor

should also consider other data as part of its analyses including, but not limited to, any methodologies that have previously been approved by federal courts reviewing disparity and availability studies, in establishing DBE availability in the relevant contracting market.

To analyze the utilization of DBEs that are ready, willing, and able to work on federal, state, and locally-funded projects, the Contractor shall independently review copies (preferably hard copies) of Toledo prime contracts and subcontracts (with or without DBE participation goals) for goods, professional and consultant services, or construction projects, and any other pertinent information as part of its findings and recommendations included in its report.

The Contractor shall review, analyze, and make recommendations on the current condition and status of Toledo DBE program including, but not limited to, overall program management, data collection, goal setting, certification process, compliance, outreach programs, etc., as required under 49 C.F.R. § 26.

The report shall identify the availability of Toledo DBE firms and other non-DBE firms owned by minorities, women, and other socially and economically disadvantaged individuals, broken down by categories of work that are ready, willing, and able to participate on federal, state, and locally-funded projects.

The Contractor shall provide an Excel spreadsheet on a CD listing all firms including both DBEs and potentially eligible non-DBEs the Contractor has identified as ready, willing, and able to participate on federal, state, and locally- funded projects, and provide the following information for each firm:

- First and last name(s) of owner(s)
- Company name (including all aliases, etc.);
- Physical and, if applicable, mailing addresses;
- Phone number;
- Fax number;
- Email address; and
- NAICS code(s).

II. Preliminary Purchasing Practices

- A. Procurement is centralized, all data is stored in one source. Toledo Municipal Court defines purchasing policy with some criteria and each department can add onto this.
- B. Data is in one system, SAP (Systems Applications and Processing).

C. Purchasing starts in each department, is approved by Board of Awards, and then entered into SAP

D. Purchase Order Thresholds \leq \$10,000

- Under \$500 is discretionary but staff encourages 3 bids with at least 1 being an MBE
- \$500 to \$9,999 require 3 quotes with at least 1 being an MBE

1. Informal Threshold: >than \$10,000 to \$39,999

- \$9,999 to \$39,999 (can be formal bid) require 3 quotes with at least 1 being an MBE
- Bidding from \$10,000 to \$39,999 advertised for at least one week
- Over \$10,000 must be competitive with legislative approval from City council

2. Formal Threshold: \$40,000 and over.

- Solicited for at least 2 consecutive weeks
- Over \$100,000 must be approved by the Board of Awards

III. Data Assessment

A. General Data

- Data starts decentralized, but centralized after each department enters their information.
- The City does not track DBE data.

B. Specific Data files

It was determined in this meeting that GSPC will need from the City:

- Solicitations (Study Period)
- Vendor List (Current)
- Requisitions/Purchase Orders (Study Period)

- Bids (Study Period)
- Payments (Study Period)

- Awards (Study Period)
- P-cards (Excluded from Study)
- Subcontractor data (Study Period)
- Building Permit Data (Study Period)
- Certified Lists/Third Party (Current)

1. Solicitations

- There is a master list of solicitations in PlanetBids.com
- Purchase requisition- internal process > SAP > Purchasing > PlanetBids > Releases Solicitation
- **Types of Solicitations**
 - Sealed Bids
 - Quotes
 - RFPs
 - RFQs
 - Annual Bids
 - Construction Management and Risk (CMAR)
 - Unsolicited Proposal

2. Vendor Lists

- Inward facing and comes from SAP ERP (Enterprise Resource Planning)
- Vendor registration form is filled out by vendors and staff then entered into the system
- Vendors select which categories of work to be to be notified on within PlanetBids and are automatically notified on bids over \$10,000
- The vendor list can be exported from SAP but it does not have commodity codes. The City will need to request a wholesale export of firms in order to get commodity codes.

3. Purchase Orders (POs)

- Purchase Order does not necessarily represent the full award, except the Purchase Orders for capital projects.
- However, it is likely that over 95% of the full contract amounts are represented in Purchase Orders.

4. Bids (ITB, RFP, RFQ)

- Bid data is in Bid packages
- Bid tabs go back 5 years and contain unsuccessful bidders, is contained in PlanetBids, so the City will have to request wholesale export
- Most bids do not require prequalification, however if there is a prequalification procedure authorized in the Toledo Municipal Code.
- Bid award has total award amount
- All bidders are registered
- Only Bids over \$10,000 are in PlanetBids

5. Payment Data

- Payment data is housed in the finance department
- May link to Purchase Order but not always
- General ledger code is called “commitment item”

6. Awards

- Awards recommendations that are funded with state resources require a DBE % goal that includes MBE and WBE participation.
- Award data is in specific contracts electronic file
- Goals for service projects and goals are 10% participation for services and 15% participation for construction
- Cooperative Purchasing through the Ohio Department of Administrative Services offers state term contracts that may include DBE participation.
- No CMAR

7. P-Cards (Excluded from Study)

- Small purchases for less than \$1,000
- About \$100,000/month
- Limits are set by department directors
- PNC IntelliLink (electronic) has P-card spending report with commodities, division, department
- No competitive bids placed on P-cards
- Limits are based on department needs

- There is a p-card transaction report (electronic file)

8. Subcontractors

- Subcontractor data comes from bid submittals for both MWBEs and Non-MWBEs
- Subcontractors do not have to register
- Prime contractors can change subcontractors at any time during the contract without notice
- Final payments captured in inclusion and contract compliance
- Subcontracting information can also be found in the release of lien waivers, but may not be any dollars
- They have five years of submittals stating how MBE goals have met tracked in Valoree
- May have to confirm with Prime contractors about what work was paid for

9. Building permit data

- Daniel Fisher building inspector, keeps building permit data

10. Certified List

GSPC will pull certified lists (ethnicity/gender matching only) from

- ODOT- Ohio department of transportation
- City of Toledo
- City of Cleveland
- City of Detroit
- State of Ohio



APPENDIX F

EXPANDED REGRESSION ANALYSIS

APPENDIX F: Expanded Regression Analysis

The tables in this Appendix F (Tables 1 through 17) reports additional regression results on disparities controlling for a variety of race neutral capacity factors in the City of Toledo Market area.

The results of the GSPC disparity analysis provide a framework to rationalize observed disparities in public contracting outcomes/success with the City of Toledo between SMWDBEs and non-SMWDBEs in the City of Toledo Market Area. Our regression analysis suggests that any observed disparities in public contracting outcomes between SMWDBEs and non-SMWDBEs are not explained by differential capacities for public contracting success with the City of Toledo. Our regression specifications control for firm public contracting capacity by including measures such as the education level of the firm owner, the age and market tenure of the firm, the size of the firm with respect to the number of employees and revenues, firm bonding capacity, willingness and ability to do business with the City of Toledo, registration status, and firm financial standing. This inclusion of these control covariates in our regression specifications permit an assessment of public contracting success/failure conditional on SMWDBE and non-SMWDBE public contracting capacity. The existence of public contracting success disparities between SMWDBEs and non-SMWDBEs—particularly when disaggregating by the racial/ethnic/gender status of owners—even after controlling for capacity suggests that relative to non-SMWDBEs, SMWDBEs face barriers independent of their capacity—or their ability—in securing public contracts and subcontracts with the City of Toledo.

Perhaps most indicative of racial/ethnic disparities in public contracting outcomes in the City of Toledo Market Area, our results reveal that the likelihood of SMWDBEs that are owned by Black American and Women are more likely to have “never” been a prime contractor or subcontractor relative to non-SMWDBEs over the time period under consideration in our analysis. This suggests that firms owned by Black American and Women face barriers in securing prime contracts and subcontracts from the City of Toledo. Coupled with our findings of perceived private sector discrimination and informal contracting network exclusion being higher for some SMWDBEs, our results are also consistent with any observed disparities in securing prime contracts and subcontracts with the City of Toledo being driven, at least in part, by discrimination and public contracting network exclusion against SMWDBEs that undermines their ability to secure prime contracts and subcontracts with the City of Toledo.

A. Statistical and Econometric Framework

Methodologically, the GSPC statistical and econometric analysis of possible SMWDBE public contracting disparities with the City of Toledo utilizes a Categorical Regression Model (CRM) framework.¹ As the covariates measuring public contracting activity/outcomes and other respondent characteristics in Table 1 are categorical responses to questionnaire items (e.g. public contracting bid ranges, yes, no), a CRM views the categories as latent variables with likelihood thresholds that are conditioned on other covariates. In the case where there are more than two categories and the succession of categories have a natural ranking, a CRM permits a determination as to how particular covariates condition the likelihood/probability of being in the highest valued category relative to the lower-valued categories. In the case of just two categorical but not naturally ordered categories, the CRM reduces to a Binary Regression

¹ See: Richard D. McKelvey and William Zavoina. 1975. “A Statistical Model for the Analysis of Ordinal Level Dependent Variables,” *Journal of Mathematical Sociology*, 4: pp. 103 - 120.

Model (BRM).²

For all the CRM/BRM parameter estimates below, we report them as “odds ratios”, which measure the ratio of the probability of success and the probability of failure relative to the omitted group in all our specifications—nonminority owned firms.³ When the odds ratio is greater (less) than unity for a parameter, the measured characteristic of interest to the outcome of interest has the effect of increasing (decreasing) the likelihood of the outcome under consideration relative to nonminority owned firms. We determine statistical significance on the basis of the estimated coefficient’s probability value—or P-value. The P-value is the probability of obtaining an estimate of the coefficient by chance alone, assuming that the null hypothesis of the variable having a zero effect is true. As a convention, GSPC rejects the null hypothesis of no effect, and concludes the estimated coefficient is statistically significant as long as P-value $\leq .05$, which we highlight in bold for all parameter estimates.

We report/discuss in all instances, the effects of the firm minority status indicators on the outcome of interest. The other regressors, while included in the parameter estimates, are not discussed. Their inclusion in the specification are simply to control for unobserved variables that may determine a firm’s capacity, that if omitted, would cause bias in the estimates of the effect of a firm’s minority status. The analytical exposition of the results also focuses on the instances in which the parameter estimates suggest that Small, Minority, and Women owned firms (SMWDBEs) fare worse relative to non-SMWDBEs for the outcomes under consideration.

Our regression strategy also reports on two different specifications of the outcome of interest. The first one includes a broad classification of non-white firms as measured by whether or not they are certified and/or deemed as SMWDBEs. Each category in this regression approach will have overlap of firms owned by particular racial/ethnic groups and Women. As this overlap might mask differences in outcomes for particular non-white minorities and Women, the second specification disaggregates the broad categories by consideration categorization by specific racial/ethnic group and gender (e.g. Asian Americans, Black Americans, Hispanic Americans, Women). The exposition and discussion of the results are, in general, couched in terms of whether the outcome of interest suggests that broad SMWDBE and race/ethnicity/gender characteristics of a firm is a possible driver or not of public contracting and other

² More formally, if the latent realization of an outcome is Y_i^* , ranging from $-\infty$ to ∞ , a structural and conditional specification for Y_i^* is $Y_i^* = \mathbf{X}_i \beta + \varepsilon_i$, where \mathbf{X} is a vector of exogenous covariates, β is a vector of coefficients measuring the effects of particular covariates on the realization of Y_i^* , and ε_i is a random error. For categorical and ordinal outcomes $m = 1 \dots J$, $Y_i = m$ if $\tau_{m-1} \leq Y_i^* < \tau_m$, where the τ_i are thresholds for the particular realizations of $Y_i^* = m$. Conditional on \mathbf{X} the likelihood/probability that Y_i takes on a particular realization is $Pr(Y_i = m | \mathbf{X}) = \Phi(\tau_m - \mathbf{X}\beta) - \Phi(\tau_{m-1} - \mathbf{X}\beta)$, where Φ is the cumulative density function of ε . The GSPC methodology utilizes covariates that control and/or proxy for the education level of the firm owner, the age of the firm, the size of the firm with respect to the number of employees and revenues, firm bonding capacity, and firm financial standing.

³ An “odds-ratio” is also a measure of “effect size” in that in addition to the statistical significance of a parameter, the “odds-ratio” provides a measure of a parameter estimate’s “practical magnitude.” For an “odds-ratio” the practical magnitude is the absolute value of 1 minus the “odds-ratio”, measuring the percentage change in the likelihood of observing the dependent outcome.

relevant disparities in the City of Toledo Market Area. In particular, we do not necessarily exposit upon the statistical insignificance of SMWDBE status in a regression if it is not uniform across all the various categories, as the absence of such a uniformity suggests that for particular SMWDBEs, or on average, the outcome of interest is a driver of public contracting disparities in the City of Toledo market area, and can be at least partially explained by SMWDBE status.

As nonresponse probabilities in the GSPC survey are unknown, we estimate all parameters from our CRM/BRM specifications with standard errors clustered on the firm's primary line of business classification to minimize/eliminate the bias that can result from the sample being unrepresentative of the population of interest due to nonresponse and clustered selection into MWDBE treatment.⁴ To the extent that clustered standard errors enable consistent estimation of parameters given misspecification that could result from the omission of sampling and nonresponse weights, CRM/BRM parameter estimates with bootstrapped standard errors effects can mitigate/eliminate the bias caused by a sample that may not be fully representative of the population of interest.⁵

B. GSPC Survey of Business Owners Data

Our City of Toledo disparity analysis is based on survey data compiled by GSPC, and constitutes a sample of firms from the bidder and vendor lists provided by the City of Toledo. The GSPC survey was a questionnaire that captured data on firm and individual owner characteristics in the City of Toledo market area. The questionnaire was sent to certified firms, prequalified firms, awardees, and subcontractors. Table 1 reports, for the 128 survey responses captured, a statistical summary of the covariates that are relevant to the regression analysis.

