

CITY OF TOLEDO, OHIO

2022 Disparity Study



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STUDY PARAMETERS

Study Period:

FY2016-FY2020 (5 years)

Relevant Geographic Market Area:

(location of firms where at least 75% of City of Toledo's dollars were spent during the Study Period)

Toledo, Ohio MSA (counties of Fulton, Lucas, Ottawa, and Wood.

Spend in Relevant Market By Industry Categories:

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

MWBE TOTAL UTILIZATION (Prime + Sub) by Industry Category (in the Relevant Geographic Market)

Business Ownership Classification	Construction	A&E	Professional Services	Other Services	Goods
	(%)	(%)	(%)	(%)	(%)
African American	4.31%	0.73%	35.65%	2.33%	0.02%
Asian American	0.00%	0.26%	0.00%	0.06%	1.37%
Hispanic American	13.95%	5.49%	1.08%	1.69%	0.02%
Native American	0.31%	0.00%	0.00%	0.00%	0.00%
TOTAL MINORITY	18.57%	6.48%	36.73%	4.08%	1.41%
Non-minority Woman	0.60%	0.02%	0.00%	8.33%	0.48%
TOTAL MWBE	19.17%	6.51%	36.73%	12.41%	1.88%
TOTAL NON-MWBE	80.83%	93.49%	63.27%	87.59%	98.12%
TOTAL FIRMS	100.00%	100.00%	100.00%	100.00%	100.00%

There was little or no reported subcontracting in Goods

MWBE AVAILABILITY by Industry Category

(in the Relevant Geographic Market)

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%

MWBE DISPARITIES

*Summary of Statistically Significant Underutilization of MWBEs in Total Utilization
City of 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	

OVERALL FINDINGS

- A regression analysis found that disparities by race, ethnicity, or gender status of the firm owners remained after controlling for capacity and other race and gender-neutral factors.
- Anecdotal findings support the statistical analysis and regression analysis.
- GSPC found that City of Toledo has a factual basis for utilizing some race and gender-conscious program elements in addition to race and gender-neutral efforts. However, there was overutilization of some race and gender groups.

RECOMMENDATIONS

RECOMMENDATION 1: ESTABLISH POLICY TO INVESTIGATE POSSIBLE DISCRIMINATION

RECOMMENDATION 2: ANNUAL CONTRACT BY CONTRACT ASPIRATIONAL GOALS

RECOMMENDATION 3: SMALL BUSINESS RESERVE PROGRAM

COMMENDATIONS

COMMENDATION 1: Staff Additions

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

COMMENDATION 3: Approval for contract compliance software to better monitor and track commitments and payments, particularly to minority and women owned businesses.

COMMENDATION 4: Current MWBE subcontractor goals program which encourages the use of MWBEs.

COMMENDATION 5: Unbundling

RECOMMENDATIONS

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

RECOMMENDATION 5: STREAMLINE PLANETBIDS AND SMALL PROJECT BID DOCUMENTS

RECOMMENDATION 6: FORECASTING, OUTREACH, AND SUPPORTIVE SERVICES

RECOMMENDATIONS

RECOMMENDATION 7: CONTRACT COMPLIANCE

RECOMMENDATION 8: REVIEW THRESHOLD OF THE APPRENTICESHIP PROGRAM

RECOMMENDATION 9: ALLOW BONDING WAIVERS

RECOMMENDATIONS

RECOMMENDATION 10: PROMPT PAY

RECOMMENDATION 11 INSTITUTE DATA REFORM

RECOMMENDATION 12: ALLOCATE RESOURCES AND STAFFING

NEXT STEPS TO IMPLEMENTATION

1. Accept Disparity Study Report and its Recommendations
2. Gap Analysis (What needs new authorization and what is an enhancement to existing program elements)
3. Determine Aspirational Goals (which are internal benchmarks of what the percentage of participation is expected to be on an annual basis).
4. Draft New Program Plan – There is no one process for developing a remedial program. GSPC will work with the City of Toledo to create narrowly tailored remedies and processes. Elements of the program, like bid preferences will be included in the implementation phase.
4. Plan for Implementation (Steps, Phases, and Tasks)
5. Determine Budget and Staffing Needs for New Program Elements
6. Develop a Training Protocol and Train Staff which includes contract-by-contract goal-setting training. Contract-by-contract goals are goals for a project based upon the weighted availability of individual scopes of work on that project rather than a one size fits all goal.

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Www.gspclaw.com

Q&A

