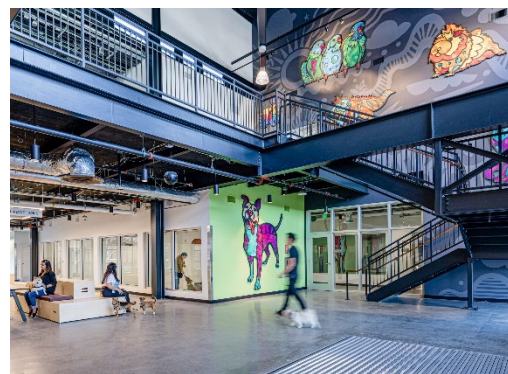
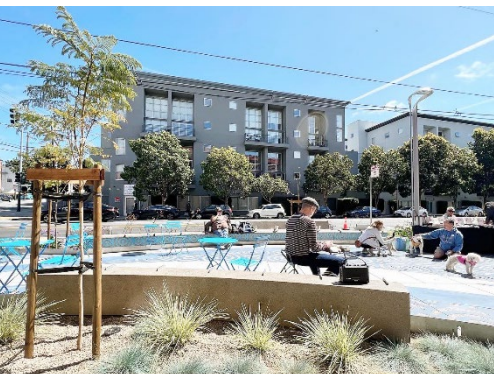


April 9, 2026

Local Business Enterprise Overview

Ben Washington
Contract Administration Manager



What is a Local Business Enterprise (LBE)?

- ❖ A certified local small business recognized by the City of San Francisco
- ❖ Certified through the San Francisco Contract Monitoring Division (CMD)
- ❖ Must meet CMD's location and size requirements



Why is The LBE Program Important?

❖ Supports Local Economy



❖ Promotes Equitable Contracting



❖ Builds Capacity of Small Businesses



❖ Keeps Public Dollars in San Francisco



Legal Framework – San Francisco Administrative Code Chapter 14B

❖ San Francisco Administrative Code Chapter 14B applies to the following contracts:

- ❖ Public Works Construction
- ❖ Architectural/Engineering
- ❖ Professional Services
- ❖ Commodities
- ❖ General Services



Maximum Economic Thresholds for LBEs

	“Micro” Bid Discount: 10%	“Small” Bid Discount: 10%	“SBA” Bid Discount: 5%
Class A and Class B General Contractors	\$14,050,000	\$28,100,000	\$46,840,000
Specialty Construction Contractors	\$7,030,000	\$14,050,000	\$23,420,000
Trucking and Hauling	\$2,930,000	\$5,860,000	\$11,710,000
Goods, Materials and Equipment Suppliers	\$7,030,000	\$14,050,000	\$23,420,000
General Service Providers	\$7,030,000	\$14,050,000	\$23,420,000
Architect/Engineering	\$2,930,000	\$5,860,000	\$9,950,000
Professional Services	\$2,930,000	\$5,860,000	\$9,950,000

LBE Program Requirements

- ❖ Citywide LBE Participation Goal of 40%
- ❖ Construction or General Service contracts that equal or exceed 50% of the Threshold Amount (\$1,170,000) are subject to the LBE subcontracting participation requirement
- ❖ Professional Service contracts that equal or exceed 50% of the Minimum Competitive Amount (\$230,000) are subject to the LBE subcontracting participation requirement

