**GUIDELINES FOR MINORITY-OWNED AND WOMEN-OWNED**

**BUSINESS ENTERPRISES (MBE/WBE**)

Section 281 of the National Affordable Housing Act requires each grantee, contractor, developer, and/or subrecipient to make good faith efforts and take affirmative steps to see that Minority and Women Business Enterprises (MBE/WBE) are provided contracting opportunities as a result of federal funding (e.g., CDBG, HOME, HOME-ARP).

To demonstrate compliance, the grantee, contractor, developer, and/or subrecipient must report all sub grant and procurement awards in excess of $10,000 for supplies, equipment, construction or services through [Form HUD-2516](https://www.hud.gov/sites/documents/DOC_11712.PDF).

**Definitions:**

* **Women-Owned Business Enterprise (WBE)**: Primarily owned (51%) by one or more females.
* **Minority-Owned Business Enterprise (MBE):** Business primarily (51%) owned, operated and controlled by one or more members of the following race/ethnicity: Pacific Islander, American Native, African American/Black, American Indian/Alaskan Native, Hawaiian/Pacific Islander, Asian, or Hispanic.
* **Developer/Contractor/Sub-recipient**: The entity that enters into a contract with the City or an agency that is receiving federal funds from the City to carrying out a service, or a project.
* **Subcontractor**: Any entity which has agreed to undertake a portion of a contract in which federal funds are used.
* **Good Faith Effort:** Comprehensive and continuing effort.
* **Affirmative Steps:** Examples of Affirmative Steps include, but are not limited to:
	+ When feasible, structure solicitations so that the total requirements are divided into subsets of smaller tasks or quantities for the purpose of retaining multiple firms or facilitating subcontracting opportunities for MBE/WBEs.
	+ Use the services of the [Small Business Administration](https://www.sba.gov/).
	+ Use the [California Supplier Clearinghouse](https://sch.thesupplierclearinghouse.com/) to find certified MBE/WBE businesses.

**Required Outreach Criteria:**

* + When grantee, contractor, developer, and/or subrecipient are soliciting bids, they will include in any notice to local newspaper that “Women and Minority Owned Businesses are strongly encouraged to apply.”
	+ Grantee, contractor, developer, and/or subrecipient, when feasible, are strongly encouraged to consider posting in Spanish and Vietnamese newspapers.
	+ Use Affirmative Steps when soliciting subcontracting opportunities.