

# Smart City Challenge Program Overview

## 1. Description / About

- 1.1. **About this Document:** This document describes the Smart City Challenge Program, and outlines how City staff develop and submit a Challenge-based RFP to address a Department pain point or opportunity, how the RFP is publicized, how vendors submit proposals, how vendors are selected, and the process for project implementation. The Smart City Challenge is intended to be an innovative, streamlined, and cost-effective way of exploring solutions to key City needs. This program provides a framework to empower City staff to address ongoing difficulties with emerging technologies or other innovative approaches through conducting a pilot program, transparent evaluation criteria, and implementing those solutions that offer promising solutions to legitimate City needs.
- 1.2. **About Long Beach Smart City Initiative:** The City of Long Beach is committed to advancing solutions to civic challenges by engaging the community, staff, and private sector to explore and implement emerging technology and innovative approaches to City service delivery. We seek to adapt to change and expand our capacity to improve the daily lives of Long Beach residents, enhance city operations and make the best possible use of resources across all City Departments. Our vision for a smarter Long Beach is not one that we can achieve alone, and we encourage collaboration and partnerships to design, test, and implement solutions.

## 2. Program Goals

- 2.1. **Why do we encourage City staff to seek solutions?** City staff are the frontline experience between residents and the City. They know the ins and outs of the necessary procedures and likely know where issues often come up. This is their chance to bring these problems to light in a productive manner that seeks to use technology or other innovative approaches to improve internal and external processes. A pilot project is an opportunity for City staff to quickly understand how to leverage technology and strategic partnerships to address civic problems.
- 2.2. **How does the Smart City Challenge differ from traditional procurements?** Like traditional procurements, the City identifies a need and requests proposals from outside partners to find solutions. But where the traditional RFP process involves a rigorous scoping and assessment process and often relies on a large, prescriptive document, the Challenge-based RFP process is much shorter. The challenge-based RFP consists of a concise challenge statement, some background, and a few additional details (FAQ, budget, etc.). This process is designed to allow potential partners to pitch a wide array of solutions that you and your department might not consider or have known about.

Where traditional RFPs typically results in a multi-year contract, the Challenge-based RFP is intended to implement projects as no-cost, short-term pilots and doesn't guarantee the vendor a full contract with the City after completion. This is to encourage participating Departments to utilize emerging technologies with lower risk. For vendors, specifically younger and smaller companies, they can build relationships with government clients and demonstrate the capabilities of their services. Successful pilots can be scaled to full contracts after the pilot and if the products or services have demonstrated the promised outcomes and

met the mutually agreed upon success metrics.

**2.3. Benefits for Partners:** The Smart City Challenge offers many benefits to partners who decide to participate.

- *Potential Contract with the City:* By showcasing innovative products and services to Long Beach government officials, participating vendors have the opportunity to scale their pilots to full contracts at the discretion of the City based on performance metrics, availability of resources, and priorities.
- *Product Refinement, Prototyping, and User Testing:* If a vendor's product is selected for a Challenge-based RFP opportunity, the City will provide targeted feedback from subject matter experts during the pilot implementation. Long Beach government officials and any other project partners will also support vendors with development of key performance indicators, pilot design, and pilot implementation. Product teams will collect data and get feedback from real government users to build their products and services out to appeal to other potential customers.
- *Networking:* Vendors that are selected and successfully complete pilot implementation may be featured on the City's website and be exposed to the wider Long Beach business ecosystem through the City and industry partners.
- *Make a Difference:* Selected vendors will help make Long Beach an innovative, creative City and improve the quality of life for people who live, work, and play here.

**2.4. What is a pilot project?** A pilot project, as opposed to a software trial or proof of concept, is one way of allowing the City to test out a potentially transformative solution, measure its impact, and decide on its feasibility before investing heavy time and resources. Pilots are short-term in nature, and for the purposes of the Smart City Challenge Program are open to all types of solutions, including both non-technological and tech-enabled projects. "Tech-enabled" refers to any solution that has a technology component but doesn't necessarily hinge on any specific technology. This definition encompasses both innovative "first-of-its-kind" technology projects as well as tech solutions that are more procedural and have been deployed elsewhere.