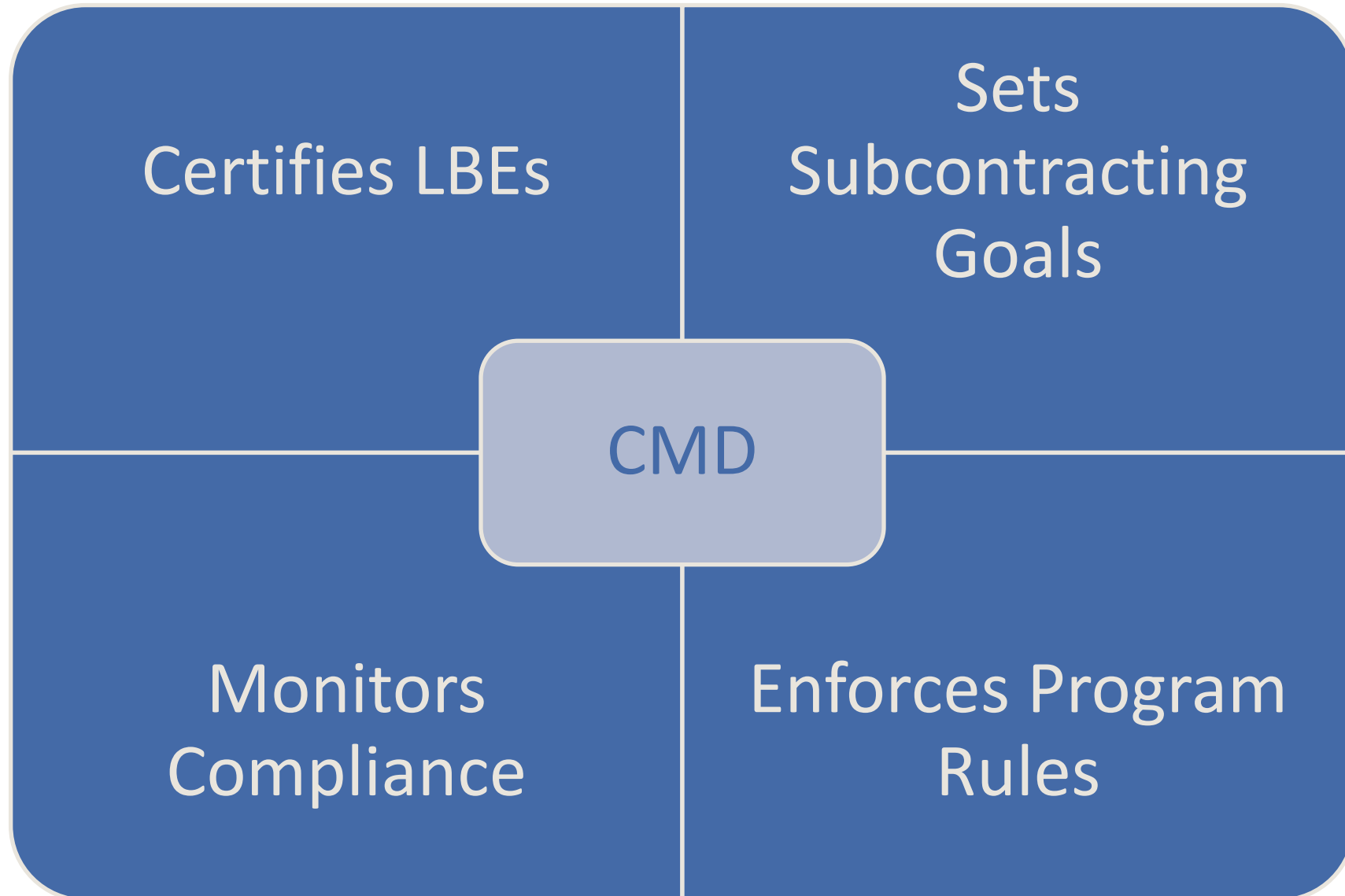
Micro-LBE Program Requirements

- ❖ Each fiscal year, each contracting awarding authority, in consultation with the Director, shall set aside the following for award to Micro-LBEs:
 - No less than 50% of eligible public work/construction contracts and
 - No less than 25% of eligible services/commodities contracts
- ❖ Contracts under the Micro-LBE Set-Aside Program shall be competitively bid
- ❖ Contracts that are set aside for award to Micro-LBEs shall not be subject to the subcontracting participation requirement under Section 14B.8

