

City of Fayetteville Staff Review Form

2021-0020

Legistar File ID

2/2/2021

City Council Meeting Date - Agenda Item Only
N/A for Non-Agenda Item

DEVIN HOWLAND

1/11/2021

ECONOMIC DEVELOPMENT (050)

Submitted By

Submitted Date

Division / Department

Action Recommendation:

STAFF IS RECOMMENDING APPROVAL OF A RESOLUTION AUTHORIZING MAYOR JORDAN TO SIGN THE SECOND CONTRACT RENEWAL WITH STARTUP JUNKIE CONSULTING LLC FOR ECONOMIC DEVELOPMENT CONSULTING SERVICES- ENTREPRENEURSHIP AND INNOVATION.

Budget Impact:

1010.050.0500-5315.00

General Fund

Account Number

Fund

N/A

N/A

Project Number

Project Title

Budgeted Item? Yes

Current Budget \$ 330,000.00

Funds Obligated \$ -

Current Balance **\$ 330,000.00**

Does item have a cost? Yes

Item Cost \$ 300,000.00

Budget Adjustment Attached? No

Budget Adjustment

Remaining Budget **\$ 30,000.00**

V20180321

Purchase Order Number: 2016-0561

Previous Ordinance or Resolution # 269-18

Change Order Number: _____

Approval Date: _____

Original Contract Number: 2016-0012

Comments:



MEETING OF FEBRUARY 2, 2021

TO: Mayor and City Council
THRU: Susan Norton, Chief of Staff
FROM: Devin Howland, Director of Economic Vitality
DATE: January 11, 2021

SUBJECT: A RESOLUTION TO AUTHORIZE MAYOR JORDAN TO SIGN THE SECOND CONTRACT RENEWAL WITH STARTUP JUNKIE CONSULTING LLC FOR ECONOMIC DEVELOPMENT CONSULTING SERVICES-ENTREPRENEURSHIP AND INNOVATION

RECOMMENDATION:

Staff is recommending the second renewal of a two-year contract with Startup Junkie Consulting LLC to provide economic development services in the realm of entrepreneurship and innovation.

BACKGROUND:

The City issued RFP-16-06 on July 6, 2016 and received proposals on July 29th. The selection committee (including Council Member Adella Gray) recommended entering negotiations with Startup Junkie Consulting to provide the requested services. On October 4, 2016 Resolution 184-16 was passed, authorizing a two-year contract with Startup Junkie Consulting.

In 2018, the Fayetteville City Council passed resolution 269-18, authorizing the first two-year renewal with Startup Junkie Consulting LLC.

The contract allows for three additional two-year terms with approval of both parties, this item is for the second renewal of the entrepreneurship and innovation contract.

DISCUSSION:

Since Resolution 189-18 was passed by City Council in 2018, the two years which this contract has been in place look vastly different from a delivery standpoint due to the COVID-19 pandemic, which began impacting the City of Fayetteville in March of 2020. Over the course of the past two years, Startup Junkie has produced the following Outputs and Outcomes which serve as the performance measures of the contract (please note the outputs and outcomes do not include December of 2020):

Outputs	
Fayetteville Entrepreneurs Served	1,042
One-on-One consulting sessions in Fayetteville	1,122
Women Owned Ventures Assisted	289
Minority Owned Ventures Assisted	154
Veteran Owned Ventures Assisted	53
Number of Events, Workshops, or Programming Engagements	256
Total number of attendees at events	19,560
Outcomes	
Net New Jobs Created	685
Capital Raised	\$90,078,000
State and Federal Grants Secured	\$1,630,000
New products, services, or solutions brought to market	261
Patents and Patent Applications submitted	72
SBIR/STTR Awards secured	19 (\$9.2M valuation)
Number of retail, restaurant, and accommodation ventures assisted	51

A high-level view of the successes and work completed during the last two years can be found in the “2019-2020 Two Year Report” attached to this memo or on our website at: <https://www.fayetteville-ar.gov/3358/Economic-Vitality-Progress-Report>

A more detailed view at the work completed on a month-by-month basis can be found by reviewing Startup Junkie’s monthly reports on the same progress page.

In 2016, the City of Fayetteville’s decision to pursue a rather non-traditional economic development contract focusing on small business support and development would serve as a pillar in the City’s ability to respond (and continue to respond) to the economic crisis at an extremely high level. The Department of Economic Vitality’s work on the pandemic began on March 12, 2020 when the Startup Junkie Consulting team was waiting in City Hall for staff, to express the severity of the problems that was headed for our small businesses. Since that day the group has provided an extremely high-level of service to the Department of Economic Vitality, small businesses in Fayetteville, and the City as a whole- far exceeding the “1FTE equivalent of time” provision outlined in the Contract. Their work during the pandemic can be found on slide ___ of their two-year report and is outlined in detail in the Department of Economic Vitality’s “COVID-19 Economic Response Report” attached to this memo.

Selected highlights include:

- Startup Junkie’s swift adjustment to maintain all services outlined in the contract during the pandemic by utilizing an array of digital platforms to continue all consulting, programming, educational, and assistance offerings through the pandemic. This includes

a large increase in the number of overall engagements and offerings given the severity of the challenges faced by small businesses.

- The development of a comprehensive digital library of small business, entrepreneurial education, and pandemic related guidance on their YouTube channel.
- Development of detailed guidance and interpretation of all relevant facets of the CARES Act and the programs within it in an extremely quick manner (*staff would like to recognize Caleb Talley, Director of Marketing and Events with the Startup Junkie Foundation for the amount of time and energy he put in to interpreting thousands of pages of Federal bills and rules during the pandemic*).
- The first group to provide translated CARES Act and State Program guidance in Spanish, which has been used so much it is on the first page of Google results for PPP.
- The groups service on Mayor Jordan's Small Business Resiliency Task Force.
- Startup Junkie's socially distanced adaptation of the "Startup Crawl" "Startup Week" which used a wide range of technologies and pre recorded content to engage the community safely with businesses, working with FPTV to bring the event right into participants homes.
- Assistance with expanding startups such as Snack Lab NWA, Tula, LOMA (coming soon), Natural Way Food Group, and many more.
- The Startup Crawl of 2019 continued to set records as the largest small business event in Arkansas, with 2,000 attendees, 12 stops, 40 participating businesses, 14 breweries, and 5 local musicians.

The economic impacts of COVID-19 have had a disproportionate impact on small businesses. It is difficult to know what the City of Fayetteville's specific economic development needs will be in the future as we near 12 months of this pandemic impacting the City. While a great deal of uncertainty is ahead, staff feels confident that a specific focus on small businesses will continue to be needed. Lastly, Startup Junkie has demonstrated an immense amount of flexibility over the past four years, and staff has no doubt that same level of flexibility will be available as we continue to work on these challenges.

BUDGET/STAFF IMPACT:

The contract in consideration is for a two-year period, this is the second renewal of the contract and has a cost of \$150,000 annually.

Attachments:

Contract and Exhibit A
Resolution 184-16
Resolution 189-18

Resolution 269-18
Two-Year Startup Junkie Report
Letter from Startup Junkie Consulting

**SECOND RENEWAL OF CONTRACT FOR
ECONOMIC DEVELOPMENT CONSULTING SERVICES
BETWEEN
THE CITY OF FAYETTEVILLE, ARKANSAS
AND
STARTUP JUNKIE CONSULTING**

WHEREAS, the City of Fayetteville, Arkansas wishes to contract for Economic Development Consulting Services, and;

WHEREAS, Startup Junkie Consulting wishes to provide certain Economic Development Consulting Services to the City of Fayetteville, Arkansas, and;

WHEREAS, Startup Junkie Consulting has been selected to perform Economic Development Consulting Services for the City of Fayetteville utilizing the competitive Request for Proposal selection process (via RFP 16-06, Economic Development Consulting Services – Entrepreneurship and Innovation), and;

WHEREAS, the City Council of Fayetteville, Arkansas and Startup Junkie Consulting wish to extend the contract for Economic Development Consulting Services an additional two years as provided in RFP 16-06 and the original contract approved by Resolution No. 184-16.

NOW THEREFORE, in consideration of the mutual promises contained in this Agreement and other good and valuable consideration, the parties agree as follows:

1. This Agreement is made effective the first day of January, 2021 by and between the City of Fayetteville, Arkansas located at 113 W. Mountain, Fayetteville, Arkansas 72701 and Startup Junkie Consulting located at 1 # Center Street, Suite 270, Fayetteville, Arkansas 72701. The terms and conditions set forth in this Agreement supersede and replace the terms and conditions of any prior contract or amendment for economic development consulting services between the parties.
2. **Term:** This Agreement, governing the second of three potential two-year extensions, shall commence on January 1, 2021, and shall end December 31, 2022. This contract may be canceled by either party with thirty days written notice.
3. **Renewals:** This agreement may only be renewed by approval of the City Council and with mutual agreement of Startup Junkie Consulting. The City may exercise an option to renew the contract for one (1) additional two (2) year term with approval of both parties.

