



**Oregon Housing & Community Services
Homeownership Development
Minority, Women-owned, Emerging Small Business and
Service-disabled Veteran Business Enterprises
(MWESB/SDVBE) Program Manual**

**Oregon Housing and Community
Services Homeownership Division
Minority, Women-owned, Emerging Small
Business and Service-Disabled Veteran
Business Enterprises (MWESB/SDVBE)
Program Manual**

March 2024

Oregon Housing and Community Service
Homeownership Division
MWESB/SDVBE Program Manual
An Equity and Racial Justice Approach

Oregon Housing and Community Services (OHCS) has embarked on an agency wide effort to embed concepts, practices, and policies to help advance equity and racial justice in the field of affordable housing.

The Homeownership Development Division (HOD) at OHCS is charged with the implementation of state and federal funding programs and the distribution of financial resources to build affordable housing for homeownership in the state. With that charge, HOD plays an important role in the implementation of the agency's commitments to equity and racial justice from the perspective of a funder and affordable housing compliance regulatory agency.

The housing and construction industry employs, from design to home sale, a wide spectrum of trade and business sectors. However, the participation of Minority Business Enterprises (MBE), Women-owned Business Enterprises (WBE), and Emerging Small Businesses (ESB) - collectively known as Minority, Women and or Emerging Small Businesses (MWESB) - as well as Service-Disabled Veteran Business Enterprises (SDVBE); are under-represented in housing construction activities.

Diversity, Equity, and Inclusion (DEI), Equity and Racial Justice (ERJ) and the Certification Office for Business Inclusion and Diversity (COBID) are mechanisms and opportunities to help increase the economic participation of MWESB/SDVBE enterprises in the development and construction of affordable housing.

The goal of this Manual is to ensure that MWESB/SDVBE business enterprises have equal access to business opportunities resulting from OHCS-financed developments. The desired outcome is to see a greater economic participation and share of financial resources for MWESB/SDVBE firms. The Manual implementation and approach are established from a wider and interrelated ecosystem of opportunities, access, and engagement.

Table of Contents

Contents

Table of Contents	3
Chapter 1 – Introduction.....	4
1.01 Manual Summary	4
1.02 Applicability.....	4
1.03 Statutory and Regulatory Authorities.....	4
1.04 Responsibilities	5
Chapter 2 – Requirements	5
2.01 Participation.....	5
2.02 Regions and Goals.....	6
2.03 Affirmatively Marketing to MWESB/SDVBE Firms.....	7
2.04 Requirements for tribal-led or tribal-owned projects	7
Chapter 3 –Compliance and Reporting	7
3.01 Compliance Timeline Project Selection.....	8
3.02 Reporting.....	8
Chapter – 4 - Penalties	9
4.01 Penalty	9
Appendix A – Terms	10



Chapter 1 – Introduction

1.01 Manual Summary

It is the intention of the Oregon Housing and Community Services (OHCS) Homeownership Division that MWESB/SDVBE firms have equal access to business opportunities resulting from OHCS-financed developments. OHCS also encourages firms self-identifying as MWESB/SDVB to become COBID-certified firms and encourages partners to use firms, labor, and materials in their projects that further the Diversity, Equity and Inclusion (DEI) and Equity and Racial Justice (ERJ) goals of OHCS. This Manual addresses marketing and outreach requirements for OHCS-financed developments.

OHCS MWESB/SDVBE Engagement Summary

- All Partners applying for development financing utilizing OHCS funds are required to identify an MWESB/SDVBE plan outlining efforts to contact and contract with COBID and non-COBID certified contractors and subcontractors, notifying the enterprises of the bidding opportunities in the construction and operation of the proposed Project.
- Partners are required to provide a profile of the general contractor and management agent including history of addressing diversity, equity and inclusion, a summary of marketing efforts, culturally relevant publications, and organizations, and efforts addressing racial and equity goals used in bidding opportunities.
- MWESB/SDVBE firm engagement efforts should site work, pre-development and costs, hard costs, professional and administrative costs, and closing, carrying costs and other project fees.
- Partners are required to submit reports to OHCS, demonstrating outcomes of MWESB/SDVBE firm bidding opportunity efforts and contracting and sub-contracting efforts. Partners will list all COBID and non-COBID certified MWESB/SDVBE firms used in the OHCS-funded project.
- Partners can use OHCS-prepared COBID fact sheets to encourage non-COBID firms to explore certification with the COBID office.
- If the Partner uses MWESB/SDVBE General Contractor (GC), GC will include its profits from the project in the MWESB/SDVBE contract award section.

1.02 Applicability

OHCS-financed developments trigger the MWESB/SDVBE firm marketing and outreach Partner requirements and performance goals described in this Manual. Financing includes the following programs: Local Innovation Fast-track (LIFT) Homeownership, Homeownership Development Incubator Program (HDIP) and any other funding for which a partner receives funds from OHCS Homeownership Division for the purpose of construction or construction-related activities for the purpose of affordable homeownership.

