



COUNTY OF LOS ANGELES SMALL BUSINESS COMMISSION

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Holly J. Mitchell
Lindsey P. Horvath
Janice Hahn
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To: **Board of Supervisors**
Supervisor Lindsey P. Horvath, Chair
Supervisor Hilda Solis
Supervisor Holly J. Mitchell
Supervisor Janice Hahn
Supervisor Kathryn Barger

Department of Economic Opportunity
Kelly LoBianco, Director

The Los Angeles County Small Business Commission (Commission), in its 2023 Annual Report, reaffirmed its unwavering commitment to the August 9, 2022, motion, introduced by Supervisors Mitchell and Kuehl, on Implementing the *Priority Strategies of the Equity in County Contracting (ECC)*. In accordance with the report, one of the Commission's goals is to increase communication with the Board of Supervisors when concerns arise around small businesses access to County contracting opportunities. The Commission also expressed its willingness to support the success of the ECC effort and set ambitious goals to drive its progress.

Of concern presently to the Commission is the County's current spending of approximately 13% through contracts with small businesses, which is notably below the County's small business base spending goal of 25%. As a solution to meeting and exceeding the 25% utilization and other ECC goals, DEO will release County Utilization Guidelines in the first quarter of the fiscal year and offer training to departments to meet these goals. It has also committed to tripling the number of certified businesses and building certification reciprocity with other government agencies throughout the region, in alignment with the County's commitment under the *Equity in Infrastructure Pledge*. Further, DEO is an active participant in the LA28 Small Business and Procurement Committee, which seeks to ensure small business participation in procurement leading up to the 2028 Olympic and Paralympic Games.

Transparency and reporting of progress are key to meeting small business participation goals. The Commission understands that the County's Utilization Guidelines will include requirements for all County department to adhere to consistent tracking and reporting towards the County's utilization goals. DEO also plans to work with partners to make data publicly available via a centralized website.



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The Commission recommends that the DEO evaluate efforts and track progress towards meeting expenditure goals, submit these reports to the CEO, and publish these reports to the public as a dashboard on its website. The Commission also recommends ongoing evaluation of the various ECC components and strategies for impact.

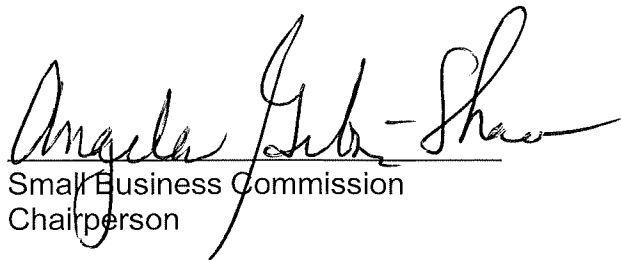
The Commission intends to offer valuable insights and perspectives to help DEO and other departments effectively implement their strategies, many of which are in the early stages. As such, the commission extends an open invitation to the respective departmental ECC team leads to our quarterly meetings. This invitation is not just for updates but also to share their expertise, offer suggestions, and seek any assistance the Commission can provide in the work of carrying out the directives related to the implementation of the ECC Initiative.

We are thankful to the Board for approving \$2 million in last fiscal year's supplemental budget for a revolving loan fund, which DEO will implement in FY25 to help expand small business participation in procurement. As an advisory body to the Board of Supervisors, the Commission encourage additional investments as this and further recommends that the Board of Supervisors support and request the identification of funds to advance the ECC initiatives as the American Rescue Plan Act funds, which funds the Economic Mobility Initiative for technical assistance in certification and contracting, will soon end. The sustainability of such vital programs is dependent on your support.

Thank you for your consideration of this request.

Sincerely, and in the spirit of small business success,

Angela Gibson-Shaw



Small Business Commission
Chairperson

July 10, 2024