

July 1, 2024

ADDENDUM NO. 2

Request for Proposals Glendale Tech Startup Growth Programs

NOTICE TO ALL PROPOSERS

Notice is hereby given to all potential Proposers that this is an addendum to the Request for Proposal for Glendale Tech Startup Growth Programs, issued on May 15, 2024, in response to questions submitted by potential applicants that were not answered during the pre-bid conference held on May 29th, 2024 (link to the recording can be found at www.glendaletechweek.com/accelerators under the *RFP Timeline* section). This Addendum is attached to and made part of the above-entitled RFP from the City of Glendale.

Instructions:

• Each Proposer shall acknowledge receipt of this addendum on Form A – Addenda Acknowledgement in their submitted Proposal.

CHANGES TO RFP SPECIFICATIONS

No changes to the RFP besides the addition of the following questions and their corresponding answers.

The following questions were submitted by potential applicants. Answers were given directly to the asking party and, in an effort to make the application process fair and transparent, are being made publicly available here. The questions and answers presented below are grouped based on topic.

SUBMITTED QUESTIONS AND ANSWERS

Topic: Growth Program Goals and Structure

1. <u>Is the purpose of this accelerator to help startups prepare to secure venture capital funding or</u> do the startups need to secure venture capital funding prior to admissions?

The City's updated and anticipated schedule for the selection of the most qualified Operators is as follows: The RFP does not give any specific requirements around startup-funding obligations



for the Growth Program beyond acknowledging that a successful program should be able to connect startups with funding sources when appropriate. We understand that funding needs will differ for startup teams depending on the stage of the product and startup, so different types of Growth Programs would need to have different roles in connecting startups with funding sources.

- 2. Is the accelerator a new private non-profit entity that will be anchored in the Glendale community or will this be a city-run program via a private operator agreement?

 The Operator(s) can be an existing organization, a new organization, or a collaboration between new and/or existing organizations. Additionally, there is no requirement for the organizational structure of this Growth Program (non-profit, etc.). The City will award the winning Operators the grant money but will not be in charge of running the Growth Program. The Operators will be solely in charge of planning and operating the Growth Program.
- 3. Are previous recipients able to be considered for this grant as long as the funds are allocated towards a new program and not existing business operations.
 As long as the program is seen as a significant addition to your existing programming and not just enabling business growth as usual, and it meets the other items listed in the grant RFP, it would meet the requirements and be considered. There is nothing in there preventing previous awardees of grants from the City from applying and being selected.
- 4. Can groups collaborate with other organizations/programs to apply for the grant together?

 Partnerships are absolutely acceptable! You would just need to list out everyone involved and their roles.
- 5. Is there any requirement for the length of the program?

The entire growth program is expected to last the 3 years of the grant period and beyond. One of the evaluation criteria is sustainability. We are looking to recruit a program that will continue to benefit the startup ecosystem beyond the 3 year grant period. As far as a time requirement for any given program that a startup my participate in (cohort, class, etc.), there is no specific requirement outlined in the RFP as those durations will naturally vary between different types of growth programs (accelerators, incubators, etc.). We expect that applicants will include the duration that best fits their proposed growth program.

6. Economic Development engaged the local startup community to gather feedback regarding the needs of local entrepreneurs, overall ecosystem needs, and potential best uses for the grant funding." What did ED learn in each of these 3 areas?

The feedback led us to expand the scope of the grant to attract applicants that will broaden and

strengthen the startup ecosystem.

- Understanding \$167K/yr budget is very limited, if City could only accomplish 1 key objective, what single outcome is most important to you?
 All objectives are stated in the RFP.
- 8. <u>Does City prefer a focused program or agnostic?</u>
 Growth Programs with a focus and strong reasoning behind selecting this focus will be given preference, though generalists may apply.
- 9. Are there any minimum requirements on how we need to "directly support 10 companies per year"?

The exact details have been left intentionally vague in the RFP as they vary greatly depending on different types of growth programs. The requirements are listed in the RFP.

10. <u>Do the 10 companies need to come to Glendale for a period of time or can the program be</u> virtual or hybrid?

As described in the RFP, the program can be virtual or hybrid, but at least one in-person event needs to be held in Glendale each year.

11. As a global innovation platform, we feel confident that [our organization] has all the necessary resources to complete the extent of the Glendale Tech accelerator. If an additional partner is required, can you please offer examples of ideal partners to submit the RFP alongside (Real estate, university, VC partners, etc.)?

Additional partners are not required. The selection committee will be looking for proof that a network of resources is able to be tapped into to support the startups participating in a proposed Growth Program. This may come from within an organization, through partnerships, or through any other means.

12. Can you expand on the expected timetable for the accelerator program each year, as well as any specific guidelines or metrics you wish to establish, like the duration of the program annually? Would a three-month program per cohort be workable?

The RFP is intentionally vague regarding specific timelines for the program as these timelines would look different for different types of Growth Programs (e.g. a 3 month program makes sense for an accelerator, although it may not be the right duration for an incubator, startup studio, etc.). The expectation is that you propose a structure that makes sense for the type of program you are proposing.

Topic: Growth Program Funding and Financials

13. I wanted to follow-up with a clarifying question: just wanted to triple check on the language of the RFP that the funding allocated will be \$1M over 3 years, not \$1M per year for 3 years—essentially either \$333k per year for a sole operator or \$166k per year with two operators. Is that correct?

