



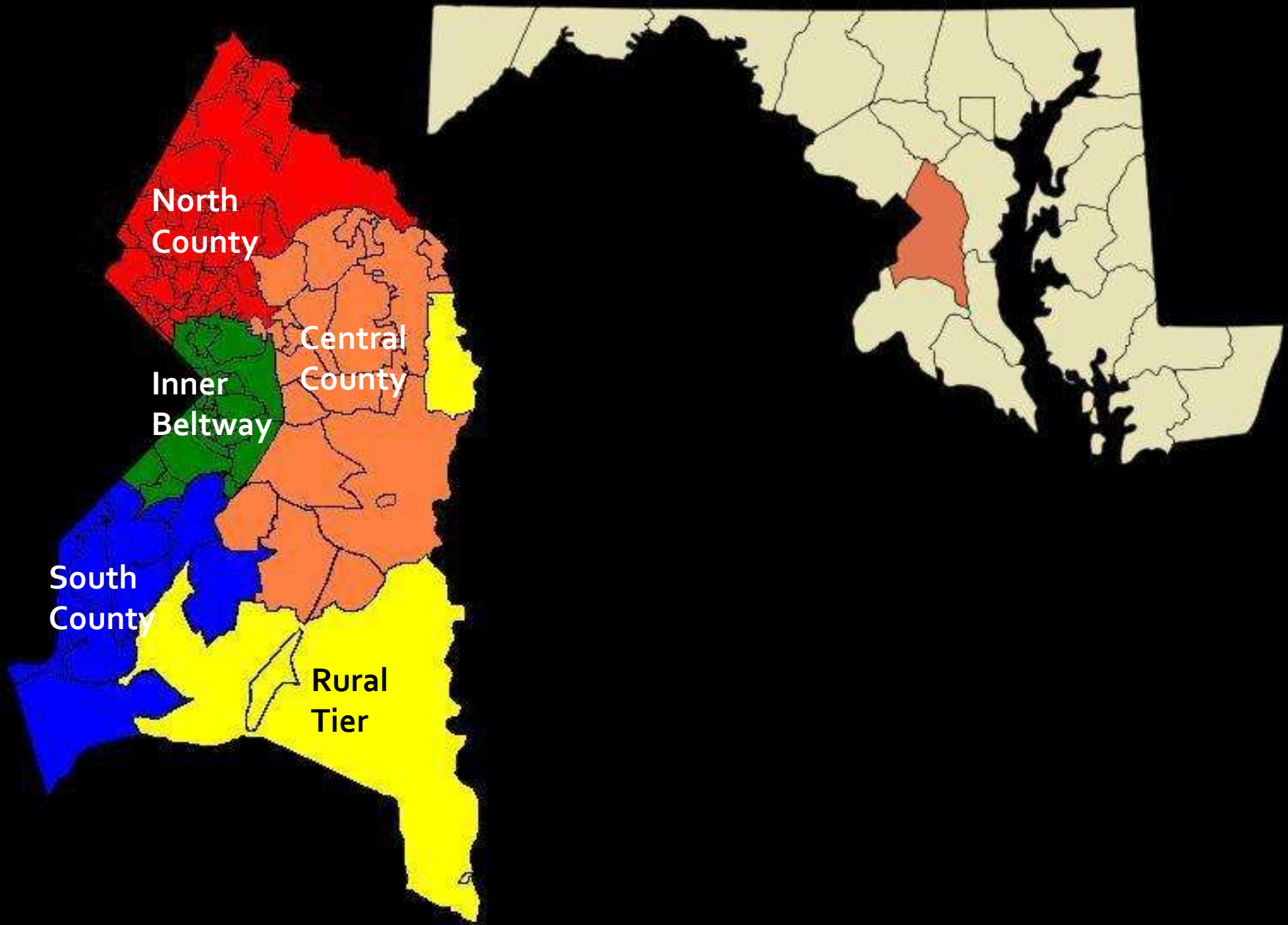
Rushern L. Baker, III
County Executive



CB-17-2011

“Jobs First Act” Overview

Presented By:
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Minority Business Development Division



Why CB-17-2011



CB-17-2011 Overview

- Economic Development and Local Employment
- For the purpose of enhancing the County's economic development by creating bidding preferences and participation requirements for County-based businesses on certain procurement contracts for goods and services with the County
- Aggregate procurement requirements for goods and services in County assisted developments;
- Establishing a First Source Hiring Program; requiring a certain percentage of local hiring for positions on certain procurement projects directly funded by the County and procurement contracts in County assisted developments,
- Requiring a certain percentage of local hiring in County assisted businesses, requiring submission of quarterly audit reports,
- Maintaining a first source registry, providing for penalties and exemptions to the program

CB-17-2011 Overview cont.

- Requiring the use of Community Benefit Agreements on County assisted developments that receive a public benefit of a value equal to or greater than \$1,000,000 with certain exceptions;
- requiring Labor Peace Agreements for County assisted developments receiving a public benefit of a value equal to or greater than \$1,000,000 with certain exceptions;
- Increasing and converting all Minority Business Enterprise goals to County-based Minority Business Enterprise goals for minority contracting and purchasing;
- Requiring subcontracting plans for certain contracts and generally relating to economic development in the County.

