

Communication from Public

Name: Los Angeles Business Council

Date Submitted: 11/17/2020 11:41 AM

Council File No: 19-0078

Comments for Public Posting: November 17, 2020 The Honorable Paul Krekorian Chair, Ad Hoc Committee on Comprehensive Job Creation Plan Los Angeles City Council 200 N. Spring St., Room 435 Los Angeles, CA 90012 RE: Los Angeles Business Council Support for Development of New Regional Solicitation System Dear Chair Krekorian, On behalf of the Los Angeles Business Council (LABC), we are glad to express our strong support for the development of the City's new regional solicitation system. As you know, the LABC has been an ardent supporter and champion for the City's efforts to modernize its procurement system into one that is capable of hosting both private and regional opportunities, while expanding access for small, diverse, women-owned, and disadvantaged businesses. We are honored to have worked in partnership with you, and organized our coalition of over 50 supporters, to transform the LABC's Compete4LA study and initiative into a major overhaul of the City's existing systems. With the LA region slated to receive billions of dollars of investment over the next decade stemming from major sports, entertainment, and cultural events, now is the precise time to revamp the City's solicitation system. Creating a more user-friendly, streamlined experience for small businesses and prime contractors will be essential as the region looks to recover from the COVID-19 induced recession. In doing so, the City will expand opportunities for small and diverse businesses, which are the backbone of LA's economy, as well as drive equity into the center of our recovery. We are particularly encouraged by the Chief Procurement Officer's (CPO) phase one development report and express our gratitude toward her and your office for incorporating the feedback of LABC members and partners. The phase one report incorporates key aspects of the Compete4LA initiative, including the ability for the private sector and other municipalities to post opportunities, incorporating robust vendor profiles, and digitizing procurement forms to streamline bidding. The LABC looks forward to phases 2, 3, and 4 where many of the other key aspects of the Compete4LA study will be incorporated and we appreciate the CPO's willingness to accept feedback on a rolling basis to continually improve the new system. While the City faces an economic shortfall, this new platform can be leveraged to increase economic activity, support small businesses,

and to ensure local dollars stay local. To remain budget neutral, it is crucial that the platform be self-sustaining, and we await the results of the City's fee study that will cover ongoing licensing and staffing costs. As the City begins development of the new system, we are encouraged by efforts to secure funding for the release of an RFP to contract with a third-party entity to conduct business outreach and engagement. This will be a crucial component for businesses to be aware of the new solicitation system and upcoming procurement opportunities. The LABC thanks you for your steadfast leadership on this issue and is excited about the possibilities this system transformation can bring. Best,
Mary Leslie President LABC/LABC Institute
Brad Cox Chair LABC Institute
CC: The Honorable Bob Blumenfield
The Honorable Marqueece Harris-Dawson



November 17, 2020

The Honorable Paul Krekorian
Chair, Ad Hoc Committee on Comprehensive Job Creation Plan
Los Angeles City Council
200 N. Spring St., Room 435
Los Angeles, CA 90012

RE: Los Angeles Business Council Support for Development of New Regional Solicitation System

Dear Chair Krekorian,

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Best,



Mary Leslie
President
LABC/LABC Institute



Brad Cox
Chair
LABC Institute

CC: The Honorable Bob Blumenfield
 The Honorable Marqueece Harris-Dawson

Communication from Public

Name: L.A. Coalition
Date Submitted: 11/17/2020 12:00 PM
Council File No: 19-0078
Comments for Public Posting: Comment from the L.A. Coalition

November 17, 2020

L.A. City Councilmember Paul Krekorian, Chair
L.A. City Councilmember Bob Blumenfield
L.A. City Councilmember Marqueece Harris-Dawson

Re: Support for the development of a regional solicitation platform to replace the City's current solicitation system, the Los Angeles Business Assistance Virtual Network

Dear Members of the Ad Hoc On Comprehensive Job Creation Plan Committee:

On behalf of the Los Angeles Coalition for the Economy & Jobs (L.A. Coalition) we would like to express our support for the development of a regional solicitation platform to replace the City's current solicitation system, the Los Angeles Business Assistance Virtual Network.

