

Attachment E

City of San Jose

Request for Contracting Preference for Local and Small Businesses

Chapter 4.06 of the San Jose Municipal Code provides for a preference for Local and Small Businesses in the procurement of contracts for supplies, materials and equipment and for general and professional consulting services. The amount of the preference depends on whether the vendor qualifies as a Local Business Enterprise* or Small Business Enterprise** and whether price has been chosen as the determinative factor in the selection of the vendor.

In order to be a Local Business Enterprise (LBE) you must have a current San Jose Business Tax Certificate Number and have an office in Santa Clara County with at least one employee. If you qualify as an LBE you can also qualify as a Small Business Enterprise (SBE) if the total number of employees (*regardless of where they are located*) of your firm is 35 or fewer.

There are two ways in which the preference can be applied. In procurements where price is the determinative factor (*i.e. there are not a variety of other factors being considered in the selection process*) the preference is in the form of a credit applied to the **dollar value** of the bid or quote. For example, a non-local vendor submits a quote of \$200 per item and a LBE submits a quote of \$204 per item. The LBE receives a 2.5% credit on the quote, which equals approximately \$5 and thus the LBE will win the award because the quote is evaluated as if it had been submitted as \$199.

In procurements such as RFP there are usually a variety of factors evaluated to determine which proposal best meets the City's needs. In procurements such as these where price is not the determinative factor, an LBE or SBE will be given an **additional 5% to 10% points** in the **scoring** of their proposal.

The following determinations have been made with respect to this procurement: (for official use only)

| | | | |
|-----------------------------|--|--|--|
| Type of Procurement | <input type="checkbox"/> Bid | <input type="checkbox"/> Request for Quote | <input type="checkbox"/> Request for Proposal |
| Type of Preference | <input type="checkbox"/> Price is Determinative | | <input type="checkbox"/> Price is Not Determinative |
| Amount of Preference | LBE preference = 2.5% of Cost SBE preference = 2.5% of Cost | | LBE preference = 5% of Points SBE preference = 5% of Points |

In order to be considered for any preference you must fill out the following statement(s) under penalty of perjury.

| | | | |
|-------------------------|--|--|--|
| Business Name | | | |
| Business Address | | | |
| Telephone No. | | | |
| Type of Business | <input type="checkbox"/> Corporation | <input type="checkbox"/> LLC | <input type="checkbox"/> LLP |
| | <input type="checkbox"/> General Partnership | <input type="checkbox"/> Sole proprietorship | <input type="checkbox"/> Other (explain) |

***LOCAL BUSINESS ENTERPRISE (LBE) PREFERENCE**

In order to qualify as an LBE you must provide the following information:

| | |
|---|--|
| Current San Jose Business Tax Certificate Number | |
| Address of Principal Business Office or Regional, Branch or Satellite Office with at least one employee located in Santa Clara County: | |

****SMALL BUSINESS ENTERPRISE (SBE) PREFERENCE**

In order to qualify as an SBE you must qualify as an LBE and have 35 or fewer employees. This number is for your **entire** business --NOT just local employees, or employees working in the office address given above.

Please state the number of employees that your Business has:

Based upon the forgoing information I am requesting that the Business named above be given the following preferences (*please check*): Local Business Enterprise Small Business Enterprise

I declare under penalty of perjury that the information supplied by me in this form is true and correct.

Executed at: _____, California
 Date: _____
 Signature: _____
 Print name: _____