



STAFF REPORT

DATE: 10/16/2024

TO: Honorable Mayor and City Council Members

FROM: Office of Economic Development
2024-95

REQUEST FOR CITY COUNCIL ACTION

SUBJECT:

PROFESSIONAL SERVICES AGREEMENT WITH THE CORONA CHAMBER OF COMMERCE FOR BUSINESS PROMOTION, MARKETING, AND RETENTION SERVICES

EXECUTIVE SUMMARY:

This staff report asks the City Council to consider approving the proposed agreement between the City and the Corona Chamber of Commerce for Business Promotion, Marketing, and Retention Services for a total value of \$69,000 in monetary and in-kind services.

RECOMMENDED ACTION:

That the City Council authorize the City Manager, or their designee, to enter into a Professional Services Agreement with the Corona Chamber of Commerce for Business Promotion, Marketing, and Retention Services.

BACKGROUND & HISTORY:

The Office of Economic Development partners with various local, regional, state, and federal agencies to enhance the City's business offerings and resources to more than 12,000 businesses operating in Corona. Through these partnerships, the City leverages resources to address varied business needs. These partnerships position the City to offer a variety of programs, services, grants, and technical assistance to aid business growth and resiliency in Corona.

For many years, the City and the Corona Chamber of Commerce (“the Chamber”) have entered into a Professional Services Agreement (Agreement) for business promotion, marketing, and retention services. In September 2023, the City Council approved a one-year Agreement between the City and the Chamber for a not-to-exceed total amount of \$60,250. Through the Agreement, the Chamber provided a customized marketing package to promote services to businesses, partnered on six business events, and included a City sponsorship of three *Good Morning Corona* events.

ANALYSIS:

For Fiscal Year 2025, the Chamber proposed an expanded range of services and sponsorship in the total amount of \$186,050. Staff compared the FY25 proposal to the FY24 agreement to highlight the differences between the proposal and the previous year’s agreement.

Table 1: Comparison of Fiscal Year 2024 Agreement and Fiscal Year 2025 Proposal

Item	FY 2024 Cost	FY 2025 Cost	Differences
Workshops/Webinars	\$20,000	\$60,000	Chamber proposing to hold 12 workshops, increasing from 4 in FY24
Good Morning Corona (GMC) Sponsorship	\$8,250	\$15,050	Chamber proposing City sponsorship of 3 GMC events, plus City exhibitor table at 7 other GMC events. Per GMC sponsorship increasing from \$2,750 to \$3,500. Exhibitor table costs of \$650 per GMC.
Manufacturing Month	\$10,000	\$10,000	No change proposed.
New Business Reception	\$4,000	\$8,000	Chamber proposing to host 2 New Business Receptions instead of 1.
Executive Partner Customized Marketing Package	\$18,000	\$25,000	No changes to scope of marketing package. Price increase of \$7,000.
Grand Opening/Ribbon Cutting and Anniversary Events	Free	\$18,000	New proposed item for FY 2025. Charges the City a speaker fee for ribbon cutting events.
Taste of Corona	N/A	\$25,000	New proposed item for FY 2025.
Business Expo/Job Fair	N/A	\$25,000	New proposed item for FY 2025. City and Chamber partnered on a Job Fair in 2023 for \$10,000.
TOTAL	\$60,250	\$186,050	308% increase

Staff utilized the City’s Economic Development Strategic Plan (EDSP) to identify how the services and sponsorship opportunities in the proposal attempt to meet or advance each of the six strategic goals in the EDSP. The rationale is listed below and a summary is found in table 2.

- Workshops/Webinars:
 - 1.1: Increase visitations and outreach to businesses.
 - 1.2: Augment entrepreneurial pathways through expanded/enhanced partnerships.
 - 1.5: Enhance partnership with Chamber to create additional support for economic and workforce development initiatives.
 - 1.11: Offer an in-person Small Business Symposium.
 - 4.4 Host broker/property manager education events.
- Good Morning Corona:
 - 1.1: Increase visitations and outreach to businesses.
- Business Expo/Job Fair:
 - 1.5: Enhance partnership with Chamber to create additional support for economic and workforce development initiatives.
- Manufacturing Month:
 - 2.3 Build upon success of Manufacturing Assistance Program.
- New Business Receptions:
 - 1.6: Build upon success of New Business Reception.
- Executive Partner/Custom Marketing Package:
 - 2.1: Enhance promotion of Team Corona.