The successful development of this platform would be instrumental in strengthening one of the City's most powerful and overlooked economic development tools – its annual \$4 billion plus procurement spend on goods and services.

The L.A. Coalition was created in 2009 as an independent and bipartisan alliance to bring together leaders from business, labor, academia and nonprofits to advance sound policies that help to responsibly grow the economy and create quality jobs throughout the Southern California region. As a group, the L.A. Coalition represents organizations with hundreds of thousands of workers throughout the state.

The “buying power” of the public and private sectors in L.A. provides an enormous opportunity to support L.A.'s small business community. L.A. County, LAUSD, UCLA, the Federal Government and the City of L.A. are not only our region's top employers, they also spend cumulatively more than \$20 billion annually on buying goods and services. Billions more are also being spent to upgrade our region's economic infrastructure – LAX, Port, DWP, Metro, etc. When you add in L.A.'s top private sector employers, like USC, Northrop Grumman, Kaiser Permanente and the region's sports and entertainment events, the region accumulative “buying power” easily surpasses \$30 billion annually.

The problem is not enough of these dollars are flowing into the heart of L.A.'s fastest growing communities – women-owned and minority-owned businesses. According to the National Association of Women Business owners, there were more than 544,000 women-owned firms in the Greater L.A. area in 2018, which was a more than 24 percent increase since 2002. Of all the businesses in the greater L.A. region, more than 55 percent are minority-owned.

According to a 2018 report commissioned by LISC LA [*Supporting Economic Inclusion in Disadvantaged Communities, A Case for Inclusive Public Procurement Policies*](#) of the \$1.5 billion the City spends annually on professional services, small business owners, particularly of color, received less than 10 percent of the awards. (Though I have have been told the number is more likely 2 percent.)

In the South L.A. Transit Empowerment Zone, a federally designated Promise Zone, businesses received less than half of one percent of City contracts between fiscal years 2014 and 2016. Other resources show that 90 percent of the City's procurement spend on small businesses that employ less than 50 people goes to vendors outside the City. Fifty-eight percent of the spend goes outside L.A. County.

One caveat – some agencies and organizations, both public and private, are doing better than others on leveraging their buying power, but a lack of publicly available data limits the ability to see how improvements and collaboration across entities could make a difference in L.A.'s underserved communities.

We know what our challenges are:

- Each public and private sector institution manages their own procurement system, effectively creating a siloed marketplace that creates an inefficient and ineffective way of engaging a large majority of appropriate businesses with real-time contract and service opportunities; preventing economies of scale; and
- A labyrinth of disparate rules, procedures, and organizational structures make the acquisition of goods and services a lengthy nightmare; thus excluding a large population of small businesses from participating in the system. These conditions reduce the pool of qualified candidates yielding a less competitive marketplace, while impeding cost savings; and
- A lack of real-time data and metrics inhibits targeted outreach programs to identify and support small women-owned, minority-owned and disadvantaged businesses to help improve their buying opportunities in the marketplace, thereby, organizations cannot meet their business inclusion targets and cost saving opportunities.

We know what the solutions are:

The biggest steps forward the public sector can take to engage more small businesses is through the introduction of better technology and more streamlined internal processes – a regional procurement platform. The development of a Regional Market Place platform would allow for a centralized system that provides public and private sector entities to post their procurement opportunities on one platform that would host hundreds of thousands of small businesses, most of whom have been historically locked out of the procurement system.

The time is now to be bold and that requires changing the status quo. When successfully implemented, with the support of all the major players in the region, this idea could go a long way in showing that we are ready to invest in the people of L.A. because they are the future of L.A.

