

TRANSMITTAL

To:

THE COUNCIL

Date: 8/21/2018

From:

THE MAYOR

TRANSMITTED FOR YOUR CONSIDERATION. PLEASE SEE ATTACHED.

A handwritten signature in blue ink, appearing to be 'Eric Garceiti', is written over the printed name.

(Ana Guerrero) for

ERIC GARCEITI
Mayor

City of Los Angeles
CALIFORNIA

JAN PERRY
GENERAL MANAGER



**ECONOMIC AND WORKFORCE
DEVELOPMENT DEPARTMENT**

1200 W. 7TH STREET
LOS ANGELES, CA 90017

**ERIC GARCETTI
MAYOR**

June 15, 2018

Council File: 15-1364
Council District: All
Contact Persons & Phone Numbers:
Jacqueline Rodriguez
(213) 744-7185

The Honorable Eric Garcetti
Mayor, City of Los Angeles
Room 303, City Hall

Attention: Mandy Morales, Legislative Coordinator

**TRANSMITTAL: REPORT BACK ON THE GOVERNANCE DOCUMENT AND
MANAGEMENT FRAMEWORK FOR THE LOS ANGELES SMALL BUSINESS
COMMISSION (LASBC)**

RECOMMENDATIONS

The General Manager of the Economic and Workforce Development Department (EWDD) or designee, respectfully requests that the City Council, subject to approval of the Mayor as required:

1. APPROVE the attached governance document and management framework for the Los Angeles Small Business Commission (LASBC);
2. APPROVE the change of one appointment from Chair of the Innovation, Grants, Technology, Commerce and Trade Committee to Office of the Mayor, as this Committee no longer exists; and
3. INSTRUCT the General Manager of the Economic and Workforce Development Department, or designee, to request commissioner appointment nominations from Mayor and City Council as described in the governance document.

FISCAL IMPACT STATEMENT

There is no impact to the General Fund. EWDD received funding to support the establishment of the LASBC in the approved Fiscal Year 2017-18 budget.

BACKGROUND

On July 1, 2016, the City Council adopted the report from the Ad Hoc on Comprehensive Job Creation Plan Committee dated June 21, 2016, which approved the establishment of the LASBC, including the definition of small business, relative to the formation of a Small Business Commission to promote, grow, and retain small business in the City of Los Angeles.

The report also approved that the LASBC would consist of seven (7) members appointed as follows, and confirmed by the City Council:

- Three (3) appointments by the Mayor.
- One (1) appointment by the President of the City Council.
- One (1) appointment by the Chair of the City Council Economic Development Committee.
- One (1) appointment by the Chair of the City Council Budget and Finance Committee.
- One (1) appointment by the Chair of the Innovation, Grants, Technology, Commerce and Trade Committee.

As the Innovation, Grants, Technology, Commerce and Trade Committee, has been removed as a council committee, EWDD would request the following change for the commission structure:

- Four (4) appointments by the Mayor.
- One (1) appointment by the President of the City Council.
- One (1) appointment by the Chair of the City Council Economic Development Committee.
- One (1) appointment by the Chair of the City Council Budget and Finance Committee.

This recommended change is also reflected in the proposed LASBC Governance Document and Management Framework (attached).

SUMMARY

The attached proposed LASBC Governance Document and Management Framework provide the final governance document to be used by the City of Los Angeles Small Business Commission. This governance and management document will provide commissioners guidance in the following areas:

- Introduction
- LASBC Purpose and Duties
- Mission
- Members/Commissioners
- Commissioner Appointments
- Commissioners Tenure
- Meeting Frequency
- Commission Officers

- Meeting Agenda

- Meetings and Meeting Notices
- Meeting Attendance Requirements
- Vacancy
- Removal for Cause
- Meeting Quorum
- Meeting Minutes and Reporting
- Definition of Small Business

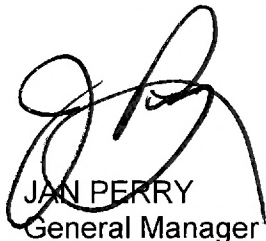
DISCUSSION

The LASBC is an advisory group that serves as a liaison between the City and the small business community, and as a public forum dedicated to issues affecting entrepreneurs and small business owners. The LASBC also advises the Mayor, City Council and the Economic and Workforce Development Department (EWDD) on policies promoting small business growth, and evaluates proposed City, State and Federal legislation that may impact small businesses in the City.