All pilots managed through the Smart City Challenge are provided at no monetary cost to the City, not including City staff time and access to other non-monetary resources required for the pilot and agreed upon in any pilot agreements.

Pilot opportunities, like all City contracts, must comply with the City's legal purchasing requirements. They must be open to the entire vendor community and solicited in a competitive manner so the City can assess the best partner or partners for any one solution. More broadly, pilots also provide many other benefits. They:

- Engage and test new ideas to measure community impact through robust data collection;
- Improve operational efficiency and delivery of key City services and programs;
- Allow for iterative co-creation and design of solutions with partners that have the potential to scale;

- Increase understanding before committing to a full-scale contract;
- Allow City Departments to find solutions for their needs while enforcing standards for data collection, project scoping, and evaluations;
- Allow for failure if pilot projects don't meet stated goals; and
- Position Long Beach as a destination to launch innovative solutions and civic technology

**2.5. Smart City Guiding Principles:** The Long Beach Smart City Initiative principles provide a framework to align the City's portfolio of pilot projects. They have been adapted to address our challenges following the COVID-19 pandemic, and echo what we heard from the Long Beach community. All proposals submitted for Smart City Challenges should meet one or more of these guiding principles.

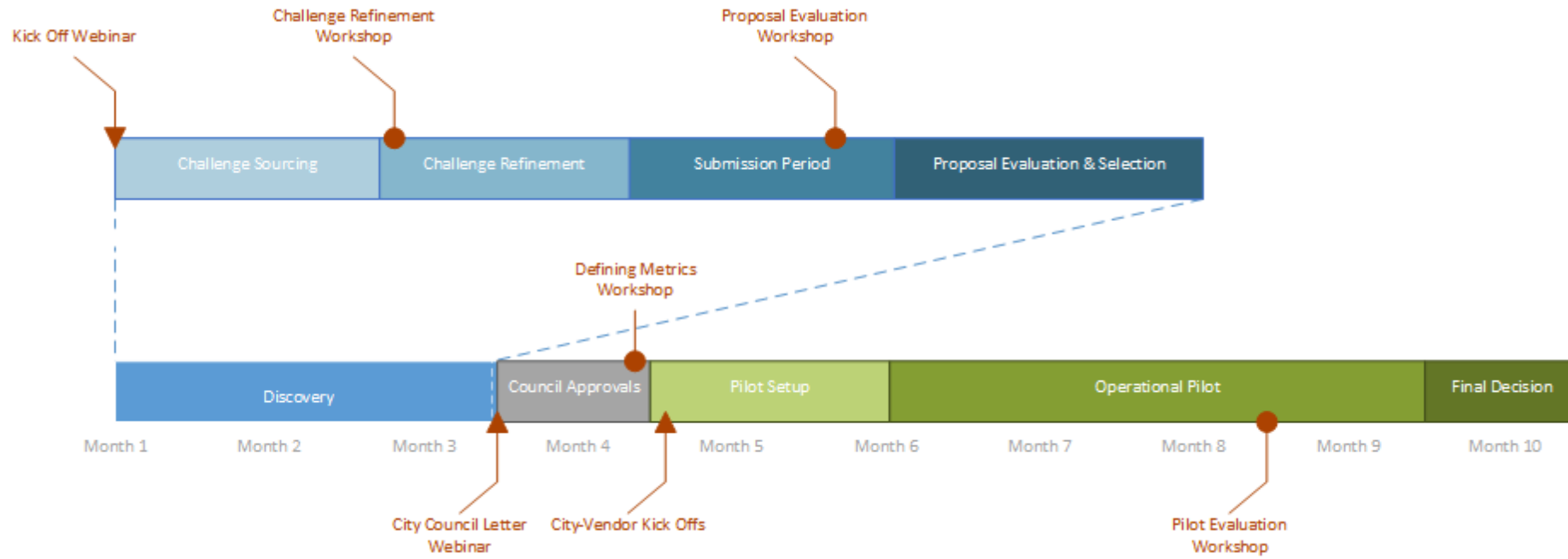
- *Design for Equity:* Reduce historic inequities and disparities by ensuring advancements in technology and service delivery are accessible to all and improve quality of life for communities that have been underserved.
- *Earn Public Trust:* Build public confidence through excellence in data privacy, data transparency, and community engagement.
- *Cultivate Local Expertise:* Promote place-based growth by supporting Long Beach entrepreneurs and businesses, improving workforce job-readiness, and building partnership networks.
- *Build Civic Resilience:* Improve capacity to respond efficiently and effectively to the most-pressing civic challenges using data-informed decision-making.

