

South Monroe Walls

Minority Inclusion Plan

Project Summary Data:

PROJECT: South Monroe Walls Project, Tallahassee Florida
(GFS Community Redevelopment Agency District)

Inclusion Plan Value: 35% of final construction estimate
\$1,007,862.27 (*current value based on construction estimates submitted thru 02/04/2020*)

Construction Value: \$2,879,606.49 (*based on estimates submitted 02/4/2020*)

Project Description:

On March 4, 2020, Demirel International submitted a proposal to redevelop the properties located at 1303 S. Monroe Street (Parcel #4101200340001) and 1323 S. Monroe Street (Parcel #41020290000) into a commercial/retail and arts and entertainment destination. These properties are adjacent to Cascades Park and are expected to trigger community-responsive economic development along the South Monroe corridor. In addition to the renovation of the 33,000 sf of commercial properties along South Monroe, the project will host 15 rotating wall community art canvases nestled among commercial properties and provide multiple lunch/dining options, retail, service and office space.

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Reference I: Tallahassee-Leon OEV’s MGT Disparity Study Final Report 06-20-2019

Reference II: The Impact of City Contracting Set-Asides on Black Self-Employment and Employment (March 2013)

Reference III Southern Standard Construction Corporate Information

INTRODUCTION

Demirel International, in an effort to offer transparency and translation of its minority hiring and inclusion goals for the proposed project, is providing Tallahassee Community Redevelopment Agency with the following Comprehensive Minority Inclusion Plan (“the Plan”) that will outline the details of the proposed process. The Plan will be implemented through a framework adopted by the developer, the developer’s General Contractor (Southern Standard Construction), the Big Bend Minority Chamber of Commerce Construction Council, Tallahassee-Leon County Office of Economic Vitality MWBE, and the Small Business Development Center at Florida A&M University. The Plan demonstrates the intention to provide equal opportunity to historically underutilized and /or disadvantaged businesses in the construction industry to promote utilization of a diverse construction workforce that reflects Southside Tallahassee and provides/promotes employment opportunities to the residents. The Plan is part of a broader economic growth strategy that is designed to reduce barriers and increase access for minority businesses in Tallahassee’s commercial construction industry. The primary return on investment for this effort will be, we believe, improved prosperity and greater quality of life for minority construction vendors, tradesmen, and employment opportunities for local residents in Leon County, specifically targeting Southside Tallahassee and surrounding neighborhoods. Proposed plan includes but are not limited to businesses certified under the 8(a) Business Development Program (“8a”), Disadvantaged Business Enterprises (DBE), Minority Business Enterprise (“MBE”), Women Business Enterprise (“WBE”), Lesbian, Gay, Bisexual and Transgender Business Enterprises (LGBTBE), and other groups approved by our local municipal partners. Our inclusion commitment is intended to be far reaching. We will have a dedicated focus on the use of small and local businesses, utilizing existing workforce within our community.

THE CONSTRUCTION INCLUSION PLAN

Purpose

The Plan outlines activities and procedures aimed at ensuring diversity, inclusion, and equal opportunity in procurement, contracting, and workforce. Furthermore, it reflects the Developers commitment to diversity as it relates to all residents, and is an acknowledgement of the importance we place on the value of contributing to the growth of our local economy and quality of life in Tallahassee/Leon County, FL.

Construction Inclusion Team (CIT)

The Developer will establish a Construction Inclusion Team (CIT) for the purposes of implementation, tracking, and reporting. The CIT will include, but not limited to, Big Bend Minority Chamber of Commerce Construction Council Chair; Project General Contractor; Business Development Specialist(s) from the Small Business Development Center at Florida A&M University; and the Director of Minority, Women Small Business Enterprises- Tallahassee-Leon Office of Economic Vitality (or designee). The Construction Inclusion Team will be tasked with implementation of the inclusion contracting goals for the project. It is understood that the inclusion goals stated are reasonable, attainable and in line with outcomes of similar projects within our region.

