



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 18

Agenda Date: September 14, 2023

In Control: City Council A Session

DEPARTMENT: Economic Development Department

DEPARTMENT HEAD: Brenda Hicks-Sorensen

COUNCIL DISTRICTS IMPACTED: City-wide

SUBJECT:

Award recommendation to Geekdom, LC for the management and operations of Launch SA.

SUMMARY:

An ordinance approving a Professional Services Agreement with Geekdom, LC to manage and operate Launch SA for a three-year term ending September 30, 2026, for a total amount of \$1,743,668.00. The contract also allows for two, two-year renewals once the initial term expires. Funding is available from the Economic Development Incentive Fund FY 2024 Budget contingent on Council approval.

BACKGROUND INFORMATION:

In 2012, Mayor Julian Castro convened a taskforce of business owners and business advocacy organizations for the purpose of creating a method or strategy to promote small and new business growth in San Antonio. The taskforce recommended the establishment of a “small business one-stop” to provide entrepreneurship education and mentoring and serve as a resource and referral clearinghouse for business information. In November 2013, City Council authorized an ordinance that awarded a Professional Services Agreement for the operation of Café Commerce SA (later rebranded to Launch SA) to ACCION-Texas (later rebranded to LiftFund). Currently, Launch SA has both a virtual and a 6,900 square-foot physical location, where entrepreneurs gather,

collaborate, and learn more about entrepreneurship and small business resources. On September 13, 2018, a renewal agreement for Launch SA was executed and expires on September 30, 2023.

Since its inception, Launch SA has made a significant impact on the business community in San Antonio. It has documented over 14,500 unique walk-ins, hosted 5,600 events, and assisted more than 37,000 clients. The program has surveyed its clients, who reported a 64% increase in sales, secured \$4.5 million in investments, and generated over 1,000 jobs. Launch SA has played a vital role in supporting the community during the COVID-19 pandemic, serving as a business hub, and providing information and resources to entrepreneurs and small business owners.

City Council approved the Economic Development Department's (EDD) Strategic Framework in October 2022. With the upcoming expiration of the current contract, EDD recognized an opportunity to re-imagine Launch SA to align with those strategies and to position it to serve as a leader for a strengthened small business ecosystem.

ISSUE:

On March 22, 2023, the City issued a Request for Proposal (RFP) with a submission deadline of May 12, 2023. The RFP was advertised in the Hart Beat, the City's Bidding and Contracting Opportunities Website, the San Antonio e-Procurement System (SAePS), and an email notification was released to a list of potential Respondents. Two (2) proposals were received, and both were deemed eligible for the evaluation committee's review.

The evaluation committee consisted of representatives from the Economic Development Department, the City Manager's Office, the Office of Innovation, the Small Business Advisory Commission, and a community member with small business lending and technical assistance delivery experience. The Finance Department's Procurement Division facilitated the procurement by ensuring compliance with the City's procurement policies and procedures. The proposals were evaluated on the firm's experience, background, qualifications, proposed plan, price, the Small Business Economic Development Advocacy (SBEDA) Program, the Local Preference Program, and the Veteran-Owned Small Business Preference Program. Additional categories of consideration included references.

The committee met on June 12, 2023, to evaluate the proposals received. Individual scores were submitted, and aggregate scores were presented. After a recommendation for the award was agreed upon by the evaluation committee, the pricing scores were revealed. Geekdom, LC was recommended for the award by the evaluation committee.

If approved, Geekdom, LC's scope of work will include the following annual goals and outputs:

Goals	Outputs
Space Activation & Networking	<ul style="list-style-type: none">• Conduct 35 workshops.• Host working space and meetings.
Ecosystem Hub	<ul style="list-style-type: none">• Offer technical assistance services to support and guide 90 small business owners and entrepreneurs.• Act as a connector to other ecosystem partners

	<ul style="list-style-type: none"> • Provide more than 150 hours of mentor meetings. • Maintain the ecosystem mapping tool procured by the City
Education & Programming	<ul style="list-style-type: none"> • Create a proposal that includes regular education and programming opportunities
Funding Solutions	<ul style="list-style-type: none"> • Connect 20 small business owners and entrepreneurs to funding opportunities and financial advisors. • Identify access to capital barriers
Marketing	<ul style="list-style-type: none"> • Develop a plan to regularly promote the Launch SA brand, events, success stories in social media channels.

Geekdom, LC will be responsible for tracking additional target and performance metrics, including demographic data, attendance per workshop, number of jobs created and retained, types of assistance provided, total capital raised, and amount of capital infused into small businesses. In addition, Geekdom will be collecting and evaluating service rating via client Net Promoter Scores. Geekdom, LC will also match 100% the City's funding through this contract with no more than fifty percent (50%) comprised of in-kind support.

The Small Business Economic Development Advocacy (SBEDA) Program was applied to this project; however, no points were awarded.

In accordance with the Local Preference Program, the recommended respondent received 10 points for being headquartered within the incorporated San Antonio city limits.

In Veteran-Owned Small Business Preference Program was applied in the evaluation of responses received for this contract; however, the highest-ranked firm is not a veteran-owned small business.

FISCAL IMPACT:

This ordinance approves a Professional Services Agreement with Geekdom, LC to manage and operate Launch SA for a total amount of \$1,743,668.00 for a three-year term ending September 30, 2026, with two, two-year renewal options. Funding is available from the Economic Development Incentive Fund FY 2024 Budget contingent on Council approval.

ALTERNATIVES:

Should City Council choose not to approve this item, the Economic Development Department will seek feedback from City Council to make updates to the proposed agreement for future City Council consideration. Additionally, Launch SA will be inactive which will cause a delay in support to small businesses receiving needed assistance.

RECOMMENDATION:

Staff recommends approval of an agreement with Geekdom, LC to manage and operate Launch SA for a total contract value of \$1,743,668.00. This contract was procured by means of Request for Proposal and a Contracts Disclosure Form is required.