

**RESOLUTION URGING THE ADMINISTRATION TO INITIATE A DISPARITY  
STUDY REGARDING THE CITY’S CONTRACTING AND PROCURMENT**

**BY COUNCIL MEMBER ANGELA WHITFIELD-CALLOWAY**

**WHEREAS,** The preamble of the Charter of the City of Detroit provides that City government address the needs of its citizenry by instituting programs, services and activities addressing the needs of our community; fostering an environment and government structure whereby sound public policy objectives and decisions reflect citizen participation and collective desires; and

**WHEREAS,** According to the 2020 U.S. Census Bureau the city of Detroit’s population is 639,111; the population is 77.1% African American, 14.4% White, 7.7% Hispanic and 1.9% Asian descent. Detroit’s population is 52.7% female; and 47.3% male. The median household income is \$32,498 and 33.2% of its residents live in poverty.

**WHEREAS,** The City of Detroit for the Fiscal year 2022-2023 will operate with a \$2.4 billion budget to provide for the operation of and implementation of services and programs on behalf of the city of Detroit; and

**WHEREAS,** The amount of City dollars expended to provide services through the procurement of contracts and the disparity of race, gender and poverty of its residents, while apparent on its face, has not been properly evaluated to determine how this disparity in contracting can be addressed in an effective manner; and

**WHEREAS,** City of Detroit has instituted policies and rules governing the procurement of goods and services provided for the benefit of its citizenry under the Detroit City Code Section 17-5-11(b) providing that “When soliciting a bid and awarding a contract, the Purchasing Director shall award the contract to a bidder, which offers the requested goods or services at the lowest price after application of the following three-step process:(1)Equalization percentage credits as provided for in Sections 17-5-12 and 17-5-13 of this Code; and(2)The preference for environmentally-preferred goods or services as provided for in Section 17-5-14 of this Code; and (3) The requirement that consideration be given to the price offered through a cooperative purchases resource as provided for in Section 17-5-16 of this Code.” As well as provisions in the City Code requiring outreach to Detroit Businesses and residents for contracts and employment; and

**WHEREAS,** The current Administration has continued the efforts through Executive Orders, including but not limited to, Executive Order 2021-2, Motor City Match and Detroit at Work, all designed with the goal of increasing the number of contracts to Detroit businesses and employing Detroiters on contracts awarded by the City of Detroit; and

**WHEREAS,** The City of Detroit being a governmental unit of the State of Michigan is required to comply with the Michigan Constitution, Article I, Section 26, Subsection (2) “The state shall not discriminate against, or grant preferential treatment to, any individual or group on the basis of race, sex, color, ethnicity, or national origin in the operation of public employment, public education, or public contracting.”; and

**WHEREAS,** A disparity study is necessary to analyze the ways contracting in the City has positively or negatively impacted minority-owned, woman-owned, small, local, and veteran businesses by way of evaluating whether equal access to public contracting opportunities are available in light of the legal prohibition of providing any preferential treatment to those most in need of opportunity; and

**WHEREAS,** Similar disparity studies have been conducted in numerous cities across the country including but not limited to: Seattle, WA; Tampa, FL; Houston, TX; District of Columbia; Toledo, OH; Lexington, KY, Chicago, IL; **BE IT THEREFORE**

**RESOLVED,** That the Detroit City Council urges the Duggan Administration to initiate a disparity study and release a Request for Qualifications from reputable outside institutions/organizations to conduct said disparity study. The disparity study should examine and analyze the City funded contracts awarded between January 2012 and April 2022 focusing on industries (construction, professional services, good, and other services) and other relevant geographic market areas for City procurement; and **BE IT FURTHER**

**RESOLVED,** That the selected entity’s engagement include the following area:

- Focus on the analysis of the utilization/participation, availability of Small Business Enterprise (SBE), Minority-Owned Enterprises (MBEs) and Women-Owned Business Enterprises (WOBES), and
- Examine whether there are disparities between the utilization of MBEs/WBES in city contracts by group and
- Examine whether there are availability benchmarks developed for City prime contracts and subcontracts.
- Provides realistic goals that can be achieved while remaining compliant with State law.

; and **BE IT FINALLY**

**RESOLVED,** That a copy of this resolution be provided to the Mayor Mike Duggan for consideration and implementation.