



City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: JUNE 11, 2024

FROM: COMMUNITY & ECONOMIC DEVELOPMENT WARDS: ALL
DEPARTMENT

**SUBJECT: PROFESSIONAL CONSULTANT SERVICES AGREEMENT WITH THE
GREATER RIVERSIDE CHAMBERS OF COMMERCE FOR SERVICES AND
SPONSORSHIPS PROVIDED TO THE CITY OF RIVERSIDE FOR FISCAL
YEARS (FYs) 2024/25 AND 2025/26 FOR A TOTAL AMOUNT NOT TO EXCEED
\$98,775 ANNUALLY AND A TERM ENDING JUNE 30, 2026 WITH ONE
OPTIONAL TWO-YEAR EXTENSION**

ISSUES:

Approve a Professional Consultant Services Agreement with the Greater Riverside Chambers of Commerce for Services and sponsorships provided to the City of Riverside for Fiscal Years (FYs) 2024/2025 and 2025/2026 for a total amount not to exceed \$98,775 annually and a term ending June 30, 2026, with one optional two-year extension.

RECOMMENDATIONS:

That the City Council:

1. Approve a Professional Consultant Services Agreement with the Greater Riverside Chambers of Commerce for services and sponsorships provided to the City of Riverside for FYs 2024/25 and 2025/26 in a total amount not to exceed \$98,775 annually and a term ending June 30, 2026, with one optional two-year extension; and
2. Authorize the City Manager, or his designee, to execute the Professional Consultant Services Agreement including making minor and non-substantive changes as necessary including the ability to execute the one optional two-year extension.

BOARD RECOMMENDATIONS:

On May 13, 2024, the Board of Public Utilities discussed this item, requested additional information and continued the matter to their June 10, 2024 meeting. The Board of Public Utilities' recommendation will occur after this report is published and, as a result, the Board's June 10, 2024 recommendation will be shared at the June 11, 2024 City Council meeting.

BACKGROUND:

The Greater Riverside Chambers of Commerce (Chamber) has served the City of Riverside and surrounding communities for over 100 years. The organization started in 1900 and took on two (2) important projects, which included bringing a rail line to Riverside and writing a City Charter later adopted by the City of Riverside board of Trustees in 1907. Collaboration between the City of Riverside and the Chamber began immediately and contracts between the two entities date back at least 50 years. The Chamber was instrumental in convincing the State to establish a Citrus Experiment Station at the base of Mt. Rubidoux and then to gain a larger station near Box Springs Mountain, convincing the Federal government to establish March Field as an aviation training facility in 1918, now known as March Air Reserve Base, helping to establish the Riverside National Cemetery in 1976, working to bring the Sherman Institute and the School for the Deaf to Riverside, establishing University of California, Riverside Liberal Arts College through letters, telephone calls, and trips to Sacramento and Washington D.C. Through the years, the Chamber has recruited many businesses to Riverside, such as Rohr Aircraft, Bourns, Flexsteel, Ralph's/Food 4 Less, Amtrak Call Center, Nordstrom, Wal-Mart, Hunter Engineering, and many more. The Chamber has also assisted with the reopening of the Mission Inn Hotel and Spa, the Cal Tower Project, the creation of the Justice Center, and the establishment of Keep Riverside Clean and Beautiful to help improve Riverside's image to the rest of the Country.

The Chamber has established itself as the voice of business in Riverside, speaking on behalf of approximately 1,500 member firms and collectively representing 112,000 employees. The Chamber helps local companies grow their business by taking the lead in programs and efforts that help create a strong local economy and make the community a great place to do business. It recognizes that the best interests of the business community are the same as the long-term interests of the community at large and thus supports initiatives that lead Riverside to a prosperous future. As a member-driven organization, the Chamber works daily to provide programs, product services, advocacy and networking designed to give its members a return on their investment.

Through the Chamber's work, they have created a culture of networking and relationship development across all business sectors. They provide numerous opportunities for members and others to increase their contact base via various meetings, networking events and committees and serve as an advocate for business in the greater Riverside area. Often, a business will consider the Chamber the first "call" when it comes to expansion and referrals of ancillary businesses to the community. In addition, through the Chamber's active member call program, the Chamber is able to connect to all Chamber members annually to conduct a business check-up, which often leads to referrals to City Departments.

