



EDUCATE. CONNECT. GROW.

# Vision and Mission



## VISION

The Office of Business Opportunity's (OBO) vision is to eliminate systemic barriers to prosperity and economic opportunity in the Greater Houston region.



## MISSION

The Office of Business Opportunity is committed to cultivating an inclusive and competitive economic environment in the City of Houston by promoting the success of small businesses and developing Houston's workforce, with a special emphasis on historically underutilized businesses and disenfranchised individuals.

**Key Objectives: *Educate, Connect & Grow Businesses***

# Certifications & Designations

OBO processes applications from firms interested in four (4) City of Houston and two (2) Federal certifications.

## City Certifications

**MBE – Minority Business Enterprise:** Applies to firms owned and operated by minorities. MBE goals may be applied to any locally funded contract type.

**WBE – Women Business Enterprise:** Applies to firms owned and operated by females. WBE goals may be applied to any locally funded contract type.

**SBE – Small Business Enterprise:** Applies only to eligible firms in the **construction-related industry**. This certification is race and gender neutral.

**PDBE – Persons with Disabilities Business Enterprise:** Applies to eligible firms owned and operated by individuals with an existing, medically determined physical or mental impairment of a chronic or permanent character. Also includes U.S. Veterans with service connected disabilities.



# Certifications & Designations

## U.S. Department of Transportation Certifications



**DBE – Disadvantaged Business Enterprise (Federal Certification):** Applies to firms owned and operated by socially and economically disadvantaged individuals. DBE goals apply only to U.S. Department of Transportation contracts that receive Federal financial assistance.

**ACDBE- Airport Concessionaire Disadvantaged Business Enterprise** firms are eligible to participate on concessions at airports that receive Federal funds. Concessionaires provide goods and services to the traveling public. Examples include: retail, food and beverage, advertisement and marketing, vending and Wi-Fi services.

# Governing Regulations for the Certification Program



## Local Certification Program

- City of Houston Code of Ordinances, Chapter 15, Article V: Minority, Women, and Small Business Enterprises
- Office of Business Opportunity Policies and Procedures in effect, found at [https://www.houstontx.gov/obo/documents\\_and\\_forms.html](https://www.houstontx.gov/obo/documents_and_forms.html)

## DBE and ACDBE Program

The Disadvantaged Business Enterprise and Airport Concessionaire Disadvantaged Business Enterprise programs are governed by the Code of Federal Regulations (C.F.R.), as follows:

- **DBE:** 49 C.F.R. Part 26
- **ACDBE:** 49 C.F.R. Part 23

# Texas HUB Certification



## STATE OF TEXAS HISTORICALLY UNDERUTILIZED BUSINESS (HUB) CERTIFICATION



- The COH Certification team also facilitates State of Texas Historically Underutilized Business (HUB) certification.
- At the firm's election, MBE and WBE certification approval can also result in HUB Certification, if the firm meets the State's HUB certification eligibility guidelines.



# LGBT-Owned Business Enterprise Certification



The NGLCC (National Gay and Lesbian Chamber of Commerce) is the exclusive, third-party certification body that verifies that eligible businesses are majority-owned by LGBT individuals, and subsequently grants Certified LGBT Business Enterprise® (Certified LGBTBE®) designation to such businesses as part of its LGBT Supplier Diversity Initiative.



Since March 1, 2021, the City of Houston has recognized the NGLCC certification for Houston area businesses that meet the City's size standards. Contractors can search the certified firm directory to identify these businesses.

# Hire Houston First



The Hire Houston First Program, governed by City of Houston Ordinance Chapter 15, Article XI, grants the City the ability to give preference to local companies and local workers, as long as their pricing is competitive.

## Hire Houston First Program Criteria for Awards

### Purchases of Personal Property (Goods)

- If contract value is \$100,000 or greater, then contract is awarded to city business that is within 3% of lowest bid received by the city from a bidder who is not a city business.
- If contract value is under \$100,000, then contract is awarded to city business that is within 5% of lowest bid received by the city from a bidder who is not a city business.