4. **Attachments:** The Contract documents, which comprise the contract between the City of Fayetteville and Startup Junkie Consulting, consist of this Contract and the following documents attached hereto, and made a part hereof:

a.) Exhibit A - Revised Schedule of Deliverables and Performance Measures

** The City of Fayetteville shall coordinate with Startup Junkie Consulting for modifications to this schedule. Any modifications to Exhibit A shall not reduce the quality or quantity of the services to be provided pursuant to this contract, as determined by the Mayor or his/her Chief of Staff or his/her Director of Economic Vitality. Any modifications shall be agreed upon by both the City and Startup Junkie Consulting; however, any changes affecting price shall have prior approval by both Startup Junkie Consulting and the Fayetteville City Council. In the event Exhibit A is revised and the price is not modified, such revised document shall be provided to the City Council at the next regularly scheduled update.*

5. **Services to be Provided:** During the terms of this Agreement, Startup Junkie Consulting shall:

- Serve as the first point of contact for economic development services as the City's contractor for Entrepreneurship and Innovation services;
- Maintain clear and open communication with the City on all economic development services and activities provided under the scope of this contract; and clearly articulate when communicating on behalf of Startup Junkie Consulting versus City-contracted initiatives to create clear accountability;
- Provide all deliverables and performance measures outlined in the attached Exhibit A.

6. **Fees and Expenses:** The City of Fayetteville agrees the consulting fee shall be paid upon invoice as follows:

Consultation Services shall be invoiced for quarter in the amount of \$37,500 per quarter. Total fees for consultation services shall not exceed \$300,000, from the date of contract. Startup Junkie Consulting shall track, log and report hours and expenses directly related to this Agreement along with invoice for payment for each month. Invoices shall be itemized.

Payment of the above-described fees shall be contingent upon annual budget approval by the Fayetteville City Council. If funds are not appropriated for any year this Agreement shall be terminated at the end of the then current term. If funds appropriated are less than the full amount contemplated by this Agreement then the parties shall agree upon an amended Revised Schedule of Deliverables and Performance Measures (Exhibit A). In the event the parties are unable to reach an agreement on an

amended schedule, then the Agreement shall be terminated at the end of current month.

7. **Notices:** Any notice required to be given under this Agreement to either party to the other shall be sufficient if addressed and mailed, certified mail, postage paid, delivery, fax (receipt confirmed), or overnight courier.

8. **Applicable Law:** This Agreement shall be governed by and construed in accord with the laws of the State of Arkansas.

9. **Entire Agreement:** This Agreement sets forth the entire agreement and understanding between the parties on the subject matter of this Agreement. Neither party shall be bound by any conditions, definitions, representations or warranties with respect to the subject matter of this Agreement other than those as expressly provided herein.

10. **Amendments and Waivers:** Changes, modifications, or amendments in cost or fees to this contract shall not be allowed without a prior formal contract amendment approved by the Mayor and the City Council **in advance** of the change in cost or fees. No modification of this Agreement shall be binding unless made in writing and executed by both parties. No waiver by either party or any breach or obligation of the other party under this Agreement shall constitute a waiver of any other prior or subsequent breach or obligation.

11. **Performance Measures:** Startup Junkie Consulting shall provide the deliverables as outlined in the attached Exhibit A, which serves to implement the adopted Fayetteville First Economic Development Strategic Plan. Performance measures are included for the services and will be used to evaluate the work performed throughout the entire term of the contract.

12. **Contract Administration:** The Mayor or his/her Chief of Staff or his/her Director of Economic Vitality shall be the Contract Administrator for this contract. Startup Junkie Consulting Principal or his/her Designated Representative shall be the primary contact for all matters pertaining to this contract. While it is understood that many facts pertaining to projects must be held in the strictest confidence, Startup Junkie Consulting Principal will insure that the Mayor and the Director of Economic Vitality are kept abreast of details and progress made pertaining to Economic Development prospects considering development in Fayetteville to the greatest extent possible.

13. **Freedom of Information Act:** City contracts and documents prepared while performing work pursuant to this contract may be subject to the Arkansas Freedom of Information Act. If a Freedom of Information Act request is presented to the City of Fayetteville or to Startup Junkie Consulting the parties shall do everything possible, in a prompt and timely manner, to determine whether the requested records must be disclosed as required by the Arkansas Freedom of Information Act (A.C.A. §25-19-101 et.

seq.), or whether the records are exempt pursuant to A.C.A. § 25-19-105(b), A.C.A. § 14-176-105(b)(1) or other applicable state or federal law. Records required to be disclosed shall be made available for inspection and copying. Only legally authorized photocopying costs pursuant to the Freedom of Information Act may be assessed for this compliance.

IN WITNESS WHEREOF, the parties have executed this Agreement.

Startup Junkie Consulting

By: Jeff Amerine Date: 1/8/2021
Jeff Amerine, Principal

Witness: Brotton Date: 1/8/2021

The City of Fayetteville, Arkansas

By: _____ Date: _____
Lioneld Jordan, Mayor

Attest:

_____ Date: _____
Kara Paxton, City Clerk/Treasurer

Exhibit "A"

Contract for Economic Development Services- Entrepreneurship & Innovation

2020-2022 REVISED Schedule of Deliverables and Performance Measures

As outlined herein, Startup Junkie Consulting shall provide the following services, more generally referred to as Entrepreneurship & Innovation economic development services:

- One.** Support and develop a collaborative entrepreneurial/innovative environment
- Two.** Performance Measures
- Three.** Increase high-tech job growth and University partnerships
- Four.** Create innovative spaces and programs to support entrepreneurs
- Five.** Expand and enhance Workforce Development, Attraction, and Retention through entrepreneurship education opportunities at all levels.
- Six.** Support, Foster, and Expand entrepreneurship through retail and restaurant development
- Seven.** Collaborate with the City for communication to the public
- Eight.** Report Outcomes

One: Support and develop a collaborative entrepreneurial/innovation environment

1. *Serve as a direct point of contact for entrepreneurship/innovation and startup efforts for the City of Fayetteville.*
 - a. Coordinate with all entities involved in entrepreneurial efforts in the City of Fayetteville and serve as the point person in addressing any city-related processes that impact entrepreneurs.
 - b. Dedicate one full-time employee to work with the Department of Economic Vitality on realizing the objectives and measures outlined in the contract.
 - c. Maintain a bright line of communication with the City's Economic Development team to maintain accountability and address issues as they arise.
2. *Assist the City in managing and staffing the Small Business Resiliency Task Force.* Developed as a result of the economic crisis from the coronavirus pandemic, this group is charged with the following:
 - a. Identifying additional measures to alleviate burdens from small businesses during the COVID-19 pandemic;
 - b. Identifying access to capital opportunities for businesses who are not eligible for certain State or Federal resources;
 - c. Identifying measures to assist dislocated workers impacted by business closures due to COVID-19;
 - d. Access best practices for small business support from communities across the country, exploring how to adapt them to work within the parameters of the laws of the City of Fayetteville and State of Arkansas;

- e. Identifying and developing mid-term and long-term strategies for the redevelopment and activation of small businesses within the City of Fayetteville.
3. *Start-up/Entrepreneurial Business Retention and Expansion*. In order to promote a welcoming and sustainable environment for entrepreneurship, implement a business retention and expansion program for startups.
- a. The city expects top 25 fastest growing Fayetteville startups to be visited annually. A questionnaire developed in partnership with the Department of Economic Vitality shall be used.
 - b. Business needs or challenges that are identified during the visit and or survey shall be reported to the Director of Economic Vitality immediately.

Two: Performance Measures

1. The performance measures outlined below serve to measure specific work which is completed as a result of the services outlined in the contract being completed.
- a. Outputs:
 - i. Number of Fayetteville entrepreneurs served through 1 on 1 consulting, mentoring, and assistance engagements;
 - ii. Number of women, minority, and veterans served in Fayetteville;
 - iii. Number of events, programs, and workshops held in Fayetteville;
 - b. Outcomes:
 - i. Net new jobs created in Fayetteville;
 - ii. Capital raised for Fayetteville entrepreneurs;
 - iii. Grants and State and Federal funding raised and secured by Fayetteville ventures;
 - iv. New products, services, and solutions brought to market by Fayetteville entrepreneurs;
 - v. Number of patents and patent applications by Fayetteville entrepreneurs;
 - vi. Number of SBIR, NSF and STTR applications filed for Fayetteville entrepreneurs;
 - vii. Number of retail, restaurant, and accommodation startups assisted in Fayetteville;

Three: Increase high-tech job growth and University Partnerships

1. *Promote and facilitate utilization of the Small Business Innovation Research, National Science Foundation, and the Small Business Technology Transfer Programs.* Work closely with the University of Arkansas and relevant small businesses to apply and obtain SBIR and STTR funding.

Four: Create innovative spaces and programs to support entrepreneurs

1. *Create and provide collaboration space.* Clustering the physical spaces in which entrepreneurs can collaborate is one way to encourage idea generation, maturation and sharing of resources. Startup Junkie Consulting will provide collaboration space free to the public in the form of Centerspace, in the Fayetteville Innovation District, currently located on the 2nd floor of the Pryor Center in Suite 270.
 - a. In addition to maintaining the existing Centerspace free and open to the public, Startup Junkie Consulting will maintain an inventory of additional shared space opportunities for entrepreneurs, innovators, inventors and creatives throughout the City.
2. *Entrepreneurial Programing.* Continue to provide a wide range of entrepreneurial programing through a wide range of events that educate entrepreneurs and inspire residents to start their own ventures..
 - a. In addition to rotating regional and digital events, Startup Junkie shall host the Startup Crawl (or an adapted version such as Startup Week) in Fayetteville annually, working to enhance and evolve this premier event to ensure its continued growth and participation.
3. *Support the Center for Innovation and robotics training center.* Support the Fayetteville Public Library's Center for Innovation and the Chamber of Commerce's Robotics Training Center in downtown and engage in efforts to link interested users of the space and related programs.

Five: Expand and enhance Workforce Development, Attraction, and Retention through Entrepreneurship Education Opportunities at all levels

1. *Understand existing small business and targeted business sector needs.* Review and participate in workforce analysis studies done for the region and locally to gain an understanding of the workforce availability related to the occupations required of the

targeted business sectors, partnering with the Department of Economic Vitality on this initiative. Care should be taken to not duplicate efforts already underway.

