City of Kansas City, Missouri

Docket Memo

Ordinance/Resolution#: 260691
Submitted Department/Preparer: City Manager's Office
Revised 01/30/25

Docket memos are required on all ordinances initiated by a Department Director. More information can be found in Administrative Regulation (AR) 4-1.

Executive Summary

Repealing Chapter 3, Article IV, Divisions 2 and 3 of the City's Code of Ordinances and terminating the City's Minority and Woman Business Enterprise ("M/WBE") and Construction Workforce Programs; directing the City Manager to develop a new business enterprise program and report back on the implementation of said program in thirty days; and directing the City Manager to initiate the process to have a new disparity study completed in five years' time.

Discussion

The City of Kansas City has operated its Minority and Women Business Enterprise Program since 1981. The Supreme Court of the United States, in City of Richmond v. J.A. Croson Co., 488 U.S. 469 (1989) ("Croson"), requires local governments to make an empirical assessment to determine whether past discriminatory practices have contributed to the underutilization of M/WBEs in the provision of goods and services.

Since the Croson decision, the City has worked with consultants to undertake disparity studies at various times to assess the utilization of M/WBEs on City contracts and subcontracts as well as the M/WBE Program's compliance with the constitutional standards established by Croson and subsequent caselaw. In September 2024 the City contracted with Griffin & Strong, PC ("Griffin & Strong") to conduct a Disparity Study on behalf of the City to determine whether M/WBEs are utilized on the City's prime contracts and subcontracts at the level they are available in the Kansas City MO-KS Metropolitan Statistical Area ("KC MSA").

Griffin & Strong completed the disparity study in early May 2026, and the findings were presented to City Council in May 2026. Griffin & Strong recommended that the City transition to a race- and gender-neutral small business program.

Fiscal Impact

1. Is this legislation included in the adopted budget? ☐ Yes ☒ No

2. What is the funding source?
   N/A

3. How does the legislation affect the current fiscal year?
   N/A

4. Does the legislation have a fiscal impact in future fiscal years? Please notate the difference between one-time and recurring costs.
   N/A

5. Does the legislation generate revenue, leverage outside funding, or deliver a return on investment?
   N/A

Office of Management and Budget Review
(OMB Staff will complete this section.)

1. This legislation is supported by the general fund. ☐ Yes ☒ No

2. This fund has a structural imbalance. ☐ Yes ☒ No

3. Account string has been verified/confirmed. ☐ Yes ☒ No

Additional Discussion (if needed)
No Account string included to be verified.

Citywide Business Plan (CWBP) Impact

1. View the Adopted 2025-2029 Citywide Business Plan

2. Which CWBP goal is most impacted by this legislation?
   Finance and Governance (Press tab after selecting.)

3. Which objectives are impacted by this legislation (select all that apply):

   ☒ Ensure City Government is responsive, representative, engaged, and transparent; particularly when faced with unforeseen challenges.

- ☐ Operate an efficient City government workforce through effective employee recruitment, development, retention, and engagement.
- ☐ Present a realistic view of financial indicators for improved communications on impact to the City.
- ☐
- ☐
- ☐

Prior Legislation

Click or tap here to list prior, related ordinances/resolutions.

Service Level Impacts

Click or tap here to provide a description of how this ordinance will impact service levels. List any related key performance indicators and impact.

Staff Recommendation

Click or tap here to enter department.

Select One: ☐ Sponsored
☒ Directive: Res/Ord # Click to enter Res/Ord. No.

Select One: ☐ Recommend
☐ Do Not Recommend
☒ Not Applicable

Click or tap here to provide reasoning.

Other Impacts

1. What will be the potential health impacts to any affected groups?
   N/A

2. How have those groups been engaged and involved in the development of this ordinance?
   N/A

3. How does this legislation contribute to a sustainable Kansas City?
   N/A

4. Does this legislation create or preserve new housing units?
   No (Press tab after selecting)

   Click or tap here to enter text.
   Click or tap here to enter text.

5. Department staff certifies the submission of any application Affirmative Action Plans or Certificates of Compliance, Contractor Utilization Plans (CUPs), and Letters of Intent to Subcontract (LOIs) to CREO prior to, or simultaneously with, the legislation entry request in Legistar.

   No - CREO's review is not applicable (Press tab after selecting)
   Please provide reasoning why not:
   Click or tap here to enter text.

6. Does this legislation seek to approve a contract resulting from an Invitation for Bid?

   No(Press tab after selecting)

   Click or tap here to enter text.

7. Does this legislation seek to approve a contract resulting from a Request for Proposal/Qualification (RFP/Q)?
   No(Press tab after selecting)