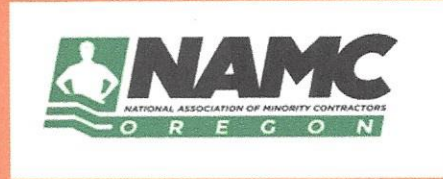




NAMC/MCIP
2808 NE M.L. King Jr. Blvd
Portland, OR 97212



March 23, 2020

To: Oregon Governor Kate Brown
Portland Mayor Ted Wheeler
Multnomah County Chair Deborah Kafoury
Port of Portland Executive Director Curtis Robinhold
Prosper Portland Executive Director Kimberly Branam
Portland Housing Bureau Director Shannon Callahan
TriMet General Manager Doug Kelsey
State Rep. Janelle Bynum

From: NAMC-OR and MCIP

Re: Minority Contractor Assistance and the Corona Virus Pandemic

As the Covid-19 crisis continues, it is essential that minority construction contractors be at the table and represented in the ongoing discussions about economic and financial assistance packages at the local, state and national levels. Minority contractors are typically hurt the worst in any economic downturn, get left behind first, and receive less help than anyone else. During the 2008 recession, far too many minority contractors went out of business due to lack of access to working capital and the amount of subcontracting was cut by the large prime contractors. Minority contractors face all of the same challenges as white-owned companies with the added burdens of racism, historical exclusion by the industry, lack of access to resources, redlining (which prevented the accumulation of family wealth to finance small businesses), and all the rest of the cumulative oppressions that stand in the way of prosperity for them and their families.

The National Association of Minority Contractors-OR (NAMC-OR) and the Metropolitan Contractor Improvement Partnership (MCIP), which are planning to merge in 2020, have taken some immediate actions:

- Our staff continues to work remotely while the physical offices are closed.
- We have created a bilingual English/Spanish resource page on Facebook.

- We are continuing to prepare for and deliver on our training contracts and commitments, and are working to create webinars and other online training opportunities.

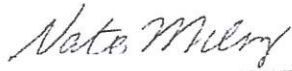
In addition, NAMC/MCIP urge you to:

- Designate the construction industry as “essential” - Construction does not exist on its own; our members and the entire industry build critical infrastructure like public transit, light-rail, water and sewer infrastructure, and perhaps most important of all, hospitals and affordable housing for low-income and homeless people.
- Provide immediate technical assistance funding to assist minority contractors in applying for COVID-19 assistance programs.
- Require all state agencies to prompt pay invoices of small firms (and especially minority firms with 50 or fewer employees) within 30 days.
- Raise the state limits for direct award of contracts to certified firms from \$10,000 to \$250,000 and to direct public agencies to proactively search for ways to award these contracts to minority contractors and small disadvantaged businesses.
- Increase the state limit to competition for a contract for products and services, or for any other contract, from \$50,000 to \$300,000 to certified businesses.
- ***No longer refer to MWESB contractors as COBID firms, the name is too closely related to COVID-19 which understandably has a very negative stigma. For now, we will refer to them as “certified firms.”***
- Provide financial backing in bonding requirements for minority contractors, or limit or lower the bonding requirements for new contracting opportunities.
- Immediately require all general contractors on all public contracts to bid out all scopes of work and to limit self-performed work to 10%.
- Impose an immediate moratorium on health care benefit payments and stop reductions or eliminations of health care benefits for certified firms as a result of work slowdowns and contract losses due to the crisis. Impose an immediate moratorium during the current crisis on any BOLI claim against MBE or DBE contractors.
- Impose an immediate moratorium for certified firms on the current BOLI apprenticeship ratios. It is unfair to require strict ratios while the construction industry is dealing with this crisis.
- Start sharing information regarding Covid-19 and construction contracting in Spanish and any other appropriate languages as you do with your information in English.
- Immediately convene an Oregon minority contracting task force to create strategies for minority contractors to survive and continue to work on public projects, and to include NAMC-OR on all committees, workgroups, stakeholder groups, or any other public group formed to combat the economic impacts of the COVID-19 crisis.

Time and time again we have seen our minority contracting community suffer disproportionately in times of economic hardship. This will be true now and in the future more than ever unless immediate steps are taken to help our firms survive this crisis, above and beyond what is being done for businesses in general. The economic crisis facing minority and Certified Firms is not limited to just the Portland metropolitan region but threatens these

businesses all over the state. Time is of the essence, and we urge you to take these and other steps to prevent our minority contractors from going out of business and facing financial ruin as a result of this crisis.

Sincerely,



Nate McCoy, NAMCO Executive Director



Andrew Colas, NAMCO Board Chair



Erik Esparza, MCIP Board Chair



John Jackley, MCIP Interim Executive Director