



Staff Report

File #: 21-0429

REQUEST FOR CITY COUNCIL ACTION

DATE: 06/16/2021

TO: Honorable Mayor and City Council Members

FROM: Office of Economic Development

SUBJECT:

Professional Services Agreement with Corona Chamber of Commerce for Business Promotion, Marketing, and Retention Services.

EXECUTIVE SUMMARY:

Staff is presenting for City Council's consideration, a Professional Services Agreement (Agreement) with the Corona Chamber of Commerce for Business Promotion, Marketing, and Retention Services. Historically, the City has entered into an annual agreement with the Corona Chamber of Commerce to enhance the City's economic development goals and broaden its support of businesses operating in Corona. The Corona Chamber of Commerce has provided a Business Proposal for Fiscal Year 2022, outlining a range of potential services at a not-to-exceed amount of up to \$78,000. Staff is requesting that the City Council provide direction on the proposed Scope of Services and related compensation.

RECOMMENDED ACTION:

That the City Council:

- a. Provide staff with direction on which items they would like included in a final Scope of Services.
- b. Authorize the City Manager or his designee, to execute the Agreement that includes City Council's desired Scope of Services and related not-to-exceed total compensation amount.

BACKGROUND & HISTORY:

The Office of Economic Development fosters and maintains partnerships with local, regional, state, and federal agencies that enhance the City's business offerings and resources to more than 12,000

businesses in Corona. Through these partnerships, the City can leverage ample resources to address the varied needs of its business community and is better positioned to offer a variety of programs, services, grants, and technical assistance to aid their business growth and resiliency. Existing partnerships range in expertise, from business financing and technical assistance for manufacturers to business start-up and entrepreneurship support with hiring and employee training resources. Among its diverse partnerships, the Office of Economic Development collaborates with the U.S. Small Business Administration, California Governor's Office of Business and Economic Development, California Manufacturing Technology Consulting, Riverside County Office of Economic Development, Riverside County Workforce Development, Riverside Community College District, Corona-Norco Unified School District, and the Corona Chamber of Commerce.

The Corona Chamber of Commerce has a longstanding history in Corona and was founded more than 110 years ago. Its mission is to promote business advocacy, community, and economic development, while serving as a catalyst for improving the community's overall quality of life. The Chamber's staff and volunteers collaborate with the City of Corona and other local organizations to accomplish its mission and carry out its business programs, services, and events. Historically, the City and Chamber have entered into an annual agreement to enhance business promotion and marketing to support business growth and expansion in Corona. In previous years, staff has presented the City Council with a proposed Agreement with an already established Scope of Services and overall compensation. Given the Chamber's proposed increase in business seminars and events, and a related increase in compensation for the upcoming year, staff is seeking the City Council's direction and input on desired services, which may result in an increased not-to-exceed compensation amount of \$78,000.

ANALYSIS:

In anticipation of this year's proposed Agreement, staff requested that the Chamber of Commerce prepare a business proposal highlighting its accomplishments for the past fiscal year and note proposed events, services, and other efforts for Fiscal Year (FY) 2022. The Chamber's 2020-2021 Year-In-Review Letter and Business Proposal (Attachment 1) details the Chamber's accomplishments over the past year including:

- Hosted more than 20 business seminars and workshops as noted below.
 - 12 Coffee with an Entrepreneur sessions
 - 3 Industry Specific Seminars for restaurants and manufacturers
 - 5 Sales Training Seminars
 - 2 additional seminars covering marketing strategies and ADA website compliance

All City cosponsored events were free to attend. In addition to cosponsored business seminars and workshops, the Chamber pivoted its traditional offerings of in-person meetings, events, and services to digital formats which enabled greater accessibility of information for Corona businesses and complied with COVID-19 social distancing and gathering restrictions. Although not part of the existing contract, the Chamber also spearheaded the Corona Fast Pitch Competition. This event allowed entrepreneurs in Corona and throughout the region to present their business ventures in front of a panel of business and community leaders with an opportunity for the winner to advance to the countywide competition. Staff supported the Chamber with this event by providing City Hall as

the competition venue and livestreaming the event to the community. Both the City and the Chamber received ample positive feedback from the participating businesses and community members that accessed the livestream.

As requested by staff, the Chamber started providing the Office of Economic Development with a three-month outlook of upcoming business events and efforts. The three-month outlook, implemented this year, allowed Economic Development and the Chamber to collaborate in strategically selecting topics reflective of the City's key industry sectors and immediate business needs like the "Best Practices and Recovery Strategies for Restaurants" webinar. Through its consistent and innovative support of Corona businesses and entrepreneurs, and close coordination with staff, the Chamber continues to be a valued and engaged resource partner.

