

ECONOMIC DEVELOPMENT AND JOBS COMMITTEE REPORT relative to contractor selection in connection with the 2021 Request for Proposals (RFP) for Los Angeles Business Source (LABSC) Operators.

Recommendations for Council action:

1. APPROVE the list of recommended operators selected through the LABSC Operators Request for Proposals (RFP) process as detailed in the January 4, 2022 City Administrative Officer (CAO) report, attached to the Council File.
2. AUTHORIZE the General Manager, Economic and Workforce Development Department (EWDD), or designee, to:
  - a. Negotiate and execute contracts with the agencies selected to become LABSC Operators, for the initial period of six months, effective January 1, 2022 through June 30, 2022 with an option to extend for three additional 12-month periods, in substantial conformance with the draft contract attached to the January 4, 2022 CAO report, attached to the Council File and subject to the review and approval of the City Attorney as to form and legality, compliance with City's contracting requirements and federal guidelines, and contingent on available grant funding.
  - b. Establish a LABSC Operator Replacement List to be effective for three years, commencing on January 1, 2021 to include any BSC proposer that attained a score of 70 points or greater, during the 2021 LABSC RFP process.
  - c. Reissue the RFP to select the LABSC Operators for the West Valley Service Area and the South Los Angeles Service Area, and upon completion of the RFP evaluation process to submit recommendations for contractor selections to the City Council and Mayor for review and approval.
  - d. Execute amendments to extend the current contracts for LABSC System Operators for the West Valley and South Los Angeles Service Areas for up to six months, pending the re-issuance of the RFP and operator selection process for those service areas.
3. INSTRUCT the EWDD to report to City Council before the selection of a new LABSC operator from the BSC Operator Replacement List.

Fiscal Impact Statement: The CAO reports that there is no impact to the General Fund. The LABSC System will be fully funded by the Community Development Block Grant. These funds are allocated on an annual basis through the Consolidated Plan.

Community Impact Statement: None submitted.

Summary:

On January 25, 2022, your Committee considered a January 4, 2022 CAO report relative to contractor selection in connection with the 2021 RFP for LABSC Operators. According to the CAO, the EWDD is requesting authority for various items related to the LABSC program. This includes the authority to:

- 1) Execute eight new agreements with six agencies for the operation of eight LABSC.
- 2) Establish a replacement list of potential operators in the event that an operator is unable to fulfill its contractual responsibilities.
- 3) Reissue the RFP for the West Valley and South Los Angeles Service Areas.

In its November 19, 2021 report, attached to the Council File, the EWDD requested Council approval of the results of the RFP issued on July 29, 2021. The RFP included several fundamental changes to enhance the system including the creation of a tenth service area, a more equitable distribution of funds, new measures to track economic impact, and a requirement to leverage partnerships. Sixteen proposals were received by the submission deadline.

One appeal was received from Vermont Slauson Local Development Corporation (VSLDC) in response to the RFP, which was subsequently denied by the appeals board. Additional information regarding the RFP process and LABSC services can be found in EWDD's Report. The EWDD is requesting the authority to negotiate and execute contracts with the recommended operators in eight out of the ten LABSC service areas throughout the City. A list of the recommended operators is provided in the CAO report.

Initial operator contracts will be commencing on January 1, 2022, and concluding on June 30, 2022. All contracts will have an option to renew or extend for an additional three, 12-month periods. Part of the transition plan requires EWDD to extend the contracts of the existing operators by one month to accommodate the transition from the current operator to the newly selected operator. Also, the EWDD is requesting authority to establish an LABSC Replacement Operator List consisting of the agencies that attained a satisfactory score of 70 points or greater. Should an operator be unable to fulfill its contractual responsibilities, this will allow for qualified proposers take the place of that operator. After further consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the recommendations contained in the CAO report, as detailed above. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

Economic Development and Jobs Committee

<b>COUNCILMEMBER</b>	<b>VOTE</b>
PRICE:	YES
KREKORIAN:	YES
BLUMENFIELD:	YES
RAMAN:	YES
HARRIS-DAWSON:	YES

ARL

1/25/22

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**