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Honorable Councilmembers  
Los Angeles City Hall  
200 North Spring Street  
Los Angeles, CA 90012

January 22, 2026

**RE: Impact and Sustainability Plan for the 2028 Olympic and Paralympic Games**

**Council File: 15-0989-S51**

On September 12, 2025, the Los Angeles City Council (Council) adopted a report from the Ad Hoc Committee on the 2028 Olympics and Paralympic Games which directed the BCA, in coordination with LA28, to report to Council on best practices for maximizing procurement from local City businesses, in particular small and micro businesses. The report should include strategies, implementation plans, metrics for measuring achievements of goals and reporting timeline. The report should include the feasibility of strategies including but not limited to weighted scoring or a tiered procurement approach that prioritizes businesses located in the City.

**RECOMMENDATIONS:**

That the City Council REQUEST LA28 commit to incorporating the following practices as outlined in Recommendations 1 through 3 in this report.

**MAXIMIZE LOCAL, SMALL, AND MICRO BUSINESS PARTICIPATION**

**Background on the BCA:**

The BCA's Office of Contract Compliance (OCC) carries administrative responsibility for the Department of Public Works Business Inclusion Program (BIP) and Project Labor Agreement (PLA). These administrative tools provide guidelines to monitor and enforce a process for business selection under the City's procurement process in general and local worker participation on applicable construction contracts.

The BIP ensures that Prime contractors or consultants perform outreach efforts and negotiate with potential subcontractors or subconsultants in good faith prior to a selection. This documentation must be made available to the OCC if anticipated levels of participation are not met. The information provides a transparent trail that details reasons for the final contractor or consultant selections. The BIP process includes certification status verification of businesses, such as Local Business Enterprise, Small Business Enterprise, or Emerging (Micro) Business Enterprise, selected to achieve spend percentages outlined in the contract. The BIP process also



includes after award contract monitoring to ensure utilization and full compliance with pledged financial (spend) expectations.

The PLA contains a local participation utilization expectation for Prime contractors and their subcontractors in a construction environment. In this process, the hiring agent of record carries full responsibility for identifying local representatives from an identified pool of eligible candidates to participate on the project. The hiring agent agrees to utilize qualified candidates that reside within the identified priority boundary. If the hiring agent cannot provide a representative from the Priority 1 area, the outreach effort then continues in the identified Priority 2 area. Although this method accompanies PLA implementation for construction workforce, the BCA believes this priority process provides a nice model for determining procurement priority.

### **LA28 Small and Local Business Targets:**

The LA28 Economic Empowerment Strategic Objective 1B pledges to "Create opportunities for small and local businesses to participate in Games planning and delivery." LA28's formal commitment to community business and procurement includes 75% of addressable spend in the Greater Los Angeles Area; and, 25% addressable spend with small businesses. LA28 uses the Small Business Administration's (SBA) definition of a small business. LA28 further commits to focus on strategies to maximize participation of hyperlocal businesses based in the City of Los Angeles, and microbusinesses with ten or fewer employees (25 or fewer in manufacturing).

LA28 defines local as the Greater Los Angeles Area, including Los Angeles, Orange, Riverside, San Bernardino and Ventura Counties. In benchmarking against previous and similar editions of the Games, it is important to note that LA28's defined local spend target is significantly more localized than the London Games and Paris Games, where local is defined by the entire country. The addressable spend is identified as the portion of LA28's overall spend, excluding spending that is required to go to specific organizations, for example, based on regulatory requirements or supply rights agreements.

### **RECOMMENDATION #1**

- 1A: The LA28 75% and 25% addressable spend targets should be measured by the contract dollar amount and not the number of contracts awarded.
- 1B: All LA28 direct procurement contracts will be fulfilled by businesses with the ability to meet LA28's requirements. LA28 will prioritize City of Los Angeles businesses in their outreach and procurement decisions as indicated in the strategic sourcing plan.
- 1C: To qualify under the 75% and 25% addressable spend targets, all businesses must self-certify to their local and/or small status. LA28 recommends all businesses obtain the appropriate Local Business, Small Business, and Emerging (micro) Business certification as affirmed by the City of Los Angeles<sup>1</sup>

<sup>1</sup> LA28 and the City of Los Angeles retain the right to request documentation for any small / local company. LA City and County Certifications may be accepted as proof. Failure to provide proper documentation to substantiate self-certification will disqualify a business from being included in the 75-25 commitment.



## **MAXIMIZE LOCAL, SMALL, AND MICRO BUSINESS PREPARATION**

The BCA launched two efforts to enhance and ensure a well prepared and diverse pool of businesses to participate in the City of Los Angeles' procurement process. Accessing LA and the Small Business Academy represent a commitment to educating and equipping businesses for economic opportunities in the City of Los Angeles and greater LA area.

The Accessing LA series consists of three focal categories: Build With for Construction contractors; Team With for Personal Services; and Rise With for all types of new businesses. These outreach workshops - attended by LA28's small business outreach and procurement team - provide information to familiarize businesses with the procurement process and an introduction to accomplished companies willing to invest time and effort to build relationships.

The Small Business Academy - -supported by LA28 through participation across multiple sessions - represents a partnership of several City Departments that invite selected businesses to participate in a 7-9 session information and educational exchange that addresses all aspects of the City procurement process. This Academy includes industry experts that share valuable insight regarding what it takes to become members of their team. Recently the BCA conducted a targeted Small Business Academy focused on Sports and Entertainment. The outreach included a mass call to action letter going out to many businesses along with a survey questionnaire that communicated some of the desired certification and industry sector criteria for upcoming economic opportunities.

