## City of Dayton - Human Relations Council
### Business and Technical Assistance
### Small Business Certification Programs

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<th>DBE - Disadvantaged Business Enterprise</th>
<th>HUD Section 3</th>
<th>PEP - Procurement Enhancement Program</th>
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<td><strong>Program Overview</strong></td>
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<td>Disadvantaged Business Enterprise (DBE) Federal program ensures nondiscrimination in the award/administration of DOT-assisted contracts in highway, transit and airport projects.</td>
<td>The HUD Section 3 program provides economic and contracting opportunities to low and very low income business and residents.</td>
<td>The Procurement Enhancement Program (PEP) serves to enhance the percentage of minority-owned, woman-owned, small and local companies working in the City of Dayton.</td>
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<td>Persons must own fifty one percent (51%) or more of a “small business,” establish that they are disadvantaged within the meaning of DOT regulations, and prove they control their business.</td>
<td>Persons receiving, or having received within the past 3 years, federal, state, or local assistance, living in government-assisted housing or with household income below HUD’s income limits may qualify as a Section 3 resident or Section 3 business concern.</td>
<td>All companies must meet the Small Business Enterprise (SBE) definition and requirements which include, but are not limited to a business that:</td>
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<td>• Is for profit;</td>
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<td>• Has been in existence for not less than one (1) year;</td>
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<td>• Meets the industry size standards as approved by the SBA</td>
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<td>• Certifies that its individual owner(s) whose ownership and control are relied upon for SBE certification has a personal net worth that does not exceed seven hundred fifty thousand dollars ($750,000); and,</td>
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<td>• Has less than 100 employees</td>
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<td>Disadvantaged individuals must be:</td>
<td>A business that:</td>
<td>Additionally, firms may certify within one of the following categories:</td>
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<td>• A U.S. citizen (or permanent resident alien);</td>
<td>• Is fifty one percent (51%) or more owned by a Section 3 resident;</td>
<td>• Minority Business Enterprise (&quot;MBE&quot;) is at least fifty-one percent (51%) owned by one or more members of one or more Minority Groups (African-Americans or Black Americans, Hispanic Americans, Asian-Americans, and Native Americans), or, in the case of a publicly held corporation, at least fifty-one percent (51%) of the stock of which is owned by one or more members of one or more Minority Groups, whose management and daily business operations are controlled by one or more members of one or more Minority Groups.</td>
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<td>• A member of a socially or economically or disadvantaged group including, Black Americans, Hispanic Americans Native Americans, Asian-Pacific Americans, Subcontinent Asian-Pacific American, or other minorities; those with disabilities may also be eligible;</td>
<td>• Employs Section 3 residents for at least thirty percent (30%) of its full-time, permanent staff; or</td>
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<td>• A firm (including its affiliates) must not have annual gross receipts over $22.41 million in the previous three (3) fiscal years; and</td>
<td>• Commits to subcontract twenty five percent (25%) or more of the dollar amount of awarded HUD funded contracts to Section 3 business concerns.</td>
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<td>• Only disadvantaged persons having a personal net worth (PNW) of less than $1.52 million will be considered.</td>
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<td>• Women Business Enterprise (&quot;WBE&quot;) is at least fifty-one percent (51%) owned by one or more women, or, in the case of a publicly held corporation, fifty-one percent (51%) of the stock of which is owned by one or more women, whose management and daily business operations are controlled by one or more women.</td>
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<td>• Dayton Local Small Business (&quot;DLSB&quot;) is a) Certified by the Executive Director of the Council, or his/her designee, as a MBE, WBE, and/or SBE; and b) Which is a Dayton Local Business; and c) Which is a General Construction contractor which has annual average gross receipts for each of the preceding three (3) years of not more than fifteen million dollars ($15,000,000); or, d) Which is a business engaged in Specialty Trade and Services which has annual average gross revenue for each of the immediately preceding three (3) years of not more than five million dollars ($5,000,000).</td>
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Through contract compliance, certification, and technical assistance, the Human Relations Council leads the City of Dayton’s efforts towards the development, inclusion, and expansion of opportunities for small, local, minority-owned, women-owned, and small disadvantaged businesses.

Ohio’s Minority Business Enterprise (MBE) program is designed to assist minority businesses in obtaining state government contracts for supplying goods and services.

**Encouraging Diversity, Growth, and Equity (EDGE)** is an assistance program for economically and socially disadvantaged business enterprises. The program establishes goals for state boards and commissions in awarding contracts to certified EDGE eligible businesses. EDGE applies to procurements of supplies and services, professional services, information technology services, construction and professional design services. The maximum amount of time a business may participate in the EDGE program is ten years.

A component of the State of Ohio Development Services Agency, MBAC provides management and technical assistance, procurement information, bonding assistance, cost estimating services, and organizational assessments. MBAC offers free assistance to minority, woman, and small businesses in Montgomery, Greene, Clark, Darke, Preble, Mercer, Auglaize, Shelby, Logan, Champaign, Madison, and Miami counties of Ohio.

Business owner(s) must be member of one or more of the following groups: Blacks, American Indians, Hispanics, and Asians.

An EDGE participant must be a small socially and economically disadvantaged business enterprise owned and controlled by U.S. citizens who are Ohio residents.