⁴ See: Abadie, Alberto, Susan Athey, Guido W. Imbens, and Jeffrey Wooldridge. *When should you adjust standard errors for clustering?*. Working Paperw24003. National Bureau of Economic Research, 2017, Cambridge, M

⁵ See: Abadie, Alberto, Susan Athey, Guido W. Imbens, and Jeffrey Wooldridge. *When should you adjust standard errors for clustering?*. Working Paperw24003. National Bureau of Economic Research, 2017, Cambridge, M

**Table 1
Covariate Summary**

Covariate	Description	Mean	Standard Deviation	Number of Observations
Firm entered market within past five years	<i>Binary Variable:</i> 1 = yes	.132	.341	128
Number of times denied a commercial bank loan	<i>Ordinal Variable:</i> 1 = 0 2 = 1 – 10 3 = 11 – 25 4 = 26 – 50 5 = 51 – 100 6 = Over 100	.922	.527	128
Number of prime bids submitted on the City of Toledo projects	<i>Ordinal Variable:</i> 1 = 0 2 = 1 – 10 3 = 11 – 25 4 = 26 – 50 5 = 51 – 100 6 = Over 100	1.32	1.06	128
Number of City of Toledo prime contracts awarded between 1/1/15 - 12/31/19	<i>Ordinal Variable:</i> 1 = 0 2 = 1 – 10 3 = 11 – 25 4 = 26 – 50 5 = 51 – 100 6 = Over 100	1.16	.882	128
Number of City of Toledo subcontracts awarded between 1/1/15 - 12/31/19	<i>Ordinal Variable:</i> 1 = 0 2 = 1 – 10 3 = 11 – 25 4 = 26 – 50 5 = 51 – 100 6 = Over 100	1.21	.848	128
Did not serve as a contractor or subcontractor on the City of Toledo projects between 1/1/15 – 12/31/19	<i>Binary Variable:</i> 1 = Yes	.289	.455	128
Firm has experienced private sector discrimination	<i>Binary Variable</i> 1 = Yes	.141	.349	128
Firm has experienced discrimination at the City of Toledo	<i>Binary Variable</i> 1 = Yes	.164	.372	128
Firm owner believes informal networks enables business with the City of Toledo	<i>Binary Variable</i> 1 = Yes	.461	.501	128
Owner has more than 20 years of experience	<i>Binary Variable</i> 1 = Yes	.688	.465	128
Firm has more than 10 employees	<i>Binary Variable</i> 1 = Yes	.312	.432	128
Firm owner has a baccalaureate/post-graduate degree	<i>Binary Variable:</i> 1 =Yes	.469	.501	128
Firm gross revenue greater than \$1,500,000	<i>Binary Variable:</i> 1 = Yes	.242	.431	128
Firm bonding limit greater than \$1,500,000	<i>Binary Variable:</i> 1 = Yes	.422	.496	128

Financing is a Barrier to Submitting Bids and Securing Contracts From City of Toledo	<i>Binary Variable:</i> 1 = Yes	.891	.313	128
Firm is in the construction sector	<i>Binary Variable:</i> 1 = Yes	.219	.415	128
Firm is registered to do business with the City of Toledo	<i>Binary Variable:</i> 1 = Yes	.679	.468	128
Firm is willing and able to do business with the City of Toledo as a prime contractor	<i>Binary Variable:</i> 1 = Yes	.844	.365	128
Firm is willing and able to do business with the City of Toledo as a subcontractor	<i>Binary Variable:</i> 1 = Yes	.883	.323	128
Firm is a certified Minority Business Enterprise	<i>Binary Variable:</i> 1 = Yes	.203	.404	128
Firm is a certified Woman business enterprise	<i>Binary Variable:</i> 1 = Yes	.234	.425	128
Firm is a certified Small Business Enterprise	<i>Binary Variable:</i> 1 = Yes	.219	.415	128
Firm is a certified Disadvantaged Business Enterprise	<i>Binary Variable:</i> 1 = Yes	.109	.313	128
Majority Firm Owner is Black American	<i>Binary Variable:</i> 1 = Yes	.258	.439	128
Majority Firm Owner is Hispanic American	<i>Binary Variable:</i> 1 = Yes	.047	.212	128
Majority Firm Owner is Asian/Pacific Islander	<i>Binary Variable:</i> 1 = Yes	.008	.088	128
Majority Firm Owner is Native American	<i>Binary Variable:</i> 1 = Yes	.007	.082	128
Majority Firm Owner is Subcontinent Asian	<i>Binary Variable:</i> 1 = Yes	.047	.231	128
Majority Firm Owner is Biracial/multiracial	<i>Binary Variable:</i> 1 = Yes	.023	.152	128
Majority Firm Owner is Other Race	<i>Binary Variable:</i> 1 = Yes	.047	.212	128
Majority Firm Owner is a Woman	<i>Binary Variable:</i> 1 = Yes	.578	.496	128

Source: Griffin & Strong, P.C. 2021

C. SMWDBE Status and Firm Entry in the City of Toledo Market Area

To determine if SMWDBE status is a barrier to the formation of new businesses in the City of Toledo Market Area, Tables 2 - 3 report, for each of the distinct SMWDBEs and owner self-reported race/ethnicity in the GSPC sample, the estimated parameters of a Logit BRM with a binary variable for a firm establishing itself between within the past 5 years as the dependent variable. As standard control covariates we include measures of, or proxies for, the firm's owner's experience, the size of the firm having, firm gross revenue,

firm bonding status, firm financial standing, whether or not the firm is in the construction/construction services sector, and the education of the firm owner. As a goodness-of-fit measure, Pseudo- R^2 is reported.⁶ The parameter estimates in Tables 2 suggest that relative to White-owned firms, SMWDBEs in the Toledo Market Area are neither more or less likely to be new firms. As the excluded group is non-SMWDBEs, to the extent that market experience is an important determinant of and correlated with success in bidding and securing public contracts, this suggests that for SWMDBEs, relative inexperience in the market cannot explain explain any disparities in public contracting between them and non-SMWDBEs in the City of Toledo Market Area, as tenure in the market also implies similar knowledge/experience about bidding and securing public contracts. When disaggregated by race, the estimated odds ratios with statistical significance in Table3 suggest that Black-owned firms are relatively more likely to be new firms.⁷ This suggests that any public contracting disparities between non-SMWDBEs and firms owned by Black Americans could be partially explained by differential rates of market experience

Table 2
Logit Parameter Estimates (Odds Ratio):
SMWDBE Status and Firm Entry in the City of Toledo Market Area

	Coefficient	P-value
<i>Regressand:</i> Firm entered market within past 5 years: (Binary)		
Firm owner has more than 20 year's experience: (Binary)	0.0812	0.0006
Firm has more than 10 employees: (Binary)	0.0885	0.0216
Firm owner has a baccalaureate degree: (Binary)	2.0304	0.2666
Firm gross revenue greater than 1.5 million: (Binary)	0.3448	0.4591
Firm Bonding limit greater than 1.5 million: (Binary)	1.4617	0.5692
Financing is a barrier for securing City of Toledo projects: (Binary)	0.1909	0.0158
Firm is in the construction sector: (Binary)	3.8696	0.0260
Firm is registered to do business with City of Toledo: (Binary)	0.7752	0.7096
Firm is a certified minority business enterprise: (Binary)	0.8795	0.8819
Firm is a certified Woman enterprise: (Binary)	1.0356	0.9741
Firm is a certified disadvantaged business enterprise: (Binary)	0.2205	0.3529
Firm is a certified small business enterprise: (Binary)	0.4177	0.4070
Number of Observations	128	
Pseudo R^2	0.3067	

Griffin & Strong, P.C. 2021

⁶ Pseudo- R^2 is not to be interpreted as the R^2 in standard Ordinary Least Squares (OLS) estimation, as OLS proceeds by minimizing variance to get parameter estimates. Logit specifications are likelihood-based, and higher values of Pseudo- R^2 indicate that the specified model is an increasingly better alternative to a null model with only an intercept.

⁷ As there were missing observations among the covariates for Native American owners, this firm ownership category is omitted from the parameter estimates.

Table 3
 Logit Parameter Estimates (Odds Ratio):
 Owner Racial/Ethnic Status and Firm Entry in the City of Toledo Market Area

	Coefficient	P-value
<i>Regressand:</i> Firm entered market within past 5 years: (Binary)		
Firm owner has more than 20 years experience: (Binary)	0.1127	0.0033
Firm has more than 10 employees: (Binary)	0.1874	0.0015
Firm owner has a baccalaureate degree: (Binary)	2.2757	0.0317
Firm gross revenue greater than 1.5 million: (Binary)	0.4794	0.5754
Firm Bonding limit greater than 1.5 million: (Binary)	1.3804	0.0444
Financing is a barrier for securing City of Toledo projects: (Binary)	0.5046	0.4616
Firm is in the construction sector: (Binary)	2.2807	0.0241
Firm is registered to do business with City of Toledo: (Binary)	0.8211	0.7783
Firm is Black-owned: (Binary)	3.0457	0.0378
Firm is Hispanic-owned: (Binary)	0.0312	0.2437
Firm is Asian-owned: (Binary)	0.8134	0.3127
Firm is Subcontinent Asian-owned: (Binary)	0.4326	0.7143
Firm is bi/multiracial-owned: (Binary)	0.8314	0.3812
Firm is other race-owned: (Binary)	0.6314	0.0531
Firm is Woman-owned: (Binary)	0.9197	0.9261
Number of Observations	128	
Pseudo R ²	0.3449	

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D. SMWDBE Status and Number of Prime Bid Submissions In the City of Toledo Market Area

One reason disparities in public contracting outcomes between SMWDBEs and non-SMWDBEs could exist is that relative to non-SMWDBEs, SMWDBEs may be less interested in, and/or less likely to submit bids for public contracts. To determine if this is the case in the City of Toledo Market Area, Tables 4 - 5 report Ordinal Logit parameter estimates of a CRM with the number of prime contracting bids submitted by a firm to the City of Toledo between 2013 - 2019 as the dependent variable, for each of the distinct SMWDBEs in the GSPC sample.

The estimated odds ratios with statistical significance in Table 4 reveal that relative to non-SMWDBES, firms classified as Minoritysubmit more prime bids. This suggests that for certified MinorityBusiness firms, any public contracting disparities between them and non-SMWDBES cannot be explain by differences in

prime bid submissions. When disaggregating by race/ethnicity/gender, the results in Table 5 reveal that there are no differences in prime bid submissions between firms owned by non-white males and white males, as the odds ratios are never statistically significant.⁸ This suggests that any disparities in public outcomes between firms owned by ethnic/racial/gender minorities and White-owned in the City of Toledo market area cannot be explained by lower bid submissions of firms owned by ethnic/racial/gender minorities.

Table 4
Ordinal Logit Parameter Estimates (Odds Ratio):
SMWDBE Status and Number of Prime Bid Submissions
In the City of Toledo Market Area

	Coefficient	P-value
<i>Regressand:</i> Number of prime bids on City of Toledo projects: (Ordinal)		
Firm owner has more than 20 years experience: (Binary)	3.0626	0.0045
Firm has more than 10 employees: (Binary)	0.4745	0.0236
Firm owner has a baccalaureate degree: (Binary)	1.0010	0.9978
Firm gross revenue greater than 1.5 million: (Binary)	1.0956	0.8396
Firm Bonding limit greater than 1.5 million: (Binary)	1.6624	0.1974
Financing is a barrier for securing City of Toledo projects: (Binary)	0.4978	0.2353
Firm is in the construction sector: (Binary)	3.9418	0.0040
Firm is registered to do business with City of Toledo: (Binary)	2.2674	0.0407
Firm is a willing/able prime contractor for City of Toledo: (Binary)	12.4941	0.0007
Firm is a willing/able subcontractor for City of Toledo: (Binary)	0.1582	0.0227
Firm is a certified minority business enterprise: (Binary)	3.2634	0.0165
Firm is a certified Woman enterprise: (Binary)	0.9865	0.9801
Firm is a certified disadvantaged business enterprise: (Binary)	1.9927	0.2927
Firm is a certified small business enterprise: (Binary)	1.8511	0.2912
Number of Observations	128	
Pseudo R ²	0.1346	

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⁸ As there were missing observations among the covariates for Native American and Other Race owners, this firm ownership category is omitted from the parameter estimates.

Table 5
Ordinal Logit Parameter Estimates (Odds Ratio):
SMWDBE Status and Number of Prime Bid Submissions
In the City of Toledo Market Area

	Coefficient	P-value
<i>Regressand:</i> Number of prime bids on City of Toledo projects: (Ordinal)		
Firm owner has more than 20 years experience: (Binary)	1.6468	0.0213
Firm has more than 10 employees: (Binary)	0.7493	0.1925
Firm owner has a baccalaureate degree: (Binary)	0.8656	0.4602
Firm gross revenue greater than 1.5 million: (Binary)	1.0039	0.9864
Firm Bonding limit greater than 1.5 million: (Binary)	1.3512	0.0371
Financing is a barrier for securing City of Toledo projects: (Binary)	0.6001	0.1075
Firm is in the construction sector: (Binary)	1.6090	0.0436
Firm is registered to do business with City of Toledo: (Binary)	1.6912	0.0110
Firm is a willing/able prime contractor for City of Toledo: (Binary)	2.5927	0.0101
Firm is a willing/able subcontractor for City of Toledo: (Binary)	0.5134	0.1146
Firm is Black-owned: (Binary)	1.2380	0.4005
Firm is Hispanic-owned: (Binary)	1.1281	0.7923
Firm is Asian-owned: (Binary)	1.5474	0.6792
Firm is Subcontinent Asian-owned: (Binary)	0.7166	0.4628
Firm is bi/multiracial-owned: (Binary)	0.9145	0.8819
Firm is Woman-owned: (Binary)	0.9190	0.6809
Observations	128	
Pseudo R ²	0.1521	

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E. SMWDBE Status and Number of Prime Contracts Awarded In the City of Toledo Market Area

To the extent that frequency of public contract bids reflects past experience as a prime contractor, SMWDBEs can potentially become frequent prime contract bidders by actually gaining experience as successful prime contractors. As such, the frequency of prime bids by SMWDBEs firms need not be a concern if they are actually gaining valuable experience as prime contractors that will translate into frequent contract bids and success later. To explore if this is the case in the City of Toledo Market Area, Tables 6 - 7 report Ordinal Logit BRM parameter estimates where the dependent variable is the number of City of Toledo prime contracts awarded to the firm since July 2015.

The estimated odds ratio with statistical significance in Table 6 suggest that relative to non-SMWDBEs certified Disadvantaged firms received fewer City of Toledo prime contracts since July of 2015. When

disaggregating by the race/ethnicity/gender of firm owners in Table 7, relative to non-SMWDBEs, the estimated odds ratio suggest that relative to non-SMWDBEs, firms owned by Subcontinent Asians, and Bi/multiracials received fewer City of Toledo prime contracts since July 2015. there are no differences in prime contract awards between SMWDBEs and non-SWMBEs. ⁹ These dissimilar results suggest that in general, firms owned by these racial/ethnic/gender groups and classified as Disadvantaged, in contract to are less likely to be awarded prime contracts. To the extent that success in public contracting is proportional to having prior prime awards, the parameter estimates in Tables 6 – 7 suggest that any contracting disparities between non-SMWDBEs and firms classified as Disadvantages, and owned by sub-continent Asians, and Bi/multiracials, can possibly be explained by past, and possibly discriminatory constraints, on these type of SMWDBEs successfully winning prior prime contracts from the City of Toledo, which could translate into future capacity to secure prime contracts.

