



DATE: 6/8/2026
TO: Board of Harbor Commissioners
FROM: Terra Van Andel, Director of Procurement
SUBJECT: Approve Small Business Enterprise / Very Small Business Enterprise
Fiscal Year 2025 Annual Report

REQUESTED ACTION

Receive and file Fiscal Year 2025 Annual Report on the achievement of the Small Business Enterprise (SBE)/Very Small Business Enterprise (VSBE) Program, including a recommendation to maintain the current SBE/VSBE goal for Fiscal Year 2027. (Procurement – T. Van Andel)

KEY POINTS

- In accordance with Ordinance HD-2259, the annual Port-wide SBE/VSBE goals shall be recommended by staff, and shall be approved by the Board.
- In FY25, the Port achieved a department-wide SBE/VSBE utilization of 44.6%, exceeding the annual goal of 27%.
- This is the third-highest utilization since the SBE Program was formed in 2004.
- Based on the total applicable payments of \$122 million, \$54.4 million was paid to SBEs and VSBEs.
- The Port's 27% goal continues to be one of the highest in comparison to other California ports and local municipal agencies.

DISCUSSION

Background

The SBE/VSBE Program was formed in 2004 to promote participation of SBEs and VSBEs in Port procurement and is outlined in the Board-approved Ordinance HD-2259. The Program is applicable to eligible Port procurements across all bureaus. On an annual basis, staff provides a report to the Board on the achievement of the Program.

Current Issues

For FY25, staff analyzed 277 contracts to assess utilization, issued over 500 SBE/VSBE certifications, and participated in over 40 outreach events. Based on total applicable payments to vendors of \$122 million, we identified \$54.4 million was paid to SBEs and VSBEs. This leads to a department-wide SBE/VSBE utilization rate of 44.6%, exceeding the annual goal of 27%. Of the 44.6% SBE/VSBE utilization, 19% represents payments to VSBEs. This is the third-highest utilization since the SBE program was formed in 2004. The Port's 27% goal continues to be one of the highest in comparison to other California ports and local municipal agencies.

The following table reflects utilization achieved per Bureau for FY25:

Bureau	Total Payments*	Payments to SBE/VSBEs*	Combined SBE/VSBE Utilization
Engineering	89,148,000	35,329,000	39.6%
Planning & Environmental Affairs	8,789,000	4,865,000	55.4%
Finance & Administration	934,000	491,000	52.6%
Commercial Services	20,121,000	11,730,000	58.3%
Strategic Advocacy	2,407,000	1,555,000	64.6%
Executive	555,000	390,000	70.3%
DEPARTMENT-WIDE TOTAL	\$ 121,954,000	\$ 54,360,000	44.6%

* Rounded to thousands

* Total Payments and SBE/VSBE Payments are based on review of contracts over \$100k

* 19% of total payments to SBE/VSBEs were to VSBEs

Selection Process

Not Applicable

SBE Information

Not Applicable

CEQA Determination

Not Applicable

FINANCIAL IMPACT

There is no financial impact associated with this item.

PREVIOUS BOARD ACTION(S)

Date of Action	Agenda LE HD #	Action Taken	Explanation for the Requested Action
7/28/2025	HD-25-336	Receive & File	Receive & File FY24 Annual Report and approve goal for FY26
8/26/2024	HD-24-381	Receive & File	Receive & File FY23 Annual Report and approve goal for FY25
8/28/2023	HD-23-450	Receive & File	Receive & File FY22 Annual Report and approve goal for FY24
8/11/2022	HD-22-336	Receive & File	Receive & File FY21 Annual Report and approve goal for 2023
8/23/2021	HD-21-418	Receive & File	Receive & File FY20 Annual Report and approve goal for 2022

STRATEGIC PLAN

The requested action aligns with the following strategic goal and objective.

☐ Goal #1- Strengthen the Port's competitive position through secure and efficient movement of cargo while providing outstanding customer service. Select an Objective >>
☐ Goal #2- Maintain financial strength and security of assets. Select an Objective >>
☐ Goal #3- Develop and maintain state-of the-art infrastructure that enhances productivity and efficiency in goods movement. Select an Objective >>
☐ Goal #4- Improve the environment through sustainable practices and the reduction of environmental impacts from Port operations and development. Select an Objective >>
☒ Goal #5- Broaden community access to Port-related opportunities and economic benefits. Select an Objective >>
☐ Goal #6- Attract, develop and retain a diverse, high-performing workforce. Select an Objective >>

ATTACHMENT(S)

1. SBE_VSBE FY25 Annual Report Presentation



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SBE/VSBE Program FY25 Annual Report