2. *Identify pathways to prosperity through entrepreneurship.* Work with the Department of Economic Vitality, non-profits, and other relevant organizations to promote entrepreneurship as a pathway to prosperity for disadvantage populations and populations with barriers. Work with the Department of Economic Vitality to create programs and educational opportunities that equip disadvantaged residents with the knowledge and skills needed to achieve meaningful employment at a living wage through the creation of their own business or venture.
3. *Provide entrepreneurial education through programing and engagement.* Develop and lead programs that enrich talent development, starting at the youngest ages, as a key part of workforce development. Focus on diversity of population in all aspects of entrepreneurship. Continue to lead youth entrepreneurship programs such as E-Teen Ventures and AR Girls Code. Support efforts such as AR Code Festival, NWA Startup Weekend, Congressional App Challenge, Dream B.I.G. and Lemonade Day of Northwest Arkansas.

Six: Support, Foster, and Expand Entrepreneurship through Retail Trade and Growth Concept Oriented Development

1. *Drive adaptation to ecommerce platforms.* Work with small businesses to promote an omni-channel approach to commerce encouraging the utilization of e-commerce for all applicable sectors. Work with the Department of Economic Vitality to establish and maintain a simple “one sheet” on information and best practices for utilizing e-commerce.
2. *Support and curate small retail and restaurant-oriented businesses.* Fayetteville is known for its robust collection of small businesses located throughout the City. These businesses provide unique experiential retail experiences to residents and visitors alike. Work with the Department of Economic Vitality to expand the City of Fayetteville’s retail base through educational programs and targeted placement of small businesses throughout the City.
 - a. Explore experiential small business opportunities such as trail-oriented development and other unique ventures which activate spaces throughout the City in coordination with the City’s growth concept map.
 - b. Identify unique opportunities for small businesses that are currently not active in Fayetteville, that add to the outstanding quality of life Fayetteville is known for,

update the Department of Economic Vitality on those opportunities regularly and work to recruit and development them in the City of Fayetteville.

- c. Attract and pursue existing small businesses not located in Fayetteville who may be expanding and work to place those expansions to Fayetteville. This may include small businesses currently operating in the region, or other surrounding metro-areas.

Seven: Collaborate with the City for Communication with the Public

1. Communications pertaining to the implementation of the Fayetteville First Plan and the implementation, outputs, or outcomes of this contract will be communicated on the City's Economic Development website using the City's branding and marketing. Communication and engagement with the business community as it relates to measures outlined in the contract will be done through the City's website, which is managed by the Department of Economic Vitality. Promotion of the measures outlined in the contract will be conducted through the City's social media channels. All performance measures and reports will be updated on a monthly basis via the City's web site by the Department of Economic Vitality.
2. Collaborate with and assist the Department of Economic Vitality on the development of a place-based marketing campaign which highlights the entrepreneurial ecosystem of Fayetteville, celebrates successful startups, and brings awareness to other assets within Fayetteville important to the startup community.
3. Communications from Startup Junkie Consulting related to economic development initiatives within the scope of this contract, major decisions and/or development matters, and public-facing activities should be coordinated with the Mayor's office or his assigned staff. This includes statements at City Council meetings, Agenda Sessions, public presentations, press conferences, etc. Updates to the City Council will be given in June and December of each calendar year.

Eight: Reports and Presentations

1. Reporting results and milestones will be done as deliverables are met in the implementation of the Fayetteville First Economic Development Strategic Plan and will be formatted to fit within the City's Economic Development branding on the city web site. The City's internal Economic Development team will meet regularly with Startup Junkie Consulting (at a minimum on a monthly basis) to discuss the status of deliverables. The Mayor and/or City Council may request periodic updates and public engagement for citizens to be kept informed of the city's economic development goals. Startup Junkie Consulting will be expected to attend quarterly "collaboration meetings" with the City of Fayetteville and the Fayetteville Chamber of Commerce. Startup Junkie Consulting will attend weekly conference calls with the Director of Economic Vitality.

- 2.** Startup Junking Consulting shall provide written reports and prepare a brief presentation to the Mayor and City Council on at least a bi-annual basis. Reports and presentations should outline the tasks accomplished, outcomes achieved and include statistics for each performance measure outlined herein.

- 3.** A schedule for completion of outlined performance measures and a monthly status report shall be submitted for each month of the contract, delivered during regular monthly meetings with the City's internal team.



113 West Mountain Street
Fayetteville, AR 72701
(479) 575-8323

Resolution: 184-16

File Number: 2016-0404

STARTUP JUNKIE CONSULTING, LLC:

A RESOLUTION TO APPROVE A TWO (2) YEAR CONTRACT WITH STARTUP JUNKIE CONSULTING, LLC TO PROVIDE ECONOMIC DEVELOPMENT CONSULTING SERVICES IN THE AREAS OF ENTREPRENEURSHIP AND INNOVATION IN THE AMOUNT OF \$300,000.00, AND TO APPROVE A BUDGET ADJUSTMENT.

WHEREAS, Startup Junkie Consulting, LLC was competitively selected by a City selection committee to provide economic development consulting services to the City of Fayetteville in the areas of entrepreneurship and innovation in the amount of \$12,500.00 per month.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

Section 1: That the City Council of the City of Fayetteville, Arkansas hereby approves the attached two (2) year contract with Startup Junkie Consulting, LLC to provide economic development consulting services to the City of Fayetteville in the areas of entrepreneurship and innovation in the amount of \$300,000.00.

Section 2: That the City Council of the City of Fayetteville, Arkansas hereby approves a budget adjustment, a copy of which is attached to this Resolution.

PASSED and APPROVED on 10/4/2016

Approved:


Lioneld Jordan, Mayor

Attest:


Sondra E. Smith, City Clerk Treasurer





City of Fayetteville, Arkansas

113 West Mountain Street
Fayetteville, AR 72701
(479) 575-8323

Text File

File Number: 2016-0404

Agenda Date: 10/4/2016

Version: 1

Status: Passed

In Control: City Council Meeting

File Type: Resolution

Agenda Number: C. 7

STARTUP JUNKIE CONSULTING, LLC:

A RESOLUTION TO APPROVE A TWO (2) YEAR CONTRACT WITH STARTUP JUNKIE CONSULTING, LLC TO PROVIDE ECONOMIC DEVELOPMENT CONSULTING SERVICES IN THE AREAS OF ENTREPRENEURSHIP AND INNOVATION IN THE AMOUNT OF \$300,000.00, AND TO APPROVE A BUDGET ADJUSTMENT

WHEREAS, Startup Junkie Consulting, LLC was competitively selected by a City selection committee to provide economic development consulting services to the City of Fayetteville in the areas of entrepreneurship and innovation in the amount of \$12,500.00 per month.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

Section 1: That the City Council of the City of Fayetteville, Arkansas hereby approves the attached two (2) year contract with Startup Junkie Consulting, LLC to provide economic development consulting services to the City of Fayetteville in the areas of entrepreneurship and innovation in the amount of \$300,000.00.

Section 2: That the City Council of the City of Fayetteville, Arkansas hereby approves a budget adjustment, a copy of which is attached to this Resolution.



113 West Mountain Street
Fayetteville, AR 72701
(479) 575-8323

Resolution: 189-18

File Number: 2018-0444

STARTUP JUNKIE CONSULTING, LLC AMENDMENT NO. 2:

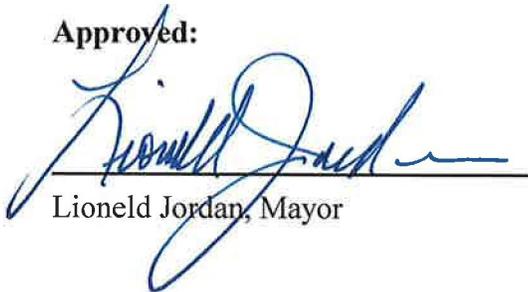
A RESOLUTION TO APPROVE AMENDMENT NO. 2 TO THE CONTRACT WITH STARTUP JUNKIE CONSULTING, LLC FOR AN ADDITIONAL THREE (3) MONTHS OF ECONOMIC DEVELOPMENT CONSULTING SERVICES IN AN AMOUNT NOT TO EXCEED \$37,500.00

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

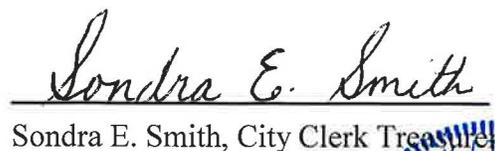
Section 1: That the City Council of the City of Fayetteville, Arkansas hereby approves and authorizes Mayor Jordan to sign Amendment No. 2 to the contract with Startup Junkie Consulting, LLC for an additional three (3) months of economic development consulting services in an amount not to exceed \$37,500.00.

PASSED and APPROVED on 9/4/2018

Approved:


Lioneld Jordan, Mayor

Attest:


Sondra E. Smith, City Clerk Treasurer





City of Fayetteville, Arkansas

113 West Mountain Street
Fayetteville, AR 72701
(479) 575-8323

Text File

File Number: 2018-0444

Agenda Date: 9/4/2018

Version: 1

Status: Passed

In Control: City Council Meeting

File Type: Resolution

Agenda Number: A. 4

STARTUP JUNKIE CONSULTING, LLC AMENDMENT NO. 2:

A RESOLUTION TO APPROVE AMENDMENT NO. 2 TO THE CONTRACT WITH STARTUP JUNKIE CONSULTING, LLC FOR AN ADDITIONAL THREE (3) MONTHS OF ECONOMIC DEVELOPMENT CONSULTING SERVICES IN AN AMOUNT NOT TO EXCEED \$37,500.00

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

Section 1: That the City Council of the City of Fayetteville, Arkansas hereby approves and authorizes Mayor Jordan to sign Amendment No. 2 to the contract with Startup Junkie Consulting, LLC for an additional three (3) months of economic development consulting services in an amount not to exceed \$37,500.00.