Riverside Public Utilities: In 2001, Riverside Public Utilities entered into a partnership whereby the Chamber would conduct certain targeted economic development activities in exchange for a set dollar annual commitment of funds. Since 2001, the amount varied slightly each year. The funds were paid from RPU's Public Utilities – Customer Engagement (Community Support Outreach and Education). The activities were meant to 1) target businesses for attraction that provided a significant electrical load growth that could benefit from RPU's Economic Development rate, 2) target businesses for attraction that could benefit from reduced electric and water rates compared to their current jurisdiction and 3) help facilitate meetings with current commercial ratepayers that were considering facilities' expansion.

On October 28, 2019, the Board of Public Utilities, approved an expenditure in an amount not to exceed \$68,000 for FY 2019/20 to the Greater Riverside Chambers of Commerce and conceptually approved the scope of services for sponsorships and services specifically provided

to the Public Utilities Department. This action was then presented to the City Council for consideration and inclusion in a Professional Services Agreement between the City and the Chamber.

Professional Services Agreement: On November 19, 2019, the City Council approved a Professional Services Agreement with the Chamber for Services and sponsorships provided to the City of Riverside for FY 2019/20 in a total amount not to exceed \$95,500, which includes the Public Utilities Board approved expenditures, for a term ending June 30, 2020 with two optional two-year extensions and authorized the City Manager, or designee, to execute the agreement and the optional extensions as outlined in the agreement.

The services included with this agreement provide important benefits to the City such as retention and expansion of local businesses; attraction and expansion of businesses from desired industries; support and training in key areas for businesses and entrepreneurs; increased awareness of local programs and resources that support businesses; State of the City; Festival of Lights; corporate memberships with all chambers including, but not limited to, the Greater Riverside Chambers of Commerce, the Greater Hispanic Chambers of Commerce, the Riverside County Black Chamber of Commerce, and other multi-cultural chambers and regional chambers.

The current agreement is set to expire on June 30, 2024.

Deliverables and Metrics: An extensive list of deliverables and metrics associated with the current Agreement is included in the attached June 10, 2024 Board of Public Utilities Professional Services Staff Report; see pages 6 - 29. For illustrative purposes, a few deliverables associated with Task 1 (retention and expansion of local businesses) are provided below:

AMBASSADOR AND BUSINESS COUNCIL OUTREACH TO LOCAL BUSINESSES			
Month	Businesses Reached		Total Touches (Averaging two per business)
	2022	2023	
January	52	22	148
February	25	31	112
March	27	33	120
April	33	21	108
May	52	32	168
June	37	37	148
July	37	34	142
August	18	27	90
September	37	35	144
October	52	39	182
November	16	63	158
December	26	42	136
Business Councils (Annual Total)	110	122	464
Grand Total	522	538	2,120

ONLINE SURVEYS OF BUSINESS PERSPECTIVES		
Date	Topic	Summary Response
December 2023	2023 Review and 2024 Projection	See Attachment 3
October 2023	Revisit of Top Priorities for City's Future Growth	See Attachment 3
July 2023	Local, State, and National Economic Projections	See Attachment 3
June 2023	Business Sustainability Practices	See Attachment 3
May 2023	Impact of Government on Business	See Attachment 3
April 2023	Top Priorities for City's Future Growth	See Attachment 3
March 2023	Business Safety and Protection	See Attachment 3
February 2023	Top Priorities for County's Future Growth	See Attachment 3
<i>Note: Abbreviated. For a more detailed list please refer to June 10, 2024 Staff Report (attached)</i>		

