

Equalization Credit Statement (Effective March 20, 2024)

The City of Detroit through its Office of Contracting and Procurement and its department of Civil Rights, Inclusion & Opportunity where applicable and allowed by law that all certified businesses will receive equalization credits and competitive advantages for procurement and contracting bidding opportunities with the City of Detroit.

Under Section 17-5-12 of the Detroit City Municipal Code, vendors qualify for equalization credits if they have been certified as a Detroit Based (D-BB), Detroit Resident Business (D-RB), Detroit Headquartered (D-HB), Detroit Based Small Business (D-SB), Detroit Based Micro Business (D-MB), Construction Workforce Investment Business (CWI), Construction Workforce Development Business (CWD), Joint Venture, or Mentor Venture.

If your company has been certified by the City's Civil Rights, Inclusion & Opportunity Department, include your valid Business Certificate at the time you submit your bid in order to receive equalization pricing credits, if any.

If your company is not certified and is interested in becoming certified or want to learn more about the many benefits of certification please call 313.224.4950 or email CivilrightsCert@detroitmi.gov.

More information can be found at: www.detroitmi.gov/departments/civil-rights-inclusion-opportunity-department/certification-and-business-registry.

If proposing a Joint Venture, include a copy of the written agreement at the time you submit your bid in order to receive equalization pricing credits, if any, between the separate firms, one of which must be a D-BB, D-SB, D-RB, or D- MB (include their Business Certificate), which has been created to perform a specific contract, and at a minimum:

- Substantially included in all phases of the contract, including, but not limited to bidding and staffing;
- Provides at least fifty-one percent (51%) of the total performance, responsibility, and project management of a specific job;
- Receives at least fifty-one percent (51%) of the total remuneration from a specific contract; and
- Shares in profits and losses.

If proposing a Mentor Venture, include a copy of the written agreement at the time you submit your bid in order to receive equalization pricing credits, if any, between the separate firms, one of which must be a D-BB, D-SB, D-RB, or D- MB (include their Business Certificate), which has been created to perform a specific contract, and at a minimum:

- Substantially included in all phases of the contract, including, but not limited to bidding and staffing;
- Provides at least thirty percent (30%) of the total performance, responsibility, and project management of a specific job;
- Receives at least thirty percent (30%) of the total remuneration from a specific contract; and
- Shares in profits and losses.

Equalization Allowance Table			
Detroit Headquartered Business	5%	Detroit Small Business*	1%
Detroit Based Business	2%	Detroit Micro Business*	2%
Detroit Resident Business	5%	Joint Venture**	2%
Construction Workforce Investment	3%	Mentor Venture**	1%
Construction Workforce Development	3%		

*Business can only be either Detroit Small Business or Detroit Micro Business; it cannot be both.

**Business can only be either a Joint Venture or Mentor Venture; it cannot be both.

Per Section 17-5-12 (c)(1) of the Detroit City Municipal Code, “The bidder that makes the lowest bid, as evaluated or scored, shall be deemed the lowest equalized bidder. If the lowest equalized bid is evaluated or scored below the lowest responsible bid submitted, the lowest equalized bidder shall be awarded the contract, provided that, the contract awarded to such bidder shall not exceed, more than 12 percent above the lowest responsible bid submitted, or \$100,000.00, whichever is less.”

Per Section 17-5-12 (d) of the Detroit City Municipal Code, “Limited bidding permitted in certain circumstances. On the Purchasing Director's own initiative or at the request of the contracting department, the Purchasing Director may limit the bidding for a contract to Detroit-based businesses, Detroit-based small businesses, or Detroit-based micro businesses, provided, that there are at least three firms certified or registered by the Human Rights Department which would be eligible to bid for the contract. The equalization factors in Section 17-5-12 of this Code shall not apply to the solicitation of bids under this subsection.”