

REQUEST FOR PROPOSALS

City of Johnstown

**Johnstown Small Business
Success Center Development**

RFP – November 2021

CITY COUNCIL OF THE CITY OF JOHNSTOWN

PROCEDURE

ORIGINAL PROPOSAL AND COPIES

The proposal must contain the completed “Vendor Information” page provided within this RFP. The vendor must submit **one digital version or one hardcopy Original Proposal** to the City of Johnstown. All proposals must include a detailed budget narrative.

PREPARATION OF PROPOSALS

Hardcopy proposals **must** be placed in a sealed envelope and marked:

Johnstown Small Business Success Center Proposal

The name and address of the vendor must be marked on the sealed envelope.

DELIVERY OF PROPOSALS

Proposals must be received in the *City of Johnstown’s Office at 401 Main Street, Johnstown, PA, 15901*, no later than **December 2, 2021 at 12:00 PM**.

INQUIRIES AND ADDENDA

Should the vendor find any discrepancies in, or omissions from the Request For Proposal, or should there be any doubt as to meaning or interpretations, or need clarification, he/she should at once notify John Dubnansky by e-mail at jdubnansky@cojtw.com. The City of Johnstown will not be responsible for any oral instructions.

DUTY OF VENDOR TO MAKE NECESSARY INVESTIGATIONS

Before submitting a proposal, each vendor shall make all investigations and examinations necessary to ascertain all conditions and requirements affecting the full performance of the contract and to verify any representations made by the City that the vendor will rely upon. Ignorance of such conditions and requirements resulting from failure to make such investigations and examinations will not be a basis for any claim whatsoever for any monetary consideration on the part of the successful vendor.

EXPENSES INCURRED IN PREPARING PROPOSAL

The City of Johnstown accepts no responsibility for any expense incurred by the vendor in the preparation and presentation of a proposal and any such expenses are to be borne exclusively by the vendor.

RIGHT TO ACCEPT OR REJECT PROPOSALS

The City of Johnstown reserves the right to accept or reject any or all proposals, to waive any informalities or irregularities in the proposals received, and to accept any proposal, which is deemed most favorable to the City.

CHOICE OF LAWS

Any contract awarded shall be adjudicated, governed, and controlled in all respects as to validity, construction, capacity, performance, or otherwise by the laws of the State of Pennsylvania.

TERM OF CONTRACT

The duration of any contract awarded is anticipated to commence upon the date an agreement is entered with the City of Johnstown and conclude two years from the opening of the Johnstown Small Business Success Center. An extension of this deadline may be granted from the City of Johnstown to the contractor at the City's discretion.

PROCESS BY WHICH THE CONTRACT SHALL BE AWARDED

This contract will be awarded to the contractor judged to provide the best implementation plan and staffing. The terms of any contract may be subject to negotiation subsequent to the receipt of proposals. Proposals will be evaluated on the basis of the following:

1. Compliance with specifications and production of required documentation.
2. Ability of contractor to responsibly and reliably perform contract requirements.
3. Ability to negotiate terms of a contract acceptable to the City of Johnstown.
4. Ability to complete all contracted work tasks.
5. Experience of the contractor completing similar work tasks.
6. Experience of the contractor's management team.

SPECIFICATION OF SERVICE

SCOPE OF WORK

The City of Johnstown is partnering with the software company Intuit to develop the Johnstown Small Business Success Center (Center). The City of Johnstown is issuing this Request for Proposals to select a contractor to work with in the creation and operation of the Center within the Central Business District of the City of Johnstown (Wards 1,2,3,4). The Center will act as a business development hub in which assistance to entrepreneurs and existing businesses will occur. Shared work space will also be made available within the Center to help encourage people to interact and create new business development opportunities.

The City of Johnstown will be solely responsible for the evaluation of all proposals. A total of \$250,000 is being made available for this project. A contract will be awarded based on best overall management team experience, contractor approach to the project, amount of time required to open the facility, and facility access. The City of Johnstown reserves the right to reject any and all proposals/bids received.

Center Requirements

To be successful with the implementation of the Center, there are key requirements that must be in place. Below is a list of requirements for the creation of the Center.