MAJOR EMPLOYER VISITS		
Date	Business/Employer	Topic(s)
1/18/2022	Parkview Community Hospital Medical Center	INSIDE Arlington: Office of Homeless Solutions Update, Ward 4 Update, and Public Safety Update
2/15/2022	Neighborhood Healthcare	INSIDE Hunter Park: Ward 1 Report, City Planning Discussion, and Public Safety Report
4/7/2022	Riverside Community Hospital	INSIDE Downtown: Ward 1 Update and Public Safety Update
4/19/2022	The Toro Company	INSIDE Arlington: Ward 3 Update and Public Safety Report
5/5/2022	University of California, Riverside	INSIDE EastHills: Ward 2 Report and Public Safety Report
6/1/2022	AT&T	Site Visit and Tour regarding Facility Improvements
6/21/2022	Riverside Medical Clinic	INSIDE Magnolia Center: Ward 3 Report and Public Safety Report
7/19/2022	California Baptist University	INSIDE Arlington: Public Works Department and Public Safety Update
8/10/2022	Collins Aerospace	Meet and Greet with Collins Aerospace team and City officials
11/1/2022	Kaiser Permanente Medical Center Riverside	Site Visit and Discussion Regarding Facility Expansion
11/15/2022	University of California, Riverside CE-CERT	INSIDE Hunter Park: Ward 1 Report, Riverside Public Library, and Public Safety Report
12/1/2022	Northgate Gonzalez Market	INSIDE La Sierra: Ward 6 Report and Public Safety Report
2/2/2023	Pepsi Beverage Company	INSIDE EastHills: Ward 2 Update and Public Safety Report
4/18/23	Collins Aerospace	INSIDE Arlington: Economic Development Update, Ward 6 Update
5/5/2023	University of California, Riverside	INSIDE EastHills: Local Development and Business Attraction
7/18/2023	California Baptist University	INSIDE Arlington: Public Safety Update
9/19/2023	Galleria at Tyler	INSIDE La Sierra: Ward 6 Update and Facility Tour
10/17/2023	Stater Bros. Markets	INSIDE Arlington: Public Safety Update
12/7/2023	La Sierra University	INSIDE La Sierra: Ward 6 Update

DISCUSSION:

The objective of the new, two-year Professional Services Agreement is to maintain continuity in the range of services, support, and sponsorships, as well as, align with the City’s budgetary schedule.

Scope of Services: The Scope of Services will include, but will not be limited to, the following services and benefits:

1. *Retention and expansion of local businesses*

The Chamber will encourage a dialogue between businesses and RPU to share priorities, concerns, plans for future growth and opportunities, gain, and disseminate advance insight when businesses are considering potential changes or evaluating new directions, and enhance positive working relationships between businesses and the City, in order to retain current businesses.

2. *Attraction and expansion of businesses from desired industries*

The Chamber will continue Riverside’s reputation as a City and community that welcomes business investment and growth, enhanced by our partnerships and collaborations between private and public stakeholders, and increase awareness of Riverside’s potential and the many resources, talents, and treasures available to businesses and residents.

3. *Support and training in key areas for businesses and entrepreneurs*

The Chamber will provide training and resources to develop successful and sustainable businesses, including energy efficiency and conservation.

4. *Increased awareness of local programs and resources that support business*

The Chamber will provide multiple avenues and platforms to share local resources, economic development updates, and other information in a comprehensive and cohesive manner so that individuals looking to invest in, start, retain, or expand a business in Riverside can easily and quickly find beneficial information.

5. *State of the City*

The Chamber will facilitate a “State of the City” consistent with section 405 of the Riverside City Charter, to allow the Mayor of Riverside to present the Mayor’s programs, objectives, and priorities.

6. *Schedule of Sponsorships*

The following sponsorships are to be paid by the City. A cost comparison from the prior Agreement is included below.

Department	Activity/Event	2019 - 2024	2024-2026
Riverside Public Utilities:			
	Economic Development Services	\$25,000	\$25,000

	Advertisements, Newsletter, one page monthly	\$15,000	\$15,000
	Advertisements, Magazine, every 18 mo.	\$3,500	\$3,095
	KRCB – Waterwise Landscape Sponsorship	\$2,500	\$3,000
	KRCB – Table Sponsorship	\$50	
	Business Expo/Mixer/Riv Forward	\$1,000	\$1,000
	Mega Mixer/Tradeshow/Job Fair	\$500	\$500
	GMR Sponsorship	\$1,750	\$1,850
	Legislative Summitt – Table Sponsorship	\$600	\$750
	Mayor's State of the City Address – Table Sponsorship	\$600	\$750
	Inaugural Ball – Table Sponsorship	\$1,000	\$1,500
	Athena Luncheon – Table Sponsorship	\$1,000	\$1,000
	Leadership Riverside Luncheon – Table Sponsorship	\$500	\$800
	Festival of Lights – pass through to the Mission Inn	\$15,000	\$15,000
	Subtotal	\$68,000	\$69,245
Community and Economic Development:			
	Festival of Lights – GRCC Services	\$7,500	\$7,500
	Riverside College & Career Fair Booth	\$2,500	\$2,500
	Business Expo/Mixer/Riv Forward	\$2,500	\$2,500
	Mayor's State of the City Address – Table Sponsorship	\$750	\$750
	Smart Riverside – directory listing	\$250	
	Subtotal	\$13,500	\$13,250
Public Works:			
	Mayor's State of the City Address	\$750	\$750
	Legislative Summitt	\$600	\$800
	KRCB – Table Sponsorship	\$400	
	Subtotal	\$1,750	\$1,550
Police:			
	Mayor's State of the City Address	\$750	\$1,000
	Leadership Riverside Luncheon	\$500	\$750
	Subtotal	\$1,250	\$1,800
Citywide:			
	GRCC Memberships	\$5,000	\$5,000
	Leadership Training	\$6,000	\$7,980
	Subtotal	\$11,000	\$12,980
	Total	\$95,500	\$98,775