113 West Mountain Street
Fayetteville, AR 72701
(479) 575-8323

Resolution: 269-18

File Number: 2018-0662

STARTUP JUNKIE CONSULTING, LLC:

A RESOLUTION TO APPROVE THE FIRST TWO (2) YEAR RENEWAL CONTRACT WITH STARTUP JUNKIE CONSULTING, LLC TO PROVIDE ECONOMIC DEVELOPMENT CONSULTING SERVICES IN THE AREAS OF ENTREPRENEURSHIP AND INNOVATION IN THE TOTAL AMOUNT OF \$300,000.00

WHEREAS, Startup Junkie Consulting, LLC was competitively selected by a City selection committee to provide economic development consulting services to the City of Fayetteville in the areas of entrepreneurship and innovation and an initial two year contract was approved by the City Council by Resolution 184-16 on October 4, 2016 in the amount of \$12,500.00 per month; and

WHEREAS, since becoming the City's economic development consultant, Startup Junkie has hosted 192 events, workshops and programs drawing 14,701 attendees and has held 292 sessions assisting minority entrepreneurs, 386 sessions assisting women entrepreneurs, and 163 sessions assisting veteran entrepreneurs; and

WHEREAS, in the past year alone Startup Junkie has dedicated 2,873 hours to events, programming, and workshops in the City of Fayetteville including 1,695 hours of mentoring, consulting, and one-on-one session assisting over 221 unique Fayetteville ventures; and

WHEREAS, Startup Junkie Consulting and the City desire to extend the contract for an additional two years with significant changes so that Startup Junkie Consulting will function more like an extension of staff for the Department of Economic Vitality including a full-time employee dedicated solely to assist the City in realizing the goals of the Fayetteville First Plan on a daily basis; and

WHEREAS, the renewal contract ensures that the Startup Crawl and Center Space will remain in Fayetteville, pivots Startup Junkie's efforts toward the recruitment and attraction of expanding startups

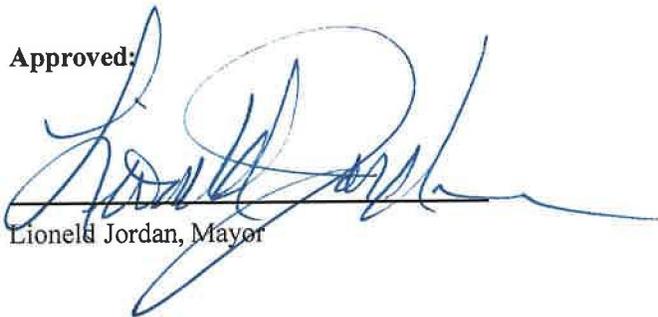
into Fayetteville, and adds new performance metrics.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

Section 1: That the City Council of the City of Fayetteville, Arkansas hereby authorizes Mayor Jordan to sign the attached First Renewal of Contract for Economic Development Consulting Services with Startup Junkie Consulting, LLC to provide economic development consulting services to the City of Fayetteville in the areas of entrepreneurship and innovation in the total amount of \$300,000.00.

PASSED and APPROVED on 12/18/2018

Approved:



Lioneld Jordan, Mayor

Attest:



Sondra E. Smith, City Clerk Treasurer





City of Fayetteville, Arkansas

113 West Mountain Street
Fayetteville, AR 72701
(479) 575-8323

Text File

File Number: 2018-0662

Agenda Date: 12/18/2018

Version: 1

Status: Passed

In Control: City Council Meeting

File Type: Resolution

Agenda Number: A. 20

STARTUP JUNKIE CONSULTING, LLC:

A RESOLUTION TO APPROVE THE FIRST TWO (2) YEAR RENEWAL CONTRACT WITH STARTUP JUNKIE CONSULTING, LLC TO PROVIDE ECONOMIC DEVELOPMENT CONSULTING SERVICES IN THE AREAS OF ENTREPRENEURSHIP AND INNOVATION IN THE TOTAL AMOUNT OF \$300,000.00

WHEREAS, Startup Junkie Consulting, LLC was competitively selected by a City selection committee to provide economic development consulting services to the City of Fayetteville in the areas of entrepreneurship and innovation and an initial two year contract was approved by the City Council by Resolution 184-16 on October 4, 2016 in the amount of \$12,500.00 per month; and

WHEREAS, since becoming the City's economic development consultant, Startup Junkie has hosted 192 events, workshops and programs drawing 14,701 attendees and has held 292 sessions assisting minority entrepreneurs, 386 sessions assisting women entrepreneurs, and 163 sessions assisting veteran entrepreneurs; and

WHEREAS, in the past year alone Startup Junkie has dedicated 2,873 hours to events, programming, and workshops in the City of Fayetteville including 1,695 hours of mentoring, consulting, and one-on-one session assisting over 221 unique Fayetteville ventures; and

WHEREAS, Startup Junkie Consulting and the City desire to extend the contract for an additional two years with significant changes so that Startup Junkie Consulting will function more like an extension of staff for the Department of Economic Vitality including a full-time employee dedicated solely to assist the City in realizing the goals of the Fayetteville First Plan on a daily basis; and

WHEREAS, the renewal contract ensures that the Startup Crawl and Center Space will remain in Fayetteville, pivots Startup Junkie's efforts toward the recruitment and attraction of expanding startups into Fayetteville, and adds new performance metrics.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

Section 1: That the City Council of the City of Fayetteville, Arkansas hereby authorizes Mayor Jordan to sign the attached First Renewal of Contract for Economic Development Consulting Services with Startup Junkie Consulting, LLC to provide economic development consulting services to the City of Fayetteville in the areas of

entrepreneurship and innovation in the total amount of \$300,000.00.

City of Fayetteville Staff Review Form

2018-0662

Legistar File ID

12/18/2018

City Council Meeting Date - Agenda Item Only
N/A for Non-Agenda Item

DEVIN HOWLAND

11/20/2018

ECONOMIC DEVELOPMENT (050)

Submitted By

Submitted Date

Division / Department

Action Recommendation:

A RESOLUTION TO APPROVE A CONTRACT RENEWAL WITH STARTUP JUNKIE CONSULTING FOR ECONOMIC DEVELOPMENT CONSULTING SERVICES- ENTREPRENEURSHIP AND INNOVATION

Budget Impact:

1010.050.0500-5315.00	General Fund
Account Number	Fund
N/A	N/A
Project Number	Project Title
Budgeted Item? <u>Yes</u>	Current Budget \$ 256,500.00
	Funds Obligated \$
	Current Balance \$ 256,500.00
Does item have a cost? <u>Yes</u>	Item Cost \$ 300,000.00
Budget Adjustment Attached? <u>No</u>	Budget Adjustment
	Remaining Budget \$ (43,500.00)

Purchase Order Number: <u>2016-0561</u>	Previous Ordinance or Resolution # <u>184-16</u>
Change Order Number: <u>3</u>	Approval Date: <u>10/4/2016</u>
Original Contract Number: <u>2016-0012</u>	

V20180321

Comments:



MEETING OF DECEMBER 18 2018

TO: Mayor and City Council
THRU: Don Marr, Chief of Staff
FROM: Devin Howland, Director of Economic Vitality
DATE: November 20, 2018

SUBJECT: A RESOLUTION TO APPROVE A CONTRACT RENEWAL WITH STARTUP JUNKIE CONSULTING LLC FOR ECONOMIC DEVELOPMENT CONSULTING SERVICES- ENTREPRENEURSHIP AND INNOVATION

RECOMMENDATION:

Staff recommends the renewal of a two-year contract renewal with Startup Junkie Consulting LLC to provide economic development consulting services related to Entrepreneurship and Innovation.

BACKGROUND:

The City issued RFP-16-06 on July 6, 2016 and received proposals on July 29th. The selection committee (including Council Member Adella Gray) recommended entering negotiations with Startup Junkie Consulting to provide the requested services. On October 4, 2016 Resolution 184-16 was passed, authorizing a two-year contract with Startup Junkie Consulting.

Since the original contract began, two amendments have been added. The first amendment altered Exhibit A, calling for additional meetings with the Department of Economic Vitality and was signed on December 21, 2017. The second amendment extended the contract with Startup Junkie Consulting for three months, placing the new end date on December 31, 2018. The decision to extend the contracts places them on a calendar year cycle, allowing for more cohesive data collection. The original contract allows for three (3) additional two (2) year terms with approval of both parties, this is the first renewal option.

DISCUSSION:

The Fayetteville First Strategic Plan, passed unanimously by the Fayetteville City Council in May of 2016, identified entrepreneurship and innovation as a major component of economic potential. Startup companies are continually creating jobs we haven't even dreamt of yet and provide 85% of net new job creation according to the Kauffman Foundation's estimates. Over the past two years Startup Junkie consulting as served as the City of Fayetteville's primary contact for entrepreneurship and innovation, their work has provided free co-working space on the Fayetteville Square, generated the largest entrepreneurial event in Arkansas history, the

Startup Crawl, and assisted dozens of companies' scale and launch successful ventures here in Fayetteville.