- Location of the Center must be within the Central Business of the City of Johnstown (City Wards 1,2,3,4).
- The Center must be a minimum of 4,000 square feet in size and include the following:
 - Training room with video conferencing capabilities
 - Large co-working space for at least 50 people
 - Small coaching/video-conferencing room
 - Creative space for film/photography/podcasts
- The Center must be furnished and equipped to suit Center visitors and programs.
- The Center must be ADA accessible.
- The Center must have restroom facilities.
- The contractor must properly maintain the Center and utilize regular janitorial services.
- The Center must be open to the public a minimum of 20 hours per week.
- A management staff must be present onsite during Center operations.
- Free Wi-fi within the Center
- Lighted Intuit sign on the exterior of the Center

Center Management

A key factor for the Center will be the expertise of the management. The management team must have experience with coaching entrepreneurs, business development, and business financing. Tasks from the management team will include, at a minimum, the following:

- Day-to-day management of the Center
- Scheduling of Center trainings and events
- Marketing and promotion of Center services, events, and trainings
- Provision of services to a minimum of 200 unique entrepreneurs and/or small business owners annually.
- Coordination with Intuit on several programs and events within the Center including:
 - Personal Financial Management for Small Businesses
 - Design for Delight Training/Tools
 - QuickBooks Training
 - QuickBooks Certification Course
 - Small Business Tax Seminar + Preparation
 - Taxpayer Assistance Event
 - Networking Events
 - Student-focused Events
 - Small Business Collectives
- Coordination with Community agencies offering services to support entrepreneurs and small businesses.
- Coordination with local accountants, lawyers, insurance professionals, Human Resource professionals, mentors, and coaches to assist entrepreneurs and small businesses.
- The ability to provide Center services online in the situations where access to the Center are restricted due to natural disaster or pandemic.

Intuit will provide Intuit-specific training materials.

Payment to the Contractor

The City is not paying rent/lease to the contractor for the site. Payment to the contractor totaling \$250,000 is made at a set funding distribution schedule as follows:

- \$100,000 within the first 60-days of the execution date of an agreement with the City
- \$50,000 within 30-days from the first day that the Johnstown Small Business Success Center is open for business
- \$50,000 within 30-days once the Johnstown Small Business Success Center has been open for business for 90-days
- \$50,000 within 30-days at the conclusion of the Johnstown Small Business Success Center being open for one full year.

In addition, the contractor is providing any and all utilities for the Center, at no cost to the City. This includes water, sewage, electricity, heating/cooling, and garbage removal service.

Project Schedule

The City of Johnstown would like to open the Center as soon as possible. The contractor must provide a project schedule to the City as part of their proposal. This schedule should include an accurate

estimate of time to get the Center open. The contractor will operate the Center for a period of two years.

Submission Requirements

The City of Johnstown will require the following information as part of each contractor proposal:

- Contractor approach to the project
- Experience of the contractor management team
- Address and photographs of the Center being proposed
- Expected time to get the Center open
- Knowledge of the City's economic climate
- Proposed Center operations schedule
- Project development schedule

Each contractor proposal should not exceed 10-pages in length.

Draft Lease

A copy of the draft lease the City of Johnstown will be utilizing with the selected contractor is attached in Exhibit A. The lease signed between the City and the contractor will be for a two-year period.

Selection Criteria

The City of Johnstown will utilize the following criteria in determining which contractor to select for this project:

- Experience of the Center's Management Team: 50 points maximum
- Facility's location within the Central Business District: 20 points maximum
- Contractors approach to the Project: 20 points maximum
- Time required to open the Center: 10 points maximum

City of Johnstown's Role

The City of Johnstown is the coordinator of activities and initiatives with Intuit. As the coordinator, the City will need to provide regular progress reports to Intuit. The selected contractor will need to provide project data to the City monthly. Data to be provided to the City, at a minimum, includes the number of people who used the center, services provided to Center users, trainings performed, financial expenditures, and other data to be determined. Intuit will be providing a minimum of 100 staff hours to the Center annually.

VENDOR INFORMATION

VENDOR NAME (PRINTED): _____

ADDRESS: _____

PHONE NUMBER: _____

AUTHORIZED SIGNATURE: _____

NAME (PRINTED): _____

TITLE: _____

Exhibit A

COMMERCIAL LEASE AND MANAGEMENT AGREEMENT

I. THE PARTIES. This Agreement ("Agreement") made on _____, 2021, by and between:

Lessor: _____ with a mailing address of _____ ("Lessor"), and

Lessee: City of Johnstown, with a mailing address of 401 Main Street ("Lessee"), and collectively shall be known as the "Parties", agree as follows:

II. DESCRIPTION OF LEASED PREMISES. The Lessor agrees to lease to the Lessee the following described space:

Street Address:
Square Feet:
Type of Space: Office
Other Description:

Hereinafter known as the "Premises."

III. USE OF LEASED PREMISES. The Lessee agrees to use the Premises for operation as the Johnstown Small Business Success Center. The Center will operate as an Entrepreneurial Development HUB and shared-work space facility.

