



# AGENDA REPORT

Economic Development

<b>DATE:</b>	January 21, 2025
<b>TO:</b>	Mayor Martinez and Members of the City Council
<b>FROM:</b>	Nannette Beacham, Economic Development Director Kyle Lam, Management Analyst Lizeht Zepeda, Senior Business Assistance Officer
<b>Subject:</b>	Contract with CoBiz Richmond for On-Demand Enhanced Business Services
<b>FINANCIAL IMPACT:</b>	The proposed \$95,000 expenditure has a net impact to the General Fund (Account String 01361165-400201-36033).
<b>PREVIOUS COUNCIL ACTION:</b>	December 5, 2023
<b>STATEMENT OF THE ISSUE:</b>	The City of Richmond issued a Request for Qualifications (RFQ) on August 6, 2024, seeking qualified providers to deliver the required assistance to support small businesses impacted by the COVID 19 pandemic. Following a thorough evaluation process, city staff recommend that the City Council approve a contract with CoBiz to provide on-demand enhanced small business services to small businesses.
<b>RECOMMENDED ACTION:</b>	APPROVE a contract with CoBiz and AUTHORIZE the city manager or their designee to negotiate contract terms as needed to provide on-demand enhanced business, workplace, events services and solutions to small businesses, in an amount not to exceed \$95,000 with a term ending December 31, 2026 – Economic Development Department (Nannette Beacham 510-621-

	1306/Lizeht Zepeda 510-620-6653/Kyle Lam 510-620-6802).
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**DISCUSSION:**

Background

On December 5th, 2023, the City Council adopted Resolution No. 139-23, appropriating \$1,250,000 to assist small businesses impacted by the COVID-19 pandemic, and use the city’s definition of small businesses via Measure U, which was a business with less than \$250,000 in gross receipts, location within a qualified census tract, impacted industries such as barbershops, hair salons, childcare; and businesses that had not already received assistance from federal governments. This funding supports the broader goals of the Displacement Avoidance Plan and is designed to stabilize and revitalize local businesses.

On October 15, 2024, the City Council passed Resolution No. 116-25, amending the initial appropriations from ARPA to now come from General Fund to ensure compliance with federal requirements for timely obligation by December 31, 2024.

Request for Qualifications (RFQ)

On August 6, 2024, the City of Richmond released a Request for Qualifications (RFQ) seeking qualified providers to provide on-demand enhanced business, workplace, and events services and solutions for small businesses. The program aims to support small businesses disproportionately affected by the COVID-19 pandemic. The RFQ was disseminated using the City of Richmond’s procurement procedures, with a Q&A period for potential candidates. Proposals were due on August 27, 2024, and only one proposal was received.

The RFQ sought the following activities. An applicant can specialize in one, some, or all the following activities. Activities should be available in multiple languages based on need and demand.

- Workplace Solutions:
  - Event Space and Conference Rooms: Fully equipped spaces for meetings, presentations, and collaborative sessions, featuring high-speed internet, advanced audiovisual equipment, and flexible seating arrangements.

- Large Event Space/Multipurpose Rooms: Versatile spaces for events such as development gatherings, demonstration nights, speaker panels, and launch parties, with adaptable layouts for various activities.
- Creative Spaces: Dedicated areas for activities like photo shoots, video production, and brand photography, equipped with modern lighting, backdrops, and professional-grade equipment.
- Meeting Rooms: Various rooms for team meetings, client consultations, and small group discussions, equipped with modern amenities and flexible booking options.
- Private Office On-Demand: Fully furnished private workspaces available as needed, with access to high-speed internet and office amenities.
- Business Services:
  - On-Demand/As-Needed Business Support and Mentorship: Designated times for small businesses to access workspace and amenities, with support staff available for administrative tasks and technical support, and opportunities for networking and collaboration.
  - Life Coaching: Professional life coaching services for personal and professional development, offering one-on-one coaching sessions and group workshops on topics like goal setting, time management, and career advancement.
  - Mental Health Support: Access to mental health resources and support services, including workshops and seminars on stress management, resilience, and work-life balance, along with confidential counseling services for small business owners and their employees.

Selection Process

Only one proposal was received from CoBiz Richmond, Inc. The proposal was deemed responsive and was evaluated by the criteria outlined below:

<b>Evaluation Criteria</b>	
Proposal reflects understanding of the City’s goals and objectives; proposal is complete in its responses to all RFQ elements	30%
Relevant and demonstrated qualifications and experience	35%
Cost of proposed services	20%
Detailed community engagement/business targeting plan	15%

Following the evaluation, CoBiz was selected.

Cobiz Richmond

CoBiz Richmond, Inc. is a 501(c)(3) nonprofit organization dedicated to fostering wellness and growth for small businesses, community-based organizations (CBOs), and

nonprofits in the City of Richmond, CA. The organization achieves this by providing access to:

1. Space: Office, meeting, event, and media spaces.
2. Resources: Funding opportunities, workshops, and programs.
3. Expertise: Technical assistance, consulting, and business incubation services.

While CoBiz operates as a 24/7 coworking space and business incubator, it also serves as:

1. An economic development engine,
2. A community development resource, and
3. An intergenerational regional hub addressing the diverse needs of entrepreneurs, nonprofits, professionals, students, creatives, returning citizens, and the broader community.

CoBiz Richmond's proposed program aligns with the goals outlined in the RFQ's Scope of Services. The program includes:

1. Small Business Training
  - a. Workshops and seminars covering topics such as business planning, contracts, financial management, marketing, technology solutions, and more.
  - b. Flexible scheduling, including mornings, evenings, weekends, and hybrid/virtual options.
2. Office Hours/One-on-One Consulting
  - a. Weekly access to 20 diverse subject matter experts offering guidance on transactional law, bookkeeping, branding, IT, and more.
  - b. Personalized support for adopting new technology, financial management, marketing strategies, and maintaining wellness.
3. Mentorship Program
  - a. Access to experienced mentors for guidance and encouragement.
4. Access to Capital
  - a. Assistance in securing grants, loans, and other funding through partnerships with alternative lenders, credit unions, accelerators, and major banks.
  - b. No-cost counseling provided as a micro-SBDC center under NorCal SBDC's Inclusivity Project.
5. Technical Assistance and Business Incubation
  - a. One-on-one incubation support for entrepreneurs of all backgrounds, supplemented by partnerships with organizations such as Renaissance Entrepreneurship Center, ESO Ventures, and NorCal SBDC.
  - b. Services offered in multiple languages, with programs tailored to women, ethnic groups, and returning citizens.
6. Meeting Room Access
  - a. 30 hours per month of no-cost access to conference rooms equipped with whiteboards, digital displays, Wi-Fi, and virtual hybrid meeting capabilities.

Anticipated Deliverables include

- 100 hours of business incubation support.
- 480 hours of expert office hours or group training sessions (in-person, hybrid, or virtual).
- 144 hours of mental health support for entrepreneurs.
- 4 quarterly networking events.
- 30 hours/month of no-cost meeting or office space access.

Recommendation and Next Steps

City staff is requesting approval for a contract with CoBiz for small business assistance, with a total contract amount not to exceed \$95,000. The term begins January 21, 2025, through December 31, 2026. CoBiz has demonstrated an exceptional ability to fulfill the project and outcome of goals of supporting small businesses in the City of Richmond.

Following City Council approval, City staff will finalize the contract with CoBiz and arrange to begin the program for small businesses. Staff will coordinate to ensure a smooth initiation of the work outlined in their proposals, including setting timelines, establishing points of contact, and detailing deliverables. Regular progress meetings will be scheduled to monitor the advancement of each project and to address any issues promptly.

**DOCUMENTS ATTACHED:**

- Attachment 1 – DRAFT Contract with Cobiz Richmond
- Attachment 2 – Request for Qualifications (RFQ) Posted Online
- Attachment 3 – Scoring Matrix