

## City of Greensboro Local Preference Policy

**1. Background.** According to the Institute for Local Self-Reliance, “a growing body of research shows... that locally owned businesses create communities that are more prosperous, entrepreneurial, connected, and generally better off across a wide range of metrics.” In addition, “these studies find that local businesses recirculate a greater share of every dollar in the local economy, as they create locally owned supply chains and invest in their employees.” This recirculation creates a multiplier effect that increases the value of dollars initially spent.

**2. Purpose.** The purpose of the Local Preference Policy is to ensure the best overall value in the procurement of goods and services while providing a preference to local businesses to support the City’s economic development. An additional benefit of a Local Preference Policy is the benefit derived by the City when goods and services are being provided by local businesses which have the opportunity to be more timely and responsive when providing goods and services.

**3. Eligible Bidders.** All bidders (1) within the corporate limits of the municipalities which comprise the Guilford County Economic Development Alliance (Greensboro, NC; High Point, NC; and Guilford County, NC) (“Local Area”) and (2) have been pre-certified as meeting one or both of the following requirements:

- a. Have an office or store from which business is directed or managed which is located within the corporate limits of the Local Area consisting of at least 500 square feet of floor area within a building on property having a non-residential zoning classification; or
- b. Have an office or store from which business is directed or managed which is located within the Local Area and have at least three employees based and working out of said office or store.

**4. Process When Bid Involves Price.** Bids to be evaluated as normal. If the lowest responsible, responsive bid is submitted by an eligible local bidder, the bid is accepted as usual. If the lowest responsible, responsive bid is submitted by a non-local bidder, and there is one or more local responsible, bidders that have submitted a bid within 10% of the lowest bid, the lowest of the local responsible, bidders is given 2 business days to amend their submission to match the lowest bid. If the lowest of the local responsible, bidders declines to accept at the lower price, the contract is awarded to the lowest responsible, responsive bidder. If the lowest of the local responsible, bidders chooses to match the lowest bidder, the contract is awarded to the lowest of the local responsible, bidders at the lower bid rate. At any time, all bids may be rejected.

### **4.1. Eligible Local Preference Contracts:**

- a. Price contracts for the purchase of supplies and equipment costing less than \$30,000; and
- b. Price contracts for construction or repair costing less than \$30,000.

**5. Process When Considering Qualifications for Service Contracts.** The request shall state that being local is a factor to be considered in determining the qualifications of the bidder. The proposals will be evaluated in accordance with an award criteria developed to determine the best qualified, responsive bidder submitting a proposal. Five percent (5%) of the points awarded to a bidder in an evaluation shall be awarded to each eligible local bidder submitting a proposal.

## **6. Scope.**

**6.1.** This policy shall not apply to contracts involving projects funded by a federal or state grant unless expressly allowed by the terms of the grant or federal or state law or regulation.

**6.2.** Nothing in this policy shall be construed to require the City to contract for services or goods by request for proposals or request for qualifications.

**6.3.** This policy shall apply to procurement processes managed by the City, as well as by third-parties on the City’s behalf or for the City’s benefit.