IV. TERM OF LEASE. The term of this Agreement shall be for a period of two years commencing on _____, 2021, and expiring at midnight on _____, 2023 ("Initial Term").

V. SECURITY DEPOSIT. As part of this Agreement there shall be no deposit required for the successful performance of this Agreement ("Security Deposit").

VI. RENT. Rent will be paid to the Lessor during the term of this Agreement ("Rent"). The Lessee will provide the Lessor a total of \$250,000 towards the renovation and operation of the Johnstown Small Business Success Center, in lieu of Rent. Uses of the payments made to the Lessor include site renovation costs, equipment and furnishing purchases, and other operational costs. Payments to the Lessor will be made at the following schedule:

- \$100,000 within the first 60-days of the execution date of this agreement
- \$50,000 within 30-days from the first day that the Johnstown Small Business Success Center is open for business
- \$50,000 within 30-days once the Johnstown Small Business Success Center has been open for business for 90-days

- \$50,000 within 30-days at the conclusion of the Johnstown Small Business Success Center being open for one full year.

VII. EXPENSES.

The Lessee will provide all training materials required in the operation of the Johnstown Small Business Success Center. The Lessee will also handle all marketing activities associated with the Center. The Lessor will cover all building costs including utilities, insurances, taxes, equipment, maintenance, etc.

VIII. LEASED SPACE IMPROVEMENTS. The Center must include a training room with video conferencing capability, a small coaching/video conferencing room, a creative space for film/photography/podcast, and a large co-working area. The large co-working space should be constructed flexible to also be able to act as a training room space that could accommodate up to 50 people. Free WI-FI must be provided within the Center. The Center must also be ADA complaint and accessible by people who utilize a wheelchair or motorized mobility scooter. The Center must be both heated and cooled. Renovation plans must be shared with the City prior to the start of renovation work. A lit sign of the Intuit logo must be erected on the exterior of the building.

IX. DEFAULT AND POSSESSION. In the event that the Lessee shall fail to pay said Rent, and expenses as set forth herein, or any part thereof, when the same is due and payable, or shall otherwise be in default of any other terms of said Agreement for a period of more than 15 days, after receiving notice of said default, then the parties hereto expressly agree and covenant that the Lessor may declare this Agreement terminated and may immediately re-enter said Premises and take possession of the same together with any of Lessee's personal property, equipment or fixtures left on the Premises which items may be held by the Lessor as security for the Lessee's eventual payment and/or satisfaction of rental defaults or other defaults of Lessee under this Agreement.

At the conclusion of this Agreement, the Lessor shall take ownership of all equipment and furnishings purchased for use within the Johnstown Small Business Success Center.

X. PERMITS. The Lessor must retain all required federal, state, and local permits required for the renovation of the Center space.

XI. OBLIGATIONS OF LESSOR. The Lessor will provide all management services of the Johnstown Small Business Success Center as part of this agreement. The Lessor must have the Johnstown Small Business Success Center open to the general public for a minimum of 20 hours a week. The Lessor must keep the Center in good working condition, free of rubbish, and regularly sanitized. The Lessor shall properly and promptly remove all rubbish and hazardous wastes and see that the same are properly disposed of according to all local, state, or federal laws, rules, regulations, or ordinances. The Lessor will communicate to the Lessee with a monthly activity report highlighting the number of people who utilize the Center, the number of meetings that

occurred at the Center, the number of events and participants at the Center, along with other generated information.

XII. SUBLET/ASSIGNMENT. The Lessee may not transfer or assign this Agreement or any right or interest hereunder or sublet said leased Premises or any part thereof without first obtaining the prior written consent and approval of the Lessor.

XIII. INDEMNIFICATION. The Lessee hereby covenants and agrees to indemnify, defend, and hold the Lessor harmless from any and all claims or liabilities which may arise from any cause whatsoever as a result of Lessee's use and occupancy of the Premises, and further shall indemnify the Lessor for any losses which the Lessor may suffer in connection with the Lessee's use and occupancy or care, custody, and control of the Premises. The Lessee also hereby covenants and agrees to indemnify and hold harmless the Lessor from any and all claims or liabilities which may arise from any latent defects in the subject Premises that the Lessor is not aware of at the signing of the lease or at any time during the Term.