**2.6. City Priority Challenges:** Through community engagement, staff work, and leadership by elected officials, the City has identified several priority challenges. We strongly encourage both vendor proposals and challenge statements that align with one or more of these priorities:

- Recovering from the COVID-19 economic and public health crisis;
- Executing the City's Climate Action and Adaptation Plan;
- Making City Hall more accessible and increasing civic engagement;
- Improving transportation and mobility and reducing transportation-related emissions;
- Closing the digital divide;
- Improving efficiency of operations and service delivery;
- Reducing homelessness and housing insecurity; and
- Ending systemic racism and reducing racial wealth gaps.

### 3. Smart Cities Challenge Procedures

#### 3.1. Smart City Challenge Program Timeline



**3.2. Multi-Phase Structure:** All pilot programs within the Smart City Initiative follow the same phased approach. From the concepting phase to pilot implementation and evaluation, the total commitment for City staff and vendors is roughly nine months.

All participants will become members of a Smart City Challenge Cohort, which will increase the level of support, knowledge sharing, and accountability of all City participants

- *Discovery:* The first phase requires internal City stakeholders to articulate priorities and needs to solicit proposals from an array of partners. A typical RFP outlines a broad list of requirements and standards in addition to a specific number of years in government contracting (which only the biggest and most expensive vendors can address). The Challenge-based RFP allows City staff to expand the pool of qualified vendors who truly understand their problems to propose innovative solutions. This phase consists of four distinct stages: challenge sourcing, challenge refinement, open call for proposals, and proposal evaluation and selection.

- *Challenge sourcing and refinement:* These steps happen internally between participating Departments and the Smart City Initiative team and other staff in the Financial Management and Technology and Innovation Departments. City staff participants will be guided through the process to develop a Challenge-based RFP, which consists of the following components: a challenge statement, project background, and additional information such as program specific FAQs.

Departments will be asked to reflect on their current capacity, priorities and needs, and future funding to support a pilot project at this stage. TID and FM staff may also recommend current solutions and applications that meet the Challenge need, rather than going through the Smart City Challenge procurement and pilot process.

- *Open call for proposals:* Once complete, the Challenge-based RFPs will be publicized across various channels to capture a variety of proposals from vendors. By utilizing the Challenge-based RFP, participating Departments will receive a variety of solutions to address their current problem, likely including solutions they may not have researched or considered.
- *Proposal evaluation and selection:* After the window to collect proposals has closed, participating City staff will review and select the proposal they believe address their current challenge. The review process will consist of a committee of major stakeholders and implementation partners to evaluate each proposal on feasibility of implementation and opportunity to scale.
- *City Council Approval:* Following the selection of a pilot partner, the Smart City Initiative staff and pilot project teams will compose and submit a letter of intent for Long Beach City Council approval to grant the City authority to enter contracts for all Smart City Challenges. While the pilots won't be using City funds, it is a best practice to seek Council approval of any contract where the City assumes liability regardless of whether there is a cost of services. Following City Council approval, the Smart City

Initiative team will work with participating Departments and selected vendors to execute any necessary contracts and agreements.

- *Pilot Implementation and Operation:* To keep the momentum of pilots moving during the Council Approval process, pilot teams will develop a scope of work to kick off the pilot implementation phase. In addition to outlining roles and responsibilities and document project history, the scope of work will identify objective key results (OKRs), and key performance indicators (KPIs) to track process and demonstrate the project's ability to meet milestones. Lastly, the scope of work will define any assumptions, dependencies, and risks related to the implementation and operation of the pilot. The operational pilot period typically lasts five months. While the pilot is operational, it is encouraged to report the findings regularly and publicly so stakeholders can see the progress and make an informed decision about the project's success during the pilot evaluation.
- *Pilot Evaluation:* As each team approaches the end of the pilot period, typically after four months, each project will be evaluated based on the criteria defined during the City-Vendor kick off meeting. Typically, this consists of specific metrics and meeting project milestones in timely manner.