Demirel International/Southern Standard Construction Experience and Expertise

The implementation and success of this plan will rely heavily on Developer's General Contractor Southern Standard Construction's experience and expertise. Southern Standard Construction has been building in Leon County for numerous years and has extensive experience engaging with local subcontractors, suppliers, and workforce development agencies. Company owner, Wayne Mayo, participated actively in Leon County, Blueprint and City of Tallahassee 2019 Disparity Study.

Measurement and Monitoring

Developer's contractor will submit a report to the CIT on the first Monday of each month during the construction of this project, tracking outputs and outcomes of the activities established in

the Plan. The CIT will review and provide written summary updates that will be published by Demirel International on the third Monday of each month during construction. CIT reports will be forwarded to the Community Redevelopment Agency and will be available for public to access on Development's website on the same day and to non-CIT community groups upon request.

Communications Strategy

Demirel International will dedicate a webpage to provide 24/7 public access to information, which will include bidding invitations, site meetings dates, event dates, bidding guidelines & required criteria, construction team contact information. Multiple channels of communication will be used to advertise subcontractor, vendor/supplier, and workforce opportunities such as traditional paid media, earned media, social media, and partner organizations, in addition to on-site signage to advertise opportunities throughout the course of the construction.

DEFINITIONS

General Contractor:

A person with whom the Developer has entered a contract for the performance of work on the project in cooperation with other contractors and persons and in accordance with the contract documents.

8(a) Business Development Program:

To help small, disadvantaged businesses compete in the marketplace, the SBA created the 8(a) Business Development Program. The 8(a) Business Development Program is a business assistance program for small disadvantaged businesses. The 8(a) Program offers a broad scope of assistance to firms that are owned and controlled at least 51% by socially and economically disadvantaged individuals. Participation in the program is divided into two phases over nine years: a four-year developmental stage and a five-year transition stage.

Disadvantaged Business Enterprise ("DBE")

DBEs are for-profit small business concerns where socially and economically disadvantaged individuals* own at least a 51% interest and also control management and daily business operations. (*African Americans, Hispanics, Native Americans, Asian-Pacific and Subcontinent

Asian Americans, and women are presumed to be socially and economically disadvantaged). Other individuals can also qualify as socially and economically disadvantaged on a case-by-case basis. To participate in the DBE program, a small business owned and controlled by socially and economically disadvantaged individuals must receive DBE certification from the relevant state— generally through the state Uniform Certification Program (UCP). To be regarded as economically disadvantaged, an individual must have a personal net worth that does not exceed \$1.32 million. To be a small business, a firm must meet SBA size criteria AND have average annual gross receipts not to exceed \$22.41 million. Size limits for the airport concessions DBE program are higher. The Department has issued a final rule amending its disadvantaged business enterprise (DBE) program at 49 CFR part 26.

Lesbian, Gay, Bisexual, Transgender Business Enterprise (“LGBTBE”)

An independent business concern that is at least fifty-one percent (51%) owned and controlled by one or more LGBT persons who are U.S. citizens or lawful permanent residents, or in the case of any publicly-owned business, at least fifty-one percent (51%) of the equity of which is owned and controlled by one or more LGBT persons who are U.S. citizens or lawful permanent residents; and whose management and daily operation is controlled by one or more of the LGBT owners.

Veteran Business Enterprise (“VBE”)

A veteran business enterprise is defined as a business concern (1) which is at least 51 percent owned by one or more veterans or service-disabled veterans, or in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more veterans or service-disabled veterans; and (2) whose management and daily business operations are controlled by one or more veterans or service-disabled veterans. “Veteran” means a veteran of the U.S. military, – either active duty or reservist – from all five Service Branches (Army, Navy, Air Force, Marine Corps and Coast Guard).

Women Business Enterprise (“WBE”)

Women-owned business concern, as used in this definition, means a small business concern (1) which is at least 51 percent owned by one or more women or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and (2) whose management and daily business operations are controlled by one or more women.