1.03 Statutory and Regulatory Authorities

The MWESB/SDVBE Certified firm marketing, outreach, and participation in the construction of OHCS affordable housing aligns with similar state and federal requirements and processes to eliminate bias and barriers for MWESB/SDVBE firms to provide the state with goods and services.

1.04 Responsibilities

Oregon Housing and Community Services (OHCS)

- Notify the Partner at the approval of funding of the MWESB/SDVBE firm of participation goals and objectives along with where to find this Manual on the OHCS website: <https://www.oregon.gov/ohcs/homeownership/Pages/mwesb.aspx>
- Monitor performance of Partner with respect to MWESB/SDVBE and OHCS requirements.

Partner

- Identify Partner's MWESB/SDVBE firm participation level goal for project.
- Outline the steps the construction team will take to achieve the partner's goals for participation of MWESB/SDVBE general contractors, subcontractors and suppliers.
- Provide a summary of general contractor's profile and team members' demographics.
- Provide details of general contractor's history of addressing MWESB/SDVBE subcontractor diversity, equity, and inclusion. List a summary of marketing strategies, including any culturally based marketing publications or organizations used for MWESB/SDVBE firm bidding outreach.
- Describe the subcontractor's outreach efforts for Non-MWESB/SDVBE certified contractors used for bid submissions, if any.
- List all non-COBID Certified MWESB/SDVBE firms used in the project.
- List any opportunities of partnerships for sub-tier contracts by teaming up with smaller contracting firms with larger firms in a mentor/protégé relationship.
- Use OHCS's reporting form and submit biannual reports.

Chapter 2 – Requirements

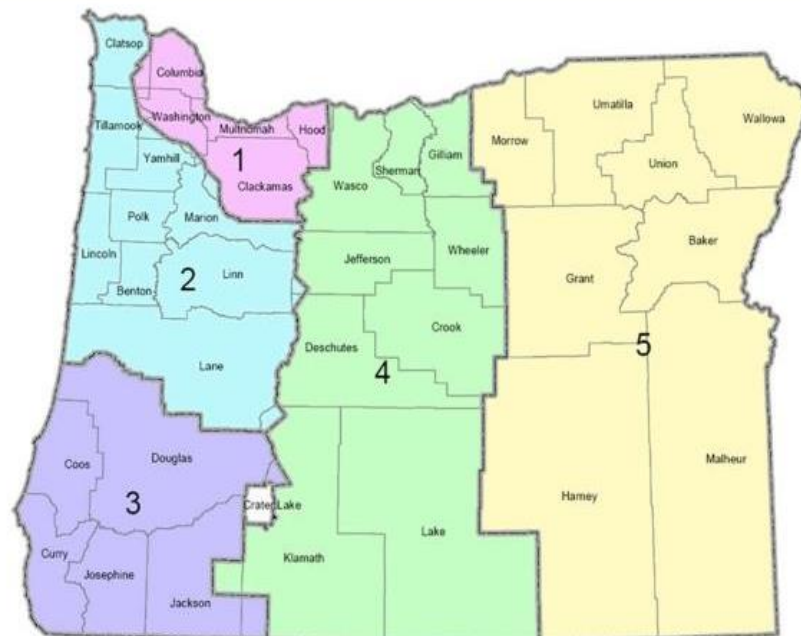
2.01 Participation

OHCS encourages Partners to seek COBID certified and non-COBID certified MWESB/SDVBE professional firms to increase the participation level of minority owned businesses in its construction project to meet OHCS' MWESB/SDVBE goal for each region. Total MWESB/SDVBE participation will be determined utilizing construction cost (including site work, pre-development and costs, hard costs, professional and administrative costs, and closing, carrying costs and other project fees). Partner can include non-COBID certified MWESB/SDVBE firms in their MWESB/SDVBE reporting provided that the MWESB/SDVBE firm listed meets the MWESB/SDVBE requirements ownership and control.

OHCS also encourages the use of local labor, and partnering with the community, to help build affordable homes which address OHCS’s goal of increasing apprenticeship, other labor-development, and volunteer programs in Oregon to improve economic and social vitality while increasing pathways out of poverty and providing a pipeline to increasing MWESB/SDVBE participation in the construction field.

2.02 Regions and Goals

Regions



Participation Goals	Regions	Goal
Metro Oregon	1	30%
Non-Metro	2, 3	20%
Rural Oregon	4,5	20%

Region 1 includes Clackamas, Columbia, Multnomah, Washington and Yamhill

Regions 2 & 3 include Clatsop Tillamook, Yamhill, Polk, Marion, Lincoln, Benton, Linn, Lane, Coos, Douglas, Curry, Josephine and Jackson

Regions 4 & 5 include Wasco, Sherman, Gilliam, Jefferson, Wheeler, Crook, Deschutes, Klamath, Lake, Morrow, Umatilla, Union, Wallowa, Grant, Baker, Harney and Malheur

OHCS understands the challenges and differences in demographics, certified firms and availability of resources for the different regions in Oregon. OHCS will continue to seek partner feedback to determine the feasibility of these goals.