### Purchases of Services \*

- If contract value is \$100,000 or greater, then contract is awarded to local business that is within 3% of the lowest bid.
- If contract value is under \$100,000, then contract is awarded to local business that is within 5% of the lowest bid.

### Purchases Under \$50,000

- Chapter 15, Article XI, also permits the city, when procuring goods or services valued at less than \$50,000.00 that are not the subject of a blanket purchase order or contract, the city shall, subject to the requirements of Section 15-181, select vendors and services providers with a principal place of business in the local area, provided that any such vendor's bid is no more than 5% greater than the lowest bid, in the event the lowest bid is from one other than a city business or a local business.

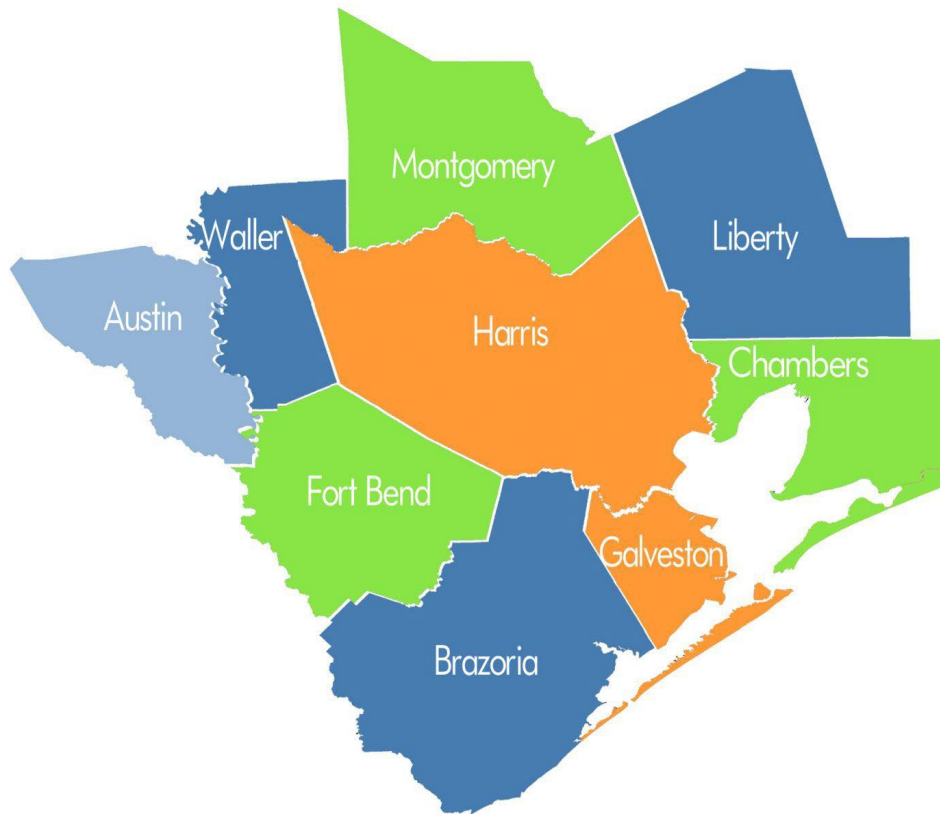


# Agencies Utilizing the Certifications

Certifications accepted by:



# OBO Certifications Service Counties



- AUSTIN
- BRAZORIA
- CHAMBERS
- FORT BEND
- GALVESTON
- HARRIS
- LIBERTY
- MONTGOMERY
- SAN JACINTO
- WALLER



# Certifications and Designations: Building the City's Supplier Diversity Pipeline

Minority Business Enterprise  
4,165

Women Business Enterprise  
2,457

Small Business Enterprise  
2,013

Persons with Disabilities Business Enterprise  
143

Disadvantaged Business Enterprise  
1,361

Airport Concessions Disadvantaged Business Enterprise  
323

Historically Underutilized Business  
1,328

LGBT Business Enterprise (provided by NGLCC)  
22

Hire Houston First (Local Preference Program)  
1,679



# Certification Applications



## Certification Application

Help & Tools

## Welcome to the City of Houston Online Application

Here, you may electronically apply for [these certifications](#)

Be sure to indicate if you are interested in certification as a State Historically Underutilized Business (HUB) if applying for MBE or WBE certification.

