LOCAL AND SMALL BUSINESS ENTERPRISE (LSBE) PROGRAM POLICY

OCALA

Revised July 7, 2026

POLICY TITLE	EFFECTIVE DATE	POLICY NO.:
Program Purpose, Goals and Definitions	July 1, 2026	001

ARTICLE I. BACKGROUND

A. The City of Ocala awards millions of dollars in contracts each year for services, supplies, and construction. These contract awards result in the creation of a wide variety of opportunities for the business community of Ocala, Marion County, Florida and surrounding areas.

B. In 2017, City Council enacted a Local Vendor Preference Ordinance (Ordinance 2017-35) to provide an advantage to qualified local vendors when bidding on the City of Ocala's advertised solicitations.

C. The City of Ocala recognizes that inclusive business participation in local government procurement and contracting is an important source of income and jobs in our community and helps to strengthen community and business partnerships both socially and economically.

D. The City's Diverse and Small Business Enterprise (DSBE) Program, established in 2020, endeavored to ensure access to competitive business opportunities and contracting equity for qualified small business enterprises (SBEs) as well as business enterprises that are owned by minorities, women, and veterans (collectively referred to as Diverse Business Enterprises (DBEs)).

E. On April 22, 2026, Governor Ron Desantis approved Senate Bill 1134 prohibiting municipal activities relating to diversity, equity, and inclusion, including specifically programming or activities designed or implemented with reference to race, color, sex, ethnicity, gender identity, or sexual orientation. This legislation, codified as section 166.04971, Florida Statutes, takes effect on January 1, 2027.

F. In order to avoid non-compliance with section 166.04971, Florida Statutes, the City has suspended its DSBE Program and created a race and gender-neutral certification program, specifically titled the "Local and Small Business Enterprise (LSBE) Program", to continue to encourage and promote the participation of certified local and small businesses in procurement and contracting opportunities with the City of Ocala.

ARTICLE II. PURPOSE AND PROGRAM GOALS

A. **Purpose.** The purpose of the City's LSBE Program is to develop and employ inclusive strategies and interventions to proactively address barriers that may have hindered the participation of local and small business enterprises in government procurement. These barriers include, but are not limited to:

1. Information Asymmetry: Difficulty finding or receiving solicitation information in a timely manner.
2. Bonding and Insurance: Difficulty securing bonding or meeting the bonding requirements required for certain government contracts.
3. Limited Capital and Resources: Lack of access to capital necessary for upfront costs, business startups, business expansion, or completion of large-scale or long-term contracts.
4. Administrative Burden and Compliance: Difficulty understanding local, state, and federal procurement regulations.
5. Limited Technical Knowledge: Confusion or a lack of technical knowledge needed to properly submit bids.
6. Limited Information and Networking: Smaller firms often lack access to opportunities to engage with larger prime contractors.

B. **Program Goals.** The City's LSBE Program's primary objective is to ensure that qualified local and small businesses are afforded every opportunity to participate in contracting opportunities advertised by the City of Ocala by:

1. ensuring open and fair procurement and contracting policies and processes;
2. assisting local and small business enterprises to understand the City of Ocala's Procurement Policy, Federal Acquisition Regulations (FAR), and statutory procurement requirements;
3. equipping local and small businesses with the resources and education needed to access contracting opportunities;
4. maintaining a publicly available vendor list which makes identification of certified local and small businesses easier for internal buyers and prime contractors and increases the likelihood of inclusion;
5. actively encouraging government buyers to source products and services from certified local and small business enterprises (LSBEs) through policy advancements and vendor engagements;
6. establishing and maintaining streamlined systems for the collection, tracking and management of procurement spending data to monitor LSBE utilization;
7. bolstering proactive outreach events in the business community to provide educational and informational sessions designed to develop and grow small business enterprises while equipping them to compete and meet the rigorous requirements of larger contracting opportunities;
8. work with departments to strategically assess contracts to determine opportunities for "unbundling" (breaking large contracts into smaller contracts), especially in commodity sectors with high concentrations of LSBEs;
9. work closely with community partners such as the Chamber for Economic Partnership (CEP), Small Business Association (SBA) and others to expand networking and provide additional education centered on the development and growth of LSBEs.

ARTICLE III. DEFINITIONS

As used in this Policy, the following terms shall have the meanings ascribed to them below, unless the context clearly indicates otherwise:

A. ***Certified*** shall mean a business has completed the requisite process and been found to meet the City's requirements to qualify as a local and small business enterprise, which may include certification by another government agency recognized by the City.

B. ***Commercially Useful Function*** refers to contracted-for work performed, managed, and supervised directly as opposed to work conducted by through a business which merely serves as a broker or agent.