Since the inception of the contract, Startup Junkie has held 192 events, workshops, and programs that have drawn 14,701 attendees. In the past twelve months alone, the group has dedicated 2,873 hours to events, programming, and workshops in the City of Fayetteville. The companies they serve range from major employers such as Our Pharma, Phigenics, Case Stack and Supply Pike- all the way to new companies such as LIVSN and MORE Technologies. Their impact and assistance can also be seen in companies such as Little Bird Systems, Con Queso's, Juice Palm, B-Unlimited, Ozark Integrated Circuits, Slim Chickens, Simpkin's Brothers Sweets, Alerity, Engine, Lofty Labs, Creative, Aurora Digital, Zenwork, and SUNDAE. Their implementation of the contract also led to the largest Startup event in Arkansas history being held in Fayetteville, the Startup Crawl.

Over the past twelve months, the direct impact from their contract efforts have equated to 1,695 hours of mentoring, consulting, and one-on-one sessions assisting over 221 unique Fayetteville ventures through 434 different consulting sessions. Since the contract was incepted in October of 2016, Startup Junkie has held 292 sessions assisting minority entrepreneurs, 386 sessions assisting women entrepreneurs, and 163 sessions assisting veteran entrepreneurs.

Startup Junkie Consulting has also managed and staffed the Fayetteville Innovation Council and Millennial Advisory Panel for the past two years, groups which serve as advisory panels to the City on matters related to talent retention and attraction. Lastly, the contract provides for Center Space to remain on the Fayetteville square, free and open to the public for use, a resource valued by numerous residents, entrepreneurs, and businesses.

The contract has been revised significantly to function as more an extension of staff for the Department of Economic Vitality and encompasses Startup Junkie's commitment of dedicating a full-time employee to assist the City of Fayetteville realize the goals of the Fayetteville First Plan on a daily basis. The Startup Crawl is secured to remain in Fayetteville annually, and Center Space contractually remains on the Fayetteville Square. The contract also pivots Startup Junkies efforts towards the recruitment and attraction of expanding startups into Fayetteville, assisting growth of services for Fayetteville residents, helping the City further its growth concept-oriented development goals, and expanding the tax base. New performance metrics have also been added.

BUDGET/STAFF IMPACT:

The proposed contract is for a two-year period, with an option to renew (with City Council approval) for two additional two-year periods. The terms of the contract are included, and the amount of the contract is \$150,000 per year.

Attachments:

Proposed Contract and Attachments
Resolution 184-16

**FIRST RENEWAL OF CONTRACT FOR
ECONOMIC DEVELOPMENT CONSULTING SERVICES
BETWEEN
THE CITY OF FAYETTEVILLE, ARKANSAS
AND
STARTUP JUNKIE CONSULTING**

WHEREAS, the City of Fayetteville, Arkansas wishes to contract for Economic Development Consulting Services, and;

WHEREAS, Startup Junkie Consulting wishes to provide certain Economic Development Consulting Services to the City of Fayetteville, Arkansas, and;

WHEREAS, Startup Junkie Consulting has been selected to perform Economic Development Consulting Services for the City of Fayetteville utilizing the competitive Request for Proposal selection process (via RFP 16-06, Economic Development Consulting Services – Entrepreneurship and Innovation), and;

WHEREAS, the City Council of Fayetteville, Arkansas and Startup Junkie Consulting wish to extend the contract for Economic Development Consulting Services an additional two years as provided in RFP 16-06 and the original contract approved by Resolution No. 184-16.

NOW THEREFORE:

In consideration of the mutual promises contained in this Agreement and other good and valuable consideration,

1. This Agreement is made this ____ day of _____, 2018 by and between the City of Fayetteville, Arkansas located at 113 W. Mountain, Fayetteville, Arkansas 72701 and Startup Junkie Consulting located at 1 # Center Street, Suite 270, Fayetteville, Arkansas 72701. The terms and conditions set forth in this Agreement supersede and replace the terms and conditions of any prior contract or amendment for economic development consulting services between the parties.
2. **Term:** This Agreement, governing the first of three potential two-year extensions, shall commence on January 1, 2019, and shall end December 31, 2020. This contract may be canceled by either party with thirty days written notice.
3. **Renewals:** This agreement may only be renewed by approval of the City Council and with mutual agreement of Startup Junkie Consulting. The City may exercise an option to renew the contract for two (2) additional two (2) year terms with approval of both parties.

4. **Attachments:** The Contract documents, which comprise the contract between the City of Fayetteville and Startup Junkie Consulting, consist of this Contract and the following documents attached hereto, and made a part hereof:

a.) Exhibit A - Revised Schedule of Deliverables and Performance Measures

** The City of Fayetteville shall coordinate with Startup Junkie Consulting for modifications to this schedule. Any modifications to Exhibit A shall not reduce the quality or quantity of the services to be provided pursuant to this contract, as determined by the Mayor or his/her Chief of Staff or his/her Director of Economic Vitality. Any modifications shall be agreed upon by both the City and Startup Junkie Consulting; however, any changes affecting price shall have prior approval by both Startup Junkie Consulting and the Fayetteville City Council. In the event Exhibit A is revised and the price is not modified, such revised document shall be provided to the City Council at the next regularly scheduled update.*

5. **Services to be Provided:** During the terms of this Agreement, Startup Junkie Consulting shall:

- Serve as the first point of contact for economic development services as the City's contractor for Entrepreneurship and Innovation services;
- Maintain clear and open communication with the City on all economic development services and activities provided under the scope of this contract; and clearly articulate when communicating on behalf of Startup Junkie Consulting versus City-contracted initiatives to create clear accountability;
- Provide all deliverables and performance measures outlined in the attached Exhibit A.

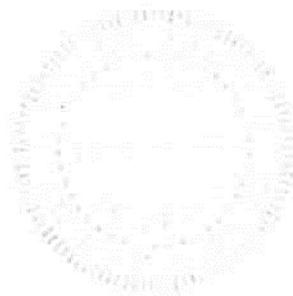
6. **Fees and Expenses:** The City of Fayetteville agrees the consulting fee shall be paid upon invoice as follows:

Consultation Services shall be invoiced for each month in the amount of \$12,500 per month. Total fees for consultation services shall not exceed \$300,000, from the date of contract. Startup Junkie Consulting shall track, log and report hours and expenses directly related to this Agreement along with invoice for payment for each month. Invoices shall be itemized.

Payment of the above-described fees shall be contingent upon annual budget approval by the Fayetteville City Council. If funds are not appropriated for any year this Agreement shall be terminated at the end of the then current term. If funds appropriated are less than the full amount contemplated by this Agreement then the parties shall agree upon an amended Revised Schedule of Deliverables and Performance Measures (Exhibit A). In the event the parties are unable to reach an agreement on an amended schedule, then the Agreement shall be terminated at the end of current month.

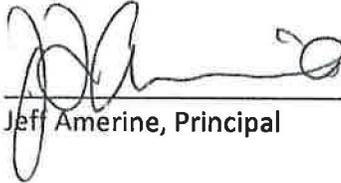
7. **Notices**: Any notice required to be given under this Agreement to either party to the other shall be sufficient if addressed and mailed, certified mail, postage paid, delivery, fax (receipt confirmed), or overnight courier.
8. **Applicable Law**: This Agreement shall be governed by and construed in accord with the laws of the State of Arkansas.
9. **Entire Agreement**: This Agreement sets forth the entire agreement and understanding between the parties on the subject matter of this Agreement. Neither party shall be bound by any conditions, definitions, representations or warranties with respect to the subject matter of this Agreement other than those as expressly provided herein.
10. **Amendments and Waivers**: Changes, modifications, or amendments in cost or fees to this contract shall not be allowed without a prior formal contract amendment approved by the Mayor and the City Council in **advance** of the change in cost or fees. No modification of this Agreement shall be binding unless made in writing and executed by both parties. No waiver by either party or any breach or obligation of the other party under this Agreement shall constitute a waiver of any other prior or subsequent breach or obligation.
11. **Performance Measures**: Startup Junkie Consulting shall provide the deliverables as outlined in the attached Exhibit A, which serves to implement the adopted Fayetteville First Economic Development Strategic Plan. Performance measures are included for the services and will be used to evaluate the work performed throughout the entire term of the contract.
12. **Contract Administration**: The Mayor or his/her Chief of Staff or his/her Director of Economic Vitality shall be the Contract Administrator for this contract. Startup Junkie Consulting Principal or his/her Designated Representative shall be the primary contact for all matters pertaining to this contract. While it is understood that many facts pertaining to projects must be held in the strictest confidence, Startup Junkie Consulting Principal will insure that the Mayor and the Director of Economic Vitality are kept abreast of details and progress made pertaining to Economic Development prospects considering development in Fayetteville to the greatest extent possible.
13. **Freedom of Information Act**: City contracts and documents prepared while performing work pursuant to this contract may be subject to the Arkansas Freedom of Information Act. If a Freedom of Information Act request is presented to the City of Fayetteville or to Startup Junkie Consulting the parties shall do everything possible, in a prompt and timely manner, to determine whether the requested records must be disclosed as required by the Arkansas Freedom of Information Act (A.C.A. §25-19-101 et. seq.), or whether the records are exempt pursuant to A.C.A. § 25-19-105(b), A.C.A. § 14-176-105(b)(1) or other applicable state or federal law. Records required to be disclosed shall be made available

for inspection and copying. Only legally authorized photocopying costs pursuant to the Freedom of Information Act may be assessed for this compliance.



IN WITNESS WHEREOF, the parties have executed this Agreement.