Our continued goal is to provide Small/Minority/Women, and Disadvantaged Business owners with real opportunities to grow. Take advantage of our free workshops, seminars and networking events; and visit our website at [www.houstontx.gov/obo](http://www.houstontx.gov/obo) and download helpful publications.

We appreciate your interest in our programs. I am convinced that working with you, we can make a difference in your business. Our continued success depends upon growing firms like yours.

If you have any questions or need assistance, feel free to call (832) 393-0600 for more information or visit the City's website at [www.houstontx.gov/obo](http://www.houstontx.gov/obo).

Cylenphia Hoyrd, Interim Director

[View Terms of Use](#)

Need Help?  
[User manual](#)  
[Sign up for a Training Class](#)

### Select an Option

[Your business is currently certified by City of Houston.](#)

[Your firm is \*\*NOT\*\* currently certified by City of Houston.](#)

[Your firm has a significant business presence in any of the eligible counties.](#)

Eligible counties include: Harris, Brazoria, Chambers, Fort Bend, Galveston, Liberty, Montgomery, Waller, Austin, or San Jacinto County.

[You are seeking Small Business Enterprise/Women Business Enterprise/Minority Business Enterprise and/or Persons with Disabilities Business Enterprise certification.](#)

[You are seeking DBE/ACDBE certification.](#)

[You are seeking SBE Certification only \(Construction related\).](#)

[Your firm does \*\*NOT\*\* have a significant business presence in any of the eligible counties.](#)

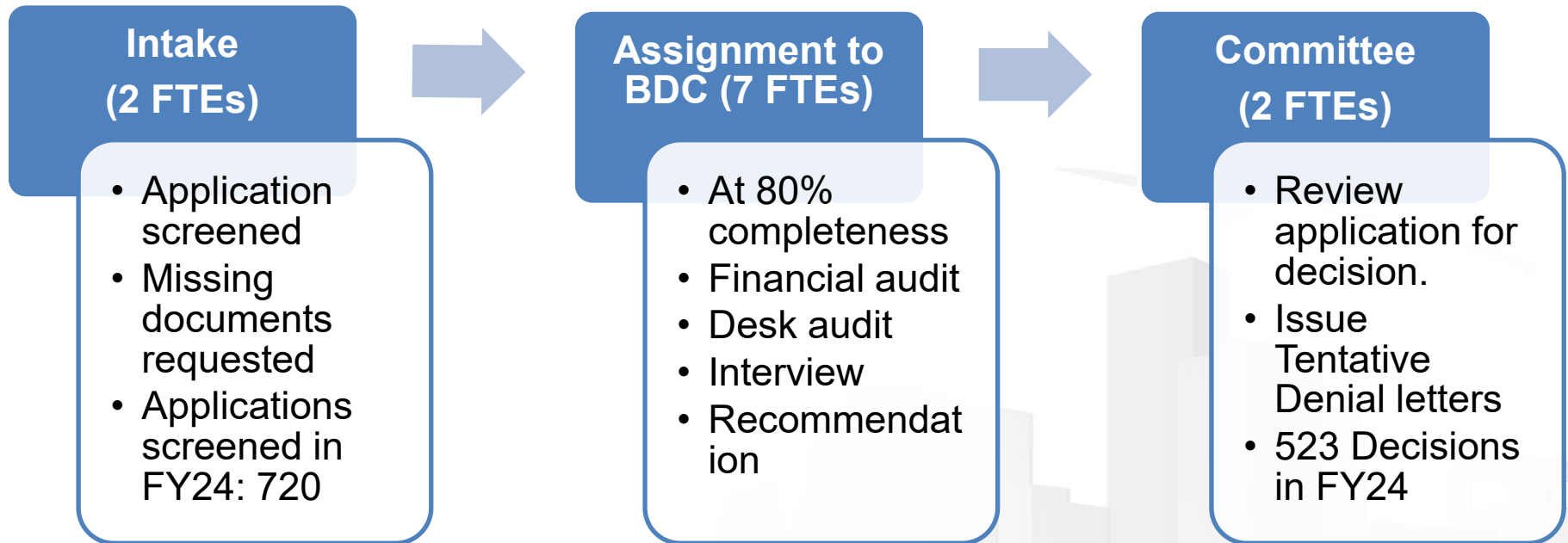
Eligible counties include: Harris, Brazoria, Chambers, Fort Bend, Galveston, Liberty, Montgomery, Waller, Austin, or San Jacinto County.