Certifying Agencies

This project will recognize and accept certifications from certifying bodies such as the Tallahassee-Leon County Office of Economic Vitality's Minority & Women Small Business Enterprise in addition to other agencies approved by them:

Florida Department of Management Services Office of Supplier Diversity (FLDMS-OSD):

https://www.dms.myflorida.com/agency_administration/office_of_supplier_diversity_osd

Florida Department of Transportation (FLDOT) Equal Opportunity Office:

<https://www.fdot.gov/equalopportunity/>

Florida Minority Supplier Development Council (FLMSDC)

<https://fmsdc.org/mbe-certification2/#what-is-mbe>

US Department of Veterans Affairs – Office of Small & Disadvantaged Business Utilization

<https://www.va.gov/osdbu/>

Women's Business Enterprise National Council (WBENC)

<http://www.wbenc.org/certification-process/>

CONSTRUCTION INCLUSION STRATEGY

The Developer's goal is to establish a comprehensive plan that results in demonstrably achieving inclusion goals as described in three (3) identified components of constructing the new development- contracting; procurement of materials, goods and services; and workforce. The Plan leverages the ability of the Developer's General Contractor to intentionally designate specific areas in the overall budget where minority tradesmen, vendors and emerging contractors will be specifically included. All partners will work together to ensure the project reflects local inclusion policy goals for minority business enterprise and that the workforce utilized on the construction of the new development reflects the diversity of Southside Tallahassee and Leon County.

The construction inclusion strategy consists of three sections:

- **Part (A)** is the outreach activity plan to raise awareness and engagement among the target audience.
- **Part (B)** Request for Proposal (RFP), which will focus on a strategy to include Minority contractors. Targeted minority vendors will also be included as part of this section of the plan.
- **Part (C)** of this plan outlines activities to include local, underrepresented and disadvantaged residents in the construction workforce.

A. Outreach Activities

Timely, effective, and continued outreach efforts to community stakeholder groups are critical to the success of the program and will be engaged across multiple communication channels. Proactive communication in the preconstruction phase is the most effective way to ensure access to opportunities for a diverse group of residents and businesses. Developer aims to accomplish the outreach through multiple platforms:

1 - Community

- Attendance at community meetings, especially in neighborhoods contiguous to the construction site and within a 2-3-mile radius.
- Host consistent quarterly (or other periodicity as determined) community meetings to raise awareness about the benefits of the project including contractor, supplier, and workforce opportunity.

2- Small Business and Workforce Development Organization Partners

- Face-to-face and electronic communication with the supplier diversity network of leaders and organizations that support minority business certification and utilization.
- Face-to-face and electronic communication with the local workforce development network of leaders and organizations that support workforce diversity and inclusion to include reentry, New Americans, child support enforcement incarceration diversion and fatherhood programs, and Temporary Assistance for Needy Families (TANF) recipients.

3- Subcontractors and Vendor/Suppliers

- Hosting subcontractor and supplier/vendor opportunity events.
- Participation in local small and minority business events as a booth sponsor, program ad sponsor, panel member or other speaking opportunity when appropriate.
- Paid advertising in a variety of diverse media including newspapers, magazines, cablecast, radio, and internet targeted at diverse subs and suppliers.

4- Workforce

- Development of a job referral program in collaboration with the local building trades organization.
- Host a pre-construction meeting with career and workforce development organizations to communicate the goals for workforce utilization.
- Implement workplan recommendations by Tallahassee-Leon Office of Economic Vitality to integrate apprenticeship and career training opportunities in partnership with Lively Technical College, Tallahassee Community College, and Career Source Capital Region to target those enrolled in certification/or and work readiness programs and match them with interested contractors/subcontractors to provide labor and apprenticeship opportunities for this project.

B. The Contracting Activity Plan

Preconstruction

The General Contractor will offer opportunities to minority-owned construction companies and trade vendors on all of project's construction subdivisions while using a database of companies, provided by Leon County OEV and other partnered organizations, that will have required certifications and qualification. As the bid packages are developed, the minority vendor database will be utilized to identify subcontractors that would be invited to bid on all available trades. The database will also be utilized to identify companies that could perform work on the project with smaller capacity or as vendors. This is the basis for the Contracting Plan.

