



CINCINNATI STREETCAR

Get Information! Get Certified!

Cincinnati Streetcar Project Disadvantaged Business Enterprise - Frequently Asked Questions (FAQ)

What is a Disadvantaged Business Enterprise?

A Disadvantaged Business Enterprise (DBE) is a for-profit small business concern that is:

- (1) at least 51% owned by one or more individuals who are both socially and economically disadvantaged; and
- (2) whose management and daily business operations are controlled by one or more of the socially and economically disadvantaged individuals who own it.

What are the goals and objectives of the DBE Program?

- (1) ensure nondiscrimination in the award and administration of contracts
- (2) create a level playing field on which DBEs can compete fairly for contracts
- (3) ensure that the Department's DBE program is narrowly tailored
- (4) ensure that only firms that fully meet the eligibility standards are permitted to participate as DBEs
- (5) assist in the development of firms that can compete successfully in the marketplace outside the DBE Program

What is the Unified Certification Program (UCP)?

The UCP provides a one-stop-shop where disadvantaged businesses that meet the DBE certification requirements and become certified are eligible to be used to meet the DBE goal requirements on any project with funding from the U.S. Department of Transportation. The UCP eliminates the need for multiple certifications with recipients of funding from the U.S. Department of Transportation.

The UCP shall make all certification decisions on behalf of all DOT recipients in the state with respect to participation in the DOT DBE Program.

- (1) The UCP shall provide "one-stop shopping" to applicants for certification, such that an applicant is required to apply only once for a DBE certification that will be honored by all recipients in the state.
- (2) All obligations of recipients with respect to certification and nondiscrimination must be carried out by UCPs, and recipients may use only UCPs that comply with the certification and nondiscrimination requirements of 49 CFR Part 26.
- (3) A UCP is not required to process an application for certification from a firm having its principal place of business outside the state of Ohio if the firm is not certified by the UCP in the state in which it maintains its principal place of business.
- (4) A UCP unified DBE directory containing all firms certified by the Ohio UCP is available to the public electronically, on the internet, as well as in print. The UCP directory is updated as soon as additions/changes are made. The address for the directory is: <https://www.ohioucp.org/index.vm>

Who does NOT qualify to be a DBE?

A firm is not considered "small business concern" if it has annual gross receipts in excess of \$20.41 million for general construction or in excess of \$4.5 million for engineering, architectural and surveying firms averaged over the previous three fiscal years. An economically disadvantaged individual is one whose personal net worth does not exceed \$750,000. Personal net worth excludes the individual's ownership interest in the applicant DBE firm, and the individual's equity in his or her primary place of residence.



Who qualifies to be a Disadvantaged Business Enterprise?

In general, to be eligible for the DBE program, persons must own 51% or more of a "small business," establish that they are disadvantaged within the meaning of DOT regulations, and prove they control their business. The following general guidelines, taken in part from the applicable regulation (49 CFR Part 26), will help business owners determine whether they are eligible for the DBE program:

Eligibility Guidelines (in general):

- **Ownership** - Your business must be 51% owned by a socially and economically *disadvantaged* individual(s).
- **"Disadvantaged"** - You may be eligible if you are a member of a group of persons the Department considers as disadvantaged. The Department presumes certain groups are disadvantaged, including women, Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Subcontinent Asian-Pacific Americans, or other minorities found to be disadvantaged by the U.S. Small Business Administration (SBA). A more detailed list is provided below under the Socially and economically disadvantaged definition. Persons who are not members of one of the above groups and own and control their business may also be eligible if they establish their "social" and "economic" disadvantage. The Department notes, for example, that people with disabilities have disproportionately low incomes and high rates of unemployment, and that many may be socially and economically disadvantaged. A determination of whether an individual with a disability meets DBE eligibility criteria is made on a case-by-case basis. More information on how social and economic disadvantage is determined can be found in [Appendix E to 49 CFR Part 26](#).
- **Business Size Determination** - A firm (including its affiliates) must be a small business as defined by SBA standards. It must not have annual gross receipts over \$20,410,000 in the previous three fiscal years (\$30,000,000 for airport concessionaires in general with some exceptions). This threshold may be adjusted annually for inflation by the Secretary of the U. S. Department of Transportation.
- **Personal Net Worth** - Only disadvantaged persons having a personal net worth (PNW) of less than \$750,000 can be considered as a potential qualified DBE. Items excluded from a person's net worth calculation include an individual's ownership interest in the applicant firm, and his or her equity in their primary residence. Additional exclusions are available for owners of airport concessionaires (See [49 CFR Part 23](#)).
- **Independence** - The business must not be tied to another firm in such a way as to compromise its independence and control.
- **Control** - A disadvantaged owner seeking certification must possess the power to direct or cause the direction of the management and policies of the firm. The owner must also have an overall understanding of, and managerial and technical competence and experience directly related to, the type of business in which the firm is engaged.
- **Burden of Proof Allocation** - Applicants carry the initial burden of proof regarding their eligibility and must demonstrate that they meet all requirements concerning group membership or individual disadvantage, business size, ownership, and control.