Table 6
Ordinal Logit Parameter Estimates (Odds Ratio):
SMWDBE Status and Number of Prime Contracts Awarded
In the City of Toledo Market Area

	Coefficient	P-value
<i>Regressand: # of City of Toledo prime contracts awarded since July 2015: (Ordinal)</i>		
Firm owner has more than 20 years experience: (Binary)	3.2581	0.0047
Firm has more than 10 employees: (Binary)	0.4592	0.0794
Firm owner has a baccalaureate degree: (Binary)	0.8510	0.6643
Firm gross revenue greater than 1.5 million: (Binary)	1.0690	0.8887
Firm Bonding limit greater than 1.5 million: (Binary)	1.8477	0.0376
Financing is a barrier for securing City of Toledo projects: (Binary)	1.7561	0.3558
Firm is in the construction sector: (Binary)	3.7429	0.0064
Firm is registered to do business with City of Toledo: (Binary)	2.4220	0.0350
Firm is a willing/able prime contractor for City of Toledo: (Binary)	6.0516	0.0010
Firm is a certified minority business enterprise: (Binary)	2.4541	0.0709
Firm is a certified Woman enterprise: (Binary)	0.7871	0.6712
Firm is a certified disadvantaged business enterprise: (Binary)	0.8981	0.0387
Firm is a certified small business enterprise: (Binary)	2.0882	0.2146
Number of Observations	128	
Pseudo R ²	0.1336	

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⁹ As there were missing observations among the covariates for Native American and Other Race owners, this firm ownership category is omitted from the parameter estimates.

Table 7
Ordinal Logit Parameter Estimates (Odds Ratio):
SMWDBE Status and Number of Prime Contracts Awarded
In the City of Toledo Market Area

	Coefficient	P-value
<i>Regressand: # of City of Toledo prime contracts awarded since July 2015: (Ordinal)</i>		
Firm owner has more than 20 years experience: (Binary)	1.4119	0.0403
Firm has more than 10 employees: (Binary)	0.7095	0.0281
Firm owner has a baccalaureate degree: (Binary)	0.8608	0.3468
Firm gross revenue greater than 1.5 million: (Binary)	0.9712	0.8756
Firm Bonding limit greater than 1.5 million: (Binary)	1.3030	0.1055
Financing is a barrier for securing City of Toledo projects: (Binary)	0.8830	0.6284
Firm is in the construction sector: (Binary)	1.6623	0.0087
Firm is registered to do business with City of Toledo: (Binary)	1.5120	0.0138
Firm is a willing/able prime contractor for City of Toledo: (Binary)	1.7919	0.0065
Firm is Black-owned: (Binary)	1.0072	0.9723
Firm is Hispanic-owned: (Binary)	1.1208	0.7528
Firm is Asian-owned: (Binary)	1.2847	0.7713
Firm is Subcontinent Asian-owned: (Binary)	0.6378	0.0341
Firm is bi/multiracial-owned: (Binary)	0.6771	0.0278
Firm is Woman-owned: (Binary)	0.9155	0.5981
Number of Observations	128	
Pseudo R ²	.1643	

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F. SMWDBE Status and Number of Subcontracts Awarded In the City of Fredrick Market Area

To the extent that submitting and winning public contract bids requires experience, which can also be gained through subcontracting with lead prime firms with City of Toledo contracts, SMWDBEs can potentially become more frequent and successful prime contract bidders by acquiring experience as subcontractors. As such, the low-frequency of prime bid submission and lower likelihood of being a prime contractor by SMWDBEs need not be a concern if they are gaining valuable subcontracting experience that will translate into high frequency contract bids and success later. To explore if this is the case in the City of Toledo Market Area, Tables 8 - 9 report Ordinal Logit BRM parameter estimates where the dependent variable is the number of City of Toledo subcontracts awarded to the firm between 2014 – 2019.

The estimated odds ratio with statistical significance in Table 8 suggest that relative to non-SMWDBEs firms certified as Disadvantaged received more and certified Women and Minority firms received less City of Toledo subcontracts awarded since July of 2015. When disaggregating by the race/ethnicity/gender of firm owners in Table 9, relative to non-SMWDBEs, the estimated odds ratio suggest that firms owned by Blacks received fewer City of Toledo subcontracts.¹⁰ To the extent that success in public contracting is proportional to having prior subcontracts, the parameter estimates in Tables 8– 9 suggest that any contracting disparities between non-SMWDBEs and firms owned Blacks, and those certified as Women and Minority, can possibly be explained by past, and possibly discriminatory constraints on subcontracting, faced by these type of SMWDBEs successfully winning prior subcontracts from the City of Toledo, which could translate into future capacity to secure prime contracts.

Table 8
Ordinal Logit Parameter Estimates (Odds Ratio):
SMWDBE Status and Number of Subcontracts Awarded
In the City of Toledo Market Area

	Coefficient	P-value
<i>Regressand: # of City of Toledo subcontracts awarded since July 2015: (Ordinal)</i>		
Firm owner has more than 20 years experience: (Binary)	1.1369	0.7616
Firm has more than 10 employees: (Binary)	0.6346	0.3386
Firm owner has a baccalaureate degree: (Binary)	0.6430	0.2727
Firm gross revenue greater than 1.5 million: (Binary)	1.2873	0.6086
Firm Bonding limit greater than 1.5 million: (Binary)	0.5240	0.1380
Financing is a barrier for securing City of Toledo projects: (Binary)	1.0698	0.9159
Firm is in the construction sector: (Binary)	3.4651	0.0101
Firm is registered to do business with City of Toledo: (Binary)	3.2223	0.0127
Firm is a willing/able subcontractor for City of Toledo: (Binary)	1.3326	0.6426
Firm is a certified minority business enterprise: (Binary)	0.5659	0.0480
Firm is a certified Woman enterprise: (Binary)	0.7261	0.0316
Firm is a certified disadvantaged business enterprise: (Binary)	7.5725	0.0040
Firm is a certified small business enterprise: (Binary)	1.9166	0.2699
Number of Observations	128	
Pseudo R ²	0.1381	

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¹⁰ As there were missing observations among the covariates for Native American and Other Race owners, this firm ownership category is omitted from the parameter estimates.

Table 9
Ordinal Logit Parameter Estimates (Odds Ratio):
Owner Racial/Ethnic Status and Number of Subcontracts Awarded
In the City of Toledo Market Area

	Coefficient	P-value
<i>Regressand</i> : # of City of Toledo subcontracts awarded since July 2015: (Ordinal)		
Firm owner has more than 20 years experience: (Binary)	1.0750	0.6822
Firm has more than 10 employees: (Binary)	0.8013	0.2253
Firm owner has a baccalaureate degree: (Binary)	0.7783	0.0225
Firm gross revenue greater than 1.5 million: (Binary)	1.0702	0.7198
Firm Bonding limit greater than 1.5 million: (Binary)	0.9489	0.7522
Financing is a barrier for securing City of Toledo projects: (Binary)	0.8158	0.0358
Firm is in the construction sector: (Binary)	1.5005	0.0374
Firm is registered to do business with City of Toledo: (Binary)	1.5193	0.0142
Firm is a willing/able subcontractor for City of Toledo: (Binary)	1.1183	0.0491
Firm is Black-owned: (Binary)	0.7576	0.0344
Firm is Hispanic-owned: (Binary)	1.2171	0.5925
Firm is Asian-owned: (Binary)	1.0678	0.9401
Firm is Subcontinent Asian-owned: (Binary)	1.1113	0.7785
Firm is bi/multiracial-owned: (Binary)	1.6735	0.3018
Firm is Woman-owned: (Binary)	1.1522	0.4040
Number of Observations	128	
Pseudo R^2	.1732	

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G. SMWDBE Status and Never Serving as Contractor/Subcontractor In the City of Toledo Market Area

As the results in Tables 10 - 11 reflect only the effect of SMWDBE status on the number of City of Toledo contracts and subcontracts, it may obscure the effects of, and the distribution of, zero outcomes—never having secured a City of Toledo contract or subcontract. Tables 10 – 11 report Logit parameter estimates where the dependent variable is whether the firm “never” served since July 2015 as a prime contractor or subcontractor for the City of Toledo. The estimated odds ratios with statistical significance in Table 10 suggest that relative to non-SMWDBEs, certified Minority Business Enterprises, are neither more or less likely to have never received a City of Toledo prime contract or subcontract. Disaggregating by race/ethnicity/gender, the results in Table 11 suggest that firms owned by Black Americans and Bi/Multiracials are more likely to have “never” been a prime contractor or subcontractor with the City of Toledo.¹¹ To the extent that success in public contracting is proportional to having prior prime contracts or

¹¹ As there were missing observations among the covariates for Native American and Other Race owners,

subcontracts, the parameter estimates in Tables 10 – 11 suggest that for firms owned by Black Americans and Bi/multiracials, any contracting disparities between and non-SMWDBEs can possibly be explained by their relative disadvantaged in having secured prior prime contracts or subcontracts from the City of Toledo. For other SWMBEs, the absence of any differences between them and non-SWMBDEs and the lack of prior experience as a contractor or subcontractor, suggest that such experience cannot explain any disparities in contracting outcomes between SMWDBEs and non-SMWDBEs.

Table 10
 Logit Parameter Estimates (Odds Ratio):
 SMWDBE Status and Never Serving as Contractor/Subcontractor
 In the City of Toledo Market Area

	Coefficient	P-value
<i>Regressand</i> : Served as neither contractor/subcontractor on contract since July 2015: (Binary)		
Firm owner has more than 20 years experience: (Binary)	1.4899	0.4705
Firm has more than 10 employees: (Binary)	0.6098	0.0079
Firm owner has a baccalaureate degree: (Binary)	1.7625	0.2779
Firm gross revenue greater than 1.5 million: (Binary)	0.9991	0.9990
Firm Bonding limit greater than 1.5 million: (Binary)	1.0367	0.9468
Financing is a barrier for securing City of Toledo projects: (Binary)	1.3355	0.0257
Firm is in the construction sector: (Binary)	0.0713	0.9911
Firm is registered to do business with City of Toledo: (Binary)	0.3095	0.0283
Firm is a willing/able prime contractor for City of Toledo: (Binary)	0.1059	0.0042
Firm is a certified minority business enterprise: (Binary)	0.4715	0.3714
Firm is a certified Woman enterprise: (Binary)	0.7963	0.7963
Firm is a certified disadvantaged business enterprise: (Binary)	0.3627	0.4586
Firm is a certified small business enterprise: (Binary)	0.3505	0.2482
Number of Observations	128	
Pseudo <i>R</i> ²	.3408	

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_____ this firm ownership category is omitted from the parameter estimates.

Table 11
 Logit Parameter Estimates (Odds Ratio):
 SMWDBE Status and Never Serving as Contractor/Subcontractor
 In the City of Toledo Market Area

	Coefficient	P-value
<i>Regressand:</i> Served as neither contractor/subcontractor on contract since July 2015: (Binary)		
Firm owner has more than 20 years experience: (Binary)	1.0212	0.8075
Firm has more than 10 employees: (Binary)	0.9411	0.4927
Firm owner has a baccalaureate degree: (Binary)	1.1330	0.1125
Firm gross revenue greater than 1.5 million: (Binary)	0.9909	0.0210
Firm Bonding limit greater than 1.5 million: (Binary)	0.9815	0.8154
Financing is a barrier for securing City of Toledo projects: (Binary)	1.0627	0.0309
Firm is in the construction sector: (Binary)	0.7431	0.0020
Firm is registered to do business with City of Toledo: (Binary)	0.7783	0.0026
Firm is a willing/able prime contractor for City of Toledo: (Binary)	0.7075	0.0011
Firm is Black-owned: (Binary)	1.0111	0.0213
Firm is Hispanic-owned: (Binary)	0.7805	0.1660
Firm is Asian-owned: (Binary)	0.6025	0.2334
Firm is Subcontinent Asian-owned: (Binary)	0.9864	0.9400
Firm is bi/multiracial-owned: (Binary)	1.0776	0.0370
Firm is Woman-owned: (Binary)	0.8983	0.1944
Number of Observations	128	
Pseudo R ²		

H. SMWDBE Status and Perceived Discrimination at the City of Toledo

Disparate contracting and subcontracting outcomes between SMWDBEs and non-SMWDBEs could reflect, at least in part, the effects of discrimination against them by the City of Toledo, which conditions their entry into the market, and opportunities for success at the City of Toledo.¹² In Tables 12 – 13, we report Logit

¹² For the effects that discrimination can have upon the entry and performance of minority-owned firms. See: Borjas, George J., and Stephen G. Bronars. 1989. "Consumer Discrimination and Self-employment." *Journal of Political Economy*, 97: pp. 581-605.

parameter estimates of the the effects of SMWDBE status on having experienced discrimination—in particular the perception of having experienced discrimination at the City of Toledo.

To the extent that perceptions of discrimination correlate positively with actual discrimination at the City of Toledo, the odds ratio estimates in Table 12 with statistical significance suggest that relative to non-SMWDBEs, firms classified as Minority and Women experienced discrimination at the City of Toledo. When disaggregated by the race/ethnicity/gender of firm owners, the odds ratio estimates with statistical significance in Table 13 suggest that relative to non-SMWDBEs, firms owned by Black Americans experienced discrimination at the City of Toledo. In general, the parameter estimates suggest that, at least for SMWDBEs owned by Blacks, and classified as Minority and Women, City of Toledo contracting disparities between them and non-SMWDBEs can at least in part explained by discrimination at the City of Toledo that undermines their chances at successfully winning prime contracts at the City of Toledo.

