City of Atlanta
Updated 2015 Disparity Study Results

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Overview of analyses conducted

- Examined utilization of minority- and women-owned firms (MBE/WBEs) by group for City-funded contracts and subcontracts:
  - Construction
  - Professional services
  - Goods (EBO Ordinance does not apply)
  - Other services

- Collected data on the availability of Atlanta area firms for City work

- Performed disparity analysis for City-funded contracts with and without contract goals

- Examined City-funded SBE goals contracts

- Analyzed outcomes for minority- and women-owned firms in the Atlanta marketplace
Utilization analysis went beyond City OCC data
Not a level playing field for minority- and women-owned firms in the Atlanta Metro Area marketplace

- Barriers to employment and advancement within key local industries
- Fewer minorities and women starting and owning businesses
- Barriers regarding access to capital
- Higher rates of business closures
- Disparities in business revenue
- Disproportionately small (96%+ of MBE/WBEs based on SBA)
- Do not have the same “bid capacity” as majority-owned firms
- Disparities in participation in non-City construction contracts within city limits
- Underutilized by Clayton County and GDOT in certain types of contracts
- More likely to experience difficulties learning about bid opportunities, obtaining lines of credit or loans, obtaining bonds, meeting insurance requirements, bidding on large projects and other aspects of doing business
Much higher participation of MBE/WBEs in City contracts when EBO Program applies

MBE/WBE share of dollars on City-funded contracts, July 2009-Dec. 2012

- With M/FBE goals: $460 million, 50.1% MBE/WBE (including M/FBE)
- No goals: $403 million, 21.5% MBE/WBE (including M/FBE)

Total MBE/WBE share of dollars on City-funded contracts, July 2009-Dec. 2012
MBE/WBEs expected to receive 27% to 39% of City-funded contract dollars given availability to perform that work

### Dollar-weighted MBE/WBE availability

<table>
<thead>
<tr>
<th>Race/ethnicity and gender</th>
<th>Construction</th>
<th>Professional services</th>
<th>Goods</th>
<th>Other services</th>
</tr>
</thead>
<tbody>
<tr>
<td>African American-owned</td>
<td>17.0 %</td>
<td>15.2 %</td>
<td>8.0 %</td>
<td>18.1 %</td>
</tr>
<tr>
<td>Asian American-owned</td>
<td>3.7</td>
<td>8.4</td>
<td>2.7</td>
<td>2.9</td>
</tr>
<tr>
<td>Hispanic American-owned</td>
<td>6.0</td>
<td>2.9</td>
<td>2.7</td>
<td>0.6</td>
</tr>
<tr>
<td>Native American-owned</td>
<td>0.9</td>
<td>0.9</td>
<td>0.7</td>
<td>0.2</td>
</tr>
<tr>
<td>WBE (white women-owned)</td>
<td>11.1</td>
<td>8.2</td>
<td>13.3</td>
<td>7.4</td>
</tr>
<tr>
<td>Total MBE/WBE</td>
<td><strong>38.7 %</strong></td>
<td><strong>35.7 %</strong></td>
<td><strong>27.5 %</strong></td>
<td><strong>29.2 %</strong></td>
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</table>
Because of EBO Program, no overall disparity for MBE/WBEs in City-funded contracts, but disparities when not applied

- Total MBE/WBE utilization higher than availability for City-funded contracts overall
- However, MBE/WBE utilization substantially below availability when EBO Program did not apply
- Pattern of substantial disparities for MBE groups and for WBEs across construction, professional services and other services when EBO Program did not apply
- These disparities include Asian American- and Hispanic American-owned firms in construction
- Along with EBO Program, City’s SBE Program appears to be effective as a complementary tool