

MOTION

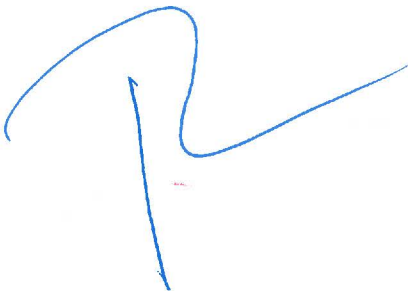
In October 2011, the Council adopted Ordinance No. 181910 - Local Business Preference Program, which provides a narrowly tailored preference program that encourages businesses to compete for City contracting opportunities, to locate operations within the City and to encourage existing local businesses to refrain from relocating away from the City of Los Angeles. Qualifying contractors who participate in the LBPP receive 8% preference credits to their bid.

In 2011, the City/County of San Francisco adopted a Local Business Enterprise (LBE) Ordinance to provide assistance to local small businesses. Under this program, San Francisco assists small and micro local businesses to increase their ability to compete effectively for the award of City contracts. The benefits afforded to participating businesses include bid discounts, set asides, and subcontracting opportunities, information and training, and other assistance to small and micro local businesses in order to reach these goals.

While the purpose and objectives of the above local business preference programs are generally the same, to assist small and emerging businesses, the San Francisco program contains program certifications, tiers, set asides and benefits that appear to offer a more robust and diverse coverage and benefits to struggling small and micro businesses. For example, annually contracting authorities set aside the following for award to Micro-LBEs: Not less than 50% of eligible Public Works/Construction contracts and not less than 25% of Eligible Services/Commodities contracts. This type of benefit is generally called a "Sheltered Market Place" where similarly situated small and micro businesses compete among themselves for a percentage of a public entities contracting dollars.

In pursuing a strong and vibrant network of small and micro businesses, the City should work to ensure a level playing field in the competition for public contracts.

**I THEREFORE MOVE** that the Bureau of Contract Administration, with the assistance and cooperation of the City Attorney, the City Administrative Office and the Chief Legislative Analyst, be instructed to undertake a review of the City of San Francisco's Local Business Enterprise and Non-Discrimination in Contracting Ordinance (Administrative Code Chapter 14B) and to determine the feasibility and utility of incorporating any of its provisions into the City's Local Business Preference Program, including the "Sheltered Market Place" provisions found in the San Francisco Ordinance.



ps

PRESENTED BY:   
CURREN PRICE  
Councilmember, 9<sup>th</sup> District

SECONDED BY: 

ORIGINAL

FEB 25 2015