

C-12

June 14, 2022

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Specifications No. RFP ED21-064 and award contracts to Rithya Siddhartha Tang DBA Small Business Advisory (SBA), of Whittier, CA, and 4Front Partners, LLC, of Oakland, CA, to provide eligible participants in the City's Cannabis Social Equity Program with direct technical assistance to facilitate business ownership in the cannabis industry, in a total annual aggregate amount not to exceed \$230,000, through September 30, 2022, with the option to renew for one additional one-year period, at the discretion of the City Manager; and, authorize the City Manager, or designee, to execute all documents necessary to enter into the contracts, including any necessary subsequent amendments. (Citywide)

DISCUSSION

City Council approval is requested to enter into contracts with SBA and 4Front Partners, LLC, to provide eligible participants in the City of Long Beach's (City) Cannabis Social Equity Program direct technical assistance to facilitate business ownership in the cannabis industry. SBA was selected to assist Equity Applicants in assessing their financial needs, developing business plans, and receiving financial and accounting support. 4Front Partners, LLC, was selected to focus on reviewing financial information, marketing, budgeting, action planning, site and lease negotiation, and business operations.

The City secured grant funds from the State of California, Governor's Office of Business and Economic Development (GO-Biz) under their Cannabis Equity Grants Program for Local Jurisdictions to provide direct technical assistance to help Equity Applicants gain entry to and/or successfully operate in the regulated cannabis market. RFP ED21-064, released on May 13, 2021, requested proposals from interested vendors in the following priority areas:

- Site Location and Lease Negotiation
- Assessing Financial Need
- Finance and Accounting Support
- Regulatory Compliance Support

The Request for Proposals (RFP) was advertised in the Long Beach Press-Telegram on May 15, 2021, and 5,374 potential proposers specializing in consulting and professional services were notified of the RFP opportunity. Of those proposers, 26 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 was sent to 39 local, minority-owned, and women-owned business groups. There were six proposals received on June 4, 2021. Of those six proposers, three were Minority-owned Business Enterprises (MBEs), none were Women-owned Business Enterprises (WBEs), two were certified Small Business Enterprises (SBEs), and two were Long Beach vendors (Local). The selection committee determined that SBA, of Whittier, CA (MBE and Local) and 4Front Partners, LLC, of Oakland, CA (MBE), were the most qualified firms to provide the services. SBA and 4Front Partners, LLC, were selected due to their organizational capacity and experience delivering related consulting services, working with nonprofits, government agencies, and various types of businesses. SBA and 4Front Partners, LLC, demonstrated a commitment to advancing equity and dedication to assisting entrepreneurs in their journey to launching a new business.

The Economic Development Department (ED) originally awarded RFP ED21-064 to three vendors under City Manager authority in an aggregate amount of \$200,000. SBA is expected to exhaust all available funding in their contract by the end of May 2022, so additional funds are needed. ED is requesting formal contracts be executed with the City Council authority in accordance with procurement policy and procedure to continue the current services. The recommendation will enable SBA to continue assisting Equity Applicants currently assigned to them.

Local Business Outreach

To align with the City's outreach goal, Long Beach businesses are encouraged to submit proposals for City contracts. The Purchasing Division also assists businesses with registering on the PlanetBids database to download RFP specifications. Through outreach, 578 Long Beach vendors were notified to submit proposals, of which six downloaded and two submitted a proposal. The Purchasing Division is committed to continuing to perform outreach to local vendors to expand the bidder pool.

This matter was reviewed by Deputy City Attorney Monica J. Kilaita on May 16, 2022, Business Services Bureau Manager Tara Mortensen on May 18, 2022, and by Budget Operations and Development Officer Rhutu Amin Gharib on May 22, 2022.

TIMING CONSIDERATIONS

City Council action to adopt Specifications RFP ED21-064 and award contracts concurrently is requested on June 14, 2022, to ensure the contracts are in place expeditiously to avoid a disruption of services currently being delivered to Equity Applicants.

FISCAL IMPACT

The total annual aggregate amount of all contracts will not exceed \$230,000. Costs are offset by funding provided by GO-Biz's Cannabis Social Equity Grant Program for Local Jurisdictions. This grant is managed by the City Manager's Office of Cannabis Oversight. Sufficient

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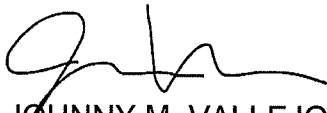
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appropriation is budgeted in the General Grants Fund Group in the City Manager's Office to support this activity. This recommendation is consistent with existing City Council priorities. The award of this contract will provide continued support for Equity Applicants to gain entry to and/or successfully operate in the regulated cannabis market.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHNNY M. VALLEJO
ACTING DIRECTOR OF ECONOMIC DEVELOPMENT

APPROVED:



THOMAS B. MODICA
CITY MANAGER