The grant will be a total of \$1,000,000 distributed evenly over 3 years, not \$1 million each year.

- 14. The costs to run an effective program far exceed \$167K/year. Are you really looking for 2
 Operators or are you willing to select 1? Under what circumstances would you choose 1?
 As stated in the RFP, we are looking to select 2 operators unless 1 operator proposes a convincing enough proposal to merit both halves of the award. We do not anticipate that this will be the only source of funding for the Growth Programs. As we are looking for this project to sustain beyond the 3 years of the grant, we expect other sources of funding or revenue to be present.
- 15. <u>Can you provide more details regarding the financial requirements? Are you seeking evidence that we have the capacity to manage the program, or are you looking for proof of specific financial metrics?</u>

The selection committee will be looking for evidence that you have the capacity and experience required to manage the awarded funds.

16. The RFP specifies a yearly budget of \$166,666.66 per operator. Does this budget include the costs associated with leasing a physical location within the City of Glendale? Additionally, could you confirm if there are any specific guidelines or constraints related to the physical location, such as required amenities or preferred square footage?

There are no specific requirements regarding how the funds are spent as long as the proposed financials are clear and relevant to the proposed structure. (See question regarding space requirements for the answer to the second part).

Topic: Growth Program Location

17. <u>Does the City already have a space identified or does the operator need to utilize the grant funding for the lease of new space?</u>

The City does not have a space identified or reserved where this Growth Program will operate.

18. Can City recommend any potential available spaces?

The city can help with site selection if required.

19. <u>Can Operator use a co-working space in Glendale for its physical/operational presence?</u> Yes, working within a co-working space is not an issue.

- 20. What are the specific requirements for the physical location of the Growth Program within Glendale? Are there any particular amenities or facilities that are expected to be included? Operations must be run from a physical location within the City of Glendale where people are able to visit. It does not have to be large enough to host all participating startups, but it must be a physical location and not just a P.O. Box. It is okay if this location exists within a partner location or a co-working space, as long as that space is dedicated to the accelerator. Events hosted by the program are not required to take place in this location. The location is required to meet all relevant local, County, State, and Federal labor laws and requirements.
- 21. Could you clarify if there are any specific guidelines regarding the home base or location for participating startups? Additionally, how often are startups expected to be in-person versus virtual for the program, especially considering the varying lengths and times of each potential cohort?

Given the reality that different types of Growth Programs will require different structures, the RFP does not outline specific requirements related to the physical location of startups participating in the programs - beyond the one in-person event held within the City of Glendale each year. The selection committee will review proposed program structures based on, among other things, viability, rationale in choosing in-person, virtual, or hybrid, and how the program structure will contribute to the desired goals laid out in the RFP and the Glendale Tech Strategy.

Topic: Submission Requirements and Other

- 22. Questions about the Draft Professional Services Agreement (Exhibit C of the RFP)
 - a. The contract suggests that any IP that is created in this SOW will be owned by the CITY. Is that the case here? Can you provide more detail if so?
 - b. The contract suggests that payments are not made until a defined portion of work is completed? How is this determined? Is it expected that the operator/consultant should front the costs associated with the SOW?

The contract attached in Exhibit C was a sample boilerplate contract to show the general terms of contracts with the City. Contracts specific to the proposed Growth Program(s) will be written up with the selected Operator(s) post selection and are open for the typical term negotiation.

- 23. <u>Is it required to submit questions?</u>
 - No. Submitting questions is optional.
- 24. As City is aware, most similar efforts to get Companies to stay after a program is complete are not successful unless there's already a thriving ecosystem and City provides attractive targeted incentives that directly address the needs of the Companies and their Talent. What current and future incentives can the City offer to help Companies stay in Glendale? What current and future incentives can the City offer to help Talent stay in Glendale?

We have several ecosystem-building initiatives that are being planned separate from the RFP.



The Growth Programs are a small part of the strategy. Various other network building, talent pipeline development, physical space optimization, resource development, and policy incentives are at different stages of being discussed, planned, and implemented.

- 25. <u>Does City prefer Operators that have an LA County presence and understanding of the local ecosystem or is City willing to select out of region, out of state or out of country Operators?</u>

 The RFP does not state any preference for the location of the operators prior to the beginning of the Growth Program. The only requirement is that the Operator have a physical operations hub for the Growth Program within the City of Glendale during the grant period.
- 26. <u>Can you specify how detailed our descriptions of expected planned partnerships should be?</u>
 [Our organization] collaborates with several universities and organizations in many capacities, for example, by sharing deal flow, identifying startups, promoting event attendance, and including leaders in panels.
 - Descriptions of planned partnerships should be detailed enough to convey to the selection committee the nature of the relationship between partners, the estimated frequency of interaction, and the role the partners will play in the proposed Growth Program here in Glendale.
- 27. Given that you have operated 2 programs in the previous years, we would appreciate understanding any feedback or areas of improvement the City of Glendale aims to address with this year's program. Insights into these areas will help us tailor our proposal to better meet the city's objectives and ensure a more successful implementation.
 - We are treating this grant as wholly separate from the grant that was released in 2020 by the City of Glendale. We are pleased with the successes of the accelerator programs funded by the previous grant over their three years of funding and are now presenting a separate grant opportunity. We are seeking to identify and fund additional Growth Programs that will further expand the startup ecosystem here in The City and be good partners in advancing the Glendale Tech Strategy and The City's tech ecosystem building efforts.