

BOARD OF PUBLIC WORKS  
MEMBERS

KEVIN JAMES  
PRESIDENT

CECILIA CABELLO  
VICE PRESIDENT

DR. MICHAEL R. DAVIS  
PRESIDENT PRO TEMPORE

AURA GARCIA  
COMMISSIONER

JESSICA CALOZA  
COMMISSIONER

DR. FERNANDO CAMPOS  
EXECUTIVE OFFICER

CITY OF LOS ANGELES  
CALIFORNIA



ERIC GARCETTI  
MAYOR

JOHN L. REAMER, JR.  
Inspector of Public Works  
and  
Director  
BUREAU OF  
CONTRACT ADMINISTRATION

1149 S. BROADWAY, SUITE 300  
LOS ANGELES, CA 90015  
(213) 847-1922

<http://bca.lacity.org>

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 29, 2019

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  
20190729 LBE-LBPP Report Letter.doc

attachment

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

<b>FY 13-14</b> Jul 1, 2013 - Jun 30, 2014 <b>895 Projects</b>	<b>LBE</b> <b>243 awards</b>	<b>LBE awards due to the LBPP</b> <b>28 awards</b>	<b>Total Cost to the City to award to LBEs over non-LBEs</b>	<b>Total Award Amount, all Projects</b>
dollars (\$)	\$709,297,926.18	\$152,018,959.50	\$516,296.28	\$1,973,271,362.94
percentage (%)	35.95%	7.70%	0.03%	
<b>FY 14-15</b> Jul 1, 2014 - Jun 30, 2015 <b>917 Projects</b>	<b>LBE</b> <b>221 awards</b>	<b>LBE awards due to the LBPP</b> <b>41 awards</b>	<b>Total Cost to the City to award to LBEs over non-LBEs</b>	<b>Total Award Amount, all Projects</b>
dollars (\$)	\$215,502,558.56	\$24,230,696.88	\$49,629.13	\$1,944,961,314.86
percentage (%)	11.08%	1.25%	0.00%	
<b>FY 15-16</b> Jul 1, 2015 - Jun 30, 2016 <b>2,933 Projects</b>	<b>LBE</b> <b>772 awards</b>	<b>LBE awards due to the LBPP</b> <b>8 awards</b>	<b>Total Cost to the City to award to LBEs over non-LBEs</b>	<b>Total Award Amount, all Projects</b>
dollars (\$)	\$494,150,417.25	\$41,414,069.20	\$987,367.14	\$3,194,033,344.05
percentage (%)	15.47%	1.30%	0.03%	
<b>FY 16-17</b> Jul 1, 2016 - Jun 30, 2017 <b>3,355 Projects</b>	<b>LBE</b> <b>583 awards</b>	<b>LBE awards due to the LBPP</b> <b>29 awards</b>	<b>Total Cost to the City to award to LBEs over non-LBEs</b>	<b>Total Award Amount, all Projects</b>
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%	
<b>FY 17-18</b> Jul 1, 2017 - Jun 30, 2018 <b>1,699 Projects</b>	<b>LBE</b> <b>330 awards</b>	<b>LBE awards due to the LBPP</b> <b>18 awards</b>	<b>Total Cost to the City to award to LBEs over non-LBEs</b>	<b>Total Award Amount, all Projects</b>
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).