**Contacts**
- RoShawn Winburn, Program Director, 937-333-1002
- David Lyttle, Construction Specialist, 937-333-1030
- Anthony Barwick, Procurement Specialist, 937-333-7822
- Vicki Krapf, Contract Compliance Officer, 937-333-1430
- Juleda Hyde, Contract Compliance Assistant, 937-333-1405

**Requirements**
- The business must be a for-profit entity
- In business at least 1 year prior to applying for certification
- The minority business owner must own and control at least 51 percent for one year prior to applying for certification
- Owner must be an Ohio resident
- Owner must be a U.S. citizen
- Owner has control over day-by-day operations
- Owner must have all licenses, permits, and authorities required by law to perform the scope of work

Socially disadvantaged requirements include:
- Race, ethnic origin, gender, physical/mental disability or long-term residency in an environment isolated from mainstream Ohio society

Economically disadvantaged criteria includes both of the following:
- Personal net worth of each owner must not exceed $250,000
- Personal net worth of each owner must not exceed $750,000 during participation
Small Business Certification Programs

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• In business at least 1 year prior to applying for certification
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### MBE
- **Minority Business Enterprise**
- Ohio Department of Administrative Service
- Set-Aside 15%

### EDGE
- Encouraging Diversity, Growth and Equity
- Ohio Department of Administrative Service
- Annual Goal 5%
- Electronic Application

### DBE
- Disadvantaged Business Enterprise
- US Department of Transportation
- Contract Specific: Paper Application

### HUD-3
- HUD Section 3
- US Department of Housing and Urban Development
- Annual Goal 10%
- Paper Application

### PEP
- Procurement Enhancement Program
- City of Dayton
- Annual Goals: MBE 9%, WBE 5%, SBE 15%, DBE 8%

### Program Overview
- Ohio's Minority Business Enterprise (MBE) program is designed to assist minority businesses in obtaining state government contracts for supplying goods and services.

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<td>The business must be a non-profit entity</td>
<td>Business owner(s) must be one or more of the following groups: Blacks, American Indians, Hispanics and Asians.</td>
<td>Women Business Enterprise (&quot;WBE&quot;) is at least fifty-one percent (51%) owned by one or more members of one or more Minority Groups.</td>
<td>Socially disadvantaged requirements include:</td>
<td>The business must be a non-profit entity</td>
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<td>In business at least one year prior to applying for certification</td>
<td>A U.S. citizen (or permanent resident alien)</td>
<td>Additionally, firms may certify within one of the following categories:</td>
<td>• Race, ethnic origin, gender, physical/mental disability or long-term residency in an environment isolated from mainstream Ohio society</td>
<td>• Minority Business Enterprise (&quot;MBE&quot;) is at least fifty-one percent (51%) owned by one or more members of one or more Minority Groups which are referenced in the Second-Generation Disparity Study for the City of Dayton (African-Americans or Black Americans, Hispanics, Asian-Americans, and Native Americans), or, in the case of a publicly held corporation, at least fifty-one percent (51%) of the stock of which is owned by one or more members of one or more Minority Groups, whose management and daily business operations are controlled by one or more members of one or more Minority Groups.</td>
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<td>The minority business owner must own and control at least 51 percent for one year prior to applying for certification</td>
<td>A member of a socially or economically or disadvantaged group including: Black Americans, Hispanics, American-Native Americans, Asian-Pacific Americans, Subcontinent Asian-Pacific American, or other minorities, those with disabilities may also be eligible</td>
<td>Women Business Enterprise (&quot;WBE&quot;) is at least fifty-one percent (51%) owned by one or more members of one or more Minority Groups.</td>
<td>• Socially disadvantaged</td>
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<td>Owner must be an Ohio resident</td>
<td>A firm (including its affiliates) must not have annual gross receipts over $122,431 million in the previous three (3) fiscal years</td>
<td>Socially disadvantaged requirements include:</td>
<td>Woman must own 51% or more of a &quot;small business,&quot;</td>
<td>• In the case of a publicly held corporation, at least fifty-one percent (51%) of the stock of which is owned by one or more members of one or more Minority Groups, whose management and daily business operations are controlled by one or more members of one or more Minority Groups.</td>
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<td>Owner must be a U.S. citizen</td>
<td>Only disadvantaged persons having a personal net worth (PNW) of less than $1,32 million will be considered</td>
<td>Economically disadvantaged criteria includes both of the following:</td>
<td>A firm (including its affiliates) must not have annual gross receipts over $122,431 million in the previous three (3) fiscal years</td>
<td>• In the case of a publicly held corporation, at least fifty-one percent (51%) of the stock of which is owned by one or more members of one or more Minority Groups, whose management and daily business operations are controlled by one or more members of one or more Minority Groups.</td>
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<td>Owner has control over day-by-day operations</td>
<td>Personal net worth of each owner must not exceed $120,000</td>
<td>Personal net worth of each owner must not exceed $710,000 during participation</td>
<td>Woman must own 51% or more of a &quot;small business,&quot;</td>
<td>• In the case of a publicly held corporation, at least fifty-one percent (51%) of the stock of which is owned by one or more members of one or more Minority Groups, whose management and daily business operations are controlled by one or more members of one or more Minority Groups.</td>
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<td>Owner must have all licenses, permits and authorities required by law to perform the scope of work</td>
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### Program Overview
- Disadvantaged Business Enterprise (DBE) federal program ensures nondiscrimination in the award/administration of DOT-assisted contracts in highway, transit and airport projects.
- The HUD Section 3 program is aimed to provide economic and contracting opportunities to low and very low income business and residents.
- The Procurement Enhancement Program (PEP) establishes aspirational goals to overcome barriers identified in the Disparity Study. The Procurement Enhancement Program (PEP) establishes aspirational goals to overcome barriers identified in the Second-Generation Disparity Study for the City of Dayton, Ohio’s final report dated August 8, 2004 for minority-owned, woman-owned, small and local companies. These goals serve to enhance the percentage of minority-owned, woman-owned, small and local companies working with the City over the next 10 years. The program does not set contracting quotas, which have been struck down by federal courts over the past 20 years. The rules and regulations are explained in the PEP Policies and Procedures document. This document may be updated periodically.