Respectfully,



Michael Kelly

Executive Director
The L.A. Coalition

Communication from Public

Name: LA Area Chamber of Commerce
Date Submitted: 11/17/2020 01:53 PM
Council File No: 19-0078
Comments for Public Posting: Comment by the LA Area Chamber of Commerce

November 17, 2020

Los Angeles City Council
Ad Hoc Committee on Comprehensive Job Creation Plan
200 Spring Street
Los Angeles, CA 90012

RE: Establishment of the City of Los Angeles Procurement Marketplace – SUPPORT

Dear Councilmembers:

On behalf of the Los Angeles Area Chamber of Commerce, we write to encourage the City of Los Angeles, which spends ~4.7B each year on procurement, to take meaningful steps to advance the work begun by the Mayor's Operations Innovation Team, the public private partnership between the L.A. Coalition, the Mayor's Office and Mayor's Fund to make improvements to the [procurement manual and training program, data collection methodologies, timely contract payments and contract management system](#).

In January of 2019 the City of L.A. announced a [new online business certification system](#), to streamline the business application and approval process. The system also makes it more inclusive for other public entities to add their business certifications and notifies a business that there are other available certifications for which they may be qualified. The introduction of new technology would provide L.A. a great opportunity to create a Regional Procurement Marketplace (Marketplace) to better leverage the region's \$30 billion in buying power.

The Marketplace would be a centralized system that allows public and private sector entities to post their procurement opportunities on one platform that would host hundreds of thousands of small businesses, most of whom have been historically locked out of the procurement system. The benefit of the technology is that it automatically identifies any requirements (bonding, insurance, etc.) of the procurement that a business needs to be able to compete and suggests ways to meet those requirements. The system then automatically matches a business with a real opportunity based upon their services. This is the type of innovation the public sector needs to foster economic growth and good paying jobs in a 21st century economy.

We strongly support procurement initiatives that are innovative and inclusive, that can level the playing field through ease of access, and that create opportunities for businesses, especially our small business sector, like the Marketplace. The impacts of procurement decisions are felt far and wide across every sector and industry from transportation and construction, the very foundation of our region's quality of life.

If you have any questions, please contact Patricia Bruno, Chief Policy Officer at (213) 709-2532 or pbruno@lachamber.com.

Sincerely,



Maria S. Salinas
President & CEO

Communication from Public

Name: Mark Morales

Date Submitted: 11/17/2020 12:50 PM

Council File No: 19-0078

Comments for Public Posting: On behalf of Certified LGBTQ Business Enterprises we are glad to express our strong support for the development of the City's new regional solicitation system. We are ardent supporters and champions for the City's efforts to modernize its procurement system into one that is capable of hosting both private and regional opportunities, while expanding access for small, diverse, women-owned, and disadvantaged businesses. With the LA region slated to receive billions of dollars of investment over the next decade stemming from major sports, entertainment, and cultural events, now is the precise time to revamp the City's solicitation system. Creating a more user-friendly, streamlined experience for small businesses and prime contractors will be essential as the region looks to recover from the COVID-19 induced recession. In doing so, the City will expand opportunities for small and diverse businesses, which are the backbone of LA's economy, as well as drive equity into the center of our recovery. We are particularly encouraged by the Chief Procurement Officer's (CPO) phase one development report and express our gratitude toward her and your office for incorporating the feedback of community members and partners. The phase one report incorporates key aspects of the Compete4LA initiative, including the ability for the private sector and other municipalities to post opportunities, incorporating robust vendor profiles, and digitizing procurement forms to streamline bidding. We look forward to phases 2, 3, and 4 where many of the other key aspects of the Compete4LA study will be incorporated and we appreciate the CPO's willingness to accept feedback on a rolling basis to continually improve the new system. While the City faces an economic shortfall, this new platform can be leveraged to increase economic activity, support small businesses, and to ensure local dollars stay local. To remain budget neutral, it is crucial that the platform be self-sustaining, and we await the results of the City's fee study that will cover ongoing licensing and staffing costs. As the City begins development of the new system, we are encouraged by efforts to secure funding for the release of an RFP to contract with a third-party entity to conduct business outreach and engagement. This will be a crucial component for businesses to be aware of the new solicitation system and upcoming procurement opportunities. We thank you for your steadfast

leadership on this issue and is excited about the possibilities this system transformation can bring. Sincerely, Mark Morales Mark Morales (he, him, his) Vice President - SBA Loan Specialist - City National Bank Vice Chair - Diversity Task Force – California Department of Insurance Leadership Council – Los Angeles Business Council Board of Advisors – Equality California Consumer Advisory Panel – Southern California Edison Owner – Charles Jacobsen, Inc. – A Certified LGBT Business Enterprise President Emeritus – Los Angeles LGBTQ Chamber of Commerce



