

CITY OF
LONG BEACH

LONG BEACH BUSINESS OPPORTUNITIES IN CITY PROCUREMENT

A GOOD PROGRAM MADE BETTER



Overview

- Long Beach efforts are among the best by multiple measures
- We spend \$88 million annually with local businesses
- Benchmarking survey results and staff's own study indicate improvements can be made

Regulatory Environment

- Required to award to lowest responsive and responsible bidder
- Funding source or type/scope of work may require contractors to comply with additional requirements (some of which may benefit local businesses and employees)
- California law prohibits both discrimination and preferential treatment on the basis of race or gender

Benchmarking

Agency	Local Preference	Program Details
Los Angeles Co.	15%	SLBE/DVBE/SE only.
Long Beach	10%	Separate SBE/VSBE/SLBE program.
San Francisco City/Co.	2% to 10%	SLBE/VSLBE only.
Los Angeles	8%	
Sacramento Co.	5%	Branding/marketing. Additional 2% for VSLBE.
Oakland	Up to 5%	LBE/SLBE program participation required.
San Diego	Up to 5%	Branding/marketing. SLBE/ELBE program participation required.
Santa Monica	1.5%	
Pasadena	1%	Branding/marketing.
Anaheim	1%	
Burbank	1%	

SBE: Small Business Enterprise; VSBE: Very Small Business Enterprise; LBE: Local Business Enterprise; SLBE: Small Local Business Enterprise; VSLBE: Very Small Local Business Enterprise; ELBE: Emerging Local Business Enterprise; DVBE: Disadvantaged Veteran Business Enterprise; SE: Social Enterprise

Current support for local businesses

- 10% preference for local businesses
- Contract goals to encourage small and local business participation
- Credits towards business license tax bills to encourage small businesses to start, expand, or relocate in the City
- Recruitment of local businesses to register for electronic notifications for relevant procurements
- Targeted advertising to local businesses
- Special efforts for outreach at local events, including match-making sessions

Current support for local businesses

- Email and phone outreach to prospective vendors, including local businesses, on individual procurements
- Direct outreach to vendors who accessed procurement opportunities to encourage submission
- Specially developed written instructions and phone support to assist small and local vendors in navigating the procurement system and upload process
- Development of online resources to support small and local businesses in meeting procurement requirements
- Pre-bid conferences to ensure vendors understand specifications and compliance requirements on complex projects

Support to other business types

- Small, minority-owned, and woman-owned businesses (SBE, MBE, and WBE) also benefit from activities directed to local businesses
- Specially targeted weekly email outreach to community organizations and outreach agencies, including:
 - Long Beach Chamber of Commerce (Women's Business Council and Small Business Council)
 - Regional Hispanic Chamber of Commerce
 - Black Business Association
 - Local business districts
- Registration and identification in PlanetBids
- Local, SBE, MBE and WBE participation is reported to the City Council when items are brought forward for award

Program in action: Vehicle purchase

- \$7,500,000 annual aggregate, up to four years (\$30 million)
- 29 outreach calls prior to pre-bid meeting
- 22 outreach calls prior to bid close
- 5 vendors awarded (1 local, 1 MBE)
- Employment of 162 Long Beach residents

Prospective bidders	All Businesses	Local	SBE	MBE	WBE	Businesses in 1+ category	% of Total
Registered in PlanetBids	19,540	2,092	1,985	2,843	2,515	6,988	36%
Received proactive e-notification	1,258	174	156	147	119	438	35%
Downloaded bid	33	2	4	2	1	11	33%
Submitted bid	6	1	0	1	0	2	33%
Awarded	5	1	0	1	0	2	40%

Program in action: Vehicle purchase

Sample phone outreach notes

- “Interested in bidding, will attend pre-bid meeting.”
- “Not a bidder, only offer heavy duty vehicles like street sweepers.”
- “Interested but needs to fully review specs. Will attend pre-bid meeting or dial in.”
- “They do not have a fleet sales division yet. I sent them an email to register on PlanetBids and they will review the specs there.”
- “[Representative] had difficulty logging in to PlanetBids. I asked her to reset her password at login and said she needed to contact her administrator for assistance. I called back and left voicemail so I could send her the link to Help/Support for PlanetBids.”
- “Spoke to [representative] and let him know of no bid option. Will review specs and consider partial bid.”

Plans for an even better program

- Integrate and promote the various aspects of the program through branding and marketing
 - Consolidate and improve information available through the City's website, social media, and local media
 - Reach more businesses and increase recognition of the program
- Improve coordination with other City programs/resources for local businesses
 - Partner with Business Licensing to increase outreach and conduct joint promotion of procurement opportunities and the Small Business Incentive Program
 - Coordinate with programs/resources offered in other Departments

Plans for an even better program

- Create more and better opportunities for local business participation
 - Increase use of PlanetBids vendor database for informal quotes
 - Evaluate transition to more detailed commodity/service types
- Simplify documents and requirements to make participation easier
 - Review bid and RFP documents to identify opportunities to modernize and simplify them.
 - Evaluate use of “sliding scale” for requirements based on size/risk
 - Where feasible, improve vendor education regarding requirements

Plans for an even better program

- Continue to support and strengthen local businesses' ability to compete and succeed on RFPs
 - Previously described planned improvements apply equally to RFPs as to bids
 - Continue to work with City Attorney to explore whether there are additional ways to apply some form of local preference to RFPs

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