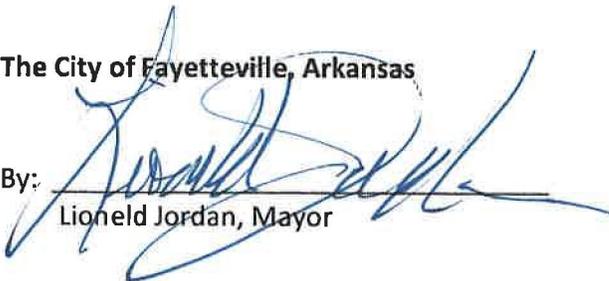
Startup Junkie Consulting

By: 
Jeff Amerine, Principal

Date: 11/20/18

Witness: Halley Allgood

Date: 11/20/18

The City of Fayetteville, Arkansas
By: 
Lioneld Jordan, Mayor

Date: 12-21-18

Attest:

Sondra E. Smith
Sondra E. Smith, City Clerk/Treasurer

Date: 12-21-18



Exhibit "A"

Contract for Economic Development Services-

Entrepreneurship & Innovation

REVISED Schedule of Deliverables and Performance Measures

As outlined herein, Startup Junkie Consulting shall provide the following services, more generally referred to as Entrepreneurship & Innovation economic development services:

- One.** Support and develop a collaborative entrepreneurial/innovative environment
- Two.** Increase high-tech job growth and University partnerships
- Three.** Create innovative spaces and programs to support entrepreneurs
- Four.** Expand and enhance Workforce Development, Attraction, and Retention through entrepreneurship education opportunities at all levels.
- Five.** Support, Foster, and Expand entrepreneurship through retail and restaurant development
- Six.** Collaborate with the City for communication to the public
- Seven.** Report Outcomes

One: Support and develop a collaborative entrepreneurial/innovation environment

1. *Serve as a direct point of contact for entrepreneurship/innovation and startup efforts.*
 - a. Coordinate with all entities involved in entrepreneurial efforts in the City of Fayetteville and serve as the point person in addressing any city-related processes that impact entrepreneurs.
 - b. Dedicate one full-time employee to work with the Department of Economic Vitality on realizing the objectives and measures outlined in the contract.
 - c. Maintain a bright line of communication with the City's Economic Development team to maintain accountability and address issues as they arise.
 - d. Demonstrate efforts to acquire and track the following performance metrics:
 - i. Outputs:
 1. Number of Fayetteville entrepreneurs served through 1 on 1 consulting, mentoring, and assistance engagements;
 2. Number of women, minority, and veterans served in Fayetteville;
 3. Number of events, programs, and workshops held in Fayetteville;
 - ii. Outcomes:
 1. Net new jobs created in Fayetteville;
 2. Capital raised for Fayetteville entrepreneurs;

3. Grants and State and Federal funding raised and secured by Fayetteville ventures;
 4. New products, services, and solutions brought to market by Fayetteville entrepreneurs;
 5. Number of patents and patent applications by Fayetteville entrepreneurs;
 6. Number of SBIR, NSF and STTR applications filed for Fayetteville entrepreneurs;
 7. Number of retail, restaurant, and accommodation startups assisted in Fayetteville;
 8. Number of startups and investments made in Fayetteville's Opportunity Zones.
2. *Assist the City in managing and staffing the Fayetteville Innovation Council.* Focused on creating a collaborative environment that addresses the needs and challenges of entrepreneurs and innovators in Fayetteville, this group should be comprised of successful entrepreneurs or representatives of a broad cross-section of startups based in Fayetteville, including the University of Arkansas.
 3. *Online Directory.* Maintain the online directory of the startup community, accessible from the City's Economic Development web site, with hotlinks to notable successes and best practices, entrepreneurial initiatives, calendar of meet-ups, events and educational and mentoring opportunities, technology support networks, etc.
 4. *Start-up/Entrepreneurial Business Retention and Expansion.* In order to promote a welcoming and sustainable environment for entrepreneurship, implement a business retention and expansion program for startups.
 - a. The city expects top 25 fastest growing Fayetteville startups to be visited annually. Through the use of a survey or questionnaire consistent with the Northwest Arkansas Council, to be used during interviews with existing Fayetteville businesses with results tabulated in a regularly updated and shared reporting document with the Department of Economic Vitality.
 - b. Business needs or challenges that are identified during the visit and or survey shall be reported to the Director of Economic Vitality immediately.

Two: Increase High-Tech Job Growth and University (and beyond) Commercialization

1. *Maintain a close working relationship with the Arkansas Research and Technology Park (ARTP) executive staff.* The contractor's relationship with the ARTP shall be a strong working relationship, with a clear understanding of their direction, opportunities and constraints related to funding, space needs, physical infrastructure limitations, and how the City might assist. Regular meetings to discuss both formal topics for consideration and informal ideas are critical to maintaining the working relationship.

2. *Partner with the University and others to further address capital needs.* Working closely with the University, ARTP, City and others, Startup Junkie Consulting shall regularly inventory capital needs and map out potential resources to meet those needs, over the course of time giving specific time parameters for each action step.
3. *Promote and facilitate utilization of the Small Business Innovation Research, National Science Foundation, and the Small Business Technology Transfer Programs.* Work closely with the University of Arkansas and relevant small businesses to apply and obtain SBIR and STTR funding.

Three: Create innovative spaces and programs to support entrepreneurs

1. *Create and provide collaboration space.* Clustering the physical spaces in which entrepreneurs can collaborate is one way to encourage idea generation, maturation and sharing of resources. Startup Junkie Consulting will provide collaboration space free to the public in the form of Centerspace, in the Fayetteville Innovation District, currently located on the 2nd floor of the Pryor Center in Suite 270.
 - a. In addition to maintaining the existing Centerspace free and open to the public, Startup Junkie Consulting will maintain an inventory of additional shared space opportunities for entrepreneurs, innovators, inventors and creatives throughout the City.
2. *Entrepreneurial Programing.* Continue to provide a wide range of entrepreneurial programing through a wide range of events that educate entrepreneurs and inspire residents to start their own ventures. Examples include E-Teen Ventures, Venture Mashup, Coffee+E, Idea Fame Pitch competitions, and others.
 - a. In addition to rotating regional events, Startup Junkie shall host the Startup Crawl in Fayetteville annually, working to enhance and evolve the premier event to ensure its continued growth and participation.
3. *Support maker space and robotics training center development.* Support a maker space and robotics training center development already occurring in the downtown and explore other relationships to link interested users of the space and related programs to make it a successful venture.

Four: Expand and enhance Workforce Development, Attraction, and Retention through Entrepreneurship Education Opportunities at all levels

1. *Understand existing small business and targeted business sector needs.* Review and participate in workforce analysis studies done for the region and locally to gain an understanding of the workforce availability related to the occupations required of the targeted business sectors, potentially partnering with the NWA Council and the Department of Economic Vitality on this initiative. Care should be taken to not duplicate efforts already underway.
2. *Develop and Deploy pathways to prosperity through entrepreneurship.* Work with the Department of Economic Vitality, non-profits, and other relevant organizations to promote entrepreneurship as a pathway to prosperity for disadvantage populations and populations with barriers. Explore the creation of a program to equip disadvantaged residents with the knowledge and skills needed to achieve meaningful employment at a living wage through the creation of their own business or venture.
3. *Ensure workforce and training needs can be met.* Develop and lead programs that enrich talent development, starting at the youngest ages, as a key part of workforce development. Focus on diversity of population in all aspects of entrepreneurship. Continue to lead youth entrepreneurship programs such as E-Teen Ventures and AR Girls Code. Support efforts such as AR Code Festival, NWA Startup Weekend, Congressional App Challenge, Dream B.I.G. and Lemonade Day of Northwest Arkansas.
4. *Millennial advisory panel.* Work with the City to manage the millennial advisory panel that recommends policies, education and development practices that provide the best quality of life amenities and environment for this diverse population. Promote, foster, and seek development opportunities that help create an environment and amenities that attract the new millennial worker and/or business owners.

Five: Support, Foster, and Expand Entrepreneurship through Retail and Restaurant development

1. *Support and development burgeoning local craft beverage and artisan food business plans.* Identify and work to expand efforts to ensure high value artisan food and craft beverage companies flourish in Fayetteville, particularly where there is growth opportunity in the market. Work with the Northwest Arkansas Council, the Fayetteville Visitors Bureau, Brightwater, and the U of A Food Innovation Center and other parties to

ensure the artisan food and beverage industry is supported and that any challenges to existing companies in Northwest Arkansas are identified and addressed.

2. *Support and curate small retail and restaurant-oriented businesses.* Fayetteville is known for its robust collection of small businesses located throughout the City. These businesses provide unique experiential retail experiences to residents and visitors alike. Work with the Department of Economic Vitality to expand the City of Fayetteville's retail base through educational programs and targeted placement of small businesses throughout the City.
 - a. Explore experiential small business opportunities such as trail-oriented development and other unique ventures which activate spaces throughout the City in coordination with the City's growth concept map.
 - b. Identify unique opportunities for small businesses that are currently not active in Fayetteville, that add to the outstanding quality of life Fayetteville is known for, update the Department of Economic Vitality on those opportunities regularly and work to recruit and development them in the City of Fayetteville
 - c. Attract and pursue existing small businesses not located in Fayetteville who may be expanding and work to place those expansions to Fayetteville. This may include small businesses currently operating in the region, or other surrounding metro-areas.