- I. As the Contracting Plan advances there may be opportunities for more minority vendors

than identified and outreach will occur to small business development partner organizations to identify subcontractors where gaps in contract participation are found. Activities to increase the number of capable subcontractors may include:

- Co-hosting contractor opportunity events with these partners to introduce the project and educate the local market on project specifics. These events will feature an opportunity for firms to introduce their capabilities in the bidding/construction of the project. Event attendees will be added to the bidders list and will have the opportunity to be added to the contracting plan if they meet certification requirements. Any vendor who is not currently a certified minority vendor will be encouraged to become certified if they meet the criteria.
2. Prime and Subcontractors will be advised of minority inclusion policies through Developer's bid documents. Primes and Subcontractors will be recommended to submit strategies during the scope review to assess their ability and planned efforts to engage with the minority-owned businesses.
 3. Local certifying agencies will be contacted to help facilitate certification for legitimate minority companies that meet the needs of the project but have not yet applied for a recognized certification.

Contractor Bid / Award Period

The Developer will work together with CIT during the Award Period to document minority vendor commitments.

- a. The minority inclusion policy and objectives are included in the bid documents.
- b. Subcontractors will be advised to document their commitments, if any, to minority firms through their engagement plan attached to their bids.

Construction Phase

- Prior to the start of onsite work, CIT will meet to discuss bids and the minority subcontractor commitments. The actual awards to their lower tiers will be tracked monthly through reporting process outlined under "Measurement and Monitoring". Reports will also verify that the minority vendor is performing the

scope that was specified.

- If recommended by the CIT, contractors and subcontractors will be required to provide proof of payment to partnered minority-owned contractors or vendors during the process.
- The Developer will include in the monthly report the status of initial commitments, current contracts, and payments percentages to date to verify the contractual commitments as part of the CIT reporting. This process also allows the teams to address any discrepancies that arise early on.
- *Cash flow needs of minority vendors may be addressed as needed through expedited payment plans or short-term loans in partnership with a local community banks or credit unions.*
- The Developer will track and report the utilization of material and supply vendors in the same manner.

C. Local Workforce Inclusion Activity

Opportunities for underrepresented and disadvantaged residents on the project will be communicated consistently to the community and contractors. The Developer will explore the possibility of a Memorandum Of Understanding (MOU) with Lively Technical College and/or Career Source Capital Region to identify construction trade apprenticeship trainees or unemployed persons in need of work and pair them with hired sub-prime contractors and vendors in need of employees. Throughout the project, the Developer, in partnership with the local minority chambers and agency partners will collaborate to streamline communications and host community outreach meetings for residents to raise awareness of the project's employment and/or apprenticeship opportunities.

Preconstruction Phase

The project team will host one or more pre-job meetings with minority contractors and vendors in regard to the project. The purpose of these meetings is to ensure that minority contractors are aware of and have the chance to participate in efforts related to engagement of local workforce with a focus on local underrepresented residents. The project team will participate in community job fair fairs facilitated by community partnership agencies if scheduled prior to construction.

Construction Phase

A verification process will be implemented by the CIT in partnership with local employment and community development organizations to ensure that all contractors are working toward fulfilling the local workforce engagement goals set forth by this document.

Measuring and Monitoring Strategy

Developer will be responsible for tracking the outputs required by this document as described and making output information available to the CIT. The CIT will report to all representative municipal and partner agencies monthly or as requested.

CONCLUSION:

It is the intent of Demirel International and its agents to execute this plan for minority business engagement and inclusion according to prescribed strategies listed in this document in its entirety. Once South Monroe Walls is completed, Demirel International will maintain their list of minority vendors for future use in providing long term opportunity for our Southside neighbors and minority vendors. It is our hope that this Minority Inclusion Plan will serve as a template for future developers and development projects and as a blueprint for economic inclusion throughout our entire City/County.