

The Honorable Kathleen C. Hochul
Governor of New York State
New York State Capitol Building
Albany, New York 12224

The Honorable Carl E. Heastie
Speaker, New York State Assembly
Legislative Office Building 932
Albany, New York 12248

The Honorable Andrea Stewart-Cousins
President Pro Tempore and Majority Leader, New York State Senate
172 State Street
Capitol Building, Room 330
Albany, New York 12247

Pursuant to Section 1206 of Chapter 98 of the New York City Charter, granting the authority to the New York City (the “City”) Department of Design and Construction (“DDC”) to establish a construction mentoring program for small businesses and City-certified minority and women owned business enterprises (“Mentoring Program”), DDC is required to submit an annual report to the Governor and the legislature that contains the following information for the preceding fiscal year:

- a. “The total number and total dollar value of mentoring program contracts; and
- b. mentoring program participation rates.”

Accordingly, please find the following submission of an annual report:

PROGRAM SUMMARY

The Office of Diversity and Industry Relations (“ODIR”) at DDC implements and monitors innovative policies and procedures to promote compliance with New York City Administrative Code Section 6-129 (the City’s M/WBE program). In 2019, DDC created the Business Development Unit (BDU) to expand on ODIR’s mission. BDU’s function is to create capacity-building opportunities for M/WBEs and small businesses through outreach, advocacy, technical assistance, and business growth.

BDU administers the DDC Mentoring Program to help small businesses and City-certified minority and women-owned business enterprises enhance their technical and business capacity to successfully compete for DDC public works contracts. Modeled after the Metropolitan Transportation Authority’s (“MTA”) Small Business Mentoring Program and the School Construction Authority’s (“SCA”) Mentor Program, the Mentoring Program provides participants with a customized curriculum of classroom instruction in all facets of procurement and contracting processes and procedures. Participants learn how to become successful in providing the necessary construction services required not only by DDC but also by other City agencies.

Participants in the Mentoring Program start in Tier 1, which offers exclusive opportunities to bid on specially designated construction projects valued between \$500,000 and \$1.5 million. Participants can then enroll in the

Graduate Mentoring Program (Tier 2) and compete for projects up to \$3 million. Participants spend four years in each tier, during which time they receive tailored business management and growth planning support and project-specific technical assistance, among other business development services, from a Technical Assistance (TA) Consultant and a Construction Management (CM) Consultant.

OUTREACH AND ENGAGEMENT

After completing program startup and organization activities, in October 2021, BDU began its outreach efforts to promote the Mentoring Program and engage interested firms. BDU used multiple strategies to advertise the program and encourage support from internal and external stakeholders. One of the most successful strategies employed was hosting ongoing Mentoring Program information sessions for sponsor agencies, trade associations, and organizations representing M/WBEs and small businesses. As a result of this strategic outreach and industry engagement strategies, BDU recruited over 250 M/WBE and small business firms to complete the eligibility screening for Cohort 1. In May 2022, BDU selected forty-nine (49) firms to participate in the Mentoring Program.

Below is a breakdown of Cohort 1 **Mentoring Program Participation Rates**:

RACE/GENDER	TOTAL PARTICIPANTS
Asian	20
Female	3
Male	17
Black	17
Female	3
Male	14
Hispanic	12
Female	5
Male	7
Grand Total	49

TRADES	TOTALS
General Contracting (GC)	34
Electrical	12
Heating, Ventilation, and Air Conditioning (HVAC)	7
Concrete	13
Mechanical	2

NUMBER AND VALUE OF MENTORING PROGRAM CONTRACTS

DDC has identified at least seventeen (17) projects valued between \$500,000 and \$1.5 million that will be part of the initial roll-out of Mentoring Program contracts, all of which are expected to be bid and awarded to Mentoring Program participants. The projects are at various stages of the procurement process.

CONCLUSION

The Mentoring Program will provide DDC and the City added capabilities to contribute to the growth of minority and women-owned businesses, as well as small businesses. Small, minority, and women-owned businesses drive the City’s economy and stimulate local communities. DDC and other Mentoring Program stakeholders look forward to continuing the Mentoring Program and the valuable opportunity to develop construction companies that deliver safe, timely, cost-effective, and critical projects for New Yorkers. DDC looks forward to continuing to provide updates on this important program.