Six: Collaborate with the City for Communication with the Public

1. Communications pertaining to the implementation of the Fayetteville First Plan and the implementation, outputs, or outcomes of this contract will be communicated on the City's Economic Development website using the City's branding and marketing. Communication and engagement with the business community as it relates to measures outlined in the contract will be done through the City's website, which is managed by the Department of Economic Vitality. Promotion of the measures outlined in the contract will be conducted through the City's social media channels. All performance measures and reports will be updated on a monthly basis via the City's web site by the Department of Economic Vitality.
2. Collaborate with and assist the Department of Economic Vitality on the development of a place-based marketing campaign which highlights the entrepreneurial ecosystem of Fayetteville, celebrates successful startups, and brings awareness to other assets within Fayetteville important to the startup community.
3. Communications from Startup Junking Consulting related to economic development initiatives within the scope of this contract, major decisions and/or development matters, and public-facing activities should be coordinated with the Mayor's office or his assigned staff. This includes statements at City Council meetings, Agenda Sessions,

public presentations, press conferences, etc. Updates to the City Council will be given in June and December of each calendar year.

Seven: Reports and Presentations

1. Reporting results and milestones will be done as deliverables are met in the implementation of the Fayetteville First Economic Development Strategic Plan and will be formatted to fit within the City's Economic Development branding on the city web site. The City's internal Economic Development team will meet regularly with Startup Junkie Consulting (at a minimum on a monthly basis) to discuss the status of deliverables. The Mayor and/or City Council may request periodic updates and public engagement for citizens to be kept informed of the city's economic development goals. Startup Junkie Consulting will be expected to attend quarterly "collaboration meetings" with the City of Fayetteville and the Fayetteville Chamber of Commerce. Startup Junkie Consulting will attend weekly conference calls with the Director of Economic Vitality.
2. Startup Junkie Consulting shall provide written reports and prepare a brief presentation to the Mayor and City Council on at least a bi-annual basis. Reports and presentations should outline the tasks accomplished, outcomes achieved and include statistics for each performance measure outlined herein.
3. A schedule for completion of outlined performance measures and a monthly status report shall be submitted for each month of the contract, delivered during regular monthly meetings with the City's internal team.

Contract Update 2019-2020

Sept 2020



Deliverable 1:

Support a collaborative entrepreneurial & innovative environment

Small Business Relief Update

Understanding the Paycheck Protection Program



- We serve as the reliable direct point of contact for entrepreneurship/innovation and startup efforts:
 - 100% support of the City's Small Business Resiliency Task Force.
 - 100% support of regional Entrepreneurial Support Organization Task Force.
- Dedication of one FTE to the Department as needed, example is our robust assistance through the pandemic.
- First to complete a region wide impact survey with over 400 local small business responses at the outset of the pandemic crisis to ensure the statewide emergency declaration happened in a timely fashion. **This was a critical step in getting access to EIDL funding.**
- First to provide near daily guidance relaying the latest federal and state aid updates for small businesses during the pandemic crisis (Cares Act, EIDL, and AEDC programs and incentives – Guides in English and **translated to Spanish in partnership with UA Social Innovation Team – 1st Page of Google Search on PPP**).
- Persistent advocacy to Federal and State authorities for key programs and incentives to support the small business and startup community during the entire pandemic.
- Developed and published specific bold policy initiatives (Policy Map) to drive inclusive small business, startup, and employment growth that build on Kauffman Foundation recommendations for America's New Business Plan.
- Excelled in producing contract outcome and outputs. Ex. 19 SBIR/STTR awards in past two years and 72 patent and patent applications by Fayetteville ventures who worked with Startup Junkie in collaboration with our partners like ARTP.
- Executed our successful Startup BRE Program which entails regular health checks on Fayetteville ventures to ensure both growth and to address challenges.

Deliverable 2:

Increase high-tech
job growth and
University
partnerships



- 685 net new jobs created by Fayetteville ventures we've supported over the past 24 months
- 19 SBIR/STTR awards secured by Fayetteville ventures over the past two years equating to **\$6,199,000** in funding for these Fayetteville ventures (**Does not include the additional \$3M+ OzarkIC has won in the past 3 months**).
- Maintained a close working relationship with the UA, and companies that operate at the ARTP.
 - Examples: OzarkIC, WattGlass, BlueInGreen, SurfTech, GlideNano, CatalyzeH2O, Phigenics, and others that have secured millions in SBIR funding, and/or employ high tech workers in Fayetteville.
 - Played an active role with the UA in the National Science Foundation (NSF) I-Corps site program to advance UA spin-outs
- Lead and grow the only active angel investment group in Arkansas – Ark Angel Alliance. This will provide increased capital access to Fayetteville entrepreneurs.

Deliverable 3:

Create innovative spaces and programs to support entrepreneurs



- Continue to support CenterSpace on the Fayetteville square. **CenterSpace costs us over \$60,000 per year to keep open (this is the lease and utilities cost).** CenterSpace provides:
 - No cost day use co-working for entrepreneurs
 - No cost reservation of the conference room for entrepreneurs needing to hold offsite meetings
 - Primary location for leading virtual and in person no cost 1:1 consulting engagements with Fayetteville entrepreneurs
 - Primary location for leading virtual and in person no cost event engagements for Fayetteville entrepreneurs
- High cadence throughout contract of events, and rapid transition of all of our events to virtual. Doing so we were actually able to significantly increase our event cadence (over 100 virtual event engagements during the pandemic period), and keep our reach of Fayetteville entrepreneurs very high. Sample of virtual events included:
 - Startup Junkies Podcast – 200 episodes – 100 countries
 - Effective Crisis Communication Strategies For Uncertain Times
 - Accelerating Through a Slow Down
 - Virtual IdeaFame
 - GameChangers
 - Startup Stories
 - Mental Wellness for Small Businesses
 - Put It All On The Line w/ inclusion and diversity leader Dr Daniels
 - Improvise. Adapt. Overcome.
 - Leading your Quaranteam
 - How to Weather the Storm
 - The Great Migration: Preparing To Return to the Workplace
 - Safety360: What Every Small Business Should Know
- Led 256 world class entrepreneurship and innovation focused event, workshops, and program engagements in Fayetteville over the past 2 years serving 19,560 attendees. Over 100 of these event engagements were virtual during the pandemic period to ensure maximum support.

Deliverable 3:

Create innovative spaces and programs to support entrepreneurs

STARTUP CRAWL!

- Startup Crawl 2018 had 50% more attendees than 2017, reaching 1500, and was the largest entrepreneurship and innovation focused event in Arkansas history.
- Startup Crawl 2019 was even more massive of a success, and has remained the largest entrepreneurship and innovation focused event in Arkansas history. In 2019 we had 30% more attendees than 2018.
 - **2000** attendees (**Kansas City Startup Crawl- drawing from an MSA 4x NWA's size and a city with 6x Fayetteville's population, had 600 attendees**)
 - **12** stops
 - **40** participating ventures
 - **14** local breweries
 - **5** local musicians

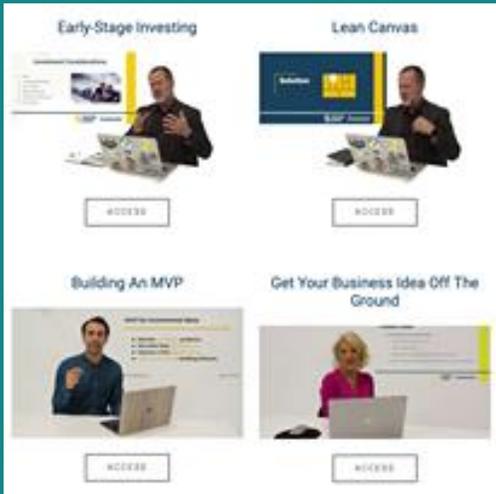
STARTUP WEEK! (Improvise. Adapt. Overcome.)

- Due to the devastating pandemic, we could not hold the Startup Crawl 2020. Instead, we pivoted and in partnership with Startup Junkie Foundation launched **Startup Week!** Startup Week 2020 included five nights of virtual, televised events and local food and drink pairings that highlight startups, small businesses, restaurants and breweries.
 - Each night, local startups we're showcased on Fayetteville Public Television (FPTV) and YouTube in short video clips **reaching an audience of over 2000 during the week.**
 - 65 individual startup / small business videos created providing evergreen content for local entrepreneurs beyond event week
 - GameChanger interviews with **Steve Case, Mack McLarty, Tom Gordon, and Sam Alley**
 - Over **80** local startups, small businesses, breweries, and restaurants participating
 - **6** feature length programs produced (**IdeaFame, GameChangers, Underserved Community Panel Discussion**)



Deliverable 4:

Expand and enhance Workforce Development, Attraction, and Retention through entrepreneurship education opportunities at all levels.