The Chamber's 2020-2021 Year-in-Review Letter and Business Proposal also contains its proposed services for FY 2022. The Chamber is proposing an increase in services for FY 2022, with additional seminars and workshops as well as new events including a New Business Welcome Reception and Innovation Month. Innovation Month would include the Corona Fast Pitch Competition and a dedicated month-long marketing campaign including social media promotion and billboards. If the City Council desires to incorporate all proposed services noted in the Chamber's Business Proposal the Scope of Services would result in a total compensation of up to \$78,000 (a \$28,000 increase from the existing compensation of \$50,000). The draft Scope of Services included in the proposed Agreement with the Corona Chamber of Commerce (Attachment 2), is formatted with placeholders that will be filled-in upon the City Council's selection of desired services that should be included in the final Scope of Services.

The draft Scope of Services includes language requiring the Chamber to provide the City with a review of marketing materials and a quarterly, three-month outlook that outlines proposed efforts and topics for the upcoming quarter. Staff is requesting this language to provide the City and Chamber better opportunities to strategically collaborate and plan for efforts as part of the Agreement. This enables both parties to have sufficient time to engage additional resource agencies that could bring in specialized expertise in manufacturing, healthcare, business financing, or another business field.

Additionally, staff is recommending the inclusion of a New Business Welcome Reception in the proposed Agreement. The event is designed to provide small-businesses with an in-person, open-house format in which to visit various resource partner agency booths and become familiarized with technical, financial, and operational resources to grow and sustain their new businesses. The New Business Welcome Reception would be held in early 2022 and would be primarily coordinated by the City with support from the Chamber of Commerce with business outreach, marketing, logistics, and staffing of a Chamber information booth.

For ease of comparison, and to assist the City Council's ultimate decision, staff prepared Table 1 below outlining the Chamber's current FY 2021 services with its proposed services for FY 2022. As noted in the table, the City Council is presented with two potential options: A) accept the Chamber's proposed efforts and services as shared in their business proposal, or B) select a range of desired services that would form part of an alternative Scope of Services. Fees for listed services and events

are included in the comparison table below. If Option B is selected, the approved services would be incorporated in the Agreement signed by the City Manager.

Table 1: Comparison of Current/Proposed Service with Options for Final Scope Selection

Scope Items	Current FY 2021 Contract Scope	Option A: Accept Chamber Proposal for FY 2022 as outlined below	Option B: Select Desired Services and Quantity
Monthly Business Workshops (\$2,000 each) • Coffee with an Entrepreneur • Sales Training Seminars • Social Media • Additional Topics TBD	19 (\$38,000_ While the existing contract does not specify the events to be held, the following events occurred as part of the contract: • Coffee with an Entrepreneur - 12 • Sales Training Seminars - 5 • Social Media Strategies - 1 • ADA Website Compliance -1	24 (\$48,000) • Coffee with an Entrepreneur - 12 • Sales Training Seminars - 6 • Social Media - 4 • Additional Topics TBD - 2	X (\$____) Number of Monthly Workshops (each at \$2,000). To Be Determined by City Council.
Industry-Specific Seminars (\$4,000 each)	3 (\$12,000) • Restaurant Webinar • Manufacturing Webinar • COVID-19 Guidance	4 (\$16,000)	X (\$____) Number of Industry Seminars (each at \$4,000). To Be Determined by City Council.
New Business Welcome Reception (\$4,000) NEW for FY 2022 (proposed by City staff)	N/A	1 (\$4,000)	To Be Approved for inclusion in the Scope by City Council
Innovation Month (\$10,000) NEW for FY 2022 (building off the Corona Fast Pitch Competition held in April 2021)	The Chamber spearheaded the Corona Fast Pitch Competition hosted at City Hall, but this effort was not part of the existing contract.	1 (\$10,000)	To Be Approved for inclusion in the Scope by City Council
Total Cost	\$50,000	\$78,000	To Be Determined by City Council

As is the case with previous years, the proposed Agreement is constructed as a fee for service model, in which the services rendered are invoiced to the City following completion and not paid in advance. The final approved and executed Agreement's Scope of Services and total not-to-exceed compensation will be incorporated into the final approved and executed Agreement.

FINANCIAL IMPACT:

The Office of Economic Development's Proposed FY 2022 budget includes \$55,000 for the Corona Chamber of Commerce contract (which allows for a potential 10% increase from the current contract amount of \$50,000). If City Council decides to add additional items to the final Scope of Services,

which could increase the contract amount up to \$78,000, the remaining budget will be transferred from General Government within the General Fund.

ENVIRONMENTAL ANALYSIS:

This action before Council is exempt from California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of the Guidelines for CEQA, which states that a project is exempt from CEQA if the activity is covered by the general rule that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. This action simply approves a formalized agreement between the City and Chamber for Business Promotion, Marketing, and Retention Services. Since there is no possibility that adopting this action will have a significant effect on the environment, no further environmental analysis is required.

PREPARED BY: AMANDA WICKER, ECONOMIC DEVELOPMENT ADMINISTRATOR

REVIEWED BY: JESSICA M. GONZALES, ECONOMIC DEVELOPMENT DIRECTOR

Attachments:

1. Exhibit 1 - Corona Chamber of Commerce Year-In-Review Letter and Business Proposal
2. Exhibit 2 - Professional Services Agreement with Corona Chamber of Commerce