City & County of San Francisco
Daniel Lurie, Mayor

Office of the City Administrator
Carmen Chu, City Administrator

Contract Monitoring Division
Regina Chan, Director

Local Business Enterprise Advisory Committee (LBEAC) Meeting
October 1, 2026 Meeting Minutes

1. Call to Order/Introduction

   Chair Galarza called the meeting to order at 10:05 AM
   Committee Members Present: Kyndra Cox, Miguel Galarza, Bruce Giron, Tricia Gregory, Kent Lim, Queena Lu, Jae Shin, Tiffany Tatum, Ben Washington

   Committee Members Absent: Matthew Ajiake, Darolyn Davis, Elahe Enssani, Kamal Hubbard, Sailaja Kurella, Wayne Perry

   CMD Staff Present: Regina Chan, Michael Cagampan, Queena Chen, Helen Smolinski

   Members of the Public Present: See Guest Sign-In Sheet posted on LBEAC Meeting page.

2. Contracting Equity Study: Final Presentation and Q&A - Betsy Sava and Sameer Bawa of BBC Research & Consulting
   a. Betsy explained this would be only an overview of the Contracting Equity Study and encouraged attendees to read the full report posted on CMD's website.
   b. Goals for the Study included:
      i. Assessing participation and availability of both LBEs already certified by CMD and those local businesses that would be eligible for CMD LBE certification but are not currently certified. Together these two groups were designated as "Potential LBEs" for purposes of BBC's analysis.
      ii. Assessing marketplace barriers.
      iii. Recommending refinements and other considerations
   c. Some Findings:
      i. Based on data from July 2020 – December 2024, BBC analyzed $7.9 billion of the City's contracts and purchase orders and found small local businesses may have been capable and available for 72.1% of the work; actually awarded 36.5% during this period.
      ii. 61.4% of contract dollars were available to small local businesses headquartered in San Francisco; 31% awarded during the study period.
      iii. Potential LBEs fared better when contracts had LBE requirements (43.6% participation) vs. no LBE requirements (23.8% participation) during this time period.
      iv. Only 20% of local businesses surveyed have the capacity to perform contracts over $10M, per their own acknowledgement. More than 80% of businesses headquartered in the City that are available for City work earn less than $7M in annual revenue.
   d. BBC highlighted three out of the ten recommendations:
      i. Increase the overall goal of LBE participation in City contracting.
      ii. Adopt a single certification category for LBEs.
      iii. Expand the use of set-asides by increasing the threshold amount for contracts.
   e. Discussion and Public Comment:
      i. Questions and comments regarding the results of the Contracting Equity Study included:

1. What's a "Potential LBE" and why include firms not currently certified by CMD?
    a. BBC replied they wanted to look at a broader slice of the marketplace to highlight that there are many more local firms that could be LBEs and thus, show that the availability of these firms is greater than is understood presently.
2. Who would this report be sent to?
    a. CMD replied that today is the final presentation by BBC and that CMD will share findings.
3. What is the impact on existing LBEs of lowering revenue thresholds for each tier of certification?
    a. BBC explained it's a small number of LBEs whose tier would change and firms would only be permitted to be certified in one category (scope of work).
    b. BBC also recommends increasing the threshold for micro set-asides.
    c. Director Chan reminded everyone that lowering thresholds for certification is different from changing contract thresholds or minimum competitive amount.
4. Suggestion: create a "Super Micro" or "Micro-Micro" LBE tier instead of lowering thresholds.
5. Comment: California has rigid licensing requirements. By removing categories of certification or limiting it to just one, the City may hurt small firms just starting out.
6. Why did BBC focus on firms certified for work in different size tiers as LBEs?
    a. Comment: Prefer more attention to an analysis of each City department's contracting data and a firm's capacity should not be measured by revenue alone; BBC replied it wasn't - BBC asked firms what their capacity is.
7. Comment: Revenue thresholds be examined because they didn't work or make sense for many, architects, in particular.
8. Comment: Prompt payment by the City is a problem and fixing it should be prioritized.
    a. Deputy City Administrator Stephanie Tang acknowledged it's a very serious and long-standing problem for the City and there's no magic bullet. City is working on standardizing payment processes across departments.
9. Question: Does HRC still investigate discrimination complaints?

3. Director's Report - Regina Chan, CMD Director
    a. Director Chan provided legislative updates and announcements.
    b. Chair Galarza was presented with a Certificate of Honor from City Administrator Carmen Chu's office in recognition of his induction into the National Academy of Construction (NAC) Class of 2026, which recognizes exceptional leadership in the industry. Congratulations, Chair Galarza!

4. Review and approval of the September 3, 2026 LBEAC meeting minutes
    a. Jae Shin, seconded by Bruce Giron, moved to approve the September 3, 2026 LBEAC Meeting Minutes.
        i. Ayes: Galarza, Lim, Lu, Shin, Tatum, Washington
        ii. Nays: None
        iii. Abstain: Cox, Gregory
        iv. Motion carries.

5. Adjournment
    a. The meeting was adjourned at 12:00 PM.