- Despite COVID-19, as stated we continued our targeted events that provide entrepreneurship education at all levels.
- Developed and launched a comprehensive digital library of small business, innovation, and entrepreneurial educational content on the Startup Junkies YouTube Channel available for Fayetteville entrepreneurs [Startup Junkie Youtube Educational Content](#).
- Delivered weekly free webinars on a variety of marketing, finance, HR, and leadership topics with subject matter experts from across the country.
- Continue the widely recognized Startup Junkies Podcast that delivers lessons learned and education available to Fayetteville entrepreneurs.
- Along with deciphering massive amounts of legalese and Federal government jargon into a series of publications explaining PPP, EIDL, and other government programs during the pandemic, we also produced a number of publications guiding small business through the pandemic. [Examples like “Tips And Recommendations For Ventures and Small Businesses Amid COVID-19” can be found here.](#)

Deliverable 5:

Support, Foster, and Expand entrepreneurship through retail and restaurant development



- Continue to serve new Fayetteville retail and restaurant ventures through high quality no cost 1:1 consulting and mentoring. These range from new Fayetteville food CPG ventures like Natural Way Food Group to new Fayetteville restaurants like Tula.
- Provided high quality on-going assistance to NWA ventures looking to expand their presence in Fayetteville. As ex. SnackLab NWA expansion into Fayetteville and soon to be announced LOMA on the Fayetteville square (a new venue led by Tula founder Juan Bahena)
- Continued partnership with the UA Food Innovation Center to ensure Fayetteville food entrepreneurs have the support they need
- In addition to new starts, continue to support existing and growing Fayetteville retail ventures, like Freckled Hen Farmhouse
- Actively lead virtual events on digital marketing and ecommerce to help provide maximum information and education to Fayetteville entrepreneurs looking to expand their business online
- Worked throughout the pandemic on numerous task force groups to bolster initiatives like PPP, EIDL, ORA and others to help restaurants, bars, and breweries survive.
- Provided key support of the City's monumental Outdoor Refreshment Area (ORA) initiative, from inception to launch and execution. Critical to helping drive business to our local small businesses while helping mitigate COVID-19. Ex of how deep our support goes: Food Loops, the local ORA cup provider has been a Startup Junkie client for the past 2 years

Additional Notable Projects

- Continued work on the SLS Communities project to advance the progress and services for developmentally disabled adults which included a substantial expansion of soft-surface trail connectivity from the City to Kessler Park.
- Preparing to compete again for another 5 years of funding and support from the US Small Business Administration to continue leading the highly successful Ozarks Regional Innovation Cluster, based in Fayetteville- amplifying our ability to support Fayetteville entrepreneurs
- The Startup Junkie and Conductor teams have authored a book to be released in early 2021 called, **Creating Startup Junkies: Building Sustainable Venture Ecosystems in Unexpected Places**. This book will serve to highlight Fayetteville as a shining example of what is possible in non-coastal areas.



ROI:

24 Month Output Metrics



- We served **1,042** Fayetteville entrepreneurs through **1,122** one-on-one high quality free consulting, mentoring, counseling, training, support, and assistance engagements (all of which went virtual starting in March 2020 and beyond)
 - **289** women owned ventures
 - **154** minority owned ventures
 - **53** veteran owned ventures
- Companies ranging from Little Bird Systems to NLMG
- **256** Event, Workshop, and Program engagements in Fayetteville serving **19,560 attendees**

ROI:

24 Month Outcome Metrics of Fayetteville Ventures

- **685** net new jobs created
- **\$90,078,000** in capital raised
- **\$1,630,000** in grants (state and federal) secured
- **261** new products, services, and solutions brought to market
- **72** patents and patent applications
- **19** SBIR and STTR awards
- **51** unique Fayetteville retail, restaurant, and accommodation ventures assisted through multiple on going and in depth engagements

(Top 5 bullets based on survey data received from **98** Fayetteville venture companies)

Pandemic Response Recap:

Improvise Adapt Overcome



- Increased the cadence of virtual no-cost consulting sessions with small business owners and startups dealing with the existential issues due to COVID-19.
- Actively participated in the regional entrepreneurial support organization (ESO) COVID-19 task force to ensure regional coordination of support for small business and startups.
- First to complete a region wide impact survey with over 400 local small business responses at the outset of the crisis to ensure the statewide emergency declaration happened in a timely fashion. **This was a critical step in getting access to EIDL funding.**
- First to provide near daily guidance relaying the latest federal and state aid updates for small businesses, (Cares Act, EIDL, and AEDC programs and incentives – Guides in English and **translated to Spanish in partnership with UA Social Innovation Team – 1st Page of Google Search on PPP**).
- Increased the cadence, quality and reach of the Startup Junkies Podcasts (200+ episodes reach 100 countries). High profile guests included – **Steve Case (AOL Founder, Rise of the Rest, Sam Parr, The Hustle, Sara Frey of Frey Farms)**. Bringing greater visibility to the City of Fayetteville, and providing Fayetteville entrepreneurs timely information, education, and inspiration.
- Active partnership with the City on COVID-19 task force and emergency management and disaster response regarding the small business and startup community.
- Provided active support to the super-regional EcoPotential NGO task force to align supply and demand of PPE and to identify new US-based sources.
- Actively participated in the statewide Maker task force aimed at creating new sources of PPE locally.
- **Developed and launched a comprehensive digital library of small business, innovation, and entrepreneurial educational content on the Startup Junkies YouTube Channel available for Fayetteville entrepreneurs.**
- Provided key support of the City's monumental Outdoor Refreshment Area (ORA) initiative, from inception to launch and execution. Critical to helping drive business to our local small businesses while helping mitigate COVID-19.
- Persistent advocacy to Federal and State authorities for key programs and incentives to support the small business and startup community during the entire pandemic.
- Developed and published specific bold policy initiatives to drive inclusive small business, startup, and employment growth that build on Kauffman Foundation recommendations for America's New Business Plan.
- Along with deciphering massive amounts of legalese and Federal government jargon into a series of publications explaining PPP, EIDL, and other government programs during the pandemic, we also produced a number of publications guiding small business through the pandemic. [Examples like "Tips And Recommendations For Ventures and Small Businesses Amid COVID-19" can be found here.](#)

What's Next:

Accelerate Recovery

Ley CARES:

Comprensión del programa de protección para cheques de pago



- Continue high cadence of virtual events providing critical and timely education, information, and inspiration for Fayetteville entrepreneurs.
- Continue virtual one-on-one no cost consulting sessions with Fayetteville entrepreneurs facing the existential on going threat from COVID-19.
- Continue our events aimed to provide additional support for the underserved communities (minority, women, and veteran entrepreneur focused) in Fayetteville.
- Continue to ensure our educational materials and key communications are in multiple languages.
- Continue support of the vibrant and high impact Outdoor Refreshment Area (ORA) program.
- Continue to work with the City's Small Business Resiliency Task Force on strategic focus areas going forward – **Drive new innovative programs and outreach to increase impact and accelerate recovery.**
- **Lead and grow the only active angel investment group in Arkansas – Ark Angel Alliance. This will provide increased capital access to Fayetteville entrepreneurs.**
- January 2021 release of the book – **Creating Startup Junkies – Building Sustainable Venture Ecosystems in Unexpected Places. Establishing Fayetteville as a thought leader, and bringing incredible positive increased visibility to City.**



December 28, 2020

City of Fayetteville
113 West Mountain Street
Fayetteville, AR 72701

Purpose: Contract With City Of Fayetteville

Startup Junkie is a key economic development catalyst in the City of Fayetteville, and has proven to be an important leader in the advancement of the diverse innovation and entrepreneurial ecosystem in the City, especially through the pandemic crisis. Startup Junkie has developed a track record of proven programs, place-making, events, and networking aimed at inclusive talent development, attraction, retention and capital formation at all company stages. The end result being job creation, economic growth, and social growth in the City. Over the course of the past two years under contract, along with too many small business success stories to list here, notable impacts accomplished include:

- 685 net new jobs created
- \$90,078,000 in private capital raised
- \$1,630,000 in public capital raised (state funding, SBIR/STTR, grants, etc)
- 261 new product, service, and solution lines added
- 72 patent and patent applications
- 19 SBIR & STTR awards

In addition to notable output metrics achieved by our team that include:

- 1,042 Fayetteville entrepreneurs served through 1,195 one-on-one high quality free consulting, mentoring, counseling, training, support, and assistance engagements (all of which went virtual starting in March 2020 and beyond)
 - 308 women owned ventures
 - 161 minority owned ventures
 - 57 veteran owned ventures
- 307 Event, Workshop, and Program engagements in Fayetteville serving 22,502 attendees

Further, our work as it pertains to the pandemic: we immediately put into action our “Improve. Adapt. Overcome” Plan. We shifted all of our services to best support the needs of Fayetteville entrepreneurs facing the existential threat of COVID-19. We tailored all of our events to focus on topics relevant to the challenges posed by the pandemic. We increased the cadence of virtual no-cost consulting sessions with small business owners and startups dealing with the existential issues due to COVID-19. We were the first to complete a region wide

impact survey with over 400 local small business responses at the outset of the crisis to ensure the statewide emergency declaration happened in a timely fashion. This was a critical step in getting access to EIDL funding. We were the first to provide near daily guidance relaying the latest federal and state aid updates for small businesses, (Cares Act, EIDL, and AEDC programs and incentives – Guides in English and translated to Spanish in partnership with UA Social Innovation Team – 1st Page of Google Search on PPP). We developed and launched a comprehensive digital library of small business, innovation, and entrepreneurial educational content on the Startup Junkies YouTube Channel available for Fayetteville entrepreneurs. We provided key support of the City's monumental Outdoor Refreshment Area (ORA) initiative, from inception to launch and execution. Critical to helping drive business to our local small businesses while helping mitigate COVID-19. These are just some of the measures we took, as the list of activity we executed to support the Fayetteville entrepreneurs we all admire that are facing the pandemic is far too long list here.

Going forward, we will continue our high cadence of virtual events providing critical and timely education, information, and inspiration for Fayetteville entrepreneurs. We will continue virtual one-on-one no cost consulting sessions with Fayetteville entrepreneurs facing the existential on-going threat from COVID-19. We will continue our events aimed to provide additional support for the underserved communities (minority, women, and veteran entrepreneur focused) in Fayetteville. We will continue to ensure our key educational materials and key communications are in multiple languages. We will continue support of the vibrant and high impact Outdoor Refreshment Area (ORA) program brilliantly spearheaded by Devin Howland. We will continue to be on call and in the trenches with Department of Economic Vitality brainstorming and executing work to help the City not only recover from the pandemic, but thrive.

We're excited about the opportunity to continue making an impact on the City that we love, helping to foster its economic and social growth, and building on the outcomes that have been achieved.

Regards,

Startup Junkie Team