C. ***Local Business Enterprise*** shall refer to a for-profit business entity certified under the City's Local and Small Business Enterprise (LSBE) Program as meet meeting all requirements of being a Local Vendor as that term is defined by Council Ordinance 2017-35.

D. *Local Vendor* shall refer to a for-profit business entity that has physically maintained a permanent place of business (headquarters, manufacturing facility, home office, locally owned franchise, or operating branch) within Marion County, Florida for a minimum of one (1) year prior to the date of issuance of a solicitation. In addition, the business must have either paid commercial real property tax, paid or filed a tangible personal property tax form with Marion County, received a City of Ocala Home Occupation Permit, or has received a City of Ocala business tax certificate.

E. *Local Vendor Preference* shall refer to the advantage afforded to a certified local vendor in accordance with the stipulations and requirements set forth in Council Ordinance 2017-35.

F. *Prime Contractor* shall mean a professional services or construction business that performs services under prime contracts directly with the City of Ocala. A prime contractor typically performs 51% or more of the work on a project.

G. *Small Business Enterprise* shall mean a for-profit Florida-registered business entity or sole proprietorship, regardless of the social demographic of the owner, certified under the City's Local and Small Business Enterprise (LSBE) Program as being independently owned, not dominant in its field of operation, employing (or contracting for employment) no more than fifty (50) persons, and whose annual revenues (or adjusted gross income if a sole proprietorship) does not exceed an overall cap of $1 Million (for goods and/or non-construction services) or $3 Million (for construction services) when averaged over a three year period based upon Federal tax return forms 1120, 1120S 1065, 1040, Schedule F or Schedule C.

H. *Subcontractor* shall mean a business that performs services for prime contractors as part of larger contracts or projects.

I. *Veteran* shall mean a former member of the United States Armed Forces, who served on active duty and was discharged or released under conditions other than dishonorable. Reservists called to active duty by Executive Order qualify as veterans.

J. *Veteran-Owned Business Enterprise* shall mean a for-profit Florida-registered business entity or sole proprietorship, regardless of size: (1) that is independently owned, or where at least 51% of the stock or assets are owned, controlled, and managed by one or more veterans; and/or (2) which has been certified as a Veteran-Owned Business Enterprise by a competent jurisdiction approved by the Procurement and Contracting Officer.

K. *Vendor Relations Division* shall mean the division within the Procurement and Contracting Department charged with assisting local and small businesses with registration and certification and searching and competing for contracting opportunities within the City.

POLICY TITLE	EFFECTIVE DATE	POLICY NO.:
Eligibility and Certification	July 1, 2026	002

ARTICLE I. PROCUREMENT & CONTRACTING OFFICER AUTHORITY

A. Under the Code of Ordinances for the City of Ocala, the Procurement and Contracting Officer is authorized to develop and adopt procurement and contracting policies and procedures for using departments, agencies, and suppliers.

B. As the officer responsible under the Code for overseeing vendor relations including vendor registration, contract performance, ratings, disputes, and ensuring vendors are treated fairly with open and transparent competition, the Procurement and Contracting Officer is authorized to establish procedures and administrative policies to certify that a local or small business enterprise has met the requirements for certification as set forth in this section including, but not limited to,:

1. determining whether business owner(s) perform, manage, or supervise the work involved;
2. determining whether a business meets the criteria for certification or re-certification as a local or small business enterprise;
3. recognizing certification of LSBEs by other governmental units utilizing similar certification criteria; and
4. maintaining and making available to prime contractors and all City departments a current list of certified LSBEs for sourcing.

ARTICLE II. SELF-CERTIFICATION

A. **Benefits of Certification**. The Local and Small Business (LSBE) Program is designed to encourage government buyers and prime contractors to source products and services from certified local and small business enterprises. The certification may also allow these businesses to compete for contract opportunities in a sheltered market and, in certain circumstances, receive a status-based preference for contract awards where allowed by City policy.

B. **Online Self-Certification.** To participate in the LSBE Program, qualified local and small business enterprises shall self-certify through the online application found on the City of Ocala's procurement homepage located at www.bidocala.com.

1. Applications must be filled out completely and all required documentation supplied within the specified time period in order to be accepted for review. Applications not meeting requirements shall not be accepted by the City.
2. Upon successful completion of the LSBE self-certification process, qualified local and small business enterprises will be issued a certificate.
3. All documentation supplied by certifying entities are within the scope of the Florida Public Records Act, Chapter 119, Florida Statutes, and thus open for public review.