Table 14
Logit Parameter Estimates (Odds Ratio):
SMWDBE Status and Perceived Discrimination at the City of Toledo

	Coefficient	P-value
<i>Regressand:</i> Experienced perceived discrimination at City of Toledo: (Binary)		
Firm owner has more than 20 years experience: (Binary)	0.6939	0.5543
Firm has more than 10 employees: (Binary)	0.9927	0.9920
Firm owner has a baccalaureate degree: (Binary)	1.1075	0.8686
Firm gross revenue greater than 1.5 million: (Binary)	1.0046	0.9952
Firm Bonding limit greater than 1.5 million: (Binary)	1.6536	0.4368
Financing is a barrier for securing City of Toledo projects: (Binary)	0.2385	0.0389
Firm is in the construction sector: (Binary)	3.9329	0.0626
Firm is registered to do business with City of Toledo: (Binary)	0.3011	0.0278
Firm is a willing/able prime contractor for City of Toledo: (Binary)	0.2526	0.0469
Firm is a certified minority business enterprise: (Binary)	6.1790	0.0104
Firm is a certified Woman enterprise: (Binary)	4.9110	0.0399
Firm is a certified disadvantaged business enterprise: (Binary)	0.4299	0.3410
Firm is a certified small business enterprise: (Binary)	1.3405	0.6933
Number of Observations	128	
Pseudo R^2	0.2719	

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Table 15
Logit Parameter Estimates (Odds Ratio):
SMWDBE Status and Perceived Discrimination at the City of Toledo

	Coefficient	P-value
<i>Regressand</i> : Experienced perceived discrimination at City of Toledo: (Binary)		
Firm owner has more than 20 years experience: (Binary)	0.9579	0.5713
Firm has more than 10 employees: (Binary)	1.0631	0.0335
Firm owner has a baccalaureate degree: (Binary)	0.9893	0.8759
Firm gross revenue greater than 1.5 million: (Binary)	1.0426	0.0368
Firm Bonding limit greater than 1.5 million: (Binary)	1.0463	0.0220
Financing is a barrier for securing City of Toledo projects: (Binary)	0.8271	0.0130
Firm is in the construction sector: (Binary)	1.1540	0.0859
Firm is registered to do business with City of Toledo: (Binary)	0.9253	0.2818
Firm is a willing/able prime contractor for City of Toledo: (Binary)	0.8671	0.1211
Firm is Black-owned: (Binary)	1.2247	0.0255
Firm is Hispanic-owned: (Binary)	1.1216	0.4661
Firm is Asian-owned: (Binary)	0.9657	0.9256
Firm is Subcontinent Asian-owned: (Binary)	0.9042	0.5314
Firm is bi/multiracial-owned: (Binary)	0.9282	0.7269
Firm is Woman-owned: (Binary)	1.0770	0.3086
Number of Observations	128	
Pseudo R^2	0.3142	

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I. SMWDBE Status and Informal Contracting Networks In the City of Fredrick Market Area

Similar to discrimination at the City of Toledo, the existence of informal public contracting networks that confer advantages to insiders in securing public contracts and subcontracts, and exclude SMWDBEs, could possibly have an adverse effect on SMWDBEs ability to secure public contracts and subcontracts with the City of Toledo.¹³ To explore the role of such informal networks, Tables 16 - 17 report Logit parameter estimates where the dependent variable is if the firm owner agrees that informal networks enable success in public contracting with the City of Toledo.

¹³ For evidence that access to informal networks can increase the likelihood of success in securing public contracting See: Sedita, Silvia Rita, and Roberta Apa. 2015. "The Impact of Inter-organizational Relationships on Contractors' Success in Winning Public Procurement Projects: The Case of the Construction Industry in the Veneto Region." *International Journal of Project Management*, 33: pp. 1548-1562.

The odd ratio estimates in Table 16 with statistical significance suggest that relative to non-SMWDBEs, firms in all of the certified SMBDBE classifications classified are more likely to perceive that informal networks enable contracting success with the City of Toledo. When disaggregated by the race/ethnicity/gender of firm owners, the odds ratio estimates with statistical significance in Table 17 suggest that relative to non-SMWDBEs, firms owned by Black Americans, Bi/Multiracials and Women, are more likely to perceive that informal networks enable contracting success with the City of Toledo. This suggests that, at least for broadly classified SMWDBEs, and firms owned by Black Americans, Bi/Multiracials and Women, City of Toledo contracting disparities between them and non-SMWDBEs can potentially explained by their exclusion from the City of Toledo public contracting networks that reduces their ability to secure prime contracts and subcontracts.

Table 16
Logit Parameter Estimates (Odds Ratio):
SMWDBE Status and Informal Contracting Networks
In the City of Toledo Market Area

	Coefficient	P-value
<i>Regressand</i> : Yes, there is an informal network that enables business with City of Toledo: (Binary)		
Firm owner has more than 20 years experience: (Binary)	0.7448	0.5056
Firm has more than 10 employees: (Binary)	0.9844	0.9737
Firm owner has a baccalaureate degree: (Binary)	0.6417	0.2813
Firm gross revenue greater than 1.5 million: (Binary)	0.4502	0.0262
Firm Bonding limit greater than 1.5 million: (Binary)	0.6671	0.3589
Financing is a barrier for securing City of Toledo projects: (Binary)	0.0670	0.0123
Firm is in the construction sector: (Binary)	0.8744	0.7970
Firm is registered to do business with City of Toledo: (Binary)	1.1975	0.7010
Firm is a willing/able prime contractor for City of Toledo: (Binary)	0.8725	0.8077
Firm is a certified minority business enterprise: (Binary)	1.4361	0.0165
Firm is a certified Woman enterprise: (Binary)	1.0675	0.0147
Firm is a certified disadvantaged business enterprise: (Binary)	1.4586	0.0365
Firm is a certified small business enterprise: (Binary)	1.5532	0.0283
Number of Observations	128	
Pseudo R ²	0.1403	

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Table 17
 Logit Parameter Estimates (Odds Ratio):
 SMWDBE Status and Informal Contracting Networks
 In the City of Toledo Market Area

	Coefficient	P-value
<i>Regressand</i> : Yes, there is an informal network that enables business with City of Toledo: (Binary)		
Firm owner has more than 20 years experience: (Binary)	1.0582	0.5556
Firm has more than 10 employees: (Binary)	1.0254	0.7992
Firm owner has a baccalaureate degree: (Binary)	0.9500	0.0369
Firm gross revenue greater than 1.5 million: (Binary)	0.8744	0.1917
Firm Bonding limit greater than 1.5 million: (Binary)	0.9931	0.0386
Financing is a barrier for securing City of Toledo projects: (Binary)	0.7103	0.0167
Firm is in the construction sector: (Binary)	0.9907	0.9289
Firm is registered to do business with City of Toledo: (Binary)	1.0899	0.3444
Firm is a willing/able prime contractor for City of Toledo: (Binary)	0.9692	0.0265
Firm is Black-owned: (Binary)	1.3282	0.0136
Firm is Hispanic-owned: (Binary)	0.8683	0.4777
Firm is Asian-owned: (Binary)	2.2639	0.0861
Firm is Subcontinent Asian-owned: (Binary)	0.9669	0.8683
Firm is bi/multiracial-owned: (Binary)	2.0701	0.0079
Firm is Woman-owned: (Binary)	1.1962	0.0431
Number of Observations	128	
Pseudo R ²	0.000	

Griffin & Strong, P.C. 2021



APPENDIX G
SURVEY OF BUSINESS OWNERS
RESPONSES

City of Toledo Disparity Study

A brief note on how tables are calculated

Duplicate responses have been removed. Duplicate responses were removed based on businesses having either the same email address or same business name.

The total count of responses for each question includes only those participants who responded to that question. Participants who skipped or were not given a question are not included.

Table 1: Is your company a not for profit organization or a government entity?

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Yes	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
No	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %
Total	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 2: Is your firm ready, willing and able to do business as a prime contractor with City of Toledo?

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Yes	39 90.7 %	33 80.5 %	27 81.8 %	4 66.7 %	1 100 %	4 100 %	108 84.4 %
No	4 9.3 %	8 19.5 %	6 18.2 %	2 33.3 %	0 0 %	0 0 %	20 15.6 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 3: Is your firm ready, willing and able to do business as a subcontractor with City of Toledo?

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Yes	37 86 %	35 85.4 %	30 90.9 %	6 100 %	1 100 %	4 100 %	113 88.3 %
No	6 14 %	6 14.6 %	3 9.1 %	0 0 %	0 0 %	0 0 %	15 11.7 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 4: Which one of the following is your company's primary line of business?

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Construction	12 27.9 %	8 19.5 %	7 21.2 %	0 0 %	0 0 %	1 25 %	28 21.9 %
A&E	1 2.3 %	0 0 %	0 0 %	1 16.7 %	0 0 %	0 0 %	2 1.6 %
Other Professional Services	5 11.6 %	13 31.7 %	12 36.4 %	2 33.3 %	0 0 %	1 25 %	33 25.8 %
Other Services	11 25.6 %	10 24.4 %	7 21.2 %	1 16.7 %	1 100 %	1 25 %	31 24.2 %
Goods	14 32.6 %	10 24.4 %	7 21.2 %	2 33.3 %	0 0 %	1 25 %	34 26.6 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 5: How long has your company been in operation?

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Under 1 year	0 0 %	1 2.4 %	0 0 %	0 0 %	0 0 %	0 0 %	1 0.8 %
1-5 years	3 7 %	3 7.3 %	11 33.3 %	0 0 %	0 0 %	0 0 %	17 13.3 %
6-10 years	0 0 %	6 14.6 %	6 18.2 %	1 16.7 %	0 0 %	1 25 %	14 10.9 %
11-15 years	1 2.3 %	2 4.9 %	6 18.2 %	1 16.7 %	0 0 %	1 25 %	11 8.6 %
15-20 years	3 7 %	4 9.8 %	3 9.1 %	0 0 %	0 0 %	0 0 %	10 7.8 %
Over 20 years	36 83.7 %	25 61 %	7 21.2 %	4 66.7 %	1 100 %	2 50 %	75 58.6 %
Total	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 6: Is at least 51% percent of your company owned and controlled by a woman or women?

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Yes	0 0 %	41 100 %	29 87.9 %	2 33.3 %	0 0 %	2 50 %	74 57.8 %
No	43 100 %	0 0 %	4 12.1 %	4 66.7 %	1 100 %	2 50 %	54 42.2 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 7: Which of the following categories would you consider to be the race or ethnic origin that the person or persons that own at least 51% of the company identify as? Would you say:

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Caucasian	39 90.7 %	40 97.6 %	0 0 %	0 0 %	0 0 %	0 0 %	79 61.7 %
Black	0 0 %	0 0 %	33 100 %	0 0 %	0 0 %	0 0 %	33 25.8 %
Hispanic	0 0 %	0 0 %	0 0 %	6 100 %	0 0 %	0 0 %	6 4.7 %
Asian	0 0 %	0 0 %	0 0 %	0 0 %	1 100 %	0 0 %	1 0.8 %
American Indian	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
Bi-Racial or Multi-Racial	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	3 75 %	3 2.3 %
Other	4 9.3 %	1 2.4 %	0 0 %	0 0 %	0 0 %	1 25 %	6 4.7 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 8: What is your current single project bonding limit?

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
\$100,000 or less	2 4.8 %	4 9.8 %	8 25.8 %	0 0 %	0 0 %	0 0 %	14 11.3 %
\$100,001 - \$250,000	0 0 %	0 0 %	5 16.1 %	0 0 %	0 0 %	1 25 %	6 4.8 %
\$250,001 - \$500,000	2 4.8 %	1 2.4 %	0 0 %	1 20 %	0 0 %	0 0 %	4 3.2 %
\$500,001 - \$750,000	0 0 %	0 0 %	1 3.2 %	0 0 %	0 0 %	0 0 %	1 0.8 %
\$750,001 - \$1,000,000	3 7.1 %	2 4.9 %	3 9.7 %	0 0 %	1 100 %	1 25 %	10 8.1 %
\$1,000,001 - \$2,500,000	3 7.1 %	7 17.1 %	2 6.5 %	0 0 %	0 0 %	1 25 %	13 10.5 %
\$2,500,001 - \$5,000,000	1 2.4 %	1 2.4 %	0 0 %	0 0 %	0 0 %	0 0 %	2 1.6 %
\$5,000,001 - \$10,000,000	0 0 %	2 4.9 %	0 0 %	0 0 %	0 0 %	0 0 %	2 1.6 %
Over \$10 million	2 4.8 %	0 0 %	1 3.2 %	1 20 %	0 0 %	0 0 %	4 3.2 %

Don't Know	12 28.6 %	7 17.1 %	2 6.5 %	2 40 %	0 0 %	1 25 %	24 19.4 %
Not Applicable	17 40.5 %	17 41.5 %	9 29 %	1 20 %	0 0 %	0 0 %	44 35.5 %
Total	42 100 %	41 100 %	31 100 %	5 100 %	1 100 %	4 100 %	124 100 %

Table 9: What is the largest single contract your firm has been awarded since July 2015?

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
\$25,000 or less	1 2.3 %	6 14.6 %	12 36.4 %	0 0 %	0 0 %	1 25 %	20 15.6 %
\$25,001 - \$50,000	4 9.3 %	2 4.9 %	4 12.1 %	0 0 %	0 0 %	0 0 %	10 7.8 %
\$50,001 - \$100,000	6 14 %	4 9.8 %	3 9.1 %	1 16.7 %	0 0 %	0 0 %	14 10.9 %
\$100,001 - \$250,000	2 4.7 %	4 9.8 %	2 6.1 %	2 33.3 %	0 0 %	0 0 %	10 7.8 %
\$250,001 - \$500,000	4 9.3 %	1 2.4 %	1 3 %	1 16.7 %	0 0 %	0 0 %	7 5.5 %
\$500,001 - \$750,000	2 4.7 %	4 9.8 %	1 3 %	0 0 %	0 0 %	1 25 %	8 6.2 %
\$750,001 - \$1,000,000	2 4.7 %	0 0 %	0 0 %	0 0 %	1 100 %	0 0 %	3 2.3 %
\$1,000,001 - \$2,500,000	6 14 %	5 12.2 %	1 3 %	1 16.7 %	0 0 %	1 25 %	14 10.9 %
\$2,500,001 - \$5,000,000	0 0 %	1 2.4 %	1 3 %	0 0 %	0 0 %	0 0 %	2 1.6 %

\$5,000,001 - \$10,000,000	0 0 %	1 2.4 %	1 3 %	1 16.7 %	0 0 %	0 0 %	3 2.3 %
Over \$10 million	4 9.3 %	1 2.4 %	0 0 %	0 0 %	0 0 %	0 0 %	5 3.9 %
Don't Know	2 4.7 %	1 2.4 %	0 0 %	0 0 %	0 0 %	1 25 %	4 3.1 %
Not applicable	10 23.3 %	11 26.8 %	7 21.2 %	0 0 %	0 0 %	0 0 %	28 21.9 %
Total	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 10: Indicate what you have performed as on any public or private contract since July, 2015.