[Uniform Certification Application \(transportation.gov\)](http://transportation.gov)

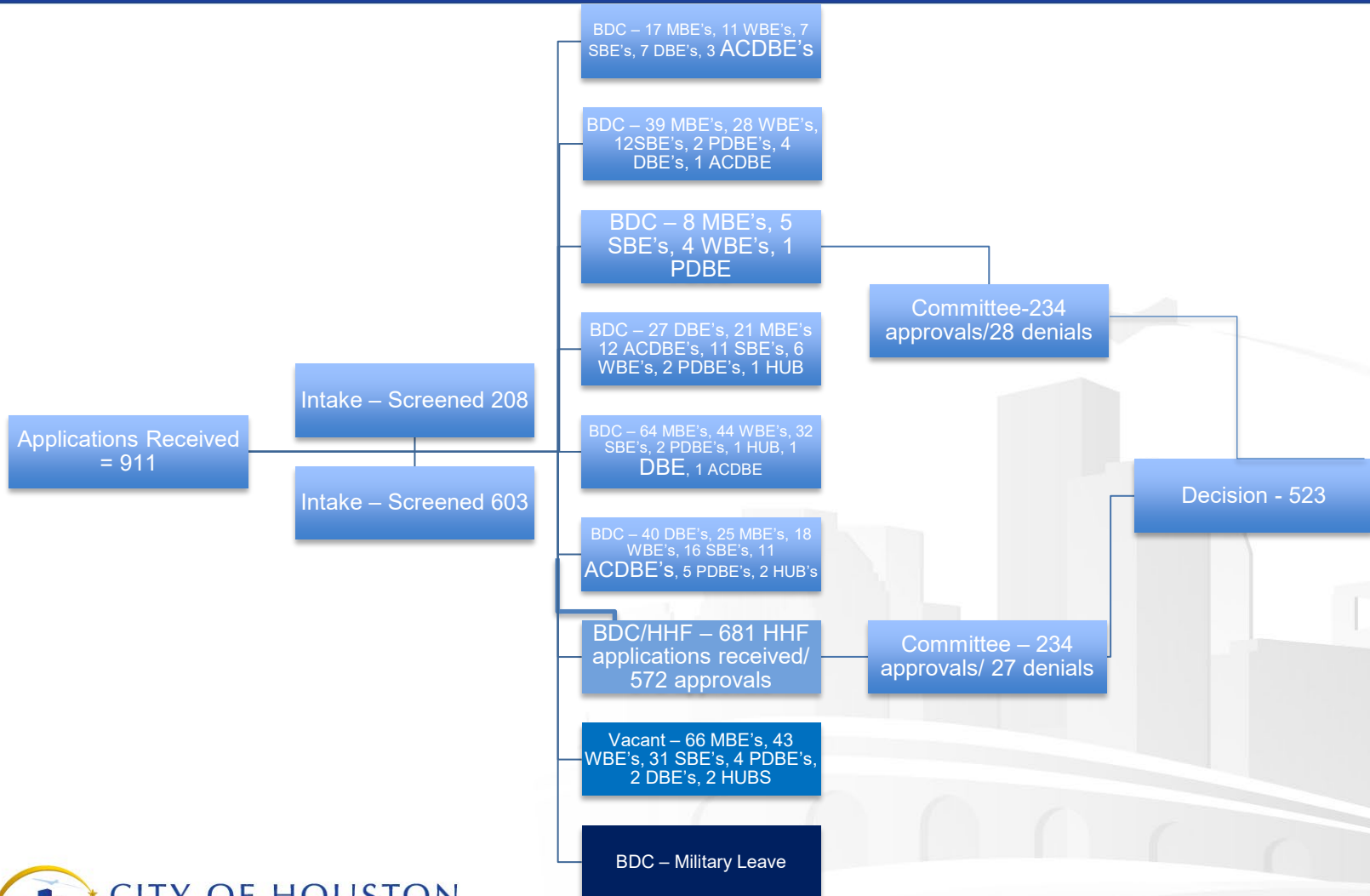


CITY OF HOUSTON  
OFFICE  
of  
BUSINESS OPPORTUNITY

# The Process: Work Flow New Applications

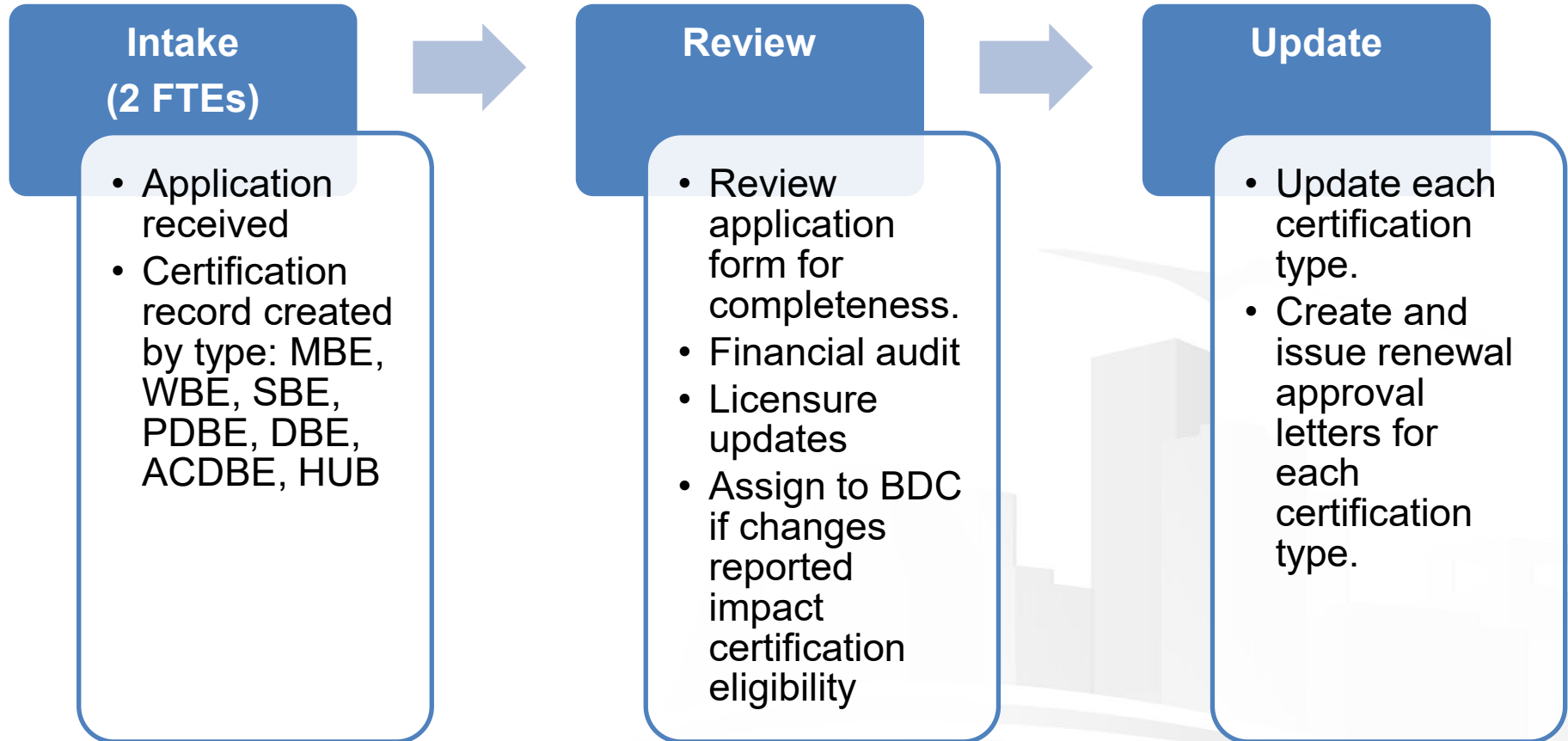


# The Process: Staff Flow





# The Process: Work Flow Renewals/Updates



# Certifications Applications in Process

Certification Type				
M/W/SBE/ PDBE (New)	DBE/ ACDBE (New)	Expansion Request (adding services/NAICS codes)	Certification Updates (Renewals)	Applications pending Committee Decision
334	76	25	136	70

- 334 New M/W/SBE/PDBE applications pending submission
- 56 New DBE/ACDBE applications pending submission

# FY25 Application Processing Time

New Applications Average Processing Time (from received)	138 days
New Applications Average Processing Time (from “ok to proceed”)	119 days
Certification Updates (Renewals) Average Processing Time (from received)	44 days

# Hire Houston First Designations

HHF Applications Received (FY23)	HHF Approved (FY23)	HHF Applications Received (FY24)	HHF Approved (FY24)	HHF Applications Pending Processing
