

# Agenda

# Greensboro City Council

COUNCIL WORK SESSION  
TUESDAY  
SEPTEMBER 24, 2013  
3:00 P.M.  
PLAZA LEVEL CONFERENCE ROOM

1. M/WBE update.
2. Sexually oriented/massage parlor discussion.

**Prior to the date of the briefing, contact Greensboro Television Network at 333-6922 if you have electronic presentations.**

**Any individual with a disability who needs an interpreter or other auxiliary aids or services for this meeting may contact the City Clerk's Office at 373-2397 or 333-6930 (TDD).**

## MEMBERS OF COUNCIL

**ROBBIE PERKINS, Mayor**  
**YVONNE J. JOHNSON, Mayor Pro Tem**  
**NANCY VAUGHAN, At Large**  
**MARIKAY ABUZUAITER, At Large**

**T. DIANNE BELLAMY-SMALL, District One**  
**JIM KEE, District Two**  
**ZACK MATHENY, District Three**  
**NANCY HOFFMANN, District Four**  
**TONY G. WILKINS, District Five**




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**M/WBE Policy Changes**

**City Council Work Session**  
**September 24, 2013**



**M/WBE Updated Disparity Study**

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What the Disparity Study Told Us:

- Strong Evidence to support continuing M/WBE Program

	Study Period Utilization	Disparity Study Aspirational Goals
Construction-Sub	13.37%	15%
Construction-Prime	2.95%	14%
Professional Services	2.01%	11%
Goods & Services	4.97%	8%

- Address under utilization of M/WBEs through monitoring of Compliance and Improved Outreach

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## M/WBE Updated Disparity Study

### Internal & External Feedback:

- Inform certified firms of contracting opportunities
- Break down contracts (de-bundling) to allow M/WBE firms to compete
- Ensure Prime contractors use firms as committed
- Establish data information system to notify businesses of upcoming contracting opportunities
- Provide Business Support to certified firms
- Increase tools and outreach to provide more opportunities to certified firms
- Enhanced role of the M/WBE Coordinator

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## M/WBE Updated Disparity Study

### Proposed Changes- Process Changes- Short-term

- Enhanced Coordinator/Facilitator Role
  - Provide program advocacy
  - Technical Assistance
  - Outreach/Counseling
  - Utilization tracking
  - Pre-bid assistance
  - Track retainage & payments
  - Compliance
  - Maintaining/updating system
  - Track contracts
  - Provide Training
  - Creates opportunity, accessibility and consistency in program
- Yearly Matchmaker Conference
  - Stakeholders- City buyers, P-card holders, and prime contractors
  - Advise on upcoming major contracting opportunities
  - Networking
  - Enhances competition for upcoming procurements
  - Allows for extended time to prepare for upcoming bids

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## M/WBE Updated Disparity Study

### Proposed Changes- Process Changes- Short-term

- Establish new M/WBE Coordinating Committee
  - Establish annual aspirational goals for participation
  - Review each project to determine if correct goal has been set
  - Provides input on program elements (type of contract, de-bundling, CM at Risk, etc.)
  - One committee with subcommittees with specialties
  - Provides tool for evaluating success of program
  - Creates consistency and accountability
- Identify Best Program Element
  - Give project managers authority to utilize varying programs to increase participation
    - Example- CM at Risk, de-bundling, etc.
    - Contract De-bundling- Each contract s reviewed for opportunities to create smaller contracts
    - CM at Risk- a Project Delivery Method that allows greater flexibility in construction team developing for complex projects; extra level of protection- price, quality and quantity
    - Enhances competition
    - Creates more opportunities
    - Encourages participation

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## M/WBE Updated Disparity Study

### Proposed Changes- Process Changes- Short-term

- Joint Venture Program
  - Large construction projects-  $\geq$  \$10 million w/optional threshold of \$1 million or more
  - Requires establishment of joint ventures between diverse partners on projects
  - Reserve some larger prime contracts valued at \$1 million or greater for competition
  - Joint venture between non-M/WBE firms and M/WBE firms
  - Provides strong incentive for collaboration across lines of race and gender
  - Enhances opportunities for M/WBEs to gain project management and prime contract experience on larger projects
  - Requires careful monitoring of role of M/WBE in contract to insure legitimate share of project management and contribution
  - Tracking of performance/work/contracts

