



City of Boston, Massachusetts
Office of the Mayor
MICHELLE WU

December 1, 2021

TO THE CITY COUNCIL

Dear Councilors:

I submit herewith and recommend that you approve an Order to authorize the creation of a sheltered market program as a pilot tool to advance equity in city contracting. The City of Boston recognizes the importance of fostering economic development across all communities, and has committed to creating a more inclusive procurement process that supports expanded business opportunities for minority-owned and women-owned businesses. The City of Boston spends approximately \$560 million annually in discretionary dollars for the procurement of goods and services. Through a 2020 disparity study, the City of Boston assessed the disparities between the percentage of contract and procurement dollars that the City awarded to minority- and women-owned businesses, and the percentage of contract and procurement dollars that these businesses might be expected to receive based on their availability to perform specific types and sizes of City prime contracts and subcontracts. The City is committed to addressing the historic and structural barriers that have contributed to inequitable economic investment in businesses across Boston, using every tool at its disposal to increase the diversity of its contractors and suppliers, promote equitable access to city contracts, and build a more inclusive economy.

M.G.L. ch.30B §18 provides for the authorization of a sheltered market program, which allows the City to designate certain contracts for procurement from one or more classes of disadvantaged vendors, thereby creating an environment that allows small, local, and diverse businesses to build their capacity to compete for prime contracting opportunities. These types of programs have been implemented in municipalities around the country since the 1990s, and have a proven track record of not only diversifying a city's current spend, but also diversifying the pipeline of businesses available for future city contracting opportunities. With this sheltered market pilot, we will explore the effectiveness of such a program in Boston as part of a comprehensive strategy to build equity in city procurement and create wealth-building opportunities across our communities.

I recommend the adoption of this Order by your Honorable Body.

Sincerely,

Michelle Wu
Mayor of Boston

CITY OF BOSTON
IN CITY COUNCIL

**ORDER AUTHORIZING THE CREATION OF A SHELTERED MARKET PROGRAM
FOR MINORITY- AND WOMEN-OWNED BUSINESSES IN THE CITY OF BOSTON.**

ORDERED: that the Chief Procurement Officer for the City of Boston is hereby authorized to establish a sheltered market program in conformity with the requirements of G. L. c. 30B, §18. This authorization applies to contracts for goods, professional services, and support services. This authorization is for no more than 6 contracts which must be awarded by June 30, 2022. This Sheltered Market Program shall be available for disadvantaged minority- and women-owned vendors for whom there is a demonstrated "substantial disparity" in the City's 2020 Disparity Study.

I HEREBY CERTIFY THAT
THE FOREGOING, IF PASSED IN
THE ABOVE FORM, WILL BE IN
ACCORDANCE WITH LAW.

BY 
Adam Cederbaum