The attached Governance Document outlines the principles, roles, responsibilities, and goals of the LASBC, and provides guidelines on how the LASBC will operate.

CONCLUSION

If these recommendations are approved, EWDD anticipates that, pending approval of new Commissioner Appointments, the LASBC could begin holding meetings in the second quarter of Fiscal Year 2018-19.



JAN PERRY
General Manager

JP:SH:DH:JDR

Attachment: Small Business Commission Governance Document and Management Framework

City of Los Angeles
Small Business Commission

Governance Document and Management Framework

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Introduction

On July 1, 2016, the City Council adopted the report from the Ad Hoc on Comprehensive Job Creation Plan Committee dated June 21, 2016, which approved the establishment of the LASBC, including the definition of small business, relative to the formation of a Small Business Commission to promote, grow, and retain small business in the City of Los Angeles.

The LASBC is an advisory group that serves as a liaison between the City and the small business community, and serves as a public forum dedicated to issues affecting entrepreneurs and small business owners. The LASBC also advises the Mayor, City Council and the Economic and Workforce Development Department (EWDD) on policies promoting small business growth, and evaluates proposed City, State and Federal legislation that may impact small businesses in the City.

This Governance Document outlines the principles, roles, responsibilities, and goals of the LASBC, and provides guidelines on how the LASBC will operate.

LASBC Purpose and Duties

All actions taken by the LASBC are made in the form of advisory recommendations to the Mayor and City Council. Duties of the LASBC include:

- Formulate and evaluate goals, objectives, plans and programs relating to small businesses, consistent with overall objectives established by the Mayor and City Council, to promote the economic opportunities to the City's small business community.
- Review all City, State and Federal legislation affecting small businesses and make recommendations to the Mayor and City Council.
- Review policy matters, rules and regulations adopted by City Departments that affect small businesses and recommend modifications, as needed.
- Outreach to the small business community to solicit input, feedback and potential solutions to issues they face with City policies or processes, and to increase public awareness of the existence, mission and activities of the LASBC.
- Develop plan to address City infrastructure or other projects that impact local businesses.
- Advocate on behalf of small businesses, and make recommendations for new policies or changes to existing policies, that will promote, grow and/or retain small businesses in the City.
- Work with EWDD to prioritize issues of special concern to the small business community, such as the street vending program and proposed local preference program for City procurement.
- Implement marketing strategies for City's programs, services and incentives that assist small businesses.

Mission

Assist the Mayor, City Council and EWDD in promoting, growing and retaining small business in the City of Los Angeles by facilitating greater small business participation in City policy-making processes, and by providing input regarding proposed actions, issues, and decisions affecting the small business community.

Members/Commissioners

Commissioners are representatives of small businesses in the City, who are subject matter experts in fields relevant to small businesses, including, but not limited to finance, accounting, law, economics, etc.; and representatives from organizations that advocate for the needs of small businesses in the City, such as the Chambers of Commerce, Business Improvement Districts, etc.

Commissioners must reside in the City of Los Angeles or own a business located in the City.

Commissioner Appointment

LASBC consists of seven (7) members appointed as follows, and confirmed by the City Council:

- Four (4) appointments by the Mayor.
- One (1) appointment by the President of the City Council.
- One (1) appointment by the Chair of the City Council Economic Development Committee.
- One (1) appointment by the Chair of the City Council Budget and Finance Committee.

Commissioners Tenure

Commissioners will be appointed for a two-year term. Commissioners can be re-appointed to multiple terms if they wish to continue serving and the appointing official agrees.