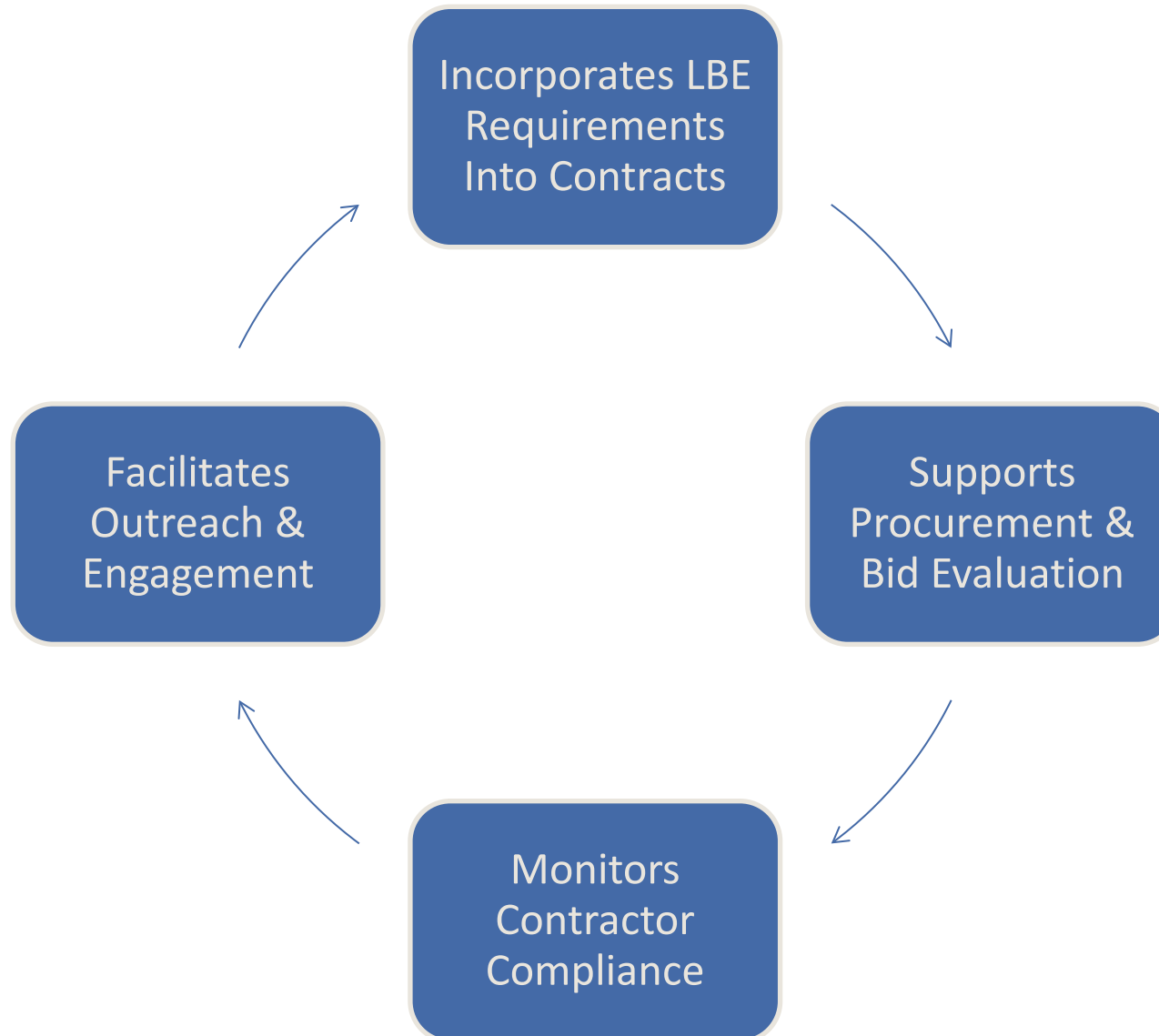
Micro Set-Asides Awarded and Required by Chapter 6 Departments

	Set-Asides Awarded	Set-Asides Required
Recreation & Parks	12	15
Public Works	10	1
Public Utilities Commission	3	0
Port	1	0
Airport	5	2
Chap. 6 Dept. Total	31	18

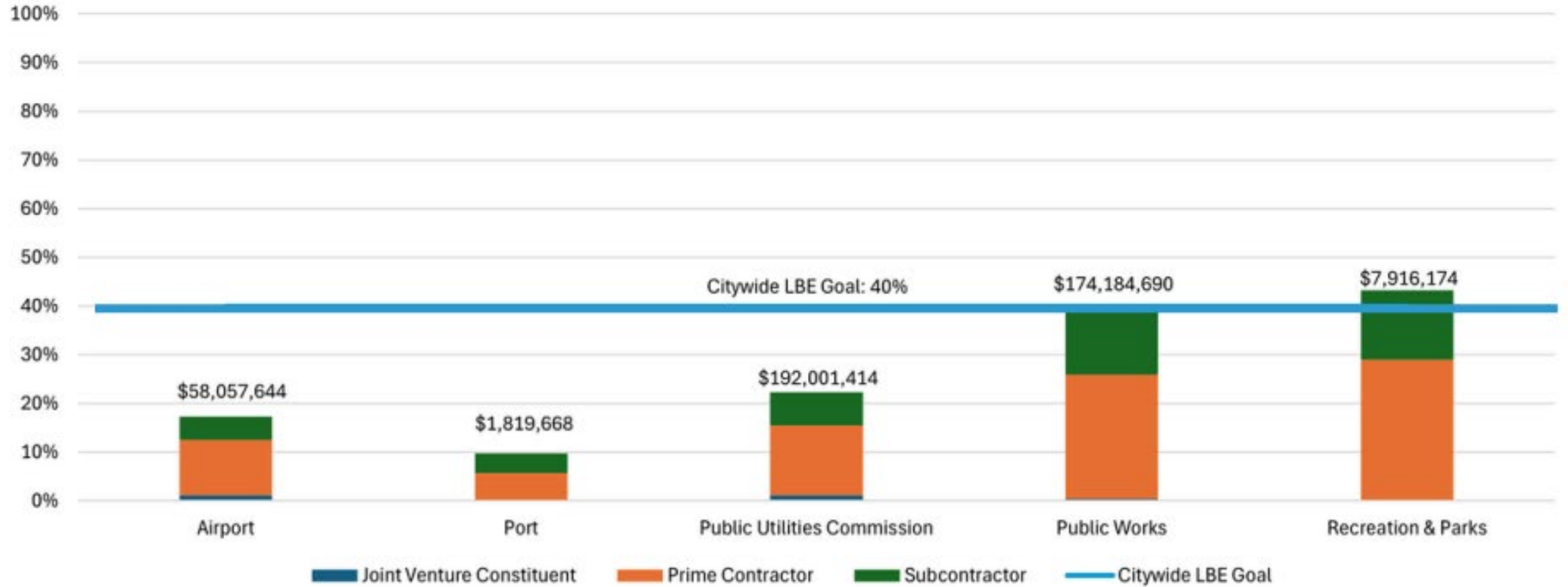
San Francisco Contract Monitoring Division (CMD) Responsibilities