The LA28 Economic Empowerment Strategic Objective 1A pledges to team up with public and private organizations to prepare small and local businesses for direct and indirect contracts and other revenue opportunities associated with the Games and other major events in the region. LA28 has participated in the Los Angeles Sports & Entertainment Procurement Summits, Accessing LA workshops, and the most recently held Small Business Academy that focused on Sports and Entertainment.

In order to ensure efficient outreach and education, BCA requested from LA28 areas where procurement opportunities would most likely occur. LA28 provided some categories which BCA used to tailor outreach and educational efforts. The LA28 categories also provided a foundation upon which a more standardized outreach and solicitation for local and small businesses could occur. These efforts are complemented by LA28's virtual Procurement Series, a webinar-based program designed to help small and local businesses prepare for upcoming Olympic and Paralympic Games contracting opportunities by providing early visibility into planned procurement categories, timelines, and processes in advance of the formal release of LA28's Procurement Plan in early 2026.

The North American Industrial Classification System (NAICS) and sector categories listed below, each with SBA size standards calculated using a five-year average, are anticipated to be utilized by LA28:

### **Sector 23 – Construction**

- 236220 General Contractor – Construction
- 238990 Specialty Contractor – Construction



**Sector 48-49 – Transportation / Warehousing**

485113 Transportation – Bus  
485320 Transportation – Limousine

**Sector 51 – Information**

518210 IT – Computing Infrastructure

**Sector 61 – Educational Services**

611620 Education – Sports/Rec. instruction

**Sector 71 – Arts / Entertainment / Recreation**

711320 Art/Sport/Rec. – Promoter w/o facility

**Sector 72 – Accommodation / Food Services**

722310 Catering – Food Service  
722320/330 Catering – Caters/Mobile Service

**Sector 81 – Other Services**

812199 Personal Services – Care

Businesses that meet SBA size standards are eligible for SBE Proprietary certification through the City of Los Angeles. SBA size standards can be located at <https://www.sba.gov/document/support-table-size-standards>. Those approved for Local Small Business (LSB) certification will automatically receive SBE Proprietary certification as well.

The City of Los Angeles also recognizes SBE certifications issued by:

- California Department of General Services (Cal-DGS)
- U.S Small Business Administration
- U.S Women’s Chamber of Commerce (USWCC)
- National Women Business Owners Corporation
- California Unified Certification Program (CUCP) - Disadvantaged Business Enterprise certification which utilizes the same size standards
- County of Los Angeles
- Los Angeles Metropolitan Transit Authority

**For the State of California, Department of General Services, a Microbusiness:** is a type of small business that meets both of the following criteria:

- **Fewer than 25 employees, and**
- **Average annual gross receipts of \$6M or less over the previous three tax years.**

The City of Los Angeles also recognizes historically Underrepresented Business Enterprises (UBE) such as MBE/WBE certifications issued by:

- Southern California Minority Supplier Development Council (SCMSDC)
- Supplier Clearinghouse



## **RECOMMENDATION #2**

- 2A: LA28 will set minimum business eligibility criteria for each sourcing event (procurement purchase) based on the needs of the organization. This will avoid enterprise-wide minimums that often serve to hike up requirements and make it harder for small businesses to compete.
- 2B: LA28 to work with the BCA to identify targeted training hubs that align with the LA28 procurement plan spend categories.
- 2C: LA28 established a Responsible Sourcing Code to support LA28's commitment to community procurement across all spend categories. The Responsible Sourcing Code will help drive LA28's procurement decisions, serving to support local and small business enterprises by allowing them to see minimum standards for engagement - and providing the structure by which LA28 will review, and grade bidders based on their commitments to impact and sustainability. LA28 will include the Responsible Sourcing Code and established spend target goals in Requests for Proposals (RFP) templates, and contracts issued to prime contractors and sub-contractors.<sup>2</sup>

## **MAXIMIZE LOCAL, SMALL, MICRO BUSINESS PRODUCTION**

The BCA's compliance efforts associated with BIP and PLA include regular status assessments during the life of a contract or at the end of the individual procurement opportunity. This process allows for a periodic review to ensure proper implementation of the participation commitment.

The BIP review takes place at the end of the contract and includes comparing actual monies invoiced with the listed procurement amount. This review provides the data necessary to verify whether the prime contractor met the participation spend percentage. When tracked individually on each subcontract during the life of the global contract effort, this information also provides an indication as to whether the larger commitment will be reached.

The PLA review also has a regular review during the course of the contract. Certified payrolls submitted to the BCA enable weekly reviews to assess the compliance effort direction. As with BIP, the early indicators provide advanced insight into what if any changes need to be made to achieve the designated commitment.

The LA28 Economic Empowerment Strategic Objective 1B identifies a forthcoming LA28 Procurement Plan to be finalized in 2026. LA28 pledges the plan will establish policies to maximize participation of small and local businesses. The administrative tools LA28 mentions include bid preferences, laddering opportunities, contract unbundling and streamlining requirements for small firms. LA28 also appears open to strategies to maximize subcontracting beyond the existing policies and reporting requirements for primes.



<sup>2</sup> The Responsible Sourcing Code Policy can be found on Page 20 of the LA28 Impact & Sustainability Plan

**RECOMMENDATION #3**

- 3A. LA28 to include in their forthcoming LA28 Procurement Plan implementation strategies that support primes in identifying and onboarding small and local vendors to prioritize opportunities across the LA28 identified taxonomy sectors.
- 3B: LA28 to work with BCA to provide key performance indicators for procurement and inform that contracting and purchasing opportunities are fair, inclusive, and accessible to local, small, and microbusinesses.
- 3C: LA28 to establish a public-facing, easily accessible annual report to track utilization progress and chart outreach and education efforts that contribute to a healthy procurement business pool.

If you have any questions regarding this report, please contact Lynda McGlinchey at 213-847-2676.

Sincerely,



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

JLR:lg