C. **Certification Renewal**. Renewal applications must be submitted via the application portal not less than thirty (30) days prior to the date of expiration of the existing certification.

1. Local Vendor certifications are valid for a period of one (1) year and vendors wishing to maintain their certified status for the purpose of utilizing Local Vendor Preference in accordance with Ordinance 2017-35 must submit a current Local Vendor Preference Affidavit via the application portal each year.

2. Small Business Enterprise certifications are valid for three (3) years and SBEs must re-certify through the application portal every three (3) years to maintain their status as a certified SBE.

D. **Vendor Relations Division**. The City of Ocala's Vendor Relations Division shall be responsible for ensuring that entities applying for certification are in compliance with eligibility requirements as set forth in this Policy and in City Ordinance 2017-35 by evaluating and analyzing submitted applications, documentation provided in support of those applications, and performing interviews with applying entities as appropriate.

ARTICLE III. ELIGIBILITY REQUIREMENTS

A. **Eligibility Requirements.** Local and Small Business Enterprises shall meet the following requirements in order to be deemed eligible to self-certify as an LSBE with the City of Ocala.

1. Local Vendor Eligibility. To qualify as a vendor eligible to be certified as a Local Vendor and avail itself of the procurement advantages set forth in Council Ordinance 2017-35, the business entity must complete a Local Vendor Affidavit wherein its authorized agent attests under penalty of perjury that:

   (a) the entity's headquarters, manufacturing facility, home office, locally owned franchise, or operating branch is/are physically located within Marion County, Florida;

   (b) the entity has been in operation in Marion County for at least one (1) year prior to the date of application;

   (c) the entity has either paid Marion County commercial real property taxes, paid or filed a Marion County tangible property tax form, received a City of Ocala business tax certificate, or received a City of Ocala home occupation permit.

2. Local Small Business Enterprise Eligibility. To qualify as a vendor eligible to be certified as a Local Small Business Enterprise and avail itself of the advantages of the LSBE Program, a business entity must:

   (a) be physically located in Marion County, Florida, as evidenced by proof of payment of commercial real property taxes to Marion County, filing or payment of a Marion County tangible property tax form, receipt of a City of Ocala business tax certificate, or receipt of a City of Ocala home occupation permit;

   (b) be capable of serving a commercially useful function under a contract awarded by the City;

   (c) employ no more than fifty (50) employees (inclusive of full-time, part-time, or temporary);

   (d) have annual revenues or adjusted gross income (if a sole proprietorship) of no more than one million dollars (if vendor supplies goods and/or non-construction services) or three million dollars (if vendor supplies construction services) when averaged over a three-year period as evidenced by Federal tax return forms (Forms 1120, 1120S, 1065, 1040, Schedule F, or Schedule C);

   (e) attend the City of Ocala's Doing Business with the City workshop within twelve (12) months of certification and at least one additional professional development workshop within three (3) years of certifications; and

   (f) register as a vendor for free with the City of Ocala via its e-procurement system at: https://vendors.worlderp.com/SignUp/default.aspx to be eligible to download solicitation information and receive bid notifications;

B. **Denial of Certification**. Vendor Relations Division staff will deny local or small business enterprise certification for any business entity which fails to meet the requirements of this Policy or City Ordinance 2017-35.

1. Grounds for Denial of Certification:

   (a) failure to provide sufficient information to the Vendor Relations Division upon which a determination of eligibility can be based.

   (b) refusal to comply with a reasonable request for information, data, or access to records pertinent to the application for certification within the time specified by Vendor Relations Division staff.

   (c) fraud, deceit, and submission of misinformation for the purpose of obtaining LSBE status, including providing substantially inaccurate or incomplete ownership, financial, management, or other information in connection with the application.

2. Notification of Denial: If certification is denied, the Vendor Relations Manager shall send written notification to the applicant via the e-mail and mailing addresses identified in the application.

3. Re-Application After Denial:

   (a) Entities that have been denied certification shall be able to reapply within six (6) months of the date of the denial.

   (b) Firms denied twice within a 12-month period shall be eligible to reapply within one year of the date of the second denial.

   (c) Firms which are denied certification are prohibited from reorganizing under a different name and status purely to circumvent the decision of the Procurement and Contracting Officer.

C. **Program Auditing.** The Procurement and Contracting Department reserves the right to audit local and small business status either randomly or based on allegations of non-eligibility. In addition to being de-certified, any vendor providing false information to the City of Ocala may be subject to any or all of the following penalties:

1. debarment or suspension from participating in City solicitation processes;

2. revocation of LSBE status; and/or

3. determination that a contract award made in reliance on vendor misrepresentations is void or voidable.