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MEMORANDUM

TO: Thomas A. Golden, Jr., City Manager

FROM: Yovani Baez-Rose, Assistant City Manager/DPD Director

CC: Camilo Espitia – Deputy Director DPD
P. Michael Vaughn – Chief Procurement Officer

SUBJECT: MOTION RESPONSE: 10/18/22 C. Nuon/C. Jenness - Req. City Mgr. Have The Lowell DPD Research And Implement DEI Policies Used By Boston Planning & Development Agency (BPDA) That Increase Roles For People Of Color And Women And Certified Minority And Women Owned Businesses In All Projects

The Department of Planning and Development, researched the DEI policies used by BPDA to better understand how they are working to increase the roles of women and people of color on city projects. Through this research DPD focused closely on BPDA’s Office of Diversity, Equity, and Inclusion (ODEI). The ODEI office is “responsible for supporting the Director and Leadership Team by leading diversity and inclusion management within the BPDA. The ODEI will focus on five pillars of diversity and inclusion management: Workforce Diversity, Supplier Diversity, Community Engagement and Language Access.”¹

Specifically related to procurement, BPDA retained BBC Research & Consulting to conduct a disparity study to determine if there existing barriers to minority-and-women-owned businesses to compete for contracts and procurements. With the information gathered during this study BPDA was able to create an Equitable Procurement Plan which created procedural changes to address the barriers that existed.

BPDA Equitable Procurement Plan Initiatives:

1. **PROCESS AND DESIGN:** Update procurement process and design to increase the number of opportunities for MWBEs to participate in our process
2. **COMMUNITY OUTREACH:** Meaningfully expand our community outreach efforts, enhance communication about upcoming procurements and offering technical assistance

¹ <https://www.bostonplans.org/about-us/departments/office-of-diversity-equity-and-inclusion>

3. **DATA COLLECTION:** Improve current procurement systems to better capture and analyze data related to equitable procurement goals
4. **REPORTING AND ACCOUNTABILITY:** Expand the monitoring and reporting of the BPDA contract portfolio and imbed responsibilities into the Chief Procurement Officer (CPO) role for long term sustainability
5. **RESOURCE ALLOCATION:** Increase training and staffing to better equip the BPDA to successfully act on aforementioned initiatives²

For development projects on city-owned parcels BPDA implemented a DEI-Inclusion Plan within the RFP process that all respondents are required to address. As a part of that DEI Plan, proposals had to explain how project proponents “plan to include significant economic participation and management roles by people of color, women, and M/WBEs in as many aspects of the project as possible.” In 2020 BPDA began weighing this criterion at 25% for all RFPs.”³ The decision by BPDA to weigh this criterion in the RFP review process ensures that respondents who prioritize DEI initiatives will likely rank higher than those who do not. This impact on the proposals scoring impacts final decisions on the project disposition outcome.

In 2022 BPDA further expanded their DEI policy to include large private developments. BPDA’s new policy requests project proponents disclose “their plans to include economic participation, employment, and management roles for people of color, women, and certified Minority and Women Owned Businesses within their project.” Unlike the DEI-Inclusion Plan for city owned parcels the information collected on large private development projects is exclusively for informational purposes. BPDA hopes this information will help better inform their understanding of the disparities in the real estate market, increase M/WBE participation over time and evaluate strategies for future improvements.⁴

DPD believes working to improve opportunities for M/WBEs in the city’s various procurement and development projects is a worthy endeavor. Due to the structural differences between DPD and BPDA, if DEI strategies are to be implemented here in Lowell the Purchasing Department would need to play an active and central role. All procurement, including land disposition, goes through the city’s Purchasing Office. Currently, the Purchasing Department includes MBE/DBE/WBE language in all procurements that are sent out to bid. Historically, larger construction projects such as the High School, are more likely to get participation while smaller projects tend to attract bidders that are not MBE/DBE/WBE. DPD project in particular, are typically large enough to generate interest and are a great opportunity for the city to work on increasing DEI procurement policies.

Although the City adheres to the State procurement laws DPD and Purchasing are interested in adopting new systems to achieve higher diversity in the businesses that provide services to the City of Lowell. DPD will work with Purchasing and the Office of the City Manager, to identify funding to

² <https://www.bostonplans.org/work-with-us/procurement/equitable-procurement>

³ <https://www.bostonplans.org/work-with-us/bpda-owned-land/diversity-equity-inclusion>

⁴ <https://www.bostonplans.org/projects/standards/dei-in-development-policy>

retain the services of a consultant company that specializes in DEI procurement initiatives. With limited internal expertise in ways to address these disparities, staff believe expert assistance would be critical to impacting systemic change. In the short term, DPD staff will begin working to add requests for DEI Plans, similar to what is requested by BPDA for our solicitations. DPD will also work to increase the contact lists we have for all projects in which we direct procure services, in order to diversify the pool of vendors.