



CITY OF OAKLAND

AGENDA REPORT


TO: Jestin D. Johnson
City Administrator

FROM: Emylene Aspilla Director
Department of Workplace &
Employment Standards

SUBJECT: L/SLBE Certification and Roadmap
Update

DATE: April 9, 2026

City Administrator Approval


Jestin Johnson (Apr 14, 2026 17:37:12 PDT)

Date: Apr 14, 2026

RECOMMENDATION

Staff Recommends That The City Council Receive an Informational Report on 1) the Impact of Ordinance No. [13825 C.M.S.](#) that Amended the Local and Small Local Business Enterprise (L/SLBE) Program Certification Requirements and 2) Draft Roadmap for Maximizing Contracting Opportunities for Local and Small Local Business Enterprises.

EXECUTIVE SUMMARY

The purpose of this informational report is to provide an update on the early impacts of implementing Ordinance No. [13825 C.M.S.](#), which amended the Local and Small Local Business Enterprise (L/SLBE) Program certification requirements. The report also presents a Draft Roadmap, developed in collaboration with community stakeholders, that outlines key priorities for strengthening, expanding, and maximizing contracting opportunities for local and small businesses.

The City Administrator recommends that the City Council receive and file this informational report.

BACKGROUND / LEGISLATIVE HISTORY

On December 18, 2001, the City Council adopted Ordinance No. [12389 C.M.S.](#), which authorized Oakland's Local and Small Business Enterprise (L/SLBE) Program. The L/SLBE program was put in place with the intent of equitable contracting practices to ensure more small, local business participation to provide greater economic opportunities, stimulate economic development, and to strengthen the Oakland economy.

Ten years later, on December 20, 2011, the City Council adopted Ordinance No. [13101 C.M.S.](#) amending Ordinance No. [12389 C.M.S.](#), to, among other things, change business size standards for small local business enterprises (SLBEs).

Life Enrichment Committee
April 21, 2026

On February 24, 2021, the City Council adopted Ordinance No. 13640 C.M.S., which, among other adjustments to the Local and Small Local Business Enterprise (L/SLBE) Program, amended local business certification criteria. The most notable change to L/SLBE certification criteria included further defining “substantial presence” to include an Oakland headquarters requirement or a substantial employment impact in Oakland demonstrated by having either twenty percent (20%) of the total company workforce, or a minimum of 50 employees working in Oakland.

On May 4, 2021, the City Council adopted Ordinance No. 13647 C.M.S., which further amended the L/SLBE program for clarity and consistency. In implementing the new certification criteria pursuant to Ordinance No. 13647 C.M.S., staff discovered inconsistencies in the L/SLBE program certification provisions. These clerical errors led to the denial of new LBE certification and LBE certification renewal applications for all firms not headquartered in Oakland. To address these concerns, Council adopted Ordinance No. 13814 C.M.S. on October 1, 2024, amending Ordinance No. 13647 C.M.S. to make revisions and corrections to the certification requirements in Oakland’s L/SLBE Program.

On December 17, 2024, the City Council adopted Ordinance No. 13825 C.M.S., which further amended the L/SLBE Program to stabilize the certification process and ensure that the program continues to advance equitable access to contracting. These amendments refined the substantial presence requirement by clarifying what constitutes a bona fide local office, including detailed criteria for commercial and home-based offices, and by eliminating the headquarters requirement for several certification categories. The legislation also removed outdated COVID-19 provisions, corrected inconsistencies in the program manual, and authorized the City Administrator to adopt rules necessary for implementation. Together, these changes were intended to expand opportunities for small and minority-owned businesses, improve administrative clarity, and strengthen the alignment between certification requirements and the City’s broader economic and equity goals.

These various amendments to the L/SLBE Program over the years show that this is intended to be a responsive program that takes into consideration and addresses the concerns of small business community as they arise. With the understanding that addressing disparities and creating opportunities for more businesses is imperative, continuing to refine the L/SLBE Program is critical to helping firms adapt to an ever challenging economic and business environment.

ANALYSIS AND POLICY ALTERNATIVES

1. Impact of Ordinance No. 13825 C.M.S. Amending the L/SLBE Program Criteria

The City of Oakland amended the Local and Small Local Business (L/SLBE) Program certification requirements three times in the past four years. (**Figure 1 and Table 1**)

Timeline:

Figure 1



Table 1

	Headquarters or Employees	Headquarters	Commercial Office or Home-Based Office Location
Location Requirement	Vendors qualify by either having a primary location in Oakland or a significant presence of employees.	Local preference is restricted to vendors with a primary fixed location in Oakland.	Expanded to a commercial or home-based location in Oakland. May put HQ in another city to qualify for the other city's local preference.
Benefit	+Vendors are incentivized to locate in Oakland.	+Limits competition from non-Oakland vendors.	+Vendors are incentivized to locate in Oakland.
Risk	-If the industry already has many vendors, Oakland vendors may face competitors with less presence in Oakland.	-If too few vendors are available, it may cost more or result in failed procurements	-If the industry already has many vendors, Oakland vendors may face competitors with less presence in Oakland.

These changes reflected evolving views on whether requiring a primary location (a “headquarters”) in Oakland would improve local access to contracting opportunities by increasing the pool of available firms or hinder it with increased competition from firms headquartered outside of Oakland.

1.1 Summary of Early Trends

The 2025 definition has been in effect for a little over a year. Early trends in certifications of Local and Small Local Businesses indicate:

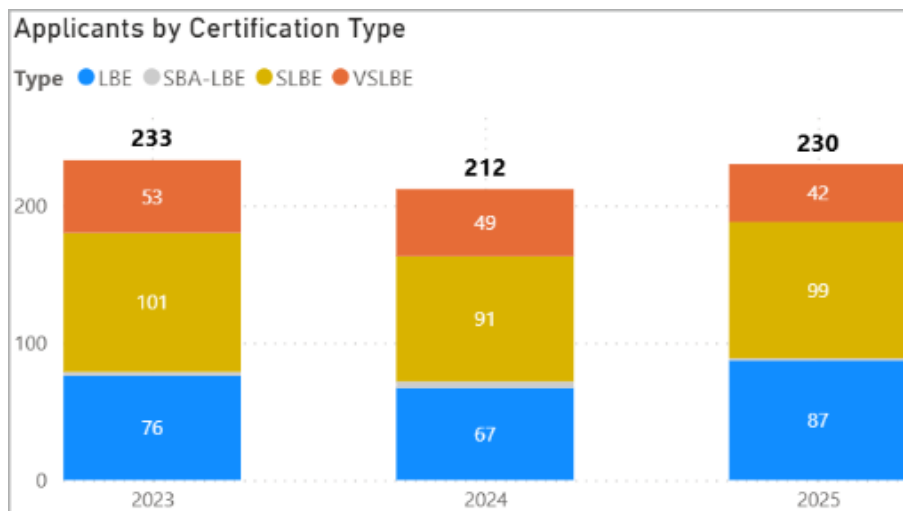
- **Application volume stayed about the same** throughout the past three years.
- **Certified firms of all types increased** due to the natural trend of retention in the recertification after two-year duration of a certification.
- **The percentages for the types of certified firm sizes shifted and then returned back to previous levels:**
 - Small firms (“SLBE”) as a percent of the total certified firms slightly increased under the headquarters requirement and then decreased, returning to previous levels when the requirement was removed.
 - “Local Business Enterprise” (“LBE”), the typically larger firm size, decreased during the headquarters requirement and increased for previous levels when the requirement was removed.
- **Racial and Ethnic composition of certified firms remained about the same:** The number of vendors in each of major racial and ethnic groups increased. Their shares of the total remained about the same.
- **The Largest Industries of certified firms are Professional, Scientific, and Technical and Construction.** The two industries gained the most in number of certified firms. Construction with a gain of 44 firms and Professional, Scientific, and Technical with a gain of 58 firms.

As discussed further in the Recommendation section (further below in report), this data is limited to certification information and does not reflect ultimate contracts awarded across certified firms.

1.2 Application Volume Was about the Same Throughout the Period

Applications remained in the range of 212 to 230 vendors applying for the first time or upon renewal after their certifications expired. (**Figure 2**)

Figure 2



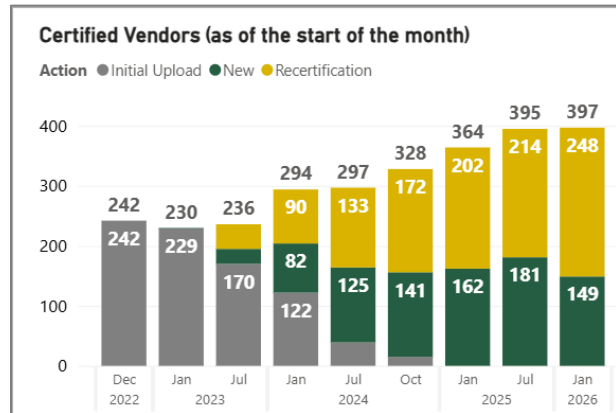
1.3 Growth in Certified Firms Driven by Recertifications

With a steady inflow of applications during all periods, the number of certified firms continued to increase from accumulating recertifications. Recertified firms constituted a growing share of the certified pool and were 62% of certified firms in January 2026. By contrast, new certifications were a lower share (38%) of certified firms in January 2026 than in the prior year (45% in January 2025). It is too early to tell whether more firms are newly locating to Oakland. **(Figure 3 and 4).**

Figure 3



Figure 4



1.4 Effects on Certification Type (Firm Size):

Large firms decreased under the headquarters requirement and then returned when the requirement was removed. LBEs as a percent of all certified firms decreased during the 2022-2024 period as their two-year certifications expired. When the headquarters requirement was removed, their share of the certified pool returned to previous levels. **(Figure 5, Table 2)**

By contrast, Small Local Businesses and Very Small Local Businesses increased their shares in the certified pool during the headquarters requirement and returned to their previous levels after the requirement was removed.

Larger firms are more likely to have the resources to maintain more than one location. To qualify as a small firm (SLBE) in Oakland, average revenues must be below 20% of the U.S. Small Business Administration's small business revenue size standard for the industry. To qualify as a Very Small Local Business (VSLBE) in Oakland, average revenues must be under \$375,000 in revenues. Larger LBE firms generally already had an Oakland location and were able to immediately file for and meet other requirements such as having a lease or ownership of the space for 12 months.

Figure 5

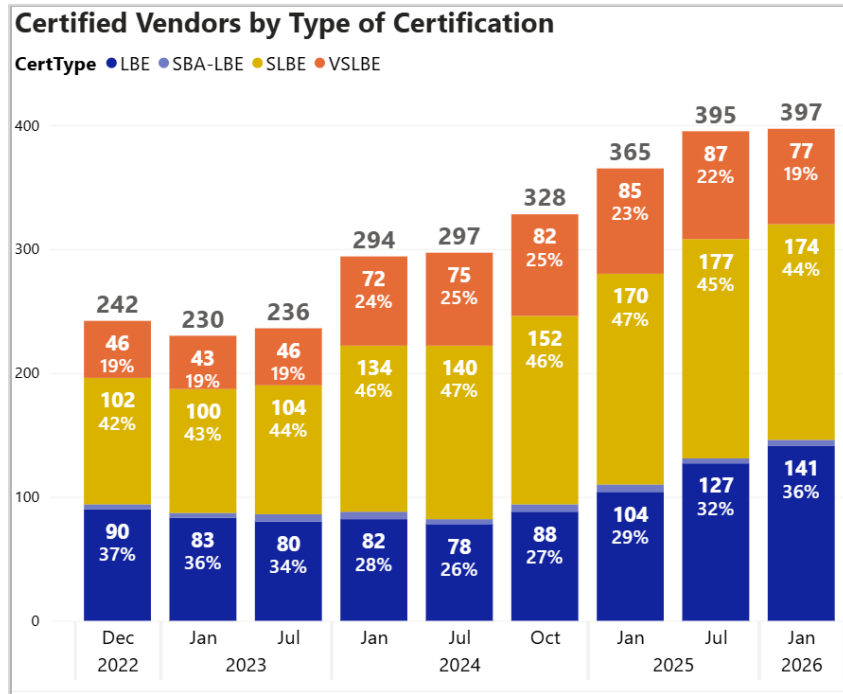


Table 2

CertType Year/Month	LBE Certified Vendors	Cert Type (%)	SBA-LBE Certified Vendors	Cert Type (%)	SLBE Certified Vendors	Cert Type (%)	VSLBE Certified Vendors	Cert Type (%)	Total Certified Vendors	Cert Type (%)
2022/Dec	90	37%	4	2%	102	42%	46	19%	242	100%
2023/Jan	83	36%	4	2%	100	43%	43	19%	230	100%
2023/Jul	80	34%	6	3%	104	44%	46	19%	236	100%
2024/Jan	82	28%	6	2%	134	46%	72	24%	294	100%
2024/Jul	78	26%	4	1%	140	47%	75	25%	297	100%
2024/Oct	88	27%	6	2%	152	46%	82	25%	328	100%
2025/Jan	104	29%	6	2%	170	47%	85	23%	364	100%
2025/Jul	127	32%	4	1%	177	45%	87	22%	395	100%
2026/Jan	141	36%	5	1%	174	44%	77	19%	397	100%