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## M/WBE Updated Disparity Study

### Proposed Changes- Process Changes- Short-term

- **Bifurcated Bid Opening**
  - Verify goals before bid opening
  - Work with stakeholders prior to bid opening to encourage participation
  - Improves compliance
- **Vendor Rotation**
  - Use of vendor rotation of pre-qualified panel for professional type services
  - Creates more opportunities on smaller projects
  - Overcomes bias against unknown firms
- **Non-Discrimination Contract Policy**
  - All contracts- standard language
  - Creates consistency, compliance, and encourages accessibility

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## M/WBE Updated Disparity Study

### Proposed Changes- Process Changes- Short-term

- **Quarterly Reporting**
  - Required submission of subcontractor utilization
  - Tracking of performance/work/contracts
  - Creates more timely and measurable progress and increases transparency
- **Payment Dispute Monitoring**
  - Assures prompt payment to subcontractor
  - Creates consistency and assist smaller firms
  - Fewer payment complaints
- **Staff Performance Review**
  - Add performance measures other than M/WBE percentages to gauge program's effectiveness
    - Example- growth in numbers in participation or first time firms, percentage of M/WBE dollars gained through open competitive bidding, etc.
  - Leads to a more effective program
  - Creates accountability

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## M/WBE Updated Disparity Study

### Proposed Changes- Long-term

- Centralized Bidder Registration
- Joint Venture Program
- Mentor Protégé Efforts
- Bonding Assistance
- Low Cost Wrap Insurance
- Voluntary Distributorship Program
- Disparity Study Update

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## M/WBE Updated Disparity Study

### Next Steps

- Staff has begun:
  - Reviewing/retooling job descriptions
  - Providing training to departments
  - Communicating plan to internal & external stakeholders
  - Creating accountability and performance plans with staff
  - Pursuing changes to the state tracking system (SWUC)
- At October 15, 2013 Council Meeting Council requested to:
  - Replace the current M/WBE Ordinance which is in Sec. 2-117 of the Greensboro Code of Ordinances
  - New ordinance proposed which will repeal the old ordinance and establish a comprehensive program
  - Adopt a resolution approving amendments to the current Minority and Women Business Enterprise Program Plan

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**Massage Businesses Update  
Sexually Oriented Businesses**

**City Council Work Session  
September 24, 2013**



**Massage Approval/Documentation**

Staff recently reviewed this ordinance in May 2013 and concluded the need for strengthened internal procedures to ensure consistency and compliance. Massage businesses are governed by Chapter 14.5 and Chapter 13 of the Code of Ordinances and are not considered a Sexually Oriented Business (SOB).

**Licensing Requirements**

- Business license valid for 1 year and must be renewed each July 1
- Application received with required business information
- Criminal background check performed on location and owner by Police. May recommend denial of application if there are significant findings
- Fire Inspection and Zoning (Code Enforcement) approvals

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## Massage Approval/Documentation

### Licensing Requirements (continued)

- Each business must provide to Collections Agent:
  - List of massage therapists
  - NC DMV identification for each massage therapist
  - Copies of license issued by the NC Board of Massage & Bodywork Therapy at time of business application, and as requested by the Tax Collector (active status is verified with the State Board of Massage website)
- An update of the employee list and NC DMV Identification is required twice a year-active status is verified
- Once approvals from Police, Fire and Zoning and required documents have been received, applicant will be notified to complete the process by paying license fee of \$100

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## Compliance and Discovery - Massage

### **Ongoing Compliance Activity**

- The Privilege License Section works with Police and conducts quarterly spot checks to verify license compliance and to “discover” new activity
- Collections works with Zoning to ensure location compliance
- Collections requests all required information every fiscal year in addition to an updated list of employees prior to renewal
- As a follow up on calls, agents investigate the business license and covered business activity of the entity

Currently there are 30 licensed massage business locations

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## Non-Compliance - Massage

- Any business found to be non-compliant receives a Notice of Violation (NOV). NOV gives the business 3 business days to become compliant
- Once the second NOV is received, \$500 penalty per day and loss of license for 6 months, as defined in the massage ordinance
- If the business does not close or cease massage activity, the business would be referred to Legal for civil injunction

### Recommendation

- Currently code prohibits two NOV within a fiscal year
- Proposing within rolling 12 month period

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## GPD Massage Business Enforcement

