



Disadvantaged Business Enterprise and Contracting Careers Programs

CTA Board Meeting
April 12, 2023



Diversity Programs

- Disadvantaged Business Enterprises (DBEs) Programs
- Small Business Enterprises (SBEs) Programs
- Contracting Careers Opportunities Programs



Transit Agencies Seek to Boost Minority Contracting



JOEL LERNER/XINHUA VIA GETTY IMAGE

JANUARY 9, 2023

January 13, 2023 | [Passenger](#)

Chicago, Philadelphia Transit Leaders Sign Deal to Support Minority-Owned Businesses

Written by [Kyra Senese](#), Managing Editor, Railway Track & Structures

CTA launches new Building Small Businesses Program

The BSB Program is the latest in a series of initiatives launched by the CTA to bring equity and inclusion to all aspects of its operations.

July 26, 2022

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CTA expands Workforce and Disadvantaged Business Enterprise efforts

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'CTA Elevating Futures Scholarship Fund' Seeking Applications from CPS HS Students

Posted by Editor on January 12, 2023 in Education | Comments Off on 'CTA Elevating Futures Scholarship Fund' Seeking Applications from CPS HS Students

Mayor Lori E. Lightfoot, the Chicago Transit Authority (CTA) and Chicago Public Schools (CPS) announced that applications are now being accepted for the "CTA Elevating Futures Scholarship Fund", an innovative program that provides a path for economically disadvantaged youth to pursue education and careers in construction and engineering. Created in partnership with the Walsh-Fluor Design-Build team — the contractor for CTA's historic \$2.1 billion Red and Purple Modernization (RPM) Phase One Project — the



CTA HOSTS WEBINARS TO INCREASE WORKFORCE



CTA holds meeting on Red Line Extension Project, with focus on future contracted work

Written by [David C. Lester](#), Editor-in-Chief



Disadvantaged Business Enterprise (DBE) Programs

DIVERSITY DEPT. BASICS

- CTA can only have a DBE program to be in compliance with federal funding requirements.

The Diversity Department:

- Establishes a 3-year DBE contract goal based on projected federal spend during that period, following federally-mandated methodology
 - Overall DBE Goal for 2022-2024: 26%
 - Separate program-specific goals of 20% for design and 20% for construction established for RPM and 22% DBE goal for the Your New Blue Project.
 - As a result of a series of innovative programs and approaches, capital contracts awarded during federal fiscal year 2022 include a **total of 38.3% in DBE participation**
- Ensures contractor compliance with contract goals
- Certifies eligible small businesses as Disadvantaged Business Enterprise (DBE)



Disadvantaged Business Enterprise (DBE) Programs



*BEYOND THE BASICS;
TAKING DBE PROGRAMS TO THE NEXT LEVEL!*

Innovative Approaches to Increase DBE Participation

- **DBE Advisory Committee**

- Formed in 2016
- Solicits feedback from DBEs, prime contractors, and small business advocacy groups known as “assist agencies” such as the Hispanic American Construction Industry Association (HACIA), Black Contractors Owners & Executives (BCOE), and Federation of Women Contractors (FWC)

- **DBE Outreach**

- CTA-hosted Meet-and-Greet events held for primes and DBE partnering opportunities. For example, on RPM we held over 60 DBE & Workforce events.

- **Innovative Contract Language**

- Diversity Outreach Plan as part of proposal evaluation
- Separate DBE goals for design and construction on design/build contracts
- DBE goals on each task-order issued under task-order based contracts



Disadvantaged Business Enterprise (DBE) Programs

*BEYOND THE BASICS;
TAKING DBE PROGRAMS TO THE NEXT LEVEL!*

Innovative Approaches to Increase DBE Participation

- **Small Business Enterprise (SBE) Program**

- Set-aside contract program for SBEs/DBEs only
- Launched in 2013 to create opportunities for SBEs/DBEs as primes
- Steadily grown the program over the last 9 years
- Contracts estimated at \$5M or less with a competitive pool of SBEs are recommended for set-aside
- Contracts proactively assessed to determine if they can be unbundled to create SBE-only procurements