1.5 Racial and Ethnic Composition of Certified Firm Ownership

Certified firm ownership increased in numbers for all racial and ethnic groups, but their shares of the certified pool remained about the same. (Figure 6, Table 3)

Figure 6

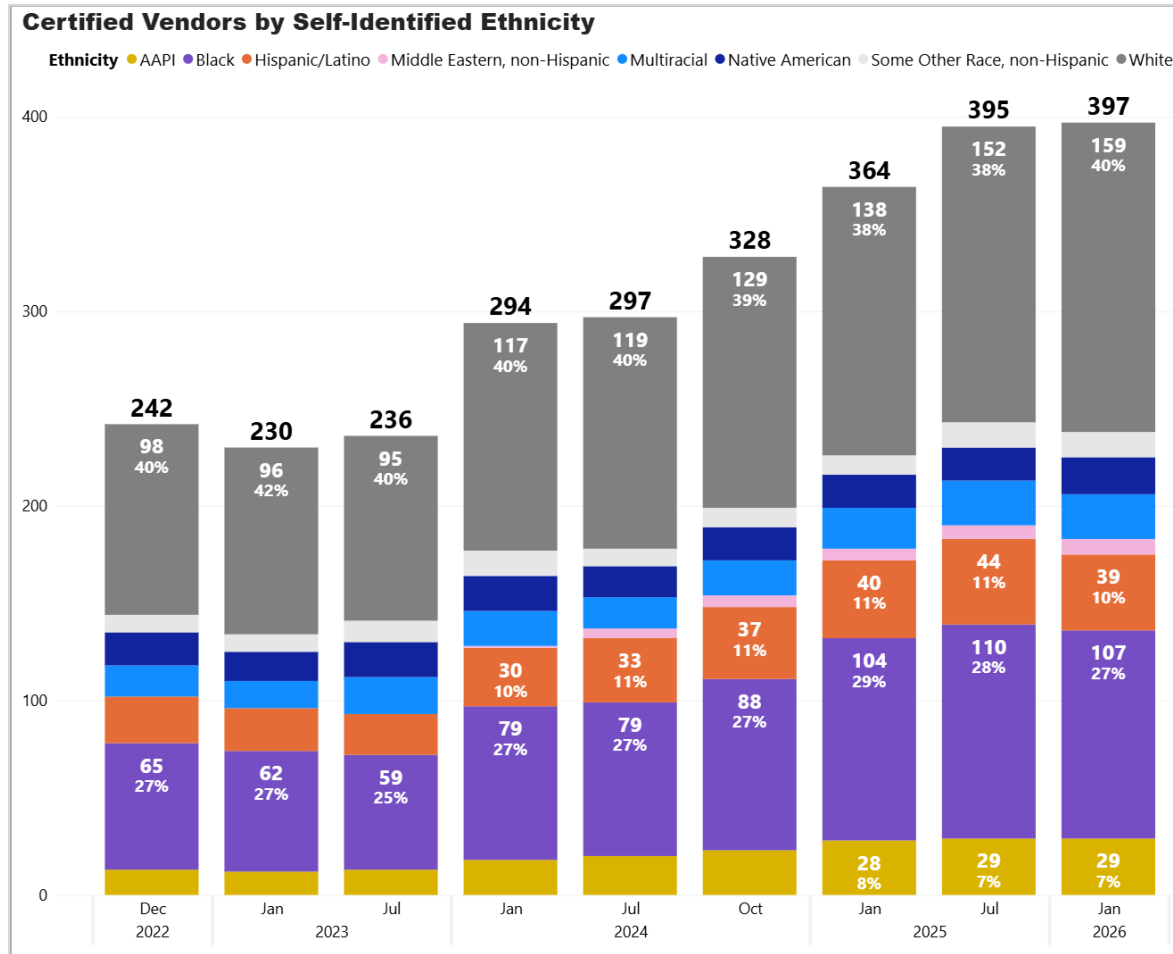


Table 3

Year/Month	AAPI		Black		Hispanic/Latino		Middle Eastern, non-Hispanic		Multiracial		Native American		Some Other Race, non-Hispanic		White	
	Certified Vendors	Race (%)	Certified Vendors	Race (%)	Certified Vendors	Race (%)	Certified Vendors	Race (%)	Certified Vendors	Race (%)	Certified Vendors	Race (%)	Certified Vendors	Race (%)	Certified Vendors	Race (%)
2022/Dec	13	5%	65	27%	24	10%			16	7%	17	7%	9	4%	98	40%
2023/Jan	12	5%	62	27%	22	10%			14	6%	15	7%	9	4%	96	42%
2023/Jul	13	6%	59	25%	21	9%			19	8%	18	8%	11	5%	95	40%
2024/Jan	18	6%	79	27%	30	10%	1	0%	18	6%	18	6%	13	4%	117	40%
2024/Jul	20	7%	79	27%	33	11%	5	2%	16	5%	16	5%	9	3%	119	40%
2024/Oct	23	7%	88	27%	37	11%	6	2%	18	5%	17	5%	10	3%	129	39%
2025/Jan	28	8%	104	29%	40	11%	6	2%	21	6%	17	5%	10	3%	138	38%
2025/Jul	29	7%	110	28%	44	11%	7	2%	23	6%	17	4%	13	3%	152	38%
2026/Jan	29	7%	107	27%	39	10%	8	2%	23	6%	19	5%	13	3%	159	40%

1.6 Four Largest Industries with Certified Firms Increased

The four largest industries in number of certified vendors are: Professional, Scientific, and Technical Services; Construction; Educational Services; and Health Care and Social Services. Construction numbers stayed about the same during the headquarters requirement and then increased after its removal. The other three industries increased throughout the changes. **(Figure 7, Table 4)**