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Prime Contractor and Subcontractor	11 25.6 %	16 39 %	6 18.2 %	1 16.7 %	0 0 %	2 50 %	36 28.1 %
Prime Contractor	12 27.9 %	9 22 %	6 18.2 %	2 33.3 %	1 100 %	1 25 %	31 24.2 %
Subcontractor	5 11.6 %	5 12.2 %	12 36.4 %	2 33.3 %	0 0 %	0 0 %	24 18.8 %
Neither	15 34.9 %	11 26.8 %	9 27.3 %	1 16.7 %	0 0 %	1 25 %	37 28.9 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 11: On average, how many employees and regular independent contractors does your company keep on the payroll, including full-time and part-time staff? (Number of Employees)

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
None	4 9.3 %	2 4.9 %	5 15.2 %	0 0 %	0 0 %	0 0 %	11 8.6 %
1-10	22 51.2 %	24 58.5 %	25 75.8 %	3 50 %	1 100 %	2 50 %	77 60.2 %
11-30	10 23.3 %	11 26.8 %	3 9.1 %	1 16.7 %	0 0 %	1 25 %	26 20.3 %
31-50	0 0 %	0 0 %	0 0 %	1 16.7 %	0 0 %	0 0 %	1 0.8 %
51-75	0 0 %	1 2.4 %	0 0 %	1 16.7 %	0 0 %	0 0 %	2 1.6 %
76-100	1 2.3 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 0.8 %
101-300	3 7 %	2 4.9 %	0 0 %	0 0 %	0 0 %	0 0 %	5 3.9 %
Over 300	3 7 %	1 2.4 %	0 0 %	0 0 %	0 0 %	1 25 %	5 3.9 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 12: What is the highest level of education completed by the owner of your company? Would you say:

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Some High School	0 0 %	0 0 %	1 3 %	0 0 %	0 0 %	0 0 %	1 0.8 %
High School graduate	4 9.3 %	4 9.8 %	1 3 %	0 0 %	0 0 %	0 0 %	9 7 %
Some College	7 16.3 %	10 24.4 %	7 21.2 %	0 0 %	0 0 %	1 25 %	25 19.5 %
College Graduate	20 46.5 %	21 51.2 %	12 36.4 %	5 83.3 %	0 0 %	2 50 %	60 46.9 %
Post Graduate Degree	4 9.3 %	5 12.2 %	7 21.2 %	1 16.7 %	1 100 %	1 25 %	19 14.8 %
Trade or Technical Certificate	4 9.3 %	1 2.4 %	5 15.2 %	0 0 %	0 0 %	0 0 %	10 7.8 %
Don't Know	4 9.3 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	4 3.1 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 13: How many years of experience in your company’s line of business do the primary owner(s) of your company have? If your company has more than one owner, report the years of experience of the owner with the most.

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
None	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
1-5	0 0 %	2 4.9 %	3 9.1 %	0 0 %	0 0 %	0 0 %	5 3.9 %
6-10	1 2.4 %	1 2.4 %	8 24.2 %	0 0 %	1 100 %	1 25 %	12 9.4 %
11-15	1 2.4 %	6 14.6 %	4 12.1 %	1 16.7 %	0 0 %	0 0 %	12 9.4 %
16-20	1 2.4 %	6 14.6 %	2 6.1 %	0 0 %	0 0 %	1 25 %	10 7.9 %
More than 20	39 92.9 %	26 63.4 %	16 48.5 %	5 83.3 %	0 0 %	2 50 %	88 69.3 %
<i>Total</i>	42 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	127 100 %

Table 14: Which of the following categories best approximates your company’s gross revenues for the calendar year 2020. Your best estimate will suffice.

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
\$100,000 or less	3 7 %	9 22 %	21 63.6 %	0 0 %	0 0 %	1 25 %	34 26.6 %
\$100,001 - \$250,000	4 9.3 %	4 9.8 %	4 12.1 %	1 16.7 %	0 0 %	0 0 %	13 10.2 %
\$250,001 - \$500,000	7 16.3 %	6 14.6 %	2 6.1 %	0 0 %	0 0 %	0 0 %	15 11.7 %
\$500,001 - \$750,000	0 0 %	4 9.8 %	0 0 %	1 16.7 %	0 0 %	0 0 %	5 3.9 %
\$750,001 - \$1,000,000	3 7 %	1 2.4 %	0 0 %	0 0 %	1 100 %	1 25 %	6 4.7 %
\$1,000,001 - \$1,320,000	3 7 %	2 4.9 %	1 3 %	0 0 %	0 0 %	0 0 %	6 4.7 %
\$1,320,001 - \$1,500,000	2 4.7 %	1 2.4 %	0 0 %	0 0 %	0 0 %	0 0 %	3 2.3 %
\$1,500,001 - \$5,000,000	11 25.6 %	9 22 %	2 6.1 %	2 33.3 %	0 0 %	1 25 %	25 19.5 %
\$5,000,001 - \$10,000,000	2 4.7 %	1 2.4 %	1 3 %	0 0 %	0 0 %	0 0 %	4 3.1 %

\$10,000,001 - \$15,000,000	1 2.3 %	1 2.4 %	0 0 %	0 0 %	0 0 %	0 0 %	2 1.6 %
\$15,000,001 - \$20,000,000	1 2.3 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 0.8 %
\$20,000,001 - \$39,500,000	1 2.3 %	2 4.9 %	0 0 %	0 0 %	0 0 %	0 0 %	3 2.3 %
Over \$39,500,000	3 7 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	3 2.3 %
Don't Know	2 4.7 %	1 2.4 %	2 6.1 %	2 33.3 %	0 0 %	1 25 %	8 6.2 %
Total	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 15: Is your business qualified to do business with City of Toledo?

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Yes	37 86 %	31 75.6 %	27 81.8 %	6 100 %	1 100 %	4 100 %	106 82.8 %
No	0 0 %	2 4.9 %	0 0 %	0 0 %	0 0 %	0 0 %	2 1.6 %
Not sure	6 14 %	8 19.5 %	6 18.2 %	0 0 %	0 0 %	0 0 %	20 15.6 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 16: Is your company registered to do business with City of Toledo?

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Yes	29 67.4 %	26 63.4 %	23 69.7 %	6 100 %	0 0 %	3 75 %	87 68 %
No	3 7 %	4 9.8 %	3 9.1 %	0 0 %	0 0 %	0 0 %	10 7.8 %
Not sure	11 25.6 %	11 26.8 %	7 21.2 %	0 0 %	1 100 %	1 25 %	31 24.2 %
Total	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 17: Is your company registered to do business with any other government entity (including but not limited to): City of Toledo, State of Ohio, Ohio DOT, City of Detroit.

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Yes	34 79.1 %	29 70.7 %	20 60.6 %	5 83.3 %	1 100 %	4 100 %	93 72.7 %
No	9 20.9 %	12 29.3 %	13 39.4 %	1 16.7 %	0 0 %	0 0 %	35 27.3 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 18: Why is your company not registered to do business with the City of Toledo? Indicate all that apply. [Do not know how to register?]

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	2 66.7 %	3 75 %	2 66.7 %	0 0 %	0 0 %	0 0 %	7 70 %
Selected	1 33.3 %	1 25 %	1 33.3 %	0 0 %	0 0 %	0 0 %	3 30 %
<i>Total</i>	3 100 %	4 100 %	3 100 %	0 100 %	0 100 %	0 100 %	10 100 %

Table 19: Did not know there was a registry.

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	2 66.7 %	3 75 %	1 33.3 %	0 0 %	0 0 %	0 0 %	6 60 %
Selected	1 33.3 %	1 25 %	2 66.7 %	0 0 %	0 0 %	0 0 %	4 40 %
<i>Total</i>	3 100 %	4 100 %	3 100 %	0 100 %	0 100 %	0 100 %	10 100 %

Table 20: Do not see any benefit in registering.

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	2 66.7 %	3 75 %	2 66.7 %	0 0 %	0 0 %	0 0 %	7 70 %
Selected	1 33.3 %	1 25 %	1 33.3 %	0 0 %	0 0 %	0 0 %	3 30 %
<i>Total</i>	3 100 %	4 100 %	3 100 %	0 100 %	0 100 %	0 100 %	10 100 %

Table 21: Do not want to do business with government.

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	3 100 %	4 100 %	3 100 %	0 0 %	0 0 %	0 0 %	10 100 %
Selected	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
<i>Total</i>	3 100 %	4 100 %	3 100 %	0 100 %	0 100 %	0 100 %	10 100 %

Table 22: Do not want to do business with City of Toledo

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	2 66.7 %	4 100 %	3 100 %	0 0 %	0 0 %	0 0 %	9 90 %
Selected	1 33.3 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 10 %
<i>Total</i>	3 100 %	4 100 %	3 100 %	0 100 %	0 100 %	0 100 %	10 100 %

Table 23: Do not see opportunities in my field of work.

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	3 100 %	2 50 %	2 66.7 %	0 0 %	0 0 %	0 0 %	7 70 %
Selected	0 0 %	2 50 %	1 33.3 %	0 0 %	0 0 %	0 0 %	3 30 %
<i>Total</i>	3 100 %	4 100 %	3 100 %	0 100 %	0 100 %	0 100 %	10 100 %

Table 24: Do not believe firm would be awarded contract.

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	1 33.3 %	4 100 %	2 66.7 %	0 0 %	0 0 %	0 0 %	7 70 %
Selected	2 66.7 %	0 0 %	1 33.3 %	0 0 %	0 0 %	0 0 %	3 30 %
<i>Total</i>	3 100 %	4 100 %	3 100 %	0 100 %	0 100 %	0 100 %	10 100 %

Table 25: Other, please specify

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	3 100 %	2 50 %	2 66.7 %	0 0 %	0 0 %	0 0 %	7 70 %
Selected	0 0 %	2 50 %	1 33.3 %	0 0 %	0 0 %	0 0 %	3 30 %
<i>Total</i>	3 100 %	4 100 %	3 100 %	0 100 %	0 100 %	0 100 %	10 100 %

Table 26: From July 1, 2015 through July 30, 2020 how many times has your company submitted bids or proposals for projects as prime contractor on: [City of Toledo Public Projects]

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
None	18 41.9 %	22 53.7 %	15 45.5 %	1 16.7 %	1 100 %	2 50 %	59 46.1 %
1-10	13 30.2 %	8 19.5 %	13 39.4 %	3 50 %	0 0 %	1 25 %	38 29.7 %
11-25	0 0 %	2 4.9 %	1 3 %	0 0 %	0 0 %	0 0 %	3 2.3 %
26-50	2 4.7 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	2 1.6 %
51-100	0 0 %	0 0 %	1 3 %	0 0 %	0 0 %	0 0 %	1 0.8 %
Over 100	2 4.7 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	2 1.6 %
Don't Know/NA	8 18.6 %	9 22 %	3 9.1 %	2 33.3 %	0 0 %	1 25 %	23 18 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 27: Private Sector Projects

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
None	15 34.9 %	11 26.8 %	23 69.7 %	1 16.7 %	1 100 %	1 25 %	52 40.6 %
1-10	3 7 %	7 17.1 %	5 15.2 %	3 50 %	0 0 %	1 25 %	19 14.8 %
11-25	5 11.6 %	3 7.3 %	4 12.1 %	0 0 %	0 0 %	0 0 %	12 9.4 %
26-50	2 4.7 %	5 12.2 %	0 0 %	0 0 %	0 0 %	0 0 %	7 5.5 %
51-100	5 11.6 %	1 2.4 %	0 0 %	0 0 %	0 0 %	0 0 %	6 4.7 %
Over 100	4 9.3 %	3 7.3 %	0 0 %	0 0 %	0 0 %	1 25 %	8 6.2 %
Don't Know/NA	9 20.9 %	11 26.8 %	1 3 %	2 33.3 %	0 0 %	1 25 %	24 18.8 %
Total	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 28: Other Public Sector (non-City of Toledo Projects)

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
None	16 37.2 %	15 36.6 %	20 60.6 %	1 16.7 %	0 0 %	1 25 %	53 41.4 %
1-10	9 20.9 %	7 17.1 %	9 27.3 %	2 33.3 %	0 0 %	1 25 %	28 21.9 %
11-25	4 9.3 %	2 4.9 %	1 3 %	0 0 %	1 100 %	0 0 %	8 6.2 %
26-50	0 0 %	2 4.9 %	0 0 %	0 0 %	0 0 %	0 0 %	2 1.6 %
51-100	1 2.3 %	2 4.9 %	0 0 %	1 16.7 %	0 0 %	0 0 %	4 3.1 %
Over 100	4 9.3 %	3 7.3 %	1 3 %	0 0 %	0 0 %	1 25 %	9 7 %
Don't Know/NA	9 20.9 %	10 24.4 %	2 6.1 %	2 33.3 %	0 0 %	1 25 %	24 18.8 %
Total	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 29: From July 1, 2015 through July 30, 2020 how many times has your company been awarded contracts to perform as a prime contractor: [City of Toledo Public Projects]

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
None	19 44.2 %	23 56.1 %	25 75.8 %	1 16.7 %	1 100 %	3 75 %	72 56.2 %
1-10	13 30.2 %	7 17.1 %	5 15.2 %	3 50 %	0 0 %	0 0 %	28 21.9 %
11-25	1 2.3 %	1 2.4 %	0 0 %	0 0 %	0 0 %	0 0 %	2 1.6 %
26-50	1 2.3 %	0 0 %	1 3 %	0 0 %	0 0 %	0 0 %	2 1.6 %
51-100	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
Over 100	1 2.3 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 0.8 %
Don't Know/NA	8 18.6 %	10 24.4 %	2 6.1 %	2 33.3 %	0 0 %	1 25 %	23 18 %
Total	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 30: Private Sector Projects

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
None	15 34.9 %	13 31.7 %	23 69.7 %	1 16.7 %	1 100 %	2 50 %	55 43 %
1-10	5 11.6 %	6 14.6 %	4 12.1 %	3 50 %	0 0 %	0 0 %	18 14.1 %
11-25	3 7 %	4 9.8 %	3 9.1 %	0 0 %	0 0 %	0 0 %	10 7.8 %
26-50	4 9.3 %	3 7.3 %	0 0 %	0 0 %	0 0 %	0 0 %	7 5.5 %
51-100	1 2.3 %	1 2.4 %	0 0 %	0 0 %	0 0 %	0 0 %	2 1.6 %
Over 100	6 14 %	3 7.3 %	1 3 %	0 0 %	0 0 %	1 25 %	11 8.6 %
Don't Know/NA	9 20.9 %	11 26.8 %	2 6.1 %	2 33.3 %	0 0 %	1 25 %	25 19.5 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 31: Other Public Sector (non-City of Toledo Projects)

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
None	17 39.5 %	16 39 %	23 69.7 %	2 33.3 %	0 0 %	2 50 %	60 46.9 %
1-10	11 25.6 %	7 17.1 %	5 15.2 %	0 0 %	0 0 %	0 0 %	23 18 %
11-25	1 2.3 %	3 7.3 %	1 3 %	1 16.7 %	1 100 %	0 0 %	7 5.5 %
26-50	0 0 %	2 4.9 %	0 0 %	0 0 %	0 0 %	0 0 %	2 1.6 %
51-100	1 2.3 %	1 2.4 %	0 0 %	1 16.7 %	0 0 %	1 25 %	4 3.1 %
Over 100	4 9.3 %	2 4.9 %	2 6.1 %	0 0 %	0 0 %	0 0 %	8 6.2 %
Don't Know/NA	9 20.9 %	10 24.4 %	2 6.1 %	2 33.3 %	0 0 %	1 25 %	24 18.8 %
Total	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 32: Approximately how many times did you serve as a subcontractor on a City of Toledo project from January 1, 2015 through December 31?