2.03 Affirmatively Marketing to MWESB/SDVBE Firms

Partners should maintain evidence of efforts made to demonstrate proof of outreach to MWESB/SDVBE general contractors, sub-contractors and other MWESB/SDVBE business enterprises. Efforts to include MWESB/SDVBE firms must allow sufficient time to effectively participate in the bidding and/or application process. Good faith efforts to achieve success may be demonstrated by providing documentation detailing outreach plans, including affirmative steps defined in federal regulations at 2 CFR 200.321:

1. Requiring the prime contractor to seek out participation with MWESB/SDVBE firms.
2. Placing qualified MWESB/SDVBE firms on solicitation lists.
3. Using the services and assistance, as appropriate, of the COBID, Business Oregon, Professional Business Development Group (PBDG), Office of Veterans Business Development, Oregon Association of Minority Entrepreneurs, Native American Business Network, Network of Entrepreneurial Women and Women Entrepreneurs of Southern Oregon.
4. Ensuring that MWESB/SDVBE businesses are solicited whenever they are potential sources.
5. When possible and economically feasible, dividing total requirements into smaller tasks or quantities to permit maximum participation by MWESB/SDVBE firms.
6. Establishing delivery schedules, where the requirement permits, that encourage participation by MWESB/SDVBE firms.

2.04 Requirements for tribal-led or tribal-owned projects

Tribal governments often have Tribal Employment Rights Offices (TEROs) that dictate what percentage of contractors and workers on a project must be tribal members. The Federal Department of the Interior also sets standards for tribal participation in tribal-owned or led developments. When reporting MWESB/SDVBE participation, tribal-owned or -led projects may use either OHCS's MWESB/SDVBE goals or their own TERO requirements. Tribal-led or owned projects will submit a narrative detailing their MWESB/SDVBE plan in the project application.

Chapter 3 –Compliance and Reporting

Partners receiving OHCS funding will be required to submit biannual reports demonstrating outcomes of their efforts to contract with MWESB/SDVBE contractors/subcontractors and submit a final report outlining the Partner's efforts in meeting their target goals.

3.01 Compliance Timeline Project Selection

- OHCS will notify partner of MWESB/SDVBE requirements in the Notice of Funds Available (NOFA) and in the award Reservation Letter.
- OHCS will make this Manual and all appendices available to partner on its website: <https://www.oregon.gov/ohcs/homeownership/Pages/mwesb.aspx>
- Partner certifies (by signing the attached certification) that they will comply with laws prohibiting discrimination in employment.

3.02 Reporting

General

- Partner and general contractor will record name, address, and bid information and results of the bid for all MWESB/SDVBE firms and submit to OHCS via OHCS MWESB/SDVBE Biannual Report form.
- Partner and general contractor will record name and COBID # (if applicable) in OHCS MWESB/SDVBE form.
- Partner and general contractor will record name, address, and bid information of any non-COBID MWESB/SDVBE firms bidding on project and submit to OHCS via MWESB/SDVBE form.
- Partner will record information regarding any organizations that provide volunteer labor or other services that provide opportunities to underserved communities, train underserved youth for jobs, or other such DEI/ERJ goals.
- OHCS will review and record compliance with applicable goals.

At the start of construction

- Partner and general contractor will continue (if necessary) to solicit bids as required through construction completion.
- Partner and general contractor will report new bids (if any) and contracts through construction completion.
- OHCS will continue to monitor MWESB/SDVBE participation until construction completion.

Biannual Reporting

- Submit MWESB/SDVBE biannual report.
- OHCS will continue to monitor MWESB/SDVBE participation and discuss any changes to MWESB/SDVBE sub-contractors' participation with partner.

Upon completion of construction

- Partner and general contractor must update the OHCS MWESB/SDVBE firm participation and submit a final report reflecting the COBID and Non-COBID MWESB/SDVBE's participation level in the OHCS funded development.

Chapter – 4 - Penalties

4.01 Penalty

Failure to strictly comply with the requirements set forth in the Oregon Housing and Community Services Homeownership MWESB/SDVBE Program Manual section **1.04. Partner responsibilities** may result in reduction or limitation of MWESB points awarded to Partner in future OHCS NOFA applications.

Appendix A – Terms

COBID	Certification Office for Business Inclusion and Diversity
Contractor/Subcontractor	An entity that contracts to perform work in conjunction with the project or work generated by expenditure of Oregon Housing and Community Services financing.
Minority	Persons who identify as a member of one or more of the following racial or ethnic groups: American Indian or Alaskan Native, Asian, Black /African American, Native Hawaiian or other Pacific Islander, Hispanic or Latino or other racial/ethnic groups as those groups are defined time-to-time by OHCS.
Minority Business Enterprise	An MBE is a business that is both owned and controlled by minorities. This means that there must not be less than 51 percent minority ownership of the business and the minority ownership must control the management and daily operations of the business.
Women Business Enterprise	A WBE is a business that is both owned and controlled by women. This means that there must not be less than 51 percent women ownership of the business and the women ownership must control the management and daily operation of the business
SDVBE	A Service-Disabled Veteran Business Enterprise, is a Veteran-Owned Small Business that is at least 51 percent owned by a veteran with a service-related disability as defined by the Department of Veteran’s Affairs.