Figure 7

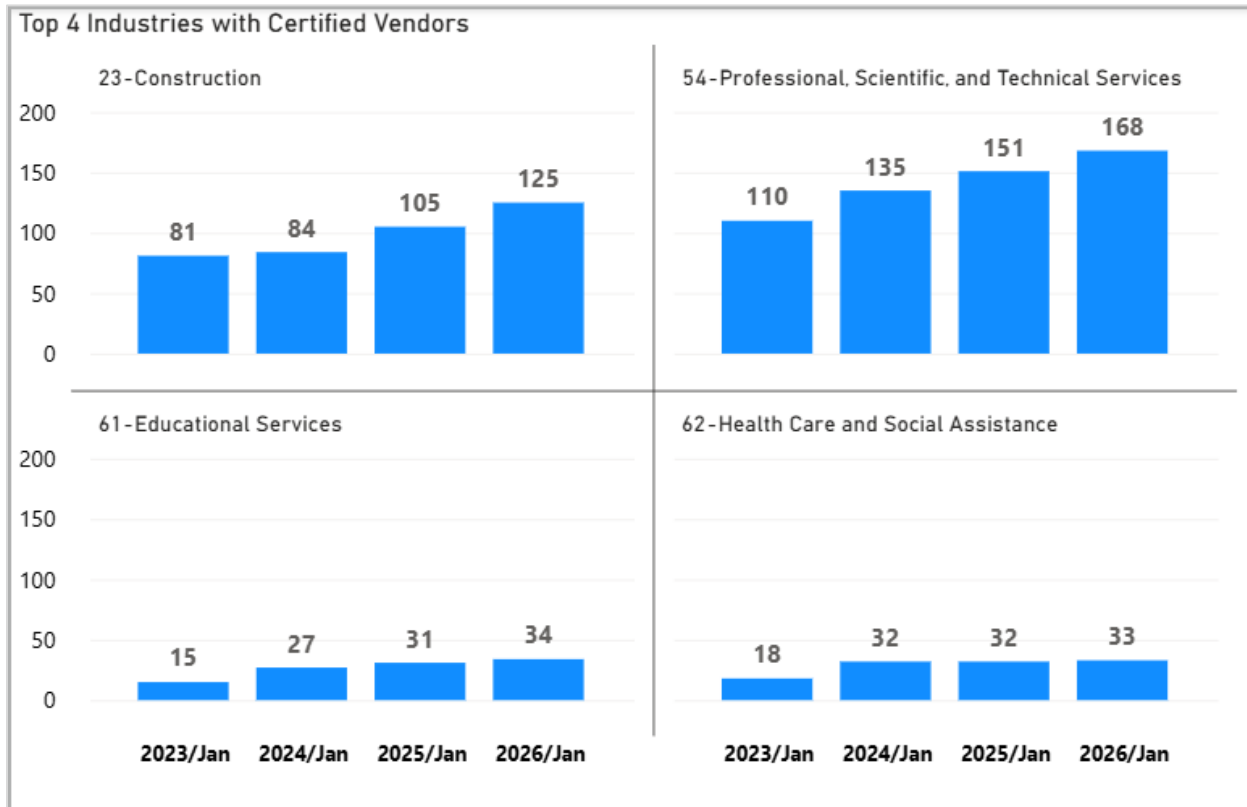


Table 4

Year/Month	23-Construction					54-Professional, Scientific, and Technical Services					61-Educational Services				62-Health Care and Social Assistance				Total
	LBE	SBA-LBE	SLBE	VSLBE	Total	LBE	SBA-LBE	SLBE	VSLBE	Total	LBE	SLBE	VSLBE	Total	LBE	SLBE	VSLBE	Total	
2023/Jan	31	2	35	13	81	33	3	48	26	110	5	8	2	15	10	8		18	207
2024/Jan	28	3	31	22	84	28	4	62	41	135	10	15	2	27	14	14	4	32	255
2025/Jan	36	4	44	22	105	35	3	68	45	151	10	19	2	31	15	12	5	32	298
2026/Jan	44	3	56	22	125	62	3	64	39	168	11	21	2	34	16	13	4	33	332

1.7 Race and Ethnic Groups and Certification Type Increased in Numbers

The four largest racial and ethnic groups in certified vendors increased overall, by certification type. (Figure 8, Table 5)