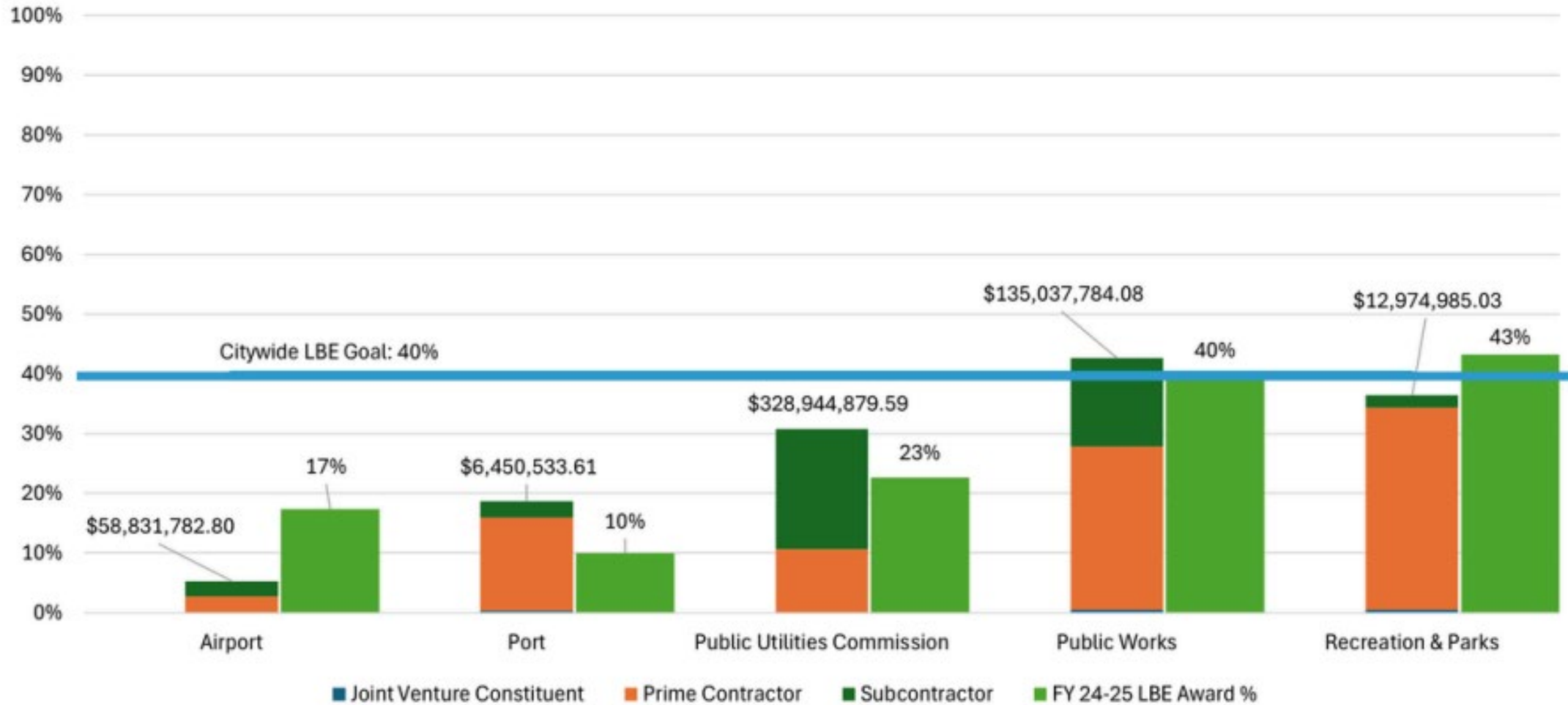
Public Works Role in LBE Program



LBE Performance by Department – FY 2024-2025



LBE Payments as a Percentage of Total Payments by Department – FY 2024-2025



Conclusion

- ❖ The LBE program is a key tool for advancing equity and supporting San Francisco's local economy
- ❖ Public Works continues to maintain a strong partnership with CMD to ensure accountability and compliance
- ❖ Continued focus on increasing participation, strengthening small businesses and improving outcomes





QUESTIONS