Additional program requirements and certification procedures are found in the Department's regulations 49 CFR Parts 23 and 26. Specific information can also be found in the Department of Transportation's [Office of Small and Disadvantaged Business Utilization](#).

Socially and economically disadvantaged individuals are those who are (in addition to being economically disadvantaged) citizens of the United States who are:

- (a) found to be socially and economically disadvantaged on a case-by-case basis.
- (b) Individuals in the following groups, of which are rebuttably presumed to be socially and economically disadvantaged:

Black Americans, includes persons having origins in any of the Black racial groups of Africa

Hispanic Americans, includes persons of Mexican, Puerto Rican, Cuban, Dominican, Central or South American, or other Spanish or Portuguese culture or origin, regardless of race

Native Americans, includes persons who are American Indians, Eskimos, Aleuts or Native Hawaiians



Asian-Pacific Americans, includes persons whose origins are from Japan, China, Taiwan, Korea, Burma (Myanmar), Vietnam, Laos, Cambodia (Kampuchea), Thailand, Malaysia, Indonesia, the Philippines, Brunei, Samoa, Guam, the US Trust Territories of the Pacific Islands (Republic of Palau), the Commonwealth of the Northern Mariana Islands, Macao, Fiji, Tonga, Kiribati, Juvalu, Nauru, Federated States of Micronesia, or Hong Kong.

Subcontinent Asian Americans, includes persons whose origins are from India, Pakistan, Bangladesh, Bhutan, the Maldives Islands, Nepal or Sri Lanka

Women

Also: Any additional groups whose members are designated as socially and economically disadvantaged by the SBA, at such time as the SBA designation becomes effective.

What are the benefits of being a certified DBE?

- (1) DBEs may participate in a variety of supportive services such as training and technical assistance if they are construction and consulting firms involved in a highway construction related business.
- (2) DBEs may be used to satisfy a DBE goal on any projects with funding from the U.S. Department of Transportation, e.g. transit agencies and airports.
- (3) DBEs receive statewide exposure for contracting opportunities due to the Unified Certification Program (UCP) providing one list of all DBE firms certified in the State of Ohio. The UCP listing is used by many firms to locate subcontractors for their projects.

How can I apply for DBE certification?

There are five certifying agencies in Ohio. They are, the Ohio Department of Transportation, The Greater Cleveland Regional Transit Authority and the Dayton Human Relations Council. The Columbus Regional Airport Authority and the Cleveland Hopkins Airport also certify concessionaires. To obtain an application, register and complete the application at:

<https://www.ohioucp.org/index.vtm>

What is the DBE Certification Process?

Step 1 - Application is received

Step 2 - Application is checked for completeness. If incomplete, the applicant is sent a letter requesting the missing information.

Step 3 - Once the application is complete an on-site review is scheduled and conducted at the applicant's office. During the on-site review, interviews are conducted with the owners of the firm.

Step 4 - All materials submitted by the applicant and the on-site report are reviewed by the certification specialist, who determines if the applicant meets the eligibility standards. The certification specialist also reviews the work classification(s) requested and makes a recommendation regarding the adequacy of the applicant's resources to perform in these work areas.

Step 5 - The certification specialist reviews the application and makes a recommendation on the firm's eligibility for certification in the DBE program.

Step 6 - If the application is approved, the applicant is notified, in writing, of the certification approval.

The certification approval letter clearly indicates approval of the firm as a Disadvantaged Business Enterprise (DBE) to perform work in specific types of work and the expiration date of the certification.

The firm is certified as a DBE for a three year period; however an annual affidavit and certain information must be submitted to ODOT each year by the certification anniversary date in order to remain an active DBE.

If an applicant is denied certification, the Department issues a denial letter listing the reasons for the intended denial and provides information related to the appeal process.

How can I get more information about ODOT's DBE Program?

To obtain additional information regarding the DBE program, contact Karen Crago 614-728-8498, Marleise Wicker at 614-728-9598 or Sharon Crockett at 614-644-8243.

Where can I find the Code of Federal Regulations that administer the DBE program?

The DBE program is a federal program operating under the guidance of the United States Department of Transportation. Authorization for the program comes from 49 Code of Federal Regulations Part 26 (49 CFR 26). The Ohio Department of Transportation (ODOT), as a recipient of federal transportation funds, must comply with the requirements of 49 CFR 26. You may review 49 CFR Part 26 at: http://www.access.gpo.gov/nara/cfr/waisidx_01/49cfr26_01.html