Meeting Frequency

The LASBC will meet once per quarter, or four times per year. Special meetings can be held, as necessary.

Commission Officers

The LASBC shall elect annually from its membership a Chair and Vice Chair to serve a one (1) year term. Nominations shall be held at the regularly scheduled meeting one (1) month prior to the election. Officers are eligible to serve subsequent terms.

1. The Chair shall preside at all LASBC meetings.
2. The Vice-Chair, in absence of the Chair, shall exercise the power and perform the duties that may be designated by the Chair.

Meeting Agenda

Meetings will run according to an agenda. Commissioners will receive an agenda from EWDD Staff. The purpose of the agenda is to lock the meeting's order of business into a clear plan. The agenda will include a description of each item of business and an indication that it is informational, for discussion only, or requires a vote.

Meetings and Meeting Notices

Meetings of the LASBC shall be governed by the provisions of Chapter 9 of the California Government Code, also known as the Ralph M. Brown Act, commencing at Sec. 54950 of Part I, Division 2, Title 3. All meetings of the LASBC shall be open and public, and all persons shall be permitted to attend any meeting and receive notice of such meetings as provided in the Act.

Adequate notice in English, Spanish, and other languages as appropriate, of each regular LASBC meeting shall be given to the public at least seven (7) days in advance of the meeting.

Special meetings may be called by the Chair or upon the request of at least three (3) LASBC members to the Chair. In addition, EWDD staff may call a special meeting as necessary. Whenever possible, written notice, together with the agenda for that meeting, shall be emailed to the LASBC so as to be received five (5) days in advance. No other business than that on the agenda may be conducted at a special meeting. Written minutes shall be kept for each meeting of the LASBC.

Meeting Attendance Requirements

Whenever a Commissioner fails to attend three regularly scheduled quarterly meetings of the LASBC, said failure may constitute grounds for removal of the representative.

Vacancy

- A. A vacancy shall occur on the death, resignation, removal, or expiration of term of a representative.
- B. A temporary vacancy shall occur upon withdrawal of a representative pursuant to Conflict of Interest. A temporary vacancy shall not be filled.

Removal for Cause

Removal for cause shall include, but not be limited to, violations of rules and regulations, conflict of interest, nepotism, loss of status which made the Commissioner eligible for appointment, or refusal of member to vacate his/her seat at the end of appointment or at the request of appointing official.

Meeting Quorum

Fifty percent plus one (50%+ 1) of the non-vacant seats on the LASBC shall constitute a quorum for the transaction of business. An official LASBC meeting may not take place until this quorum is met. The approval of a majority of those present is required to pass any resolution or transact any business. If at any time the quorum is not met, official actions of the LASBC cannot be made. These provisions apply to any committee or other groups appointed by the LASBC to assist in the conduct of its business.

Meeting Minutes

Minutes of regular meetings shall be forwarded to all LASBC members when practicable, at least five (5) days prior to the next regular meeting.

A copy of all minutes shall be filed with the Economic & Workforce Development Department, 1200 West 7th Street, Los Angeles, California. The minutes shall be available for inspection. Translation shall be made available upon request.

Reporting

Once the LASBC is established, the annual priorities and workplan of the Commission must be reported to City Council.

Upon completion of the first year of operation, the LASBC must report to City Council the results of its first year workplan, and make annual workplan recommendations for all subsequent years.

Definition of Small Business

The definition of small business is based on the definition used for the City's Business Inclusion Program, as follows:

A small business independently owned and operated; not dominant in field of operation; principal office located in the City of Los Angeles; and be either:

- A business with 100 or fewer employees with annual gross receipts of \$14 million or less over the last three tax years; or
- a manufacturer with 100 or fewer employee; or
- a microbusiness (gross annual receipts less than \$3.5 million or a manufacturer with 25 or fewer employees); or
- A non-construction firm with less than \$7 million average gross receipts over the last three (3) years; or
- A construction firm with less than \$14 million average gross receipts over the last three years.