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**BUREAU OF
CONTRACT ADMINISTRATION**

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Honorable Members of the
Travel, Trade and Tourism Committee
c/o Holly L. Wolcott, City Clerk
200 N. Spring Street, Room 395
Los Angeles, CA 90012

December 22, 2023

Honorable Members:

**BUREAU OF CONTRACT ADMINISTRATION – FY 21-22 LOCAL BUSINESS
ENTERPRISE- LOCAL BUSINESS PREFERENCE PROGRAM (LBE-LBPP) CITYWIDE
REPORT (CF 15-0850-S5)**

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:RM:lg
20231222 LBE-LBPP Report Letter FY2021-22.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 18-19 Jul 1, 2018 - Jun 30, 2019 3,789 Projects	LBE 377 awards	LBE awards due to the LBPP 25 awards	Total Cost to the City to award to LBEs over non-LBEs	Total Award Amount, all Projects		
dollars (\$)	\$403,129,910.94	\$44,878,083.00	\$4,869,909.00	\$1,713,241,872.40		
percentage (%)	23.53%	2.62%	0.28%			
FY 19-20 Jul 1, 2019 - Jun 30, 2020 3,106 Projects	LBE 309 awards	LBE awards due to the LBPP 13 awards	Total Cost to the City to award to LBEs over non-LBEs	Total Award Amount, all Projects		
dollars (\$)	\$559,192,373.00	\$36,071,597.00	\$1,088,539.00	\$2,899,161,970.68		
percentage (%)	19.29%	1.24%	0.04%			
FY 20-21 Jul 1, 2020 - Jun 30, 2021 2,943 Projects	LBE 378 awards	LBE awards due to the LBPP 17 awards	Total Cost to the City to award to LBEs over non-LBEs	Total Award Amount, all Projects		
dollars (\$)	\$843,896,279.50	\$22,711,060.00	\$255,615.00	\$2,651,625,630.14		
percentage (%)	31.83%	0.86%	0.01%			
FY 21-22 Jul 1, 2021 - Jun 30, 2022 3,396 Projects	LBE 913 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	LSB 60 awards*	LTE 0 awards*
dollars (\$)	\$1,289,023,605.07	\$28,799,901.24	\$1,704,251.70	\$3,708,079,682.14	\$8,792,904.00	\$0.00
percentage (%)	34.76%	0.78%	0.05%		0.24%	0.00%
FY 21-22: Request for LBE- LBPP info sent to ~40 City Depts./offices. This Report is as per responses received by 5/11/23; this page summarizes data provided by Depts. who submitted their FY 21-22 report as of that date. Note that 3 Depts. (FPP; Housing Auth; LACERS) have previously stated that they are exempt from the LBPP and therefore did not provide any data. *There were no Local Small Business (LSB) or Local Transitional Employer (LTE) awards due to the LBPP. These 2 certifications were added to the LBPP via Ordinance No. 187121 & made effective on 8/7/21.						
Notes:						
A firm is credited as a LBE if certified by the City of LA, Bureau of Contract Administration on RAMP.						
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).						