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
None	24 55.8 %	24 58.5 %	29 87.9 %	3 50 %	1 100 %	2 50 %	83 64.8 %
1-10	9 20.9 %	9 22 %	4 12.1 %	1 16.7 %	0 0 %	0 0 %	23 18 %
11-25	2 4.7 %	1 2.4 %	0 0 %	1 16.7 %	0 0 %	0 0 %	4 3.1 %
26-50	0 0 %	1 2.4 %	0 0 %	0 0 %	0 0 %	1 25 %	2 1.6 %
51-100	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
Over 100	1 2.3 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 0.8 %
Don't Know	7 16.3 %	6 14.6 %	0 0 %	1 16.7 %	0 0 %	1 25 %	15 11.7 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 33: The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for City of Toledo? (check all that apply) [Pre-qualification requirements]

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	42 97.7 %	41 100 %	23 69.7 %	6 100 %	1 100 %	4 100 %	117 91.4 %
Selected	1 2.3 %	0 0 %	10 30.3 %	0 0 %	0 0 %	0 0 %	11 8.6 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 34: Performance bond requirements

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	38 88.4 %	38 92.7 %	23 69.7 %	5 83.3 %	1 100 %	4 100 %	109 85.2 %
Selected	5 11.6 %	3 7.3 %	10 30.3 %	1 16.7 %	0 0 %	0 0 %	19 14.8 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 35: Excessive paperwork

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	33 76.7 %	34 82.9 %	28 84.8 %	5 83.3 %	0 0 %	3 75 %	103 80.5 %
Selected	10 23.3 %	7 17.1 %	5 15.2 %	1 16.7 %	1 100 %	1 25 %	25 19.5 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 36: Bid bond requirements

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	38 88.4 %	37 90.2 %	24 72.7 %	5 83.3 %	1 100 %	4 100 %	109 85.2 %
Selected	5 11.6 %	4 9.8 %	9 27.3 %	1 16.7 %	0 0 %	0 0 %	19 14.8 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 37: Financing

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	42 97.7 %	38 92.7 %	23 69.7 %	6 100 %	1 100 %	4 100 %	114 89.1 %
Selected	1 2.3 %	3 7.3 %	10 30.3 %	0 0 %	0 0 %	0 0 %	14 10.9 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 38: Insurance requirements

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	42 97.7 %	40 97.6 %	30 90.9 %	6 100 %	1 100 %	4 100 %	123 96.1 %
Selected	1 2.3 %	1 2.4 %	3 9.1 %	0 0 %	0 0 %	0 0 %	5 3.9 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 39: Bid specifications

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	43 100 %	40 97.6 %	30 90.9 %	5 83.3 %	1 100 %	2 50 %	121 94.5 %
Selected	0 0 %	1 2.4 %	3 9.1 %	1 16.7 %	0 0 %	2 50 %	7 5.5 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 40: Lack of access to competitive supplier pricing

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	42 97.7 %	39 95.1 %	23 69.7 %	5 83.3 %	0 0 %	3 75 %	112 87.5 %
Selected	1 2.3 %	2 4.9 %	10 30.3 %	1 16.7 %	1 100 %	1 25 %	16 12.5 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 41: Limited time given to prepare bid package or quote

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	38 88.4 %	38 92.7 %	27 81.8 %	6 100 %	0 0 %	3 75 %	112 87.5 %
Selected	5 11.6 %	3 7.3 %	6 18.2 %	0 0 %	1 100 %	1 25 %	16 12.5 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 42: Limited knowledge of purchasing/contracting policies and procedures

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	40 93 %	35 85.4 %	28 84.8 %	6 100 %	1 100 %	3 75 %	113 88.3 %
Selected	3 7 %	6 14.6 %	5 15.2 %	0 0 %	0 0 %	1 25 %	15 11.7 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 43: Language Barriers

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	42 97.7 %	41 100 %	32 97 %	6 100 %	1 100 %	4 100 %	126 98.4 %
Selected	1 2.3 %	0 0 %	1 3 %	0 0 %	0 0 %	0 0 %	2 1.6 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 44: Lack of experience

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	43 100 %	39 95.1 %	29 87.9 %	6 100 %	1 100 %	3 75 %	121 94.5 %
Selected	0 0 %	2 4.9 %	4 12.1 %	0 0 %	0 0 %	1 25 %	7 5.5 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 45: Lack of personnel

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	40 93 %	39 95.1 %	30 90.9 %	6 100 %	1 100 %	4 100 %	120 93.8 %
Selected	3 7 %	2 4.9 %	3 9.1 %	0 0 %	0 0 %	0 0 %	8 6.2 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 46: Contract too large

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	43 100 %	39 95.1 %	30 90.9 %	6 100 %	1 100 %	4 100 %	123 96.1 %
Selected	0 0 %	2 4.9 %	3 9.1 %	0 0 %	0 0 %	0 0 %	5 3.9 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 47: Contract too expensive to bid

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	42 97.7 %	40 97.6 %	29 87.9 %	6 100 %	1 100 %	3 75 %	121 94.5 %
Selected	1 2.3 %	1 2.4 %	4 12.1 %	0 0 %	0 0 %	1 25 %	7 5.5 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 48: Selection process

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	39 90.7 %	37 90.2 %	27 81.8 %	6 100 %	0 0 %	2 50 %	111 86.7 %
Selected	4 9.3 %	4 9.8 %	6 18.2 %	0 0 %	1 100 %	2 50 %	17 13.3 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 49: Not certified

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	42 97.7 %	40 97.6 %	31 93.9 %	6 100 %	1 100 %	4 100 %	124 96.9 %
Selected	1 2.3 %	1 2.4 %	2 6.1 %	0 0 %	0 0 %	0 0 %	4 3.1 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 50: Unfair competition with large firms

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	40 93 %	37 90.2 %	20 60.6 %	5 83.3 %	1 100 %	4 100 %	107 83.6 %
Selected	3 7 %	4 9.8 %	13 39.4 %	1 16.7 %	0 0 %	0 0 %	21 16.4 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 51: Project Labor Agreement (PLA)

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	40 93 %	39 95.1 %	31 93.9 %	6 100 %	1 100 %	4 100 %	121 94.5 %
Selected	3 7 %	2 4.9 %	2 6.1 %	0 0 %	0 0 %	0 0 %	7 5.5 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 52: Other union requirements

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	39 90.7 %	37 90.2 %	30 90.9 %	6 100 %	1 100 %	4 100 %	117 91.4 %
Selected	4 9.3 %	4 9.8 %	3 9.1 %	0 0 %	0 0 %	0 0 %	11 8.6 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 53: None of the above

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	17 39.5 %	19 46.3 %	25 75.8 %	2 33.3 %	1 100 %	4 100 %	68 53.1 %
Selected	26 60.5 %	22 53.7 %	8 24.2 %	4 66.7 %	0 0 %	0 0 %	60 46.9 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 54: What is the amount of time that it typically takes to receive payment, from the date you submit your invoice, from City of Toledo for your services on City of Toledo projects?

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Less than 30 days	5 20.8 %	4 22.2 %	4 50 %	1 20 %	0 0 %	0 0 %	14 25 %
30-59 days	12 50 %	6 33.3 %	1 12.5 %	2 40 %	0 0 %	1 100 %	22 39.3 %
60-89 days	3 12.5 %	1 5.6 %	1 12.5 %	1 20 %	0 0 %	0 0 %	6 10.7 %
90-119 days	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
120 days or more	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
Don't Know/NA	4 16.7 %	7 38.9 %	2 25 %	1 20 %	0 0 %	0 0 %	14 25 %
<i>Total</i>	24 100 %	18 100 %	8 100 %	5 100 %	0 100 %	1 100 %	56 100 %

Table 55: Is your company a certified Minority, Woman, Disadvantaged or Small business?

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Yes	4 9.3 %	26 63.4 %	20 60.6 %	5 83.3 %	1 100 %	1 25 %	57 44.5 %
No	39 90.7 %	15 36.6 %	13 39.4 %	1 16.7 %	0 0 %	3 75 %	71 55.5 %
Total	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 56: What is your certification? (Check all that apply) [MBE (Minority Business Enterprise)]

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Yes	0 0 %	2 7.7 %	18 90 %	5 100 %	1 100 %	0 0 %	26 45.6 %
No	3 75 %	16 61.5 %	0 0 %	0 0 %	0 0 %	0 0 %	19 33.3 %
N/A	1 25 %	8 30.8 %	2 10 %	0 0 %	0 0 %	1 100 %	12 21.1 %
<i>Total</i>	4 100 %	26 100 %	20 100 %	5 100 %	1 100 %	1 100 %	57 100 %

Table 57: WBE (Women Business Enterprise)

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Yes	0 0 %	21 80.8 %	9 45 %	0 0 %	0 0 %	0 0 %	30 52.6 %
No	3 75 %	0 0 %	5 25 %	4 80 %	1 100 %	0 0 %	13 22.8 %
N/A	1 25 %	5 19.2 %	6 30 %	1 20 %	0 0 %	1 100 %	14 24.6 %
<i>Total</i>	4 100 %	26 100 %	20 100 %	5 100 %	1 100 %	1 100 %	57 100 %

Table 58: DBE (Disadvantaged Business Enterprise)

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Yes	1 25 %	4 15.4 %	7 35 %	2 40 %	0 0 %	0 0 %	14 24.6 %
No	3 75 %	13 50 %	9 45 %	3 60 %	1 100 %	0 0 %	29 50.9 %
N/A	0 0 %	9 34.6 %	4 20 %	0 0 %	0 0 %	1 100 %	14 24.6 %
<i>Total</i>	4 100 %	26 100 %	20 100 %	5 100 %	1 100 %	1 100 %	57 100 %

Table 59: SBE (Small Business Enterprise)

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Yes	4 100 %	14 53.8 %	8 40 %	2 40 %	0 0 %	0 0 %	28 49.1 %
No	0 0 %	8 30.8 %	8 40 %	3 60 %	1 100 %	0 0 %	20 35.1 %
N/A	0 0 %	4 15.4 %	4 20 %	0 0 %	0 0 %	1 100 %	9 15.8 %
<i>Total</i>	4 100 %	26 100 %	20 100 %	5 100 %	1 100 %	1 100 %	57 100 %

Table 60: Other, please specify

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Yes	0 0 %	2 11.8 %	3 23.1 %	1 25 %	0 0 %	0 0 %	6 15.4 %
No	0 0 %	3 17.6 %	6 46.2 %	2 50 %	0 0 %	0 0 %	11 28.2 %
N/A	3 100 %	12 70.6 %	4 30.8 %	1 25 %	1 100 %	1 100 %	22 56.4 %
<i>Total</i>	3 100 %	17 100 %	13 100 %	4 100 %	1 100 %	1 100 %	39 100 %

Table 61: Why is your company not certified as an Minority, Woman, Disadvantaged, Small, or LGBTQ business? (Indicate all that apply) [I do not understand the certification process]

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	31 86.1 %	8 53.3 %	8 80 %	1 100 %	0 0 %	3 100 %	51 78.5 %
Selected	5 13.9 %	7 46.7 %	2 20 %	0 0 %	0 0 %	0 0 %	14 21.5 %
<i>Total</i>	36 100 %	15 100 %	10 100 %	1 100 %	0 100 %	3 100 %	65 100 %

Table 62: We do not meet one or more of the requirements for certification

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	13 36.1 %	13 86.7 %	10 100 %	1 100 %	0 0 %	2 66.7 %	39 60 %
Selected	23 63.9 %	2 13.3 %	0 0 %	0 0 %	0 0 %	1 33.3 %	26 40 %
<i>Total</i>	36 100 %	15 100 %	10 100 %	1 100 %	0 100 %	3 100 %	65 100 %

Table 63: Certification is too expensive

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	36 100 %	13 86.7 %	8 80 %	1 100 %	0 0 %	3 100 %	61 93.8 %
Selected	0 0 %	2 13.3 %	2 20 %	0 0 %	0 0 %	0 0 %	4 6.2 %
<i>Total</i>	36 100 %	15 100 %	10 100 %	1 100 %	0 100 %	3 100 %	65 100 %

Table 64: I do not want governmental agencies to have information about my company

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	36 100 %	14 93.3 %	10 100 %	1 100 %	0 0 %	2 66.7 %	63 96.9 %
Selected	0 0 %	1 6.7 %	0 0 %	0 0 %	0 0 %	1 33.3 %	2 3.1 %
<i>Total</i>	36 100 %	15 100 %	10 100 %	1 100 %	0 100 %	3 100 %	65 100 %

Table 65: I have not had time to get certified/the process is too time-consuming

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	34 94.4 %	11 73.3 %	5 50 %	1 100 %	0 0 %	2 66.7 %	53 81.5 %
Selected	2 5.6 %	4 26.7 %	5 50 %	0 0 %	0 0 %	1 33.3 %	12 18.5 %
<i>Total</i>	36 100 %	15 100 %	10 100 %	1 100 %	0 100 %	3 100 %	65 100 %

Table 66: Certification does not benefit and/or will negatively impact my company

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	33 91.7 %	14 93.3 %	10 100 %	1 100 %	0 0 %	3 100 %	61 93.8 %
Selected	3 8.3 %	1 6.7 %	0 0 %	0 0 %	0 0 %	0 0 %	4 6.2 %
<i>Total</i>	36 100 %	15 100 %	10 100 %	1 100 %	0 100 %	3 100 %	65 100 %

Table 67: Do not understand how certification can benefit my firm.

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	30 83.3 %	10 66.7 %	6 60 %	0 0 %	0 0 %	3 100 %	49 75.4 %
Selected	6 16.7 %	5 33.3 %	4 40 %	1 100 %	0 0 %	0 0 %	16 24.6 %
<i>Total</i>	36 100 %	15 100 %	10 100 %	1 100 %	0 100 %	3 100 %	65 100 %

Table 68: Between July 1, 2015 through July 30, 2020 did your company apply and receive any of the following?? [Business start-up loan?]

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Never Applied	41 95.3 %	41 100 %	28 84.8 %	6 100 %	1 100 %	3 75 %	120 93.8 %
Applied, Never Approved	1 2.3 %	0 0 %	5 15.2 %	0 0 %	0 0 %	0 0 %	6 4.7 %
Applied, Some Approved	1 2.3 %	0 0 %	0 0 %	0 0 %	0 0 %	1 25 %	2 1.6 %
Applied, All Approved	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 69: Operating capital loan?

