

MOTION

The City of Los Angeles has long sought to facilitate economic growth by supporting local businesses, expanding and retaining local jobs, and reducing unemployment. The City’s Local Business Preference Program provides a preference to local firms by awarding additional points during the City’s contract award process. The program is intended to encourage local businesses to bid on City contracting opportunities, maintain local operations, and discourage businesses from relocating to other regions. Businesses in Los Angeles have received significant benefits from the program, such as increased consumer spending and job retention.

However, businesses located in the City continue to receive the same point preference when bidding on contracts as those located elsewhere in the County of Los Angeles. This has created a significant competitive disadvantage for City businesses due to higher labor and business costs. The City is one of the ten most expensive places to do business in the U.S. and, as a result, local businesses must compete against firms from neighboring cities and states with lower costs.

To address these inequities and to further support local businesses, on November 28, 2021, the Council approved Motion (Koretz – Blumenfield – Harris-Dawson – de Leon, et al.) that requested the City Attorney to prepare and present the necessary documents to place a measure on the June 7, 2022 ballot to add “City of Los Angeles” to the definition of “local” in Section 371(a) of the City Charter (CF 21-0760). The ballot measure sought to permit the City to provide an additional bid preference for businesses located in the City of Los Angeles. On June 7, 2022 Los Angeles residents voted overwhelmingly to approve the action, known as Ballot Measure BB, and the Measure was subsequently certified by the County of Los Angeles.

To ensure that local businesses are able to benefit from the passage of Measure BB as soon as possible, the Council should instruct department staff to report on the next steps required to amend the Local Business Preference Program to allow an additional bid preference for firms located in the City.

I THEREFORE MOVE that the Bureau of Contract Administration, with the assistance of the Chief Legislative Analyst, City Attorney and Chief Procurement Officer, be instructed/requested to report to the Council with recommendations for amending the Local Business Preference Program to provide an additional bid preference to businesses located in the City of Los Angeles.

PRESENTED BY: Paul Koretz  
PAUL KORETZ  
Councilmember, 5<sup>th</sup> District

Bob Blumenfield  
BOB BLUMENFIELD  
Councilmember, 3<sup>rd</sup> District

Marqueece Harris-Dawson  
MARQUEECE HARRIS-DAWSON  
Councilmember, 8<sup>th</sup> District

[Signature]  
SECONDED BY:

[Signature]

JUL 27 2022

ORIGINAL