Figure 8

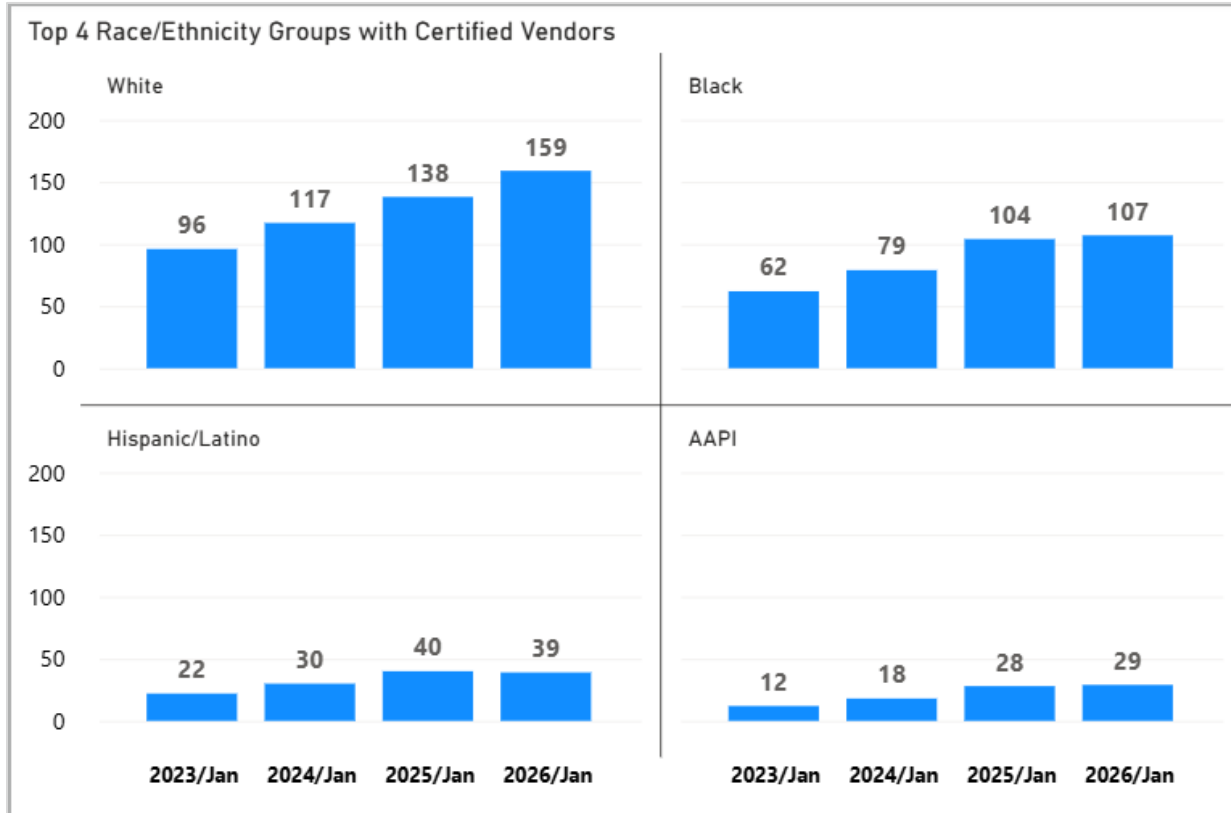


Table 5

Ethnicity Year/Month	AAPI				Black					Hispanic/Latino				White				Total		
	LBE	SLBE	VSLBE	Total	LBE	SBA-LBE	SLBE	VSLBE	Total	LBE	SBA-LBE	SLBE	VSLBE	Total	LBE	SBA-LBE	SLBE		VSLBE	Total
2023/Jan	6	6		12	10	1	28	23	62	6	1	10	5	22	49	1	35	11	96	192
2024/Jan	5	11	2	18	9	1	35	34	79	8	1	13	8	30	43	3	48	23	117	244
2025/Jan	8	14	6	28	13		51	40	104	10	2	18	10	40	52	3	59	25	138	310
2026/Jan	10	13	6	29	18		55	34	107	9	2	21	7	39	78	2	56	23	159	334

1.8 Construction Industry by Race and Ethnicity

In the Construction Industry, trends by race and ethnicity mirrored the industry trends with the numbers staying about the same during the headquarters requirement and then increasing after the removal. **(Figure 9, Table 6)**

Figure 9

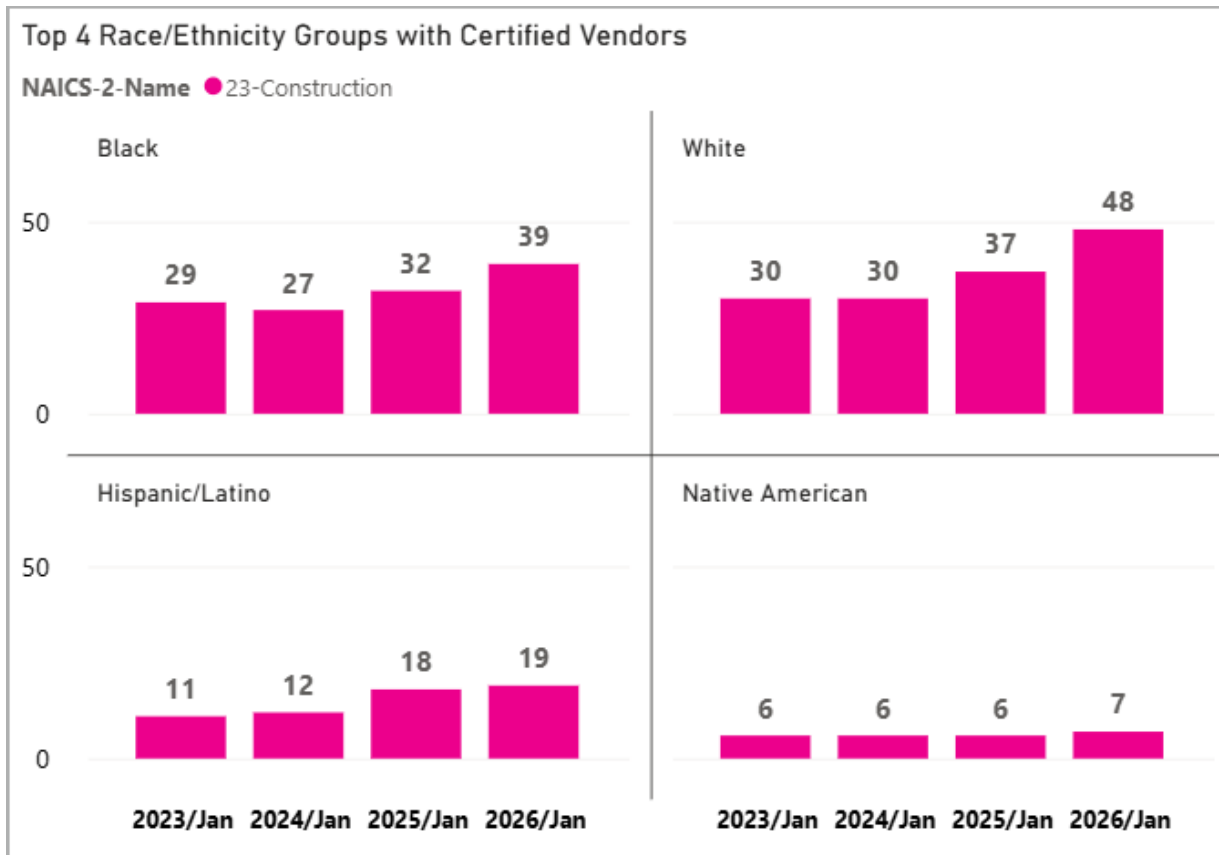


Table 6

Year/Month	AAPI	Black	Hispanic/Latino	Middle Eastern, non-Hispanic	Multiracial	Native American	Some Other Race, non-Hispanic	White	Total
2023/Jan	1	29	11			6	4	30	81
2024/Jan	3	27	12		1	6	5	30	84
2025/Jan	3	32	18	2	3	6	4	37	105
2026/Jan	4	39	19	2	3	7	3	48	125

1.9 Professional, Technical, and Scientific Industry by Race and Ethnicity

In the Professional, Technical, and Scientific Industry, trends mirrored the larger industry with groups increasing throughout the changes in definition. **(Figure 10, Table 7)**