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Never Applied	28 65.1 %	27 65.9 %	25 75.8 %	4 66.7 %	0 0 %	2 50 %	86 67.2 %
Applied, Never Approved	0 0 %	0 0 %	3 9.1 %	1 16.7 %	0 0 %	0 0 %	4 3.1 %
Applied, Some Approved	2 4.7 %	5 12.2 %	4 12.1 %	0 0 %	0 0 %	2 50 %	13 10.2 %
Applied, All Approved	13 30.2 %	9 22 %	1 3 %	1 16.7 %	1 100 %	0 0 %	25 19.5 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 70: Equipment loan?

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Never Applied	33 76.7 %	34 82.9 %	32 97 %	6 100 %	0 0 %	2 50 %	107 83.6 %
Applied, Never Approved	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
Applied, Some Approved	2 4.7 %	1 2.4 %	1 3 %	0 0 %	0 0 %	2 50 %	6 4.7 %
Applied, All Approved	8 18.6 %	6 14.6 %	0 0 %	0 0 %	1 100 %	0 0 %	15 11.7 %
Total	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 71: Commercial/Professional liability insurance?

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Never Applied	12 27.9 %	20 48.8 %	19 57.6 %	3 50 %	0 0 %	1 25 %	55 43 %
Applied, Never Approved	1 2.3 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 0.8 %
Applied, Some Approved	0 0 %	0 0 %	4 12.1 %	0 0 %	0 0 %	1 25 %	5 3.9 %
Applied, All Approved	30 69.8 %	21 51.2 %	10 30.3 %	3 50 %	1 100 %	2 50 %	67 52.3 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Don't Know/NA	18 41.9 %	18 43.9 %	21 63.6 %	4 66.7 %	0 0 %	2 50 %	63 49.2 %
Total	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 73: How many times have you been denied a commercial (business) bank loan from July 1, 2015 through July 30, 2020?

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
None	34 79.1 %	29 70.7 %	21 63.6 %	4 66.7 %	1 100 %	3 75 %	92 71.9 %
1-10	2 4.7 %	2 4.9 %	7 21.2 %	1 16.7 %	0 0 %	1 25 %	13 10.2 %
11-25	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
26-50	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
51-100	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
Over 100	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
Don't Know/NA	7 16.3 %	10 24.4 %	5 15.2 %	1 16.7 %	0 0 %	0 0 %	23 18 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 74: Of the items your company was denied, what was the denial reason? (Please check all that apply) [Business start-up loan?] [Insufficient Documentation]

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	2 100 %	0 0 %	5 100 %	0 0 %	0 0 %	1 100 %	8 100 %
Selected	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
<i>Total</i>	2 100 %	0 100 %	5 100 %	0 100 %	0 100 %	1 100 %	8 100 %

Table 75: Insufficient Business History

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	1 50 %	0 0 %	4 80 %	0 0 %	0 0 %	1 100 %	6 75 %
Selected	1 50 %	0 0 %	1 20 %	0 0 %	0 0 %	0 0 %	2 25 %
<i>Total</i>	2 100 %	0 100 %	5 100 %	0 100 %	0 100 %	1 100 %	8 100 %

Table 76: Confusion about Process

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	2 100 %	0 0 %	5 100 %	0 0 %	0 0 %	1 100 %	8 100 %
Selected	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
<i>Total</i>	2 100 %	0 100 %	5 100 %	0 100 %	0 100 %	1 100 %	8 100 %

Table 77: Credit History

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	1 50 %	0 0 %	1 20 %	0 0 %	0 0 %	1 100 %	3 37.5 %
Selected	1 50 %	0 0 %	4 80 %	0 0 %	0 0 %	0 0 %	5 62.5 %
<i>Total</i>	2 100 %	0 100 %	5 100 %	0 100 %	0 100 %	1 100 %	8 100 %

Table 78: Don't Know

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	2 100 %	0 0 %	4 80 %	0 0 %	0 0 %	0 0 %	6 75 %
Selected	0 0 %	0 0 %	1 20 %	0 0 %	0 0 %	1 100 %	2 25 %
<i>Total</i>	2 100 %	0 100 %	5 100 %	0 100 %	0 100 %	1 100 %	8 100 %

Table 79: N/A

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	1 50 %	0 0 %	5 100 %	0 0 %	0 0 %	1 100 %	7 87.5 %
Selected	1 50 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 12.5 %
<i>Total</i>	2 100 %	0 100 %	5 100 %	0 100 %	0 100 %	1 100 %	8 100 %

Table 80: Of the items your company was denied, what was the denial reason? (Please check all that apply) [Operating capital loan?] [Insufficient Documentation]

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	2 100 %	5 100 %	7 100 %	0 0 %	0 0 %	2 100 %	16 94.1 %
Selected	0 0 %	0 0 %	0 0 %	1 100 %	0 0 %	0 0 %	1 5.9 %
<i>Total</i>	2 100 %	5 100 %	7 100 %	1 100 %	0 100 %	2 100 %	17 100 %

Table 81: Insufficient Business History

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	1 50 %	3 60 %	6 85.7 %	1 100 %	0 0 %	2 100 %	13 76.5 %
Selected	1 50 %	2 40 %	1 14.3 %	0 0 %	0 0 %	0 0 %	4 23.5 %
<i>Total</i>	2 100 %	5 100 %	7 100 %	1 100 %	0 100 %	2 100 %	17 100 %

Table 82: Confusion about Process

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	2 100 %	5 100 %	7 100 %	1 100 %	0 0 %	2 100 %	17 100 %
Selected	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
<i>Total</i>	2 100 %	5 100 %	7 100 %	1 100 %	0 100 %	2 100 %	17 100 %

Table 83: Credit History

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	1 50 %	4 80 %	3 42.9 %	0 0 %	0 0 %	2 100 %	10 58.8 %
Selected	1 50 %	1 20 %	4 57.1 %	1 100 %	0 0 %	0 0 %	7 41.2 %
<i>Total</i>	2 100 %	5 100 %	7 100 %	1 100 %	0 100 %	2 100 %	17 100 %

Table 84: Don't Know

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	2 100 %	3 60 %	5 71.4 %	0 0 %	0 0 %	1 50 %	11 64.7 %
Selected	0 0 %	2 40 %	2 28.6 %	1 100 %	0 0 %	1 50 %	6 35.3 %
<i>Total</i>	2 100 %	5 100 %	7 100 %	1 100 %	0 100 %	2 100 %	17 100 %

Table 85: N/A

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	1 50 %	3 60 %	6 85.7 %	1 100 %	0 0 %	1 50 %	12 70.6 %
Selected	1 50 %	2 40 %	1 14.3 %	0 0 %	0 0 %	1 50 %	5 29.4 %
<i>Total</i>	2 100 %	5 100 %	7 100 %	1 100 %	0 100 %	2 100 %	17 100 %

Table 86: Of the items your company was denied, what was the denial reason? (Please check all that apply) [Insufficient Documentation]

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	2 100 %	1 100 %	1 100 %	0 0 %	0 0 %	2 100 %	6 100 %
Selected	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
<i>Total</i>	2 100 %	1 100 %	1 100 %	0 100 %	0 100 %	2 100 %	6 100 %

Table 87: Insufficient Business History

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	2 100 %	0 0 %	1 100 %	0 0 %	0 0 %	2 100 %	5 83.3 %
Selected	0 0 %	1 100 %	0 0 %	0 0 %	0 0 %	0 0 %	1 16.7 %
<i>Total</i>	2 100 %	1 100 %	1 100 %	0 100 %	0 100 %	2 100 %	6 100 %

Table 88: Confusion about Process

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	2 100 %	1 100 %	1 100 %	0 0 %	0 0 %	2 100 %	6 100 %
Selected	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
<i>Total</i>	2 100 %	1 100 %	1 100 %	0 100 %	0 100 %	2 100 %	6 100 %

Table 89: Credit History

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	2 100 %	0 0 %	1 100 %	0 0 %	0 0 %	2 100 %	5 83.3 %
Selected	0 0 %	1 100 %	0 0 %	0 0 %	0 0 %	0 0 %	1 16.7 %
<i>Total</i>	2 100 %	1 100 %	1 100 %	0 100 %	0 100 %	2 100 %	6 100 %

Table 90: Don't Know

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	1 50 %	1 100 %	1 100 %	0 0 %	0 0 %	1 50 %	4 66.7 %
Selected	1 50 %	0 0 %	0 0 %	0 0 %	0 0 %	1 50 %	2 33.3 %
<i>Total</i>	2 100 %	1 100 %	1 100 %	0 100 %	0 100 %	2 100 %	6 100 %

Table 91: N/A

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	1 50 %	1 100 %	0 0 %	0 0 %	0 0 %	1 50 %	3 50 %
Selected	1 50 %	0 0 %	1 100 %	0 0 %	0 0 %	1 50 %	3 50 %
<i>Total</i>	2 100 %	1 100 %	1 100 %	0 100 %	0 100 %	2 100 %	6 100 %

Table 92: Of the items your company was denied, what was the denial reason? (Please check all that apply)
[Commercial/Professional liability insurance?] [Insufficient Documentation]

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	1 100 %	0 0 %	4 100 %	0 0 %	0 0 %	1 100 %	6 100 %
Selected	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
<i>Total</i>	1 100 %	0 100 %	4 100 %	0 100 %	0 100 %	1 100 %	6 100 %

Table 93: Insufficient Business History

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	1 100 %	0 0 %	4 100 %	0 0 %	0 0 %	1 100 %	6 100 %
Selected	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
<i>Total</i>	1 100 %	0 100 %	4 100 %	0 100 %	0 100 %	1 100 %	6 100 %

Table 94: Confusion about Process

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	1 100 %	0 0 %	4 100 %	0 0 %	0 0 %	1 100 %	6 100 %
Selected	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
<i>Total</i>	1 100 %	0 100 %	4 100 %	0 100 %	0 100 %	1 100 %	6 100 %

Table 95: Credit History

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	1 100 %	0 0 %	4 100 %	0 0 %	0 0 %	1 100 %	6 100 %
Selected	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
<i>Total</i>	1 100 %	0 100 %	4 100 %	0 100 %	0 100 %	1 100 %	6 100 %

Table 96: Don't Know

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	1 100 %	0 0 %	4 100 %	0 0 %	0 0 %	0 0 %	5 83.3 %
Selected	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 100 %	1 16.7 %
<i>Total</i>	1 100 %	0 100 %	4 100 %	0 100 %	0 100 %	1 100 %	6 100 %

Table 97: N/A

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Not Selected	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 100 %	1 16.7 %
Selected	1 100 %	0 0 %	4 100 %	0 0 %	0 0 %	0 0 %	5 83.3 %
<i>Total</i>	1 100 %	0 100 %	4 100 %	0 100 %	0 100 %	1 100 %	6 100 %

Table 98: Do you feel as though you experienced discriminatory behavior from the private sector (i.e., non-governmental entities) from July 1, 2015 through July 30, 2020?

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Yes	4 9.3 %	2 4.9 %	11 33.3 %	1 16.7 %	0 0 %	0 0 %	18 14.1 %
No	31 72.1 %	33 80.5 %	13 39.4 %	4 66.7 %	1 100 %	4 100 %	86 67.2 %
Don't Know	8 18.6 %	6 14.6 %	9 27.3 %	1 16.7 %	0 0 %	0 0 %	24 18.8 %
Total	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 99: From July 1, 2015 through July 30, 2020 how often has your company experienced any racial, gender, or ethnicity discriminatory behavior from City of Toledo?

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Never	31 72.1 %	31 75.6 %	12 36.4 %	5 83.3 %	0 0 %	4 100 %	83 64.8 %
Seldom	1 2.3 %	3 7.3 %	7 21.2 %	1 16.7 %	0 0 %	0 0 %	12 9.4 %
Often	2 4.7 %	2 4.9 %	4 12.1 %	0 0 %	0 0 %	0 0 %	8 6.2 %
Very Often	0 0 %	0 0 %	1 3 %	0 0 %	0 0 %	0 0 %	1 0.8 %
Don't Know	9 20.9 %	5 12.2 %	9 27.3 %	0 0 %	1 100 %	0 0 %	24 18.8 %
Total	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 100: May the researchers contact you to get more details about your experience?

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Yes	27 62.8 %	28 68.3 %	29 87.9 %	4 66.7 %	1 100 %	1 25 %	90 70.3 %
No	16 37.2 %	13 31.7 %	4 12.1 %	2 33.3 %	0 0 %	3 75 %	38 29.7 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 101: Do you believe there is an informal network of prime and subcontractors doing business with City of Toledo that monopolizes the public contracting process?

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Yes	9 20.9 %	19 46.3 %	26 78.8 %	1 16.7 %	1 100 %	3 75 %	59 46.1 %
No	34 79.1 %	22 53.7 %	7 21.2 %	5 83.3 %	0 0 %	1 25 %	69 53.9 %
<i>Total</i>	43 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	128 100 %

Table 102: Please tell us if you strongly agree, agree, neither agree nor disagree, disagree or strongly disagree with each of the following statements: [Double standards in qualifications and work performance make it more difficult for a Minority, Woman, Disadvantaged or Small business to win bids or contracts.]

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Strongly agree	1 2.6 %	1 2.4 %	17 51.5 %	0 0 %	0 0 %	0 0 %	19 15.4 %
Agree	3 7.7 %	9 22 %	5 15.2 %	0 0 %	0 0 %	0 0 %	17 13.8 %
Neither agree nor disagree	24 61.5 %	19 46.3 %	8 24.2 %	4 80 %	1 100 %	2 50 %	58 47.2 %
Disagree	5 12.8 %	9 22 %	2 6.1 %	0 0 %	0 0 %	2 50 %	18 14.6 %
Strongly disagree	6 15.4 %	3 7.3 %	1 3 %	1 20 %	0 0 %	0 0 %	11 8.9 %
<i>Total</i>	39 100 %	41 100 %	33 100 %	5 100 %	1 100 %	4 100 %	123 100 %

Table 103: City of Toledo is generally accommodating to the language needs of its vendor community.

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Strongly agree	5 12.8 %	3 7.3 %	1 3 %	1 16.7 %	0 0 %	0 0 %	10 8.1 %
Agree	7 17.9 %	8 19.5 %	13 39.4 %	1 16.7 %	0 0 %	3 7.5 %	32 25.8 %
Neither agree nor disagree	26 66.7 %	28 68.3 %	17 51.5 %	4 66.7 %	1 100 %	1 25 %	77 62.1 %
Disagree	1 2.6 %	2 4.9 %	2 6.1 %	0 0 %	0 0 %	0 0 %	5 4 %
Strongly disagree	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
<i>Total</i>	39 100 %	41 100 %	33 100 %	6 100 %	1 100 %	4 100 %	124 100 %

Table 104: Sometimes, a prime contractor will contact a Minority, Woman, Disadvantaged or Small business to ask for quotes but never give the proposal sufficient review to consider giving that firm the award.

