



**DATE:** April 23, 2019

**TO:** Honorable Mayor and Members of the City Council

**FROM:** **Councilwoman Lena Gonzalez, District 1**  
**Councilwoman Jeannine Pearce, District 2**  
**Councilmember Daryl Supernaw, District 4**

**SUBJECT: Inclusive Procurement and Purchasing**

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### **RECOMMENDATION**

Recommendation to request City Manager to work with the Financial Management Department to recognize businesses that are majority owned by people who identify as LGBTQ+, veterans, and people with disabilities in the City's procurement and purchasing process.

This request should include the following:

- Conduct outreach to Long Beach businesses—in collaboration with local diverse business chambers, stakeholder organizations, and national partners—that are at least 51% owned by people who identify as LGBTQ+, veterans, and people with disabilities to widely distribute procurement opportunities; and
- Recognize the nationally approved third-party certifications for these communities—including but not limited to the National LGBT Chamber of Commerce (LGBT Business Enterprises/LGBTBEs), Disability:IN (Disability Owned Business Enterprises/DOBEs), and National Veteran Owned Business Association (Veteran Owned Business Enterprises/VOBEs)—on the City's PlanetBids platform and include them in reports prepared for City Council regarding outreach and contracts awarded.

Furthermore, request the City Manager to return to City Council in the next 180 days with a report showing how many LGBTBEs, DOBEs, and VOBEs have signed up on the City's PlanetBids database, information about outreach to these businesses, and how many of these businesses apply to and are awarded projects over this time-period.

### **DISCUSSION/BACKGROUND**

As part of the City of Long Beach's economic inclusion efforts, the City has made significant progress in engaging small businesses, disadvantaged businesses, and minority- and women-owned business enterprises (MWBE) in the City's procurement and purchasing process. In 2011, the City began a small business certification program to encourage eligible small businesses to compete for City contracts. In 2013, the City

established a Disadvantaged Business Enterprise program to give equal opportunity to all businesses competing for federally funded contracts. The City's Long Beach Businesses First initiative also promises to offer additional support for local business owners in the City's procurement process.

But more needs to be done to include businesses that are majority owned by people who identify as LGBTQ+, veterans, and people with disabilities and to diversify the City's supplier and vendor databases on PlanetBids. Including certified business enterprises in the City's procurement outreach efforts will encourage more innovative and competitive bids and will further inspire more community members to become entrepreneurs and local business owners.

This type of supplier diversity inclusion is currently a best practice of the private sector, as well as with an ever-growing number of cities and states nationwide. For example, in 2018 and early 2019, the National LGBT Chamber of Commerce won the inclusion of LGBTBEs in Orlando, Nashville, Baltimore, Jersey City, and Hoboken—while also advancing statewide bills in New York and New Jersey. Currently, California, Massachusetts, and Pennsylvania also include certified LGBT-owned businesses, along with major cities like Seattle, Newark, Columbus, and Philadelphia.

Unlike the existing City programs that require staff time to certify small and disadvantaged businesses, each of the business categories in this request are certified by independent, third-party organizations: The National LGBT Chamber of Commerce, National Veteran Business Development Council, and Disability:IN. All processes related to the application for and certification of these business enterprises are handled directly through these organizations, thereby minimizing the impact on City staff time and resources to include them in the City's outreach and reporting efforts.

This matter has been reviewed by Budget Manager Grace H. Yoon on April 15, 2019.

### **FISCAL IMPACT**

This recommendation is to increase outreach, recognize third-party business certifications, and prepare a status report in 180 days. The implementation of this recommendation is expected to have a moderate impact on staff time and a moderate impact on existing City priorities due to heavy staff involvement in LB COAST and stabilizing the Tyler Munis system over the next few months as well as maintaining City purchases without delay. This recommendation, however, is aligned with the current objectives of the Long Beach Businesses First program and inclusive City procurement and will help increase outreach to local businesses.

### **SUGGESTED ACTION**

Approve recommendation.