Table 2: Alignment of Proposed Initiatives with City EDSP Goals

Initiative	Goal 1	Goal 2	Goal 3	Goal 4	Goal 5	Goal 6
Workshops/Webinars	X			X		
Good Morning Corona	X					
Taste of Corona						
Business Expo/Job Fair						
Grand Openings/Ribbon Cuttings						
Manufacturing Month		X				
New Business Receptions	X					
Executive Partner/Custom Marketing Package		X				

Through an iterative process, City staff and Chamber Leadership discussed each of the proposed items and came to an agreement on a revised scope of services, sponsorships, and in-kind donations. These are presented in table 3.

Table 3. Comparison of FY 24 agreement, FY 25 proposal, and FY25 Agreement

Scope Item	FY24 Agreement	FY25 Proposal	Amount Agreed

Executive Membership with Customized Marketing Package	\$18,000	\$25,000	\$18,000
Workshops/Webinars	\$20,000	\$60,000	\$20,000
Good Morning Corona	\$8,250	\$15,050	\$6,250
Manufacturing Visits	\$10,000	\$10,000	\$10,000
New Business Reception	\$4,000	\$8,000	\$4,000
Taste of Corona	\$0	\$25,000	\$0
Grand Openings/Ribbon Cutting Events	\$0	\$18,000	\$0
Executive Leadership Roundtable (ELR)			\$3,500
Host Local Government ELR Day			\$3,000
Job Fair	\$0	\$25,000	\$1,250
Chamber Working Group Meetings			\$3,000
Women's Leadership Conference		NOT IN ORIGINAL PROPOSAL	\$0
World Trade Conference for Inland Empire / Riverside County		NOT IN ORIGINAL PROPOSAL	\$0
TOTAL	\$60,250	\$186,050	\$69,000

The rationale for each staff recommendation is described below.

1. Executive Partner Customized Marketing Package: The Chamber proposal includes a variety of services for the City as an Executive Partner. These include the City's membership and multiple opportunities to highlight City priorities. Staff worked with the Chamber to adjust the level of sponsorship from \$25,000 to \$18,000. The rationale for this cost reduction is that this item had an increase in costs from \$15,000 to \$18,000 between FY23 and FY24 and the FY25 proposal had an increased year-over-year cost (from \$18,000 to \$25,000 or 38.9% increase) without a corresponding increase in services or benefits to the City.

2. Workshops / Webinars: During FY24, the Chamber hosted four workshops on the following topics: Manufacturing, Veterans Resources, Healthcare, and Restaurants. The Chamber advertises these events to an estimated 10,000 members via their membership list and promotional materials. The total number of participants for the four workshops was:

- Manufacturing Workshop: 30 attendees
- Veterans Resources Workshop: 21 attendees.
- Healthcare Workshop: 41 attendees.
- Restaurants Workshop: 20 attendees.

Staff recognize the potential value of the Chamber hosting workshops on relevant topics for the business community, but rather than expand the number of workshops to attract more participants, Staff are recommending that the Chamber continue to host 4 workshops but offer them on broader topics to attract and serve a larger number of Corona businesses. As indicated in the proposal, the Chamber will provide a list of attendees and summary of the event to gauge their effectiveness and reach.

2. Good Morning Corona (GMC): Staff recommends continuing to sponsor three Good Morning Corona events (Honoring Corona Police and Corona Fire, State of the County, and Business State of the City) at the Silver Sponsorship level (\$1,750 each). Because the GMC 'Honoring Corona Police and Corona Fire' occurred prior to approval of an agreement, this year its proposed that the City sponsor the GMC event 'Honoring Veterans' as a substitute. Staff also recommend the addition of up to \$1,000 in the contract for City representatives to attend other GMC events at the discounted ticket price for Chamber members.

3. Manufacturing Visits: The Chamber proposed to have the City sponsor visits during Manufacturing Month (October) in the amount of \$10,000. In the proposal, they have identified their efforts to include business engagement for participation, leading marketing and promotional efforts, and organizing educational sessions, facility tours, panel discussions, workshops, and job fairs to promote manufacturing. The FY24 manufacturing visits were successful for the organizers and participants, and staff recommend continuing these visits in FY25. Because this agreement is being presented to Council in October, staff recommend that these visits be scheduled throughout the year but prior to the end of June 2025.

4. New Business Receptions: The Chamber proposes to collaborate with the City on two New Business Receptions in the amount of \$8,000 (\$4,000 each). City staff have historically served as the primary coordinator for the New Business Reception and have partnered with the Chamber in order to reach a greater audience. The Chamber serves as a promotional partner in sharing information with its newest members to secure their attendance. Staff recommends continuing the practice of hosting one New Business Reception as part of the FY25 Agreement.