Figure 10

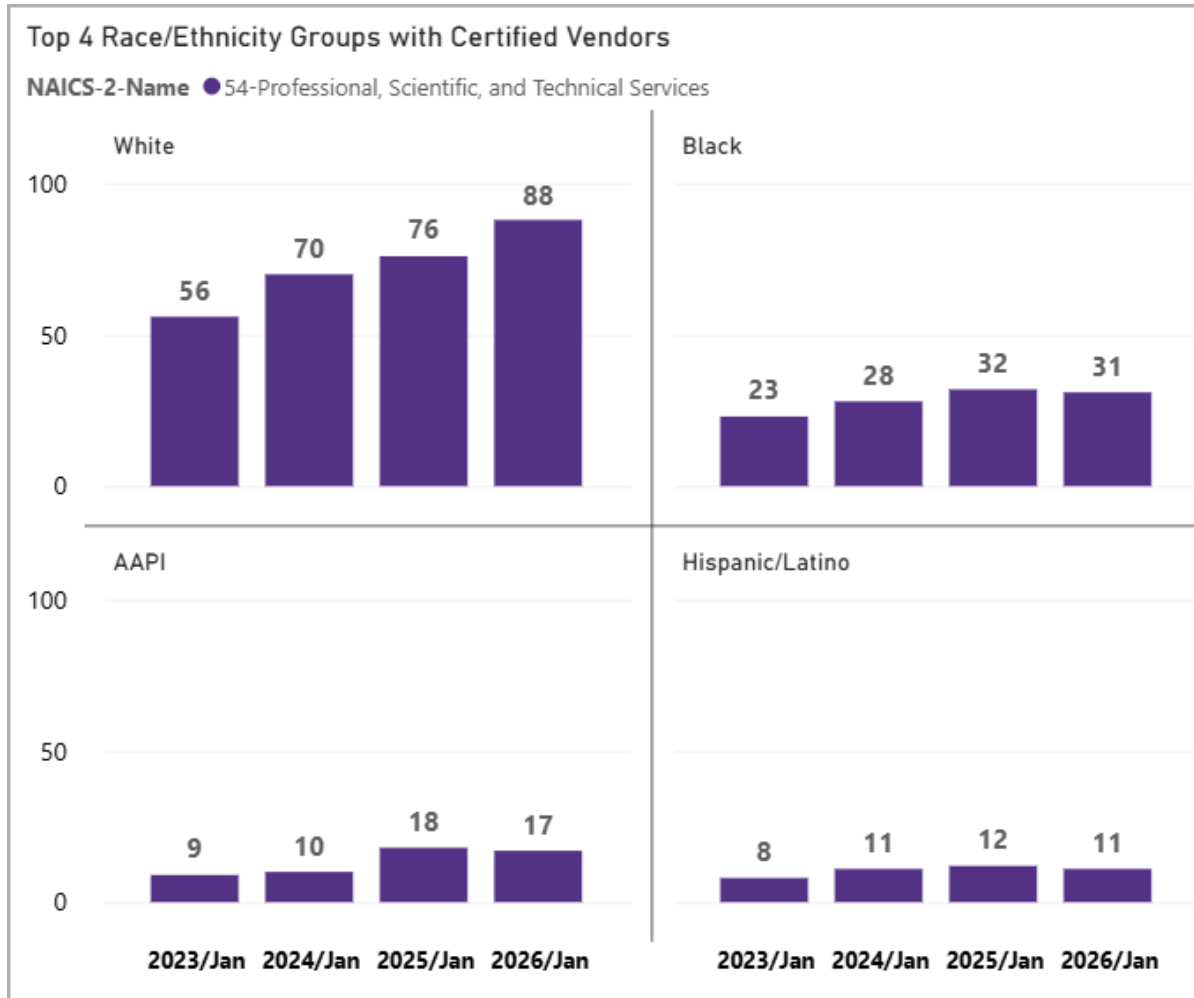


Table 7

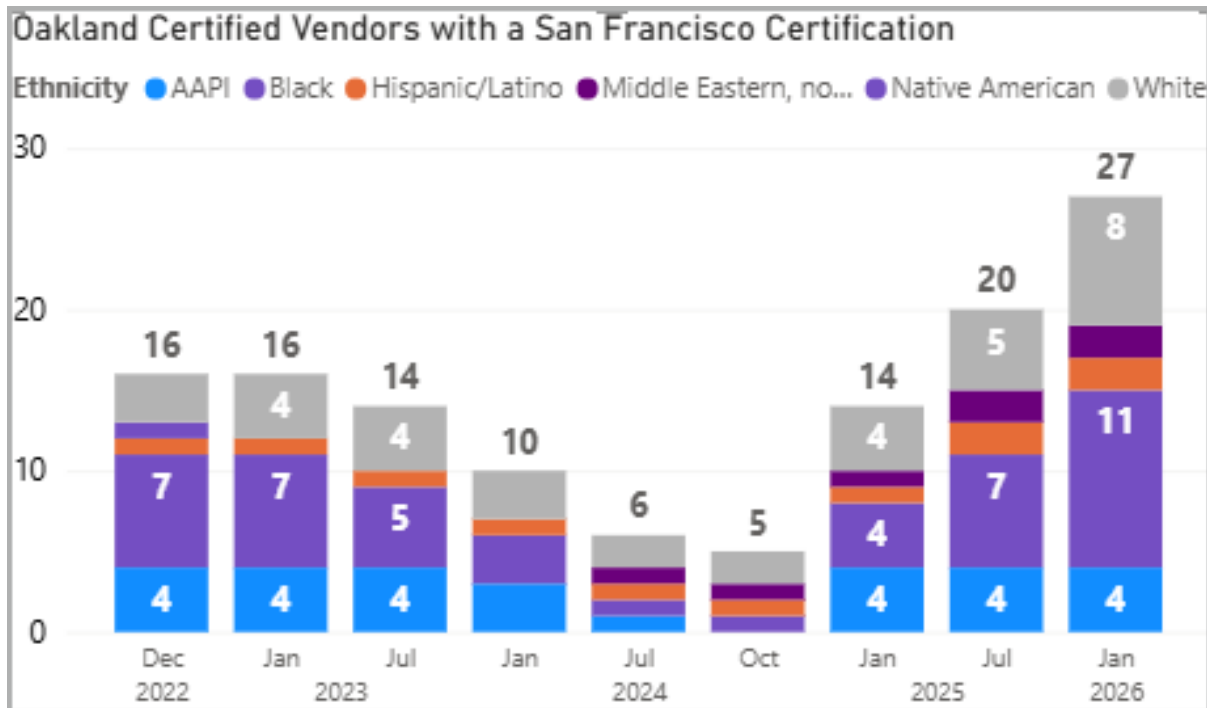
Year/Month	AAPI	Black	Hispanic/ Latino	Middle Eastern, non-Hispanic	Multiracial	Native American	Some Other Race, non-Hispanic	White	Total
2023/Jan	9	23	8		6	7	1	56	110
2024/Jan	10	28	11		4	8	4	70	135
2025/Jan	18	32	12		3	7	3	76	151
2026/Jan	17	31	11	2	5	10	4	88	168

1.10 Oakland Certified Vendors Headquartered in San Francisco Decreased and Then Returned

Vendors with a headquarters in San Francisco decreased while the headquarters definition was in place as their two-year certifications expired. When the headquarters requirement changed to a fixed location in Oakland, vendors that already had a satellite office in Oakland re-certified. **(Figure 11)**

It is too early to tell whether vendors would newly locate to Oakland. The change has only been in effect for a little over a year and other requirements such as lease or ownership require 12 months to qualify.