503	435	681	572	186

- 93 HHF applications pending submission
- 681 HHF Applications received in FY24
- Increase of 35.39% from FY23

# Impacting Timeline (New Applications)

## High Volumes of Applications

- FY23: 810 New Certification Applications (9% increase from FY22)
- FY24: 911 New Certification Applications (12.35% increase from FY23)
- FY24: 2586 Renewal Applications (55% increase from FY23)

## Additional BDC Requests

- Expansion requests
- Changes in circumstances:
- Ownership
  - Management and Control
  - General Inquiries

# Impacting Timeline: Staffing



---

City of Houston - \$51,000

---

Port Houston - \$70,000

---

METRO- \$65,000 - \$70,000

---

State of Texas HUB - \$81,500

---

- **Employee retention/PAY/medical leave/military leave**
- **Staff workload creates high turnover**



# Improvements

- Interviews only when necessary.
- Site visits only for DBE or if necessary.
- Denial issued immediately due to size/licensure.
- Desk audit reduced to 1 point of contact vs 3 points; contact by phone or email.
- Change request other than ownership/management/control processed by Intake.
- Interstate DBE/ACDBE now processed at Intake.
- Filled vacancies.



**IMPROVEMENT**

# Proposed Processing Time Solutions

- Improve salaries.
- Additional FTEs.
- Charge a processing fee for M/W/SBE/PDBE Certifications.
- Charge an expediting fee (completion in 14 days or less) for M/W/SBE/PDBE Certifications.
- Charge an Out-of-Jurisdiction Fee for firms out of 10 county jurisdiction.
- Adopt “Failure to Cooperate” policy for M/W/SBE/PDBE Certifications.
- Accept core findings of DBE, TUCP, HMSDC/WBEA approved firms.
  - BDC to only vet COH requirements of geographical scope and license
- Designate staff for streamlined applications such as single owners under 1yr.



# Thank You!

[www.houstontx.gov/obo](http://www.houstontx.gov/obo)

EDUCATE. CONNECT. GROW.

**Connect With Us:**



@HoustonOBO



@HoustonOBO



@Houston\_OBO



@HoustontxOBO



John Whitmire  
Mayor

Cylenphia Hoyrd  
Interim Director

611 Walker, 7th Floor  
Houston, TX 77002  
[www.houstontx.gov/obo](http://www.houstontx.gov/obo)

T. 832.393.0600 F. 832.393.0646