November 17, 2020

The Honorable Paul Krekorian
Chair, Ad Hoc Committee on Comprehensive Job Creation Plan
Los Angeles City Council
200 N. Spring St., Room 435
Los Angeles, CA 90012

RE: LGBTQ Business Enterprises Support for Development of New Regional Solicitation System

Dear Chair Krekorian,

On behalf of Certified LGBTQ Business Enterprises we are glad to express our strong support for the development of the City’s new regional solicitation system. We are ardent supporters and champions for the City’s efforts to modernize its procurement system into one that is capable of hosting both private and regional opportunities, while expanding access for small, diverse, women-owned, and disadvantaged businesses.

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Sincerely,

Mark Morales

Mark Morales (he, him, his)
Vice President - SBA Loan Specialist - City National Bank
Vice Chair - Diversity Task Force – California Department of Insurance
Leadership Council – Los Angeles Business Council
Board of Advisors – Equality California
Consumer Advisory Panel – Southern California Edison
Owner – Charles Jacobsen, Inc. – A Certified LGBT Business Enterprise
President Emeritus – Los Angeles LGBTQ Chamber of Commerce

CC: The Honorable Bob Blumenfield
The Honorable Marqueece Harris-Dawson

Communication from Public

Name: Innovation and Performance Commission
Date Submitted: 11/17/2020 03:05 PM
Council File No: 19-0078
Comments for Public Posting: Comment form the Innovation and Performance Commission

Innovation & Performance Commission
Website: innovate.lacity.org
Telephone: (213) 473-7500
E-Mail: innovate@lacity.org



c/o City Administrative Officer (CAO)
200 North Main Street
Room 1500, City Hall East
Los Angeles, CA 90012-4190



November 17, 2020

President

Jon Merritt

Vice President

Shelly Bisnoff

Jason Seward

Commissioners

Allison Buchner

Tony Hoang

Jerry Levey

John Parker

Mindy Serin

Dr. John T. Walker

The Honorable City Council of the City of Los Angeles
200 North Spring Street
Los Angeles, California 90012

Honorable Members:

The City of Los Angeles Innovation & Performance Commission supports of the Office of the Chief Procurement Officer's efforts underway to develop a new regional procurement and solicitation system in the City of Los Angeles. While our Commission has not formally adopted a resolution to this effect, we feel that this project is both timely, essential, and of significant importance, to meet the challenges that face all of us, including City staff and those stakeholders that seek to do business with the City.

The City of Los Angeles Innovation and Performance Commission (IPC), formerly, the Quality and Productivity Commission, is a nine-member appointed non-compensated commission dedicated to improving services delivered by the City of Los Angeles. The IPC funds pilot projects generated from ideas submitted by City of Los Angeles employees & departments, City of Los Angeles affiliated neighborhood councils, City of Los Angeles commissions, and City of Los Angeles elected offices. Historically, the IPC has funded ideas that are innovative in nature and/or that will improve the way the City of Los Angeles delivers services, enhances efficiency, drives cost savings, and/or or generates new revenue. In addition, we focus on improving performance and management of City functions and departments.

The development of a new regional procurement and solicitation system should bring new efficiencies in service delivery, build robust capacity, remove unintended obstacles, enhance performance matrix city-wide, level the playing field for diverse stakeholder groups seeking to do business with the City, and has the potential to save & protect significant taxpayer dollars---all while helping to keep the City on the cutting-edge of innovation for years to come.

Sincerely,

Jon Merritt

President, Innovation and Performance Commission

Cc: IPC Commissioners
Bianca Swan, IPC Project Coordinator