Figure 11



1.11 Administrative Efficiency Improvements

The prior certification frameworks created significant confusion for applicants and led to a high volume of submissions from firms that ultimately did not meet eligibility criteria. Clerical inconsistencies further compounded these challenges by unintentionally restricting certification for firms not headquartered in Oakland. Together, these issues generated a disproportionately high administrative workload, requiring staff to conduct extensive document reviews, resolve applicant confusion stemming from inconsistent program language, and issue multiple requests for clarification or missing materials. In many cases, applications that were ultimately denied required more staff time than those that were approved. In fiscal year 2023–24, 88% of certification denials were due to location or headquarters issues; this increased to 91% in fiscal year 2024–25.

Ordinance No. [13825 C.M.S.](#) directly addressed these systemic challenges by clarifying and strengthening substantial presence requirements and standardizing documentation expectations. These refinements have already improved the consistency and efficiency of application review and provided staff with clearer, more enforceable criteria. Since the ordinance took effect, only 10% of certification denials have been due to location or headquarters issues, and the number of appeals related to location determinations has also declined. As applicants become more familiar with the updated standards, the City anticipates a continued reduction in ineligible submissions and a more predictable, streamlined certification process. Importantly, these administrative improvements also benefit small businesses by reducing uncertainty, shortening processing timelines, and making it easier for eligible firms, particularly SLBEs and VSLBEs, to navigate the certification process. Additionally, the ordinance's authorization for the City Administrator to adopt implementing rules enhances administrative flexibility and supports more responsive program management as the City continues to refine and strengthen the L/SLBE Program.

1.12 Recommendations

Based on the findings to date, which show minimal change in application volume or racial and ethnic representation, and recognizing that the requirement has only been in effect for a year, the following recommendations are provided to guide program administration and future evaluation:

1. Maintain the current fixed-location requirement to allow sufficient time to assess long-term impacts.
2. Continue monitoring new certifications, business license data, and firm location behavior over the next one to two years to evaluate whether the requirement influences firms to establish or maintain an Oakland presence.
3. Strengthen support for SLBEs and VSLBEs to help smaller firms participate in City contracting.
4. Improve demographic data collection to better assess equity impacts as more information becomes available.
5. Conduct targeted outreach to industries under-represented in the certified pool relative to business licenses or with lower certification growth to broaden participation across sectors.

6. Assess the alignment of the current certified pool and outreach reach efforts with the City's purchasing to adjust and plan accordingly.
7. Once B2G is fully implemented, use the system to track which certified firms receive City contracts and link certification data with contracting outcomes to better understand program effectiveness and any disparities.
8. Align certification practices with broader economic development and procurement goals as additional evidence emerges.

Together, these actions support a more stable, data-driven approach to certification and contracting, ensuring that as the City gathers clearer evidence over time, it can advance equity in a deliberate and measurable way.

2. Draft Road Map for Maximizing Contracting Opportunities for Local and Small Local Business Enterprises

The City Administrator and City staff met with stakeholders in a series of discussions to exchange ideas and identify shared goals for maximizing contracting opportunities for local and small local business enterprises. Through this collaborative process, the City and stakeholders reached alignment on several areas, summarized in ***Attachment A: Contracting Equity Recommendations and Alignment Matrix***.

Stakeholders brought forward deep lived experience and technical expertise that shaped both the analysis and the solutions identified; their contributions were not advisory, but foundational to the recommendations presented here. These recommendations reflect the collective work of community partners whose insights and advocacy are essential in identifying both challenges and solutions. The City is committed to maintaining this partnership as these actions are refined and implemented.

The recommendations are presented at a high level and organized by the type of action required and the level of alignment achieved. Each item is identified as requiring a policy action, an administrative action, or both. Policy actions involve changes to laws, regulations, or formal program requirements and therefore require approval by the City Council. Administrative actions focus on internal processes, operational improvements, and implementation steps that City staff can carry out under existing authority.

Alignment categories indicate where the City and stakeholders are fully aligned, partially aligned, or not aligned. These distinctions help clarify what can move forward immediately, what requires formal policy decisions, and where additional collaboration is needed.

This work also reflects a shared understanding that longstanding inequities in contracting access, payment practices, and program design have disproportionately affected small and minority-owned firms. Addressing these inequities requires sustained partnership and accountability. The Department of Race and Equity will play a key role in grounding this work in equity principles, supporting analysis, and ensuring that implementation aligns with the City's broader equity commitments.

The City and community partners will continue to shape implementation together, ensuring that decisions are informed by those most directly impacted by contracting barriers. The recommendations in the matrix reflect the areas of alignment identified during this phase of collaboration, but they do not represent the full scope of improvements needed. Stakeholders and City staff raised additional issues and opportunities that warrant further exploration. This list reflects the first phase of work and is not meant to capture every improvement under consideration. As collaboration continues, the City and community partners may refine, expand, or re-sequence these recommendations based on emerging needs, operational capacity, and ongoing stakeholder input.

2.1 Priority Focus Areas

To clarify where the City and stakeholders share the strongest alignment and where early action will have the greatest impact, five key priorities have been identified as summarized in **Table 8**. These priorities are interconnected and build on one another, strengthening equity, transparency, and participation in City contracting. Together, they provide a clear roadmap for sequencing and implementation, with the understanding that several high priority actions will require additional resources to fully execute. As part of this work, the City will explore opportunities to leverage pro-bono consultant support to supplement internal capacity where appropriate.

These items also represent the core areas the City and stakeholders intend to focus on within the next 90 days to demonstrate early progress and establish momentum for longer-term improvements. During this 90-day period, the City and stakeholders will define scope, identify resource needs, and establish implementation pathways for each priority area. These early actions were selected not only for their impact, but because community partners identified them as areas where meaningful progress must begin immediately.

