



Local Vendor Preference



Background

- The City of Huntington Beach is a major purchaser of supplies, materials, and equipment, and contractual and professional services
- The city currently awards 1% local preference to Huntington Beach-based vendors



Background

- Staff surveyed and 35 California cities have approved policies for 5% local vendor preference
- Demonstrates commitment to local business
- Stimulates the local economy



Definition of Local Business

- Vendor, contractor, or consultant with a valid physical business address in Huntington Beach at least 6 months prior to bid or proposal
- Possess a valid City of Huntington Beach business license



Staff Recommendation

- Increase local vendor preference from 1% to 5% for procurement of goods on bids up to \$100,000
 - Public Works and grant-funded projects excluded
 - Eligibility: Preference request; provide copy of valid business license
- Professional services proposals to receive up to 5 extra points (100 pt scale) when scoring proposals



Auto Dealer Incentive Program

- 1 year pilot program
- Voucher for an Annual Beach Parking Pass for each new car purchased in Huntington Beach





Auto Dealer Incentive Program

- \$150 value for consumers, yet small cost the city for decal printing
- Marketing opportunity for Auto Dealers
- Draw new car buyers to the beach and downtown area restaurants and shops
- Potential to purchase the following year, which would raise revenue



Recommended Action

Motion to:

- A) Adopt Ordinance 3913, "An Ordinance of the City of Huntington Beach Amending Chapter 3.02 Of the Huntington Beach Municipal Code Relating to the Purchasing of Goods and Services." authoring staff to implement a 5% local vendor preference for Commodities or \$5,000, whichever amount is lower; and
- B) Adopt Ordinance 3914, "An Ordinance of the City of Huntington Beach Amending Chapter 3.03 of the Huntington Beach Municipal Code Relating to Professional Services"" to provide five additional points for Huntington Beach Based Businesses bidding or Professional Services; and
- C) Authorize the City Manager to execute an agreement approved in form by the City Attorney with Huntington Beach Auto Dealers for the one-year pilot Annual Beach Parking Pass incentive program.