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Strongly agree	2 5.1 %	3 7.5 %	10 30.3 %	0 0 %	0 0 %	0 0 %	15 12.3 %
Agree	2 5.1 %	4 10 %	7 21.2 %	2 40 %	0 0 %	2 50 %	17 13.9 %
Neither agree nor disagree	27 69.2 %	30 75 %	13 39.4 %	2 40 %	1 100 %	1 25 %	74 60.7 %
Disagree	3 7.7 %	2 5 %	1 3 %	1 20 %	0 0 %	1 25 %	8 6.6 %
Strongly disagree	5 12.8 %	1 2.5 %	2 6.1 %	0 0 %	0 0 %	0 0 %	8 6.6 %
<i>Total</i>	39 100 %	40 100 %	33 100 %	5 100 %	1 100 %	4 100 %	122 100 %

Table 105: Sometimes, a prime contractor will include a Minority, Woman, Disadvantaged or Small subcontractor on a bid to meet participation goals, then drop the company as a subcontractor after winning the award.

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Strongly agree	1 2.6 %	2 5 %	10 30.3 %	0 0 %	0 0 %	1 25 %	14 11.5 %
Agree	2 5.1 %	4 10 %	7 21.2 %	1 20 %	0 0 %	0 0 %	14 11.5 %
Neither agree nor disagree	28 71.8 %	32 80 %	15 45.5 %	3 60 %	1 100 %	2 50 %	81 66.4 %
Disagree	3 7.7 %	2 5 %	0 0 %	1 20 %	0 0 %	1 25 %	7 5.7 %
Strongly disagree	5 12.8 %	0 0 %	1 3 %	0 0 %	0 0 %	0 0 %	6 4.9 %
<i>Total</i>	39 100 %	40 100 %	33 100 %	5 100 %	1 100 %	4 100 %	122 100 %

Table 106: I believe that some non- MBE prime contractors only utilize MBE companies when required to do so by City of Toledo.

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Strongly agree	2 5.1 %	4 10 %	12 36.4 %	1 20 %	0 0 %	1 25 %	20 16.4 %
Agree	8 20.5 %	8 20 %	10 30.3 %	2 40 %	0 0 %	2 50 %	30 24.6 %
Neither agree nor disagree	22 56.4 %	28 70 %	8 24.2 %	2 40 %	1 100 %	0 0 %	61 50 %
Disagree	4 10.3 %	0 0 %	1 3 %	0 0 %	0 0 %	1 25 %	6 4.9 %
Strongly disagree	3 7.7 %	0 0 %	2 6.1 %	0 0 %	0 0 %	0 0 %	5 4.1 %
Total	39 100 %	40 100 %	33 100 %	5 100 %	1 100 %	4 100 %	122 100 %

Table 107: Sometimes the bid specs are not clear in that smaller scale project work is contained within the larger project work and it is hard to decipher.

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Strongly agree	0 0 %	2 5 %	6 18.2 %	0 0 %	0 0 %	0 0 %	8 6.6 %
Agree	5 12.8 %	8 20 %	10 30.3 %	1 20 %	0 0 %	2 50 %	26 21.3 %
Neither agree nor disagree	27 69.2 %	28 70 %	15 45.5 %	2 40 %	1 100 %	1 25 %	74 60.7 %
Disagree	4 10.3 %	2 5 %	2 6.1 %	2 40 %	0 0 %	1 25 %	11 9 %
Strongly disagree	3 7.7 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	3 2.5 %
Total	39 100 %	40 100 %	33 100 %	5 100 %	1 100 %	4 100 %	122 100 %

Table 108: Prime contractors do not communicate timely for my small business to respond.

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Strongly agree	0 0 %	2 5 %	8 25 %	0 0 %	0 0 %	0 0 %	10 8.3 %
Agree	2 5.1 %	6 15 %	7 21.9 %	1 20 %	0 0 %	0 0 %	16 13.2 %
Neither agree nor disagree	26 66.7 %	26 65 %	15 46.9 %	2 40 %	1 100 %	2 50 %	72 59.5 %
Disagree	7 17.9 %	6 15 %	1 3.1 %	2 40 %	0 0 %	2 50 %	18 14.9 %
Strongly disagree	4 10.3 %	0 0 %	1 3.1 %	0 0 %	0 0 %	0 0 %	5 4.1 %
<i>Total</i>	39 100 %	40 100 %	32 100 %	5 100 %	1 100 %	4 100 %	121 100 %

Table 109: Prime contractors give unrealistic deadlines for quotations for my small business -giving me a request on a Friday and rejecting me if it is not in on Monday.

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Strongly agree	0 0 %	1 2.5 %	6 18.8 %	1 20 %	0 0 %	0 0 %	8 6.7 %
Agree	3 7.9 %	6 15 %	6 18.8 %	0 0 %	0 0 %	0 0 %	15 12.5 %
Neither agree nor disagree	27 71.1 %	27 67.5 %	17 53.1 %	1 20 %	1 100 %	2 50 %	75 62.5 %
Disagree	3 7.9 %	4 10 %	2 6.2 %	3 60 %	0 0 %	2 50 %	14 11.7 %
Strongly disagree	5 13.2 %	2 5 %	1 3.1 %	0 0 %	0 0 %	0 0 %	8 6.7 %
<i>Total</i>	38 100 %	40 100 %	32 100 %	5 100 %	1 100 %	4 100 %	120 100 %

Table 110: I feel pressured to accept to be paid less than other companies to get work as a MBE. (or I am approached to work for less than my capacity so prime contractors can check off a box.

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Strongly agree	1 2.6 %	1 2.6 %	8 25 %	0 0 %	0 0 %	0 0 %	10 8.3 %
Agree	1 2.6 %	3 7.7 %	7 21.9 %	0 0 %	0 0 %	0 0 %	11 9.2 %
Neither agree nor disagree	30 76.9 %	26 66.7 %	13 40.6 %	3 60 %	1 100 %	2 50 %	75 62.5 %
Disagree	3 7.7 %	8 20.5 %	3 9.4 %	1 20 %	0 0 %	2 50 %	17 14.2 %
Strongly disagree	4 10.3 %	1 2.6 %	1 3.1 %	1 20 %	0 0 %	0 0 %	7 5.8 %
Total	39 100 %	39 100 %	32 100 %	5 100 %	1 100 %	4 100 %	120 100 %

Table 111: I am not part of any city rotation lists for bids under \$40K – I do not get contacted.

	<i>Owners' Minority Status</i>						<i>Total</i>
	Non-Minority	Woman	Black	Hispanic	Asian	Bi-Racial or Multi-Racial	
Strongly agree	6 15 %	8 20 %	8 25 %	0 0 %	1 100 %	2 50 %	25 20.5 %
Agree	10 25 %	9 22.5 %	7 21.9 %	0 0 %	0 0 %	0 0 %	26 21.3 %
Neither agree nor disagree	19 47.5 %	21 52.5 %	14 43.8 %	4 80 %	0 0 %	1 25 %	59 48.4 %
Disagree	2 5 %	2 5 %	3 9.4 %	0 0 %	0 0 %	1 25 %	8 6.6 %
Strongly disagree	3 7.5 %	0 0 %	0 0 %	1 20 %	0 0 %	0 0 %	4 3.3 %
Total	40 100 %	40 100 %	32 100 %	5 100 %	1 100 %	4 100 %	122 100 %



APPENDIX H

DISPARITY STUDY DEFINITIONS

APPENDIX H – STUDY DEFINITIONS

Anecdotal– A reported personal experience or encounter, retold through interview, testimony, email, or survey. Not necessarily verified or based on research.

Architectural & Engineering Services (“A&E”) for the purposes of the Disparity Study refers specifically to Construction-related professional services [i.e., architectural, engineering, land surveying services, and certain inspection and testing services (mechanical, structural, geotechnical, construction materials)]. Architectural & Engineering Services is one of the City’s Industry Categories.

Availability Estimates: A term of art in disparity studies that refers to the percentage of ready, willing, and able firms in the entity’s Relevant Geographic and Product Markets in each Industry Category that is disaggregated by race/ethnicity/gender.

City of Richmond v. J.A. Croson Company 488 U.S. 469 (1989) (“Croson”) – Laws that, on their face, favor one class of citizens over another, may run afoul of the Equal Protection Clause of the 14 Amendment of the U.S. Constitution even if those laws are meant to remedy discrimination. Such laws, including those that create race conscious programs, must withstand judicial “strict scrutiny” or they will be dismantled. In its Croson decision, the Supreme Court ruled that the City of Richmond’s Minority Business Enterprise (hereinafter “MBE”) program failed to satisfy the requirements of “strict scrutiny” review under the 14th Amendment “Strict scrutiny” review involves two co-equal considerations to determine whether a race conscious program can withstand the Strict Scrutiny: First, the need to demonstrate a compelling governmental interest (which may be established through periodic disparity studies); Second, implementation of a program or method narrowly-tailored to achieve/remedy the compelling interest. In Croson, the Supreme Court concluded that the City of Richmond failed to show that its minority set-aside program was “necessary” to remedy the effects of discrimination in the marketplace.

Construction for the purposes of the City’s Disparity Study means the construction, erection, repair, renovation, or demolition of a public structure, building, street, road, and other public improvements. Construction is one of City’s Industry Categories.

Disadvantaged Business Enterprise (DBE) means a for-profit independent operating small business concern:

a) That is at least fifty-one percent owned by one or more individuals who are both socially and economically disadvantaged or, in the case of a corporation, in which 51 percent of the stock is owned by one or more such individuals; and

b) Whose management and daily business operations are controlled by one or more of the socially and economically disadvantaged individuals who own it.

Disparity Index – A statistical measure demonstrated by the failure to meet parity between availability and Utilization. Disparity is calculated by comparing the utilization percentage to the availability percentage of each race/gender/ethnic group. Will result in either overutilization, underutilization or parity.

Disparity Study (“Study”) – A tool, identified by the Supreme Court as necessary for satisfying the strict scrutiny threshold for race conscious programs and demonstrating the compelling governmental interest by “factual predicate” that identifies discrimination and a narrowly tailored remedy to redress any finding of discrimination. Must adhere to the legal requirements of U.S Supreme Court decisions like City of Richmond v. J.A. Croson Company, 488 U.S. 469 (1989) and its progeny. Disparity studies are not designed to be an analysis of any current remedial programs but an analysis of race, ethnicity, and gender status and how it affects participation in the procurement process and in the marketplace.

Fiscal Year (“FY”) – The business year for City for purchasing and accounting purposes. Measured by City from July 1, 2015 through June 30, 2020. The study period for this Study is five (5) years (FY 2016-2020).

Good Faith Efforts (“GFE”) – The documentation and verification process to ensure that prime contractors are soliciting and negotiating with MWBEs in “good faith” for potential subcontracting opportunities.

Goods for the purposes of the City’s Disparity Study means commodities, materials, supplies, and equipment. Examples of Goods include office supplies, safety supplies, and janitorial services. Goods is one of the City’s Industry Categories.

Industry Categories means, collectively, the industry categories included in the City’s Disparity Study, which are: Construction, Architectural & Engineering (A&E), Professional Services, Other Services, and Goods, as those Industry Categories may be further defined in the Study Report.

Minority Business Enterprise (MBE) - A business which has been certified as an MBE under any recognized MBE program.

Minority Person means a citizen or legal resident alien of the United States who is: African American, Hispanic American, Asian American, or Native American.

Other Services for the purposes of the City’s Disparity Study means services performed by a person or persons having special skill that is primarily physical or manual in nature. Examples of Other Services include janitorial services, IT, printing and reproduction, pest control, rubbish container emptying, mowing, and supply services. Other Services is one of the City’s Industry Categories.

Overutilization – The measure by which the utilization percentage is higher than the availability percentage and the Disparity Index is above 100. In order to be statistically significantly overutilized, the Disparity Index must be 110 or more.

Parity – The absence of disparity, demonstrated by the utilization percentage being equal to availability percentage and the Disparity Index equaling one.

Prime Contractor – A business who has entered into direct contractual relationship with the City, or other public or private entity to provide a good, service, or perform a scope of services.

Professional Services for the purposes of the City’s Disparity Study means services which are performed competently only by a person or persons having a special skill, expertise, education, or knowledge which is primarily mental or intellectual in nature rather than physical or manual. The Industry Category of Professional Services does not include A&E firms. Professional Services includes, but is not limited to, accounting, landscape architecture, medicine, optometry, real estate appraising, professional nursing, attorney services, technical services, research planning services, consulting services, auditing services, financial advisory services. Professional Services is one of the City’s Industry Categories.

Qualitative Analysis – Also known as anecdotal analysis. Referring to a measurement of quality (ex. how good over how much). Typified through collection and analysis of constituents’ anecdotal impressions, such as interviews, public hearings, focus groups, and other forms of commentary.

Quantitative Analysis – Commonly referred to as statistical analysis. Referring to a measurement of quantity over quality (ex. how much over how good). Typified by analysis of mathematical or statistical modeling.

Regression Analysis – Statistical measure used to determine whether the race, ethnicity or gender status of a business owner are an impediment in contracting in the City marketplace and whether but for these, they would have the capacity to provide services on a higher level than is currently utilized.

Relevant Geographic Market Area: A term of art in disparity studies that refers to the geographical area in which the entity spends at least 75% of its dollars based upon firm location.

SMWDBE, for the purpose of this Study, means, (collectively unless the context indicates otherwise), the following groups, each group as further defined herein: Small Business Enterprise (SBE), Minority Business Enterprise (MBE), Women Owned Enterprise (WBE), and Disadvantaged Business Enterprise (DBE). A business in any of these groups will have a certification designation as a small, minority, woman, and/or disadvantaged business enterprise from an authorized certification agency.

Strict Scrutiny – The highest level of judicial scrutiny used in determining the constitutionality of laws.

Study Period – The period between which all City contract awards are subject to study analysis. For this study it has been defined as July 1, 2015-June 30, 2020 (FY2016-FY2020)

Subcontractor – A business who has entered into a direct contractual relationship with a Prime Contractor to either provide a good or service or perform a full scope, or portion of a scope of services.

Underutilization – The measure by which the utilization percentage is less than the availability percentage and the Disparity Index is below 100. In order to be statistically significantly underutilized, the Disparity Index must be 80 or less.

Utilization: – A term of art in disparity studies that refers to the percentage dollars paid to firms during the Study Period in the Relevant Geographic and Product Markets disaggregated by race/ethnicity/gender.

Woman Business Enterprise (WBE) A business which has been certified as a WBE under any recognized WBE program.