Central Procurement Services Division
June 8, 2026

FY25 BY THE NUMBERS



Analyzed 277 contracts



Over 500 SBE/VSBE certifications issued



Participated in over 40 outreach events

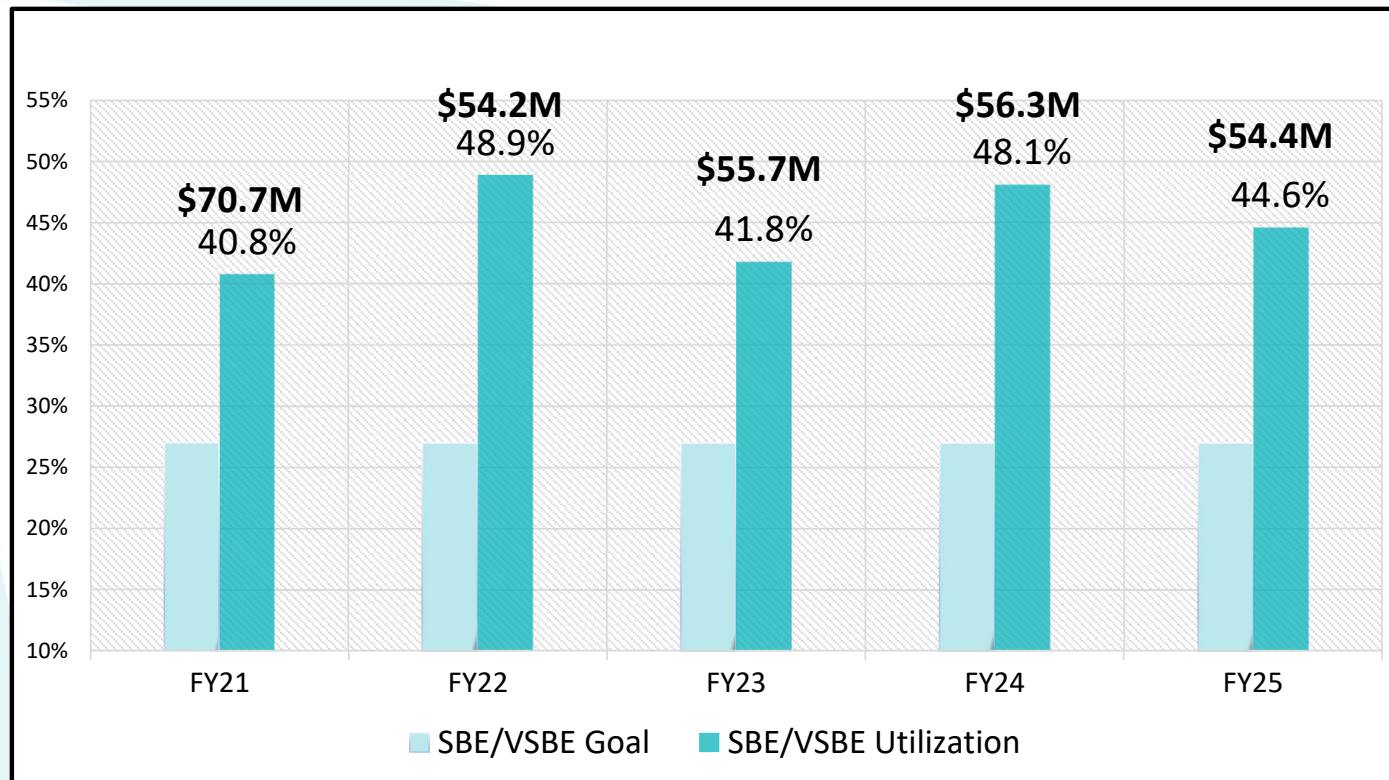


FY25 Utilization



The Port spent \$54.4 million of contract dollars with SBEs and VSBES, resulting in a 44.6% utilization for FY25.

GOAL vs. UTILIZATION



A CLOSER LOOK



\$291M of contract dollars spent with SBE/VSBES over past 5 years



229 SBEs, of which 155 were VSBES, received Port dollars in FY25



40% of contracts tested (112/277) in FY25 were primed by SBEs/VSBES

UTILIZATION BY BUREAU

BUREAU	FY24			FY25		
	TOTAL PAYMENTS (rounded to millions)*	SBE/VSBE PAYMENTS (rounded to millions)*	COMBINED SBE/VSBE UTILIZATION %	TOTAL PAYMENTS (rounded to millions)*	SBE/VSBE PAYMENTS (rounded to millions)*	COMBINED SBE/VSBE UTILIZATION %
Engineering Services	\$84.9M	\$38.9M	45.8%	\$89.2M	\$35.3M	39.6%
Planning & Environmental Affairs	\$8.6M	\$5.4M	62.6%	\$8.8M	\$4.9M	55.4%
Finance & Administration	\$0.6M	\$0.5M	80.8%	\$0.9M	\$0.5M	52.6%
Commercial Services	\$19.4M	\$10.0M	51.4%	\$20.1M	\$11.7M	58.3%
Strategic Advocacy	\$2.5M	\$1.0M	40.1%	\$2.4M	\$1.6M	64.6%
Executive	\$1.1M	\$0.5M	48.3%	\$0.6M	\$0.4M	70.3%
DEPT-WIDE TOTAL	\$117.1M	\$56.3M	48.1%	\$122.0M	\$54.4M	44.6%**

* Total Payments and Total SBE/VSBE Payments are based on review of contracts over \$100k.

** Of the 44.6% combined utilization in FY25, 19.0% was paid to VSBEs.

BENCHMARKS

Public Agency	Agency-Wide SBE Goal as of FY25
Port of Long Beach	27%
Port of Los Angeles	25%
Unified Port of San Diego	25%
CalTrans/DGS	25%
City of Long Beach	10%
Los Angeles World Airports (LAWA)	25%
Metropolitan Water District (MWD)	25%

Every year, we collect data in order to benchmark against peer agencies and maintain awareness of comparable program goals.

FY27 RECOMMENDATIONS

- **Goal for Engineering Services and Planning & Environmental Affairs Bureaus:** Maintain 27% combined SBE/VSBE participation, of which a minimum of 5% is allocated to VSBEs.
- **Goal for all other Bureaus:** Maintain 27% combined SBE/VSBE participation.



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Thank you