XIV. MISCELLANEOUS TERMS.

- a.) Usage by Lessee. Lessee shall comply with all rules, regulations, and laws of any governmental authority with respect to use and occupancy. Lessee shall not conduct or permit to be conducted upon the Premises any business or permit any act which is contrary to or in violation of any law, rules or regulations and requirements that may be imposed by any authority or any insurance company with which the Premises is insured, nor will the Lessee allow the Premises to be used in any way which will invalidate or be in conflict with any insurance policies applicable to the building. In no event shall explosives or extra hazardous materials be taken onto or retained on the Premises. Furthermore, Lessee shall not install or use any equipment that will cause undue interference with the peaceable and quiet enjoyment of the Premises by other tenants of the building.
- b.) Signs. Lessee shall not place on any exterior door, wall, or window of the Premises any sign or advertising matter without Lessor's prior written consent and the approval of the local municipality. The Lessor agrees to maintain the Intuit sign to be erected on the exterior of the building.
- c.) Pets. Unless otherwise stated in this Agreement, the only pets that shall be allowed on the Premises are those needed legally due to a disability or handicap.
- d.) Condition of Premises/Inspection by Lessee. The Lessee has had the opportunity to inspect the Premises and acknowledges with its signature on this Agreement that the Premises are in good condition and comply in all respects with the requirements of this Agreement. Furthermore, the Lessor makes no representation or warranty with respect to the condition of the Premises or its fitness or availability for any particular use, and the Lessor shall not be liable for any latent or patent defect therein. Furthermore, the Lessee represents that Lessee has inspected the Premises and is leasing and will take possession of

the Premises with all current fixtures present in their "as is" condition as of the date hereof.

- e.) Right of Entry. It is agreed and understood that the Lessor and its agents shall have the complete and unencumbered right of entry to the Premises at any time or times for purposes of inspecting or showing the Premises and for the purpose of making any necessary repairs to the building or equipment as may be required of the Lessor under the terms of this Agreement or as may be deemed necessary with respect to the inspection, maintenance or repair of the building.

XV. ESTOPPEL CERTIFICATE. Lessee at any time and from time to time, upon at least ten (10) days prior notice by Lessor, shall execute, acknowledge and deliver to Lessor, and/or to any other person, firm, or corporation specified by Lessor, a statement certifying that this Agreement is unmodified and in full force and effect, or if this Agreement has been modified, then that the same is in full force and effect except as modified and stating the modifications, stating the dates to which the Rent have been paid, and stating whether or not there exists any default by Lessor under this Agreement and, if so, specifying each such default.

XVI. HOLDOVER. Should Lessee remain in possession of the Premises after the cancellation, expiration, or sooner termination of this Agreement, or any renewal thereof, without the execution of a new agreement or addendum, such holding over in the absence of a written agreement to the contrary shall be deemed, if Lessor so elects, to have created and be construed to be a tenancy from month to month, terminable upon thirty (30) days' notice by either party.

XVII. WAIVER. Waiver by Lessor of a default under this Agreement shall not constitute a waiver of a subsequent default of any nature.

XVIII. GOVERNING LAW. This Agreement shall be governed by the laws of the State of Pennsylvania.

XIX. NOTICES. Payments and notices shall be addressed to the following:

Lessor:

Lessee: City of Johnstown, ATTN: John Dubnansky, 401 Main Street, Johnstown, PA 15901

XX. AMENDMENT. No amendment of this Agreement shall be effective unless reduced to writing and subscribed by the parties with all the formality of the original.

XXI. BINDING EFFECT. This Agreement and any amendments thereto shall be binding upon the Lessor and the Lessees and/or their respective successors, heirs, assigns, executors, and administrators.

IN WITNESS WHEREOF, the Parties have indicated their acceptance of the terms and conditions of this Agreement by their signatures below on the dates indicated.

LESSEE'S SIGNATURE: _____ **DATE:** _____

PRINT NAME: _____

LESSOR'S SIGNATURE: _____ **DATE:** _____

PRINT NAME: _____

LESSOR'S ACKNOWLEDGMENT OF NOTARY PUBLIC

STATE OF _____
_____ County, ss.

On this ____ day of _____, 20____, before me appeared _____, as **LESSOR** of this Commercial Lease Agreement who proved to me through government issued photo identification to be the above-named person, in my presence executed foregoing instrument and acknowledged that they executed the same as their free act and deed.

Notary Public
My commission expires: _____

LESSEE'S ACKNOWLEDGMENT OF NOTARY PUBLIC

STATE OF _____
_____ County, ss.

On this ____ day of _____, 20____, before me appeared _____, as **LESSEE** of this Commercial Lease Agreement who proved to me through government issued photo identification to be the above-named person, in my presence executed foregoing instrument and acknowledged that they executed the same as their free act and deed.

Notary Public
My commission expires: _____