- The Vice/Narcotics Division will investigate complaints of **criminal** activity taking place at Massage Business
  - Make charges when appropriate
    - Share that information with Finance
    - If there is a clear compliance issue, that information will also be shared with Finance
- Accompany Finance personnel to establishments to ensure licensing information provided is still current/correct
- Meet quarterly with Finance to discuss compliance/complaints regarding these establishments

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## Sexually Oriented Businesses

### Goals for SOB Ordinance Revisions

- Update existing definitions of sexually oriented businesses to reflect current terminology and legal applications
- Resolve issues with the application of “Principal Business Purpose” to prevent general retail from being labeled SOB use
- Maintain allowances for new legal SOB businesses



## Sexually Oriented Businesses

- The City of Greensboro Regulates Sexually Oriented Businesses to Limit Negative Secondary Impacts
  - Sexually Oriented Business Currently Includes:
    - Adult Arcades (i.e. Peep Shows)
    - Adult Bookstores/Video Stores (includes sale of sexually oriented devices and products)
    - Adult Cabarets (i.e. strip clubs)
    - Adult Massage Parlors (unlicensed therapists)
    - Adult Motels
    - Adult Motion Picture Theaters
    - Escort Agencies
    - Nude Model Studios

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## Sexually Oriented Businesses

### Current Regulations

- Allowed in C-M, CB and HI zoning districts
- Treated as principal use (no other use allowed with an SOB)
- Must be separated by min. 1,000 ft. from churches, schools, day care centers, public parks and residentially zoned property
- Must be separated by min. 1,200 ft. from any other sexually oriented business
- Legally established SOBs as of May 6, 2007 are grandfathered and not subject to spacing requirements
  - Cannot expand or be relocated on site
  - Eliminated if operations cease for period of 12 consecutive months or new legal use is established on site

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## Sexually Oriented Businesses

### Recommended Ordinance Revisions

- Updated definitions for sexually oriented business uses
- Inclusion of list of prohibited sexually oriented business
- Clear defined minimum thresholds for classification of uses as a sexually oriented business

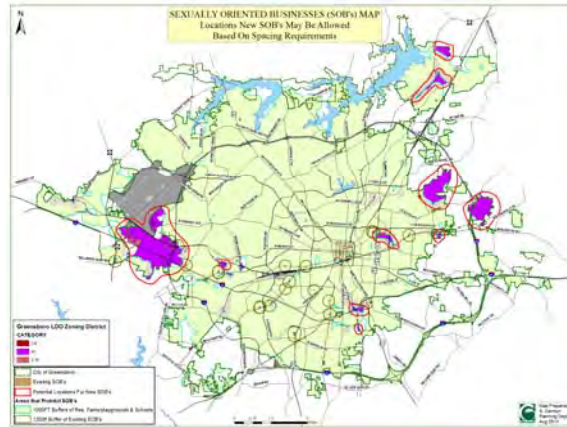
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## Sexually Oriented Businesses

### Sexually Oriented Businesses

- 24 Existing SOB's  
(23 (Grandfathered) Legal Nonconforming)
- General locations identified where new SOB uses may be allowed (site specific analysis needed)



## Sexually Oriented Businesses

### Privilege Licensing Requirements

- Each business location must be approved by Zoning
- Application received with required business information
- Interview Process (Initial License Only) Questions asked to determine appropriate license sections and fees owed
- Once approval has been received, the applicant may complete the process by paying license fee of \$100

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## GPD Sexually Oriented Businesses Enforcement

- The Vice/Narcotics Division will investigate complaints of **criminal** activity taking place at SOB's
  - Make charges when appropriate
    - Share that information with Finance and NC Alcohol Law Enforcement (ALE)
    - If there is a clear compliance issue, that information will also be shared with Finance
- Accompany Finance personnel to establishments to verify business activity when necessary
- Meet quarterly with Finance to discuss compliance/complaints regarding these establishments

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## Sexually Oriented Businesses-Next Steps

### Stakeholder Notification and Input

- SOB owners and attorneys, other parties from enforcement actions, Greensboro Neighborhood Congress, Guilford Merchants Association
- Ordinance Revisions as Appropriate

### Based on feedback and revisions:

#### Planning Board-LDO

- Public Hearing and Recommendation

#### City Council

- Public Hearing and Adoption (whole or part)

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