



MINORITY BUSINESS ENTERPRISE AND EMERGING SMALL BUSINESS PARTICIPATION COMMITMENT FOR PREQUALIFICATION

PROJECT NAME / NO. _____	MBE/ESB PROJECT GOAL ESTABLISHED BY THE CITY OF RICHMOND ➔
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YES I, _____ shall commit to _____% MBE/ESB participation through:
Authorized Company Officer

- _____ % FIRST, SECOND and/or THIRD TIER SUBCONTRACTING
- _____ % SUPPLY PURCHASES
- _____ % JOINT VENTURES
- _____ % MENTOR-PROTEGE
- _____ % OTHER CREDIBLY VIABLE METHODS

I understand that this commitment obligates my firm to a substantial good faith effort to achieve the proposed MBE/ESB participation. Our proposal may earn up to 30 prequalification points under PROPOSED GOOD FAITH MINORITY PARTICIPATION EFFORTS. We further commit to reporting MBE/ESB utilization on a monthly basis using the City's MBE/ESB-3 form.

1. **IF YOU ARE PREQUALIFIED:** It is not necessary to include another **MBE/ESB-1 RFQ** form in the bid. The **MBE/ESB-1 RFQ** form submitted during the RFQ process stands as your firm's record of proposed MBE/ESB participation.
2. **IF YOU ARE THE SUCCESSFUL BIDDER:** You must submit the **MBE/ESB-2** form to report a **credible list** of legitimate MBE/ESB subcontractors, suppliers, and/or written statements of mentor/protege or joint venture arrangement within five (5) business days to the Department of Procurement Services. Upon receipt of the **MBE/ESB-2** form, the Office of Minority Business Enterprise will approve "Good Faith Efforts" and/or verify MBE/ESB participation before full contract execution.

NO I, _____ do not wish to earn up to 30 prequalification points for proposed MBE/ESB participation.
Authorized Company Officer

I acknowledge that my declaration will forfeit the opportunity to earn up to 30 prequalification points, and shall directly impact the level of responsiveness of this application and shall become a matter of record. *(Explanation for declaration is encouraged but not required).*

DEFINITIONS	MINORITY BUSINESS ENTERPRISE	EMERGING SMALL BUSINESS
	<p>A business at least 51% of which is owned and controlled or 51% minority-owned and operated by minority group members or, in case of a stock corporation, at least 51% of the stock which is owned and controlled by minority group members. Minority group members are citizens of the United States who are African American, Hispanic American, Asian American, or American Indian.</p>	<p>A business that (1) has been certified by the Office of Minority Business Enterprise for a period of seven years or less, (2) has annual gross receipts for each of its three fiscal years preceding application for certification of \$500,000 or less if engaged in the construction business or of \$250,000 or less if engaged in a non-construction business, (3) has fewer than ten employees, (4) is not a subsidiary of another business and does not belong to a group of businesses owned and controlled by the same individuals, (5) has its principal place of business within the City of Richmond Enterprise Zone, (6) possesses a City business license, and (7) pays personal property, real estate, and business taxes to the City of Richmond.</p>

THE UNDERSIGNED HEREBY CERTIFIES THAT S/HE HAS READ THE TERMS OF THIS COMMITMENT AND IS AUTHORIZED TO BIND THE BIDDER TO THE COMMITMENT HEREIN SET FORTH.

COMPANY NAME _____

AUTHORIZED OFFICER NAME _____

INSTRUCTIONS / DEFINITIONS

- FIRST, SECOND, AND/OR THIRD-TIER SUBCONTRACTING** – The scope of work that is initially contracted by the prime contractor to a subcontractor is considered 1st-tier subcontracting. If that subcontractor further subcontracts all or a portion of the work, it becomes 2nd-tier subcontracting. Likewise, if the 2nd-tier subcontractor decides to subcontract a portion of the work, it is 3rd-tier subcontracting. The prime contractor will receive credit for 100% of the dollar value of the 1st, 2nd, 3rd-tier subcontracting for MBE/ESB participation.
- SUPPLY PURCHASES** – The prime contractor will receive credit for 75% of the dollar value of supplies purchased from an MBE/ESB.
- JOINT VENTURE** – An arranged partnership of the MBE/ESB and one or more other firms to carry out a single, for-profit project, for which the parties combine their property, capital, efforts, skills and knowledge, and in which the MBE/ESB is responsible for a distinct, clearly defined scope of work and whose share of the capital contributions, control, management, risks, and profits of the joint venture are commensurate with its ownership interest. **MBE/ESB credit for legitimate joint ventures will be five (5) points toward the satisfaction of the MBE/ESB goal for a specified project.**
- MENTOR/PROTÉGÉ** – An arrangement based on a written development plan, approved by the City, which clearly sets forth the objectives of the parties and their respective roles, the duration of the arrangement and the services and resources to be provided by the mentor to the protégé. **MBE/ESB credit for a legitimate mentor/protégé arrangement will be four (4) points toward the satisfaction of the MBE/ESB goal for a specified project.**
- OTHER CREDIBLY VIABLE METHODS – BLANKET BONDING** - the prime contractor covers the bonding requirement for the subcontractor. **MBE/ESB credit for Blanket Bonding will be two (2) points toward the satisfaction of the MBE/ESB goal for a specified project.**

Apprenticeship - An apprentice that is bound to work for another for a designated amount of time in return for instruction in a trade or business. **MBE/ESB credit for Apprenticeship will be one (1) point toward the satisfaction of the MBE/ESB goal for a specified project.**
- MINORITY BUSINESS ENTERPRISE (MBE)** – A business at least 51% of which is owned and controlled or 51% operated by minority group members or, in case of a stock corporation, at least 51% of the stock, which is owned and controlled by minority group members. Minority group members are citizens of the United States who are African American, Hispanic American, Asian American and American Indian.
- EMERGING SMALL BUSINESS (ESB)** – A business that (1) has been certified by the Office of Minority Business Enterprise (MBE) for a period of seven years or less, (2) has annual gross receipts for each of its three fiscal years preceding application for certification of \$500,000 or less if engaged in the construction business or of \$250,000 or less if engaged in non-construction business, (3) has fewer than ten employees, (4) is not a subsidiary of another business and does not belong to a group of businesses owned and controlled by the same individuals, (5) has its principal place of business within the City of Richmond Enterprise Zone, (6) possesses a City business license, and (7) pays personal property, real estate, and business taxes to the City of Richmond.