- **Over 100 contracts awarded to SBEs/DBEs under the SBE program**

- **A total of \$61.9M in prime contracts awarded to SBEs/DBEs since its inception**



Disadvantaged Business Enterprise (DBE) Programs

*BEYOND THE BASICS;
TAKING DBE PROGRAMS TO THE NEXT LEVEL!*

Innovative Approaches to Increase DBE Participation

- **Equity in Infrastructure Project (EIP)**

- Works to increase subcontracting and prime contracting opportunities for historically under-utilized businesses
- Promotes best practices, as well as new innovative approaches to removing barriers for DBEs and SBEs
- As a leader in these types of initiatives, CTA is a founding agency and serves as a role-model and mentor for other participating agencies
 - **First of its kind, CTA/SEPTA SBE Certification Reciprocity Program is among initial innovations of EIP. Intended to serve as model for other agencies to follow.**
- EIP has been recognized and supported by the White House administration and other DC leaders as it aligns with the Administration's goals to create economic opportunity for disadvantaged communities



Disadvantaged Business Enterprise (DBE) Programs

*BEYOND THE BASICS;
TAKING DBE PROGRAMS TO THE NEXT LEVEL!*

Building DBE Capacity

- **Technical and financial capacity building is essential to DBEs ability to:**
 - Pursue more and bigger opportunities
 - Ensure success on contracts secured
 - Be ready for Joint Venture Partnerships
 - Successfully take on prime contracting opportunities
- **Mentor-Protégé Program**
 - Launched in 2016
 - Connects DBEs with primes to expand capacity and capabilities



Disadvantaged Business Enterprise (DBE) Programs

*BEYOND THE BASICS;
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Building DBE Capacity

- **Small Business Educational Series**

- Industry leaders teach small businesses how to be successful on CTA contracts
- 2023 annual cohort started in February

➤ **Over 50 firms have graduated since 2017**

- **Building Small Businesses (BSB) Program**

- Focused on small business growth by providing capital sourcing, technical and procurement assistance, and back office support
- Piloted on RPM; In July 2022, program expanded to be available on other large projects

➤ **Over \$6.5MM in capital awarded to-date**

Contracting
Career
Opportunities
Programs





Contracting Careers Opportunities



Creating Job and Career Opportunities on CTA Contracts through Workforce Goals

• **Careers Opportunity Goals**

- Launched in 2013 as part of Red Line South Reconstruction to create construction job opportunities for communities historically not represented in the trades
- Includes Workforce Opportunity and Innovation Act (WIOA) eligible individuals (those with significant barriers to employment)
- Includes Section 3 residents (low and very-low income persons, especially recipients of government assistance for housing)

• **Union Apprenticeship Goals**

- Launched in 2017 to increase apprentice hours and allow participants to eventually become experienced journeymen

• **Economically Disadvantage Area (EDA) Goals**

- Also launched in 2017 to create job opportunities for individuals that live in zip codes with a median household income of \$40k or less



Contracting Careers Opportunities

Creating Job and Career Opportunities on CTA Contracts through Workforce Goals

- **RPM Workforce Goals**

- Workforce Innovation & Opportunity Act Goal – 10%
- Apprenticeship Goal – 15%
- Economically Disadvantaged Area (EDA) Goal - 35%



- So far on the Red/Purple Modernization Project (RPM), residents from economically-disadvantaged areas have **worked over 339k hours and earned over \$18.9M**

- **Other Current/Upcoming Projects with Workforce Goals**

- Red Line Extension & 120th Yard & Shop; Congress Branch Track & Racine Station,
- Austin Green Line ASAP Project; Western Brown Line
- Rail Maintenance Facility, Canal Tie House, Barry & Damen Substations

- **U.S. Employment Plan (USEP)**

- Creates jobs within the U.S. on our rail car and bus manufacturing contracts
- U.S. Employment Plan placed on recent CTA contracts for bus and rail car purchases
- As a result, a new rail car manufacturing facility was constructed in the Southeast side of Chicago, creating hundreds of construction and manufacturing jobs





Outreach Events
