



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: AUGUST 18, 2020**

FROM: COMMUNITY & ECONOMIC DEVELOPMENT **WARDS: ALL**
DEPARTMENT

SUBJECT: TWO-YEAR PROFESSIONAL CONSULTANT SERVICES AGREEMENT FOR FISCAL YEAR 2020-2021 AND 2021-2022 WITH UNIVERSITY ENTERPRISES CORPORATION AT CALIFORNIA STATE UNIVERSITY SAN BERNARDINO ON BEHALF OF THE INLAND EMPIRE SMALL BUSINESS DEVELOPMENT CENTER, A CALIFORNIA CORPORATION, IN THE TOTAL AMOUNT OF \$100,000 TO PROVIDE COMPREHENSIVE TECHNICAL ASSISTANCE TO BUSINESSES IN THE CITY OF RIVERSIDE IN ACCORDANCE WITH PURCHASING RESOLUTION 23256, SECTION 702(C)

ISSUE:

Approve a new two-year professional consultant services agreement for fiscal year 2020-2021 and 2021-2022 with University Enterprises Corporation at California State University San Bernardino on behalf of the Inland Empire Small Business Development Center, a California Corporation, in the total amount of \$100,000 to provide comprehensive technical assistance to businesses in the City of Riverside, in accordance with Purchasing Resolution 23256, Section 702 (c).

RECOMMENDATIONS:

That the City Council:

1. Approve a new two-year professional consultant services agreement for fiscal year 2020-2021 and 2021-2022 with University Enterprises Corporation at California State University San Bernardino on behalf of the Inland Empire Small Business Development Center, a California Corporation, in the total amount of \$100,000 to be paid in annual installments of \$50,000, in accordance with Purchasing Resolution 23256, Section 702 (c); and
2. Authorize the City Manager, or his designee, to execute the professional consultant services agreement with University Enterprises Corporation on behalf of the Inland Empire Small Business Development Center, including making minor and non-substantive changes.

BACKGROUND:

The Inland Empire Small Business Development Center (IESBDC) has served the City of

Riverside (City) and surrounding communities for over 22 years, providing the business community with affordable access to comprehensive technical assistance in the areas of business planning, marketing education, funding and financial consulting, business management education, expansion strategies, business succession planning and recently COVID-19 survival planning. A partnership to support these services is in alignment with Riverside Strategic Goal 2.1 to support entrepreneurship and stimulate local investment. The City has provided funding consistently since 2012 in order to ensure that local small businesses have access to an office of the IESBDC within the City of Riverside. The IESBDC is principally funded through a grant from the United States Small Business Administration (SBA). As a condition of funding, the IESBDC is required to raise 54% of its SBA grant amount from local private and public entities.

On September 25, 2018, the City Council approved a funding commitment for Fiscal Years 2018/2019 through Fiscal Years 2019/2020 to the IESBDC, in the total amount of \$100,000 that was paid in two installments of \$50,000 annually by the City.

DISCUSSION:

City funding for the existing contract expired at the end of fiscal year 2019/2020 on June 30, 2020. The new contract continues a comprehensive scope of services that reflects an ongoing partnership between the City and the IESBDC, including providing a variety of workshops in locations throughout the City's wards to ensure inclusivity and access, increasing efforts to provide Spanish language training, scheduling quarterly partnership meetings, capturing marketing and cross-referral opportunities, and providing collaborative presentations as appropriate.

In addition to the overall value of maintaining quality support for new and existing local businesses, the IESBDC serves a critical need in providing guidance and resources to Riverside small businesses during the COVID-19 crisis. These resources include education, training, and business consulting for existing small businesses that have experienced supply chain disruptions, staffing challenges, a decrease in gross receipts or customers, or a closure. The IESBDC has intensified efforts with webinars, town hall meetings, one-on-one virtual consulting and assistance with CARES Act financial assistance applications.

The IESBDC's services are unique. No other organization in the City or region offers the comprehensive depth of services, breadth of industry expertise and capacity to serve such a large number of businesses. This contract therefore falls within Purchasing Resolution 23256, Section 702(c) which states, "When the Procurement can only be obtained from a sole source or timely from a single source and the Manager is satisfied that the best price, terms and conditions for the Procurement thereof have been negotiated".

The Purchasing Manager concurs that this purchase is in accordance with Purchasing Resolution 23256, Section 702(c).

FISCAL IMPACT:

The total fiscal impact of this action is \$100,000 for fiscal years 2020-2021 and 2021-2022. Sufficient funding in the amount of \$50,000 is available in the General Fund Community & Economic Development budget Small Business Development Center account no. 2815001-453101 for FY 2020/21. An appropriation for FY 2021/22 will be included in the Department's Budget submissions for that fiscal year to be presented to the City Council for approval.

Prepared by: David Welch, Community & Economic Development Director
Certified as to
availability of funds: Edward Enriquez, Chief Financial Officer/Treasurer
Approved by: Rafael Guzman, Assistant City Manager
Approved as to form: Gary G. Geuss, City Attorney

Attachments:

1. Professional Consultant Services Agreement
2. Inland Empire Small Business Development Center Annual Report for FY 2019-2020
3. Presentation