

MOTION BY SUPERVISOR MARK RIDLEY-THOMAS

March 28, 2017

Assessing the Viability of Expanding Economic Opportunities for Local Small Businesses, Disabled Veteran Businesses, and Social Enterprises in County Concession Contracts

The Board of Supervisors (Board) has consistently championed policy reform to support the vitality of the small business community, which serves as a critical element of the local economy. Specifically in 2016, the Board adopted a procurement goal for goods and services of twenty-five percent (25%) for Local Small Business Enterprises (LSBEs) and three percent (3%) for Disabled Veteran Business Enterprises (DVBEs) by 2020. In addition, the Board approved an increase from eight percent (8%) to fifteen percent (15%) for the bid price reduction preference for LSBEs and DVBEs.

While these policy changes were designed to help support diversity and widespread participation in the supply of goods and services procured by the County of Los Angeles (County), the policy does not extend fully to the variety of contracts in which the County enters. Therefore, it is also prudent that the County look at other transactional activities, specifically concession contracts, to assess whether there are opportunities to also incentivize and attract local small and disadvantaged veteran businesses enterprises, as well as social enterprises, to participate in these types of County-related programs. Concession contracts should also be evaluated to assess the feasibility of incorporating the County’s established local hire goals.

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I THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

Direct the Chief Executive Officer, in consultation with the Economic Development Policy Committee, the Department of Consumer and Business Affairs, the Internal Services Department, County Counsel, and other applicable departments to:

1. Inventory the County's concession contracts that are not subject to the County's existing local small business enterprise, disabled veteran business enterprise and social enterprise preference programs;
2. Assess whether there are opportunities to further encourage the participation of these types of businesses as well as employ local hiring standards; and
3. Report back to the Board of Supervisors in writing in 90 days with this inventory and an assessment of any procurement process changes that may be warranted to further encourage the participation of these types of businesses, or whether business participation and hiring goals should be evaluated on a case-by-case basis. The assessment should consider the financial and operational impact for each approach.

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