

SMALL LOCAL BUSINESS ENTERPRISE PROGRAM REQUIREMENTS

For the purposes of this program, a firm will be certified as an Emerging Local Business Enterprise (ELBE) or Small Local Business Enterprise (SLBE) upon its submission of a completed application, supporting documentation, and a signed affidavit stating that it meets all the eligibility criteria set forth below:

- A. Is an independently owned and operated for profit business concern that is not a subsidiary or franchise of another business; and that is not dominant in its field of operation and is performing a commercially useful function;
- B. Is a Local Business Enterprise as defined by the program with a principal place of business and significant employment presence in the City and/or County of San Diego, California;
- C. The officers of the business (in the case of a corporation); officers and/or managers, or in the absence officers and/or managers, all members in the case of a limited liability company; partners in the case of a partnership; or the owner(s) in all other cases, are domiciled in San Diego County.
- D. The business has been in operation for 12 consecutive months; **and**
- E. Whose average gross annual revenue for the company's three most recent federal income tax returns do not exceed:

1. For ELBE Certification:

- \$5.0 Million – Construction
- \$3.5 Million – Specialty Construction
- \$3.5 Million – Goods/Materials/Services
- \$3.5 Million – Trucking
- \$3.5 Million – Professional Services and Architect Engineering

2. For SLBE Certification:

- \$9.0 Million – Construction
- \$6.5 Million – Specialty Construction
- \$6.5 Million – Goods/Materials/Services
- \$6.5 Million – Trucking
- \$6.5 Million – Professional Services and Architect Engineering

- F. A business certified by the State of California, Department of General Services as a Micro Business (MB) and/or Disabled Veteran Business Enterprise (DVBE) may satisfy the income requirements to be certified as an SLBE, EXCEPT when the business seeking certification has multiple owners. If the business has multiple owners, the three-year average income shall be calculated to ensure the business income is within the SLBE program income limits. The remaining support documentation required for certification must still be submitted.
- G. All applicants must disclose any additional business interests as well as business interests for their spouse or domestic partner, if applicable. Revenue derived from additional business interests will be factored into the average gross annual revenue to determine eligibility. Failure to disclose additional business interests may result in suspension and/or revocation. If the applicant has additional business interests, only one of those business interests is eligible to be certified in the SLBE Program.
- H. If the applicant(s) has additional or multiple business interests, the revenue for these interests shall be factored into the average gross annual revenue to determine eligibility.
- I. All applicants will be required to submit an Internal Revenue Service (IRS) form 4506-T, Request for Transcript of Tax Return, authorizing the IRS to send official transcripts of tax returns to the City. Transcripts of Tax Returns will be utilized to verify gross annual receipt information submitted by the applicant. Any variances found in the application and tax transcripts will result in an automatic denial of certification.