A successful pilot does not guarantee a larger implementation of the product or service. The right to scale a pilot is at the discretion of the City and is contingent on total cost and budgetary priorities, changes in the City's scope, evolving market conditions, access to City resources, and the City's priorities.

If the pilot failed to deliver the expected outcomes or if the City does not have the requisite interest, capacity, or budget, the Department has the right to not enter into a contract with the pilot vendor at the end of the pilot period.

The following criteria will be used in addition to the agreed upon key performance indicators and project milestones:

- Alignment with Smart City Initiative guiding principles and Challenge-based RFP goals
- Compliance with City data governance policies
- Feasibility and potential for scale
- Budget and capacity to support a full implementation contract

**3.3. How will pilot proposals be evaluated?** The Smart City Challenge evaluation and selection process is aligned with the City's procurement principles and ensures that selected ideas are aligned with Citywide and Departmental priorities.

- *Proposal Evaluations:* Given the variety, all submitted vendor proposals will be evaluated on the same criteria. The criteria include qualifications, impact, data governance, innovation, feasibility, and the ability to demonstrate understanding of the challenge.

Qualifications are defined as: professional and academic experience of project team; tenure and financial viability of company to sustain the pilot period and potential contract; company milestones and recent successes; and lastly, bandwidth and staff

to dedicate to the pilot.

Impact is measured by the product or service's ability to lead to short-term and/or long-term outcomes that will benefit residents, the Department, and the City. Data governance is the ability to demonstrate an understanding and the ability to use metrics to communicate the level of impact.

Innovation is determined by the originality of the proposed solution and if the City's normal purchasing process would have omitted or overlooked the solution. Feasibility will account for the actions and resources required by the City for pilot success and the anticipated costs to scale the pilot to an implemented solution.

To demonstrate the understanding of the challenge, vendors should be prepared to define: why they are best positioned to work on this project; and provide any recommendations to the Department that can improve the scope or outcome of the project.

Reviewing committees will rank the responses to each of the criteria listed above and determine if the proposal: (4) exceeds requirements and expectations, (3) meets requirements and expectations, (2) partially meets requirements and expectations, and (1) does not meet requirements and expectations. The proposals are then ranked, with the highest scoring proposal being selected for the pilot. City staff will also provide written feedback for each submission.

### **3.4. Partner Expectations**

- *Data Access:* Vendors are expected to provide the City with easily-accessible data to evaluate the success of the pilot program. Project data may be utilized by the City for related services and initiatives. The City prefers that data is provided in a raw, machine-readable automated manner and that an Application Programming Interface (API) is made available to City staff to easily incorporate project data into other City systems.
- *Data Privacy and Security:* Vendors must comply with all relevant privacy and information security legislation and procedures. This includes all cloud-based vendors completing the City of Long Beach's Vendor Information Security Assessment (VISA) Questionnaire. The responses to the VISA questionnaire are used to conduct a security risk assessment by the City.
- *Demo Day:* At the end of the pilot period, vendors are expected to present at the City's demo day and showcase their products and/or services, share their experiences, and progress reports to the public and City staff. More details will be provided closer to the date of the event.
- *Timeframe:* The opportunity to provide any product or service piloted through the Smart City Challenge Program shall only extend through the agreed-upon pilot period and shall not continue thereafter. The program is typically a nine-month endeavor with a specific pilot period of five months.

- *Future Use:* The City provides no guarantee of future use, purchase or procurement of any products or services piloted through this Program. Participation in the Smart City Challenge Program is not in any way an advantage or benefit vis-à-vis any other vendor in subsequent solicitations or procurements held by the City or any participating entity.

#### 4. Frequently Asked Questions for City staff

4.1. **Q:** What is the expected time commitment to conduct a pilot through the Smart City Challenge?

**A:** While the active pilot spans five months, the entire process last about nine months. Participating Departments will spend two to three months developing their Challenge-based RFP, evaluating the submissions, and selecting a vendor. Then the Smart City Initiative team will work with your Department to write and submit a City Council Letter for approval, which typically takes four to five weeks. After being granted approval and executