

January 24, 2023

C-5

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Specifications No. RFP ED-22-102 and award a contract to Long Beach Center for Economic Inclusion, of Long Beach, CA, to implement the ActivateLB Customer Activation Program, in a total amount not to exceed \$223,198 for a period of one year, with the option to renew for one additional year, at the discretion of the City Manager; and, authorize the City Manager, or designee, to execute all documents necessary to enter into the contract, including any necessary subsequent amendments. (Citywide)

DISCUSSION

Long Beach Recovery Act

On March 16, 2021, the City Council adopted the Long Beach Recovery Act (LB Recovery Act), becoming one of the first major cities to approve COVID-19 recovery programs made possible through the federal American Rescue Plan Act (ARPA) and other federal and State funding sources. Additional adjustments to the LB Recovery Act were made as part of the Adopted Fiscal Year 2022 (FY 22) Budget, and periodic adjustments will be brought to the City Council as needed. Additional information about the LB Recovery Act is available at longbeach.gov/recovery. A total of \$19.5 million was allocated to the Direct Business Support program category, which includes the ActivateLB Customer Activation Program to address financial hardships that have been created by COVID-19.

About the ActivateLB Customer Activation Program

The ActivateLB Customer Activation Program was created to increase customer spending at Long Beach small businesses to support their economic recovery. To implement the citywide program, a challenge-based RFP was issued to request vendors submit their solutions to achieve the goal of attracting \$1 million in additional spending to local businesses.

Long Beach Center for Economic Inclusion's (LBCEI) proposal combines technical assistance to businesses with a technology platform that provides small businesses with a new customer rewards program. A portion of the funding awarded will be used as consumer rewards to incentivize customer purchases at participating local businesses.

Recommended Contract Approval

City Council approval is requested to enter into a contract with Long Beach Center for Economic Inclusion (LBCEI) to implement the ActivateLB Customer Activation Program. LBCEI shall provide for the full implementation of this program, including, but not limited to, outreach to the local business community, engaging consumers to shop at local businesses, managing the subcontract with the technology provider - LocaLight, and providing regular program reports.

The Request for Proposals (RFP) was advertised in the Long Beach Press-Telegram on August 5, 2022, and 185 potential proposers specializing in technology and infrastructure were notified of the RFP opportunity. Of those proposers, 33 downloaded the RFP via the City's electronic bid system. The RFP document was made available from the Purchasing Division, located on the sixth floor of City Hall, and the Division's website at www.longbeach.gov/purchasing. An RFP announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 42 local, minority-owned, and women-owned business groups. Additionally, the City engaged in additional outreach via Facebook, Twitter, and Instagram. The opportunity was also advertised in the Go Long Beach Newsletter, City of Long Beach Equity Newsletter, and Economic Development Newsletter. There were eight proposals received on August 30, 2022. Of those eight proposers, two were Minority-owned Business Enterprises (MBEs), three were Women-owned Business Enterprises (WBEs), four were certified Small Business Enterprises (SBEs), and six were Long Beach vendors (Local). The selection committee determined that LBCEI (MBE, WBE, Local) was the most qualified firm to provide the services.

LBCEI was selected based on the organization's demonstrated experience reaching underserved businesses, the substantial anticipated benefits to Long Beach businesses, the conformance to the RFP, the potential for long-term benefits to result from this initial investment, and the reasonableness of cost.

Local Business Outreach

To align with the City of Long Beach's (City) outreach goal, Long Beach businesses are encouraged to submit proposals for City contracts. The Purchasing Division also assists businesses with registering on the Long Beach Buys database to download RFP specifications. Through outreach, 66 Long Beach vendors were notified to submit proposals, of which 13 downloaded and 6 submitted a proposal. The Purchasing Division is committed to continuing to perform outreach to local vendors to expand the bidder pool.

Equity Lens

The City has incorporated the Equity Toolkit in this recommendation, as requested by the City Council on April 21, 2020. LBCEI will embed an equity lens to address the unique needs of diverse and underserved businesses in Long Beach and ensure equitable distribution of resources. To accomplish this, the vendor will work with City staff to create

marketing materials in digital and print format, translate materials into multiple languages, distribute materials, coordinate outreach and technical assistance. Program data will be tracked by the Program Administrator and be reported as a part of the LB Recovery Act throughout the program's implementation. The strategies developed will create equitable economic opportunities for residents, workers, and businesses in Long Beach for sustained economic recovery. These best practices will enable the City to advance its equity goals for LB Recovery Act programs.

This matter was reviewed by Deputy City Attorney Marsha Yasuda on December 29, 2022, Purchasing Agent Michelle Wilson on December 28, 2022, and by Recovery Budget Officer Dee Okam on January 5, 2023.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. RFP ED22-102 and award a contract concurrently is requested on January 24, 2023, to ensure the contract is in place expeditiously for the administration of the City's Program.

FISCAL IMPACT

The LB Recovery Act has identified \$444,675 for the ActivateLB Customer Activation Program. The total amount of the contract will not exceed \$223,198. Sufficient funding for the contract is currently budgeted in the General Fund Group in the Economic Development Department. For administrative efficiency and for reporting and auditing purposes, the funding source for this program is the General Fund based on the funds made available as a result of the City's approach to using the majority of federal ARPA funds to maintain existing City services in compliance with the U.S. Department of Treasury's Final Rule, thereby freeing up General Fund monies for the LB Recovery Act programs. This recommendation has a moderate staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. The award of this contract will provide continued support to our local economy by helping to alleviate the financial hardships exacerbated by COVID-19. The local job impact is unknown at this time.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



BO MARTINEZ
DIRECTOR OF ECONOMIC DEVELOPMENT

APPROVED:



THOMAS B. MODICA
CITY MANAGER