These five areas have preliminarily risen to the top based on stakeholder alignment, urgency, and their impact on equity, transparency, and contractor participation. They represent the strongest shared priorities for immediate action, but they do not capture the full range of improvements needed to strengthen the L/SLBE program. Stakeholders and City staff identified many additional areas for future work, and this list should be understood as a starting point rather than an exhaustive set of recommendations. As collaboration continues, priorities may be refined, expanded, or sequenced differently based on emerging needs, community input, and operational capacity. The five priorities identified here simply reflect the areas where there is clear, immediate alignment and where early action will have the greatest impact.

Table 8: Priority Areas with Strong City–Stakeholder Alignment

Priority	Focus
1. Oversight Committee Structure	Strong alignment on improving coordinated engagement. Determining whether a formal Oversight Committee is the appropriate structure is an early decision that will shape how community partners, industry groups, and City staff continue to collaborate.
2. L/SLBE Waiver Reform	Strong alignment on the need to strengthen waiver criteria to minimize future waivers, while also reviewing the Council approved multiyear waivers tied to consent decrees. Because changes require policy action, this is a high priority area for early clarification and direction.
3. Capacity Building and Remedial Programs	Strong alignment on establishing programs that support contractor capacity such as mentor-protégé initiatives, bonding, insurance, and capital access, including formalized debriefs for L/SLBE firms not selected for award. These efforts will require dedicated funding, making early planning and resource identification essential. As part of this work, the City will look into phasing in targeted supports such as coaching on selecting and optimizing NAICS codes, hands on guidance for newly certified firms, and outreach/navigation assistance for firms that are eligible but not yet certified.
4. Prompt Payment Enforcement	Strong alignment on accelerating retention release, enforcing prompt payment for both primes and sub-contractors, and strengthening overall compliance capacity. This is a high impact area that directly affects contractor viability and cash flow. Stakeholders also emphasized the need for back-to-back contract language so prompt payment, retention release, and compliance obligations flow consistently from primes to subcontractors, reducing enforcement gaps and strengthening protections for smaller firms.
5. Procurement Forecasting	Stakeholders emphasized the need for early, NAICS specific, and predictive forecasting to support contractor readiness and capacity building. This is a foundational transparency tool and a clear early action priority so small businesses can prepare and participate, with specific attention to opportunities that include reduced bonding requirements or no-bid-bond options that expand access for smaller firms.

While these five areas represent the strongest shared priorities for immediate action, the City and stakeholders are committed to advancing all recommendations discussed throughout this process. To support accountability and transparency, the City will co-develop a realistic implementation timeline that reflects both community priorities and the City’s operational capacity.

These priorities serve as a strong starting point, not the end point; the City and its partners intend to continue building on this foundation, addressing additional needs, and expanding the scope of improvements as collaboration moves forward. As work progresses, timelines will be refined collaboratively to reflect capacity, resource availability, and stakeholder input.

The City recognizes that this work cannot be accomplished without continued community leadership and remains committed to a long-term, collaborative approach to transforming contracting systems.

OAKLAND STRATEGIC PLAN

This agenda item supports the Strategic Priority to Streamline Operations. Specifically, this item relates to the implementation of the following task(s):

Create process, timeline, and begin to implement priority 1 recommendations from Baker Tilly report. Evaluate and improve efficiency on the contracting process and payment schedule and timeline.”

ECONOMIC DEVELOPMENT ACTION PLAN

This agenda item supports Goal 2: Sustain and Support Businesses by improving access to City contracting for small and minority-owned firms, reducing administrative barriers, and strengthening cross-departmental coordination to help businesses navigate City processes more effectively. These actions expand opportunities for Oakland businesses to compete for City work, increase transparency and consistency in procurement, and align with the Action Plan’s emphasis on equitable business support and ongoing engagement with the business community.

FISCAL IMPACT

This item is for informational purposes only and does not have a direct fiscal impact or cost. The recommended priorities and strategies outlined in this report do not require immediate budget allocations or amendments.

However, future City Council action related to these recommendations may have fiscal implications. Potential costs could include staffing needed to strengthen enforcement capacity, modernization of contracting and data systems, and capacity-building efforts to support program implementation and improve access for small and minority-owned businesses. Any such costs would be brought forward for Council consideration through future budget processes or separate fiscal actions.

PUBLIC OUTREACH / INTEREST

The City Administrator and staff worked directly with community-based organizations, small business advocates, and L/SLBE firms to jointly identify barriers and develop potential solutions for contracting inequities. These discussions were structured as working sessions where stakeholders, including executive leadership and member representatives from the Oakland African American Chamber of Commerce, Construction Resource Center, National Association of Minority Contractors-Nor=Cal, and East Bay Rental Housing Association, shaped and co-created the priorities included in report.

COORDINATION

Preparation of this Informational Report was done in coordination between the Department of Workplace and Employment Standards and the Offices of the City Administrator and the City Attorney.

The recommended priorities in this report were also reviewed by the Department of Race and Equity, the Capital Contracts Division, the Procurement, Contracts and Purchasing Bureau, Oakland Public Works, and the Oakland Department of Transportation.

RACE AND EQUITY

Equity is the primary driver of the initiatives described in this report. Historical and present inequities have led to the exclusion of these groups from City contracting, as documented in both the Draft 2020 Disparity Study and the 2024 Disparity Study. The proposed strategies aim to remove barriers, improve access to City contracts, and increase equitable participation opportunities for all business owners, including those who have been historically underrepresented.

Implementation of these actions is expected to reduce disparities by strengthening enforcement capacity, modernizing systems, and improving program design. To ensure accountability, staff will track key equity indicators, including participation rates of small and minority-owned firms, payment timeliness, and contract award distribution, to measure both short and long-term impacts.

ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That The City Council Receive an Informational Report on 1) the Impact of Ordinance No. 13825 C.M.S. that Amended the Local and Small Local Business Enterprise (L/SLBE) Program Certification Requirements and 2) Draft Roadmap for Maximizing Contracting Opportunities for Local and Small Local Business Enterprises.

For questions regarding this report, please contact Emylene Aspilla, Director of the Department of Workplace and Employment Standards at 510-238-6270.

Respectfully submitted,



EMYLENE ASPILLA
Director, Department of Workplace and
Employment Standards

Prepared by:
Juliet Huang, Assistant to the Director

Attachments (1)

A: Contracting Equity Recommendations and Alignment Matrix