

CITY OF SAN JOSE
REQUEST FOR LOCAL AND SMALL BUSINESS ENTERPRISE PREFERENCE

[Chapter 4.12](#) of the San José Municipal Code provides a preference for Local and Small Business Enterprises in the procurement of goods and services except when funding or grant programs prohibit the application of preferences.

Preference Calculations

Preferences are determined based on the type of procurement, and if the vendor qualifies as a Local Business Enterprise (LBE) or a Local and Small Business Enterprise (LBE/SBE).

- **Best Value (evaluative):** LBE preference = 5% and SBE preference = 5%
 Preferences are applied based on the applicable percent of the total **available points**.
- **Lowest Price (price determinative):** LBE preference = 2.5% and SBE preference = 2.5%
 Preferences are applied as a credit to the **dollar value** of the bid or quote.

Qualifying for the Local Business Enterprise (LBE) Preference

To receive the LBE preference, you must have **both** of the following:

- (1) **A valid San José Business Tax Certificate Number:** The business tax certificate number below should match to the address and business name for which the preference is being claimed and must be current as of the solicitation due date. Proposers/bidders should verify their information through the City’s Business Tax Lookup at <http://www.sanjoseca.gov/index.aspx?nid=5313> prior to submittal.
- (2) **A legitimate business presence in Santa Clara County with at least one full time employee:** The City has interpreted a legitimate business presence to require:
 - the local address for which the preference is being requested is of a **commercial nature** and the primary purpose of the location is to serve as a principal, regional, branch, or satellite business office; or
 - in the case of a business located in a residential dwelling, the business must either be a valid home occupation as an incidental use of the business owner’s primary dwelling, or the residential dwelling is exclusively used for a commercial nature and the primary purpose of the location is to serve as a principal, regional, branch or satellite business office.

The City reserves to right to request additional documentation and supporting information to confirm that the preference should be applied, including, but not limited to, lease agreements, proof of payments, employee information, signage, website, and location.

Qualifying for the Small Business Enterprise (SBE) Preference

You must first qualify as an LBE to qualify for the SBE Preference. If you receive the LBE preference and the total number of employees for your firm (*regardless of where they are located*) is 35 or fewer, you also qualify to receive the SBE preference.

LBE AND SBE PREFERENCE REQUEST - Complete the following if you are applying for the LBE or LBE/SBE preference.

Business/Proposer/Bidder Name (should match name on Business Tax Certificate):	
Current San José 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:	
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)
TOTAL number of employees in your Business:	

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

Executed at: _____ on Date: _____
 Signature: _____ Printed Name: _____