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Honorable Members of the Ad Hoc on
Comprehensive Job Creation Plan Committee
c/o Holly L. Wolcott, City Clerk
200 N. Spring Street, Room 395
Los Angeles, CA 90012

July 24, 2020

Honorable Members:

**BUREAU OF CONTRACT ADMINISTRATION – FY 17-18 LOCAL BUSINESS
ENTERPRISE- LOCAL BUSINESS PREFERENCE PROGRAM (LBE-LBPP) CITYWIDE
REPORT (CF 15-0850)**

On April 17, 2018, the Chief Legislative Analyst provided their Citywide Comprehensive Job Creation Plan Status Report. Within that report, long-term objective one (1) of the Jobs Plan Strategy (Goal) 1E. *Enhance and improve the Local Business Preference Policy Program to increase local business participation on contracts with the City* called for the Bureau of Contract Administration (BCA) to, in part, work with City departments to compile LBPP data and submit a report to Council for approval. Attached herein is that report.

Sincerely,

JOHN L. REAMER, JR., Director
Bureau of Contract Administration

JLR:HC:lg
20200724 LBE-LBPP Report Letter.doc

attachment



Citywide Contract Awards to Local Business Enterprises (LBEs) under the Local Business Preference Program (LBPP)

FY 13-14 Jul 1, 2013 - Jun 30, 2014 895 Projects	LBE 243 awards	LBE awards due to the LBPP 28 awards	Total Cost to the City to award to LBEs over non-LBEs	Total Award Amount, all Projects
dollars (\$)	\$709,297,926.18	\$152,018,959.50	\$516,296.28	\$1,973,271,362.94
percentage (%)	35.95%	7.70%	0.03%	
FY 14-15 Jul 1, 2014 - Jun 30, 2015 917 Projects	LBE 221 awards	LBE awards due to the LBPP 41 awards	Total Cost to the City to award to LBEs over non-LBEs	Total Award Amount, all Projects
dollars (\$)	\$215,502,558.56	\$24,230,696.88	\$49,629.13	\$1,944,961,314.86
percentage (%)	11.08%	1.25%	0.00%	
FY 15-16 Jul 1, 2015 - Jun 30, 2016 2,933 Projects	LBE 772 awards	LBE awards due to the LBPP 8 awards	Total Cost to the City to award to LBEs over non-LBEs	Total Award Amount, all Projects
dollars (\$)	\$494,150,417.25	\$41,414,069.20	\$987,367.14	\$3,194,033,344.05
percentage (%)	15.47%	1.30%	0.03%	
FY 16-17 Jul 1, 2016 - Jun 30, 2017 3,355 Projects	LBE 583 awards	LBE awards due to the LBPP 29 awards	Total Cost to the City to award to LBEs over non-LBEs	Total Award Amount, all Projects
dollars (\$)	\$870,125,232.79	\$196,488,088.57	\$5,142,105.48	\$5,842,286,075.39
percentage (%)	14.89%	3.36%	0.09%	
FY 17-18 Jul 1, 2017 - Jun 30, 2018 1,699 Projects	LBE 330 awards	LBE awards due to the LBPP 18 awards	Total Cost to the City to award to LBEs over non-LBEs	Total Award Amount, all Projects
dollars (\$)	\$355,005,218.04	\$65,782,258.21	\$1,483,198.00	\$1,906,155,029.22
percentage (%)	18.62%	3.45%	0.08%	

FY 17-18 : Request for LBE- LBPP info sent to 43 City Depts./ offices. This Report is as per responses received by 7/22/19; **THIS** page summarizes data provided by Depts. who submitted a complete FY 17-18 report as of that date (**41 of the 43 Depts.** - 38 Depts. submitted complete FY 17-18 data, 3 Depts. (FPP; Housing Auth; LACERS) have previously stated that they are exempt from the LBPP and therefore did not provide any data, 2 Depts. (City Atty, Mayor's- Public Safety) did not provide any data).

Notes:

A firm is credited as a **LBE** if certified by the City of LA, Bureau of Contract Administration on BAVN.

For the purposes of this report, **primes** receive full contract credit for themselves if they are a certified LBE. In other words, if a prime is a LBE, their entire contract amount is counted towards LBE participation. However, the dollar amounts of their LBE subcontractors/ subconsultants (if any) are not counted toward LBE participation (to avoid double counting). Depts. shall still track **all firms'** statuses as LBEs though, whether prime or subcontractor/ subconsultant.

A firm furnishing materials and/ or supplies is credited at 60 percent of the firm's dollar amount unless the firm manufactures or substantially alters the materials/ supplies.

A firm acting as a broker (does not take possession of the materials/ supplies and/ or does not deliver them) is credited at the firm's commission rate/ fee.

"Total Cost to the City to award to LBEs over non-LBEs" example- If after applying the LBPP, a Dept. awards a contract to a LBE whose bid is \$10,000 over a non-LBE whose bid is \$9,500, the Total Cost to the City to award to LBEs over non-LBEs is **\$500** (\$10,000 - \$9,500).