5. Taste of Corona: The Chamber proposed to have the City serve as the presenting sponsor of the Taste of Corona event in the amount of \$25,000, plus City staff to provide event support and waiving of City-related permitting fees. Given the substantial cost of sponsorship, plus the cost of staffing the event, staff do not recommend this proposed item. However, City representatives who wish to attend the event would still be able to purchase discounted tickets via the City's Chamber membership.

6. Grand Openings / Ribbon Cuttings: The Chamber proposal was to have the City collaborate on Grand Openings and Ribbon Cutting events. These events are a free benefit for Chamber members. The proposed cost to the City for this collaboration would have been \$18,000 annually (\$1,500 per month), regardless of the number of events.

Staff and the Chamber mutually agreed to not include this item as part of the FY25 services agreement.

7. Executive Leadership Roundtable (ELR): This item was not addressed in the Chamber's original proposal. For many years, at least two City Staff have been invited to participate in the Chamber's ELR program as participants. Participation in this program builds bridges of understanding and trust with other ELR participants. Staff are recommending continuing to sponsor staff participation in the program and to consolidate the cost of participating in this program in the Chamber service agreement to better reflect the City's support for the Chamber's efforts with the business community.

8. Hosting Local Government ELR Day: This item was not addressed in the Chamber's original proposal. For many years, City Staff have hosted the ELR program participants for a full day of presentations about the City at City Hall. Staff are recommending continuing this practice because it also builds bridges of understanding and trust between City staff and ELR participants. Staff are recommending that the in-kind donation of staff time to this program be reflected in the agreement with the Chamber.

9. Business Expo / Job Fair: The Chamber proposal is to have the City sponsor a regional Business Expo and Job Fair in the amount of \$25,000. After much discussion about the Chamber's vision for this event, staff determined that it is not in alignment with the 'Live Work Corona' initiative, which is intended to connect local employers with local residents to improve the quality of life in the City, invest in the community, support local job growth, and reduce traffic congestion. However, because the event will likely have a beneficial impact for some of our residents and business owners, staff do recommend an in-kind donation of the rental fees and staff time associated with the use of the Circle City Center Banquet Hall for this all day event.

10. Chamber working group meetings. This item was not included in the Chamber's original proposal. In discussions with Chamber leadership, they noted the need to have a larger space for working group meetings. Staff are recommending an in-kind donation of the rental fees and associated staff time for the Chamber to use the Multipurpose Room at City Hall or half of the Circle City Banquet Hall for a mid-week, lunch-time, three-hour working group meeting each month.

11. Women's Leadership Conference. This item was not included in the Chamber's original proposal. During the discussions with staff, Chamber leadership asked that the FY25 agreement reflect their request that the City consider sponsoring the Women's Leadership Conference in FY26. The FY25 event took place August 8th, 2024, so there is no ask for the FY25 agreement.

12. World Trade Conference for the Inland Empire / Riverside County. This item was not included in the Chamber's original proposal. During a brief discussion with staff, Chamber leadership asked the City to consider sponsoring their bid to host this event in Corona at a level of \$5,000 or more. Given the level of information available about the event and

the short amount of time given to consider this addition to the proposal, staff do not recommend sponsoring the event.

STAFF RECOMMENDATION:

Staff recommend that the City Council authorize the City Manager, or their designee, to enter into a Professional Services Agreement with the Corona Chamber of Commerce for Business Promotion, Marketing, and Retention Services in the amount of \$69,000. This is an 14.5% increase over the FY24 agreement, and within the Council-approved FY25 budget line item for these services.

FINANCIAL IMPACT:

The Economic Development Department's approved Fiscal Year 2025 budget includes a line item with sufficient funds for this contractual agreement with the Chamber.

ENVIRONMENTAL ANALYSIS:

This action is exempt pursuant to Section 15061(b)(3) of the Guidelines for California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the commonsense exemption 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 recommends Council provide direction on a formalized agreement between the City and Chamber for business promotion, marketing, and retention services and there is no possibility that this action will have a significant effect on the environment

PREPARED BY: JUSTIN TUCKER, ASSISTANT CITY MANAGER

REVIEWED BY: JUSTIN TUCKER, ASSISTANT CITY MANAGER

ATTACHMENTS:

1. Exhibit 1 – Corona Chamber of Commerce Proposal
2. Exhibit 2 – Table of Agreement
3. Exhibit 3 - GMC Sponsorship Flier
4. Exhibit 4 - GMC Taste of Corona Sponsorship Flier