The City is again consolidating all Chamber services, sponsorships, memberships, and other benefits across all City Departments into a single agreement for a single payment for a total amount not to exceed \$98,775 for FYs 2024/25 and 2025/26, which includes a \$69,245 expenditure from RPU. The agreement will include services already budgeted and received in the current and previous fiscal years and is not intended to add new Chamber services at this time. The intent is only to consolidate Chamber services Citywide in one place for public clarification and transparency. Additionally, the agreement, including the scope of services, schedule of sponsorships and associated costs, will be reviewed and evaluated every two years during budget preparation and brought before the Board and City Council with the budget adoption.

Purchasing Resolution 24101, Section 702(w) states that Competitive Procurement through the Informal Procurement and Formal Procurement process shall not be required, "When approved by the Manager, Services not subject to the bidding requirements of Section 1109 of the City Charter, which are of such a nature that suitable technical or performance specifications describing them are not readily available and cannot be developed in a timely manner to meet the needs of the City, in which case the Manager shall be authorized to negotiate with any Person or Persons for the Procurement thereof upon the price, terms and conditions need by the Manager

to be in the best interest of the City and in doing so may utilize Informal Procurement or Negotiated Procurement process.”

The Purchasing Manager concurs that the recommended actions comply with Purchasing Resolution No. 24101, Section 702(w).

STRATEGIC PLAN ALIGNMENT:

This item contributes to **Strategic Priority #5 - High Performing Government and goal 5.3 - Enhance communication and collaboration with community members to improve transparency, build public trust, and encourage shared decision-making.**

This item aligns with each of the five Cross-Cutting Threads based as follows:

1. **Community Trust** – This report provides a transparent view and communication of Utility finances in a forum that accommodates community engagement and the involvement of the Board of Public Utilities.
2. **Equity** – Greater Riverside Chamber of Commerce provides events available to all members in a public forum that accommodates community engagement from all members of the public.
3. **Fiscal Responsibility** – Sharing the agreement with other departments demonstrates the Utility’s commitment to responsible management of the Utility’s financial resources.
4. **Innovation** – Participation in the Greater Riverside Chamber of Commerce will help in identifying and meeting the community’s changing needs.

Sustainability & Resiliency – Utilizing community involvement through the Chamber demonstrates the Utility’s commitment to the long-term fiscal health of the Utility and preservation of Utility services.

FISCAL IMPACT:

The total fiscal impact of this agreement over the two-year term is \$197,550 or \$98,775 per fiscal year through June 30, 2026. Sufficient funding for the cost of the contract covered in this report has been included in the upcoming two-year budget that will be brought forward to Council for adoption in June 2024.

The fiscal impact for the Scope of Services is \$29,530 per year. Funds for the General Fund portion are dispersed amongst the identified departments to provide the services identified above, support our local businesses, and support the health and growth of our economic plan.

The Schedule of Sponsorships specially associated with RPU is \$69,245 per fiscal year. Sufficient funds for the RPU portion are budgeted in the Electric Fund, Customer Engagement, Community Support account number 6020000-456022.

Approved by:	Jennifer A. Lilley, Community & Economic Development Director
Certified as to availability of funds:	Kristie Thomas, Finance Director/Assistant Chief Financial Officer
Approved by:	Rafael Guzman, Assistant City Manager
Approved as to form:	Phaedra A. Norton, City Attorney

Attachments:

1. Agreement
2. Presentation
3. June 10, 2024, Board of Public Utilities Professional Services Agreement Staff Report