CB-17-2011 Overview

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 - Creates bidding preferences and participation requirements for Local Small Minority Business Enterprise (LSMBE) businesses,
 - Establishes a First Source Hiring Program for positions on certain procurement projects directly funded by the County and procurement contracts in County assisted developments,
 - Authorizes the use of Community Benefit Agreements on County assisted developments that receive a public benefit of a value greater than \$3,000,000 with certain exceptions,
 - Gives priority to LSMBEs in all Minority Business Enterprise goals for minority contracting and purchasing,
 - Requires subcontracting plans for certain contracts and generally relating to economic development in the County.

CB-17-2011 Overview (cont)

- CB-17-2011
 - Requires MBDD to certify County –based businesses
 - **County-based business** means a business whose principal place of operation is located within Prince George's County, that meets the requirements of Section 10A-162(a), and whose application for certification as a County-based business is approved by the Purchasing Agent. Principal place of operation shall be determined by factors as set forth in the regulations
 - **County-based business preference** means a business preference given to a bid or proposal pursuant to Section 10A-158.
 - **County-based small business** means a business that meets the requirements of Section 10A-162(b) and whose application for certification as a County-based small business is approved by the Purchasing Agent.
 - **County assisted business** means a business that is a retail or commercial tenant that occupies space in a County Assisted Development or a retail or commercial business that receives a public benefit of a value of One Hundred Thousand Dollars (\$100,000) or greater in any twelve (12) month period. This definition includes entities that are nonprofit organizations or which are incorporated as nonprofits.

CB-17-2011 TIMELINE

- Two sunrise dates
 - January 1, 2012: Begin certification of local companies
 - July 1, 2013: Implementation of new law.

Local Requirements/Bidding Preferences

- Old reality
 - MBE focus
 - Local MBE 10% bonus factor
 - Out-of-County MBE 5% bonus factor
 - 30% of total dollar value of contracts awarded to MBEs

- New reality
 - Local Business focus
 - 35% of total dollar value of contracts awarded to County-based MBEs and MBEs
 - Local business that meets small business definition under COMAR 15% bonus factor
 - Local MBE 15% bonus factor
 - Local business that does not meet small business definition under COMAR 10% bonus factor
 - Out-of-County MBE 5% bonus factor

First Source Hiring Program

- The County government finds that only forty percent (40%) of the jobs in the County are held by County residents (sixty percent (60%) are held by non-County residents) and approximately sixty percent (60%) of the County's resident workforce works outside of the County on a daily basis,
- The Prince George's County Economic Development Corporation's Workforce Services Division shall maintain a First Source Registry,
- The First Source Registry shall consist of the names of veterans, unemployed, low-to-moderate income (defined as being within three hundred percent (300%) of federal poverty guidelines), and general job-seeking individuals who are County residents,
- The Purchasing Agent shall include for **every government-assisted project**, including as a condition of any contracts or agreements for procurements funded by a County agency or the County government, at the time of initial contract execution or, effective as of January 1, 2014, at the time of any exercise of contract renewal, option, or extension (including automatic renewal or extension), a requirement that the business enter into a First Source and Local Hiring Agreement with the County.

County Agency LSMBEs Goals

- Each County agency, including, but not limited to, each County agency that procures in whole or in part through the Office of Central Services, shall use its “best efforts” to exercise its procurement authority so as to meet, on an annual basis, the goal of procuring at least fifty percent (50%) of the dollar volume of its goods and services, including, but not limited to, construction goods and services, to County-based businesses and at least thirty percent (30%) to County-based small businesses,
- For any procurement with a total value equal to or less than One Hundred Thousand Dollars (\$100,000) for which a County agency secures competitive bids or proposals, including, but not limited to, competitive bids pursuant to Section 10A-112 or competitive proposals pursuant to Section 10A-113, each County agency shall set-aside the procurement only for bids or proposals from County-based small businesses,
- A County agency shall not be required to set aside a procurement for County-based small businesses under this Subsection if there are not at least two (2) County-based small businesses that can sufficiently provide the services or goods which are the subject of the procurement.

County Agency LSMBEs Goals (cont.)

- A County agency may also refuse to set aside a procurement for County-based small businesses under this Subsection if the agency determines, after applying any applicable preferences, that the lowest County-based small business bid or proposal price is believed to be twelve percent (12%) or more above the likely price on the open market.

Community Benefit Agreements

- On a case by case basis, as a condition of a public benefit, the County Executive may require the developer(s) of a County assisted development that is awarded a total public benefit of a value greater than Three Million Dollars (\$3,000,000) to enter into a Community Benefit Agreement with the County,
- A community coalition, comprised of stakeholder representatives of eligible community stakeholders selected by a resolution proposed by the County Executive to the County Council, shall negotiate a recommendation to the County Council for a Community Benefit Agreement with the developer(s) of a County assisted development,
- A violation of a Community Benefit Agreement by the developer(s) of a County assisted development subject to this Section may result in a fine of up to five percent (5%) of the monetary value of the received public benefit for each violation or, for repeated violations, a complete refund of the value of the received public benefit and cancellation of the remaining public benefit award, as determined by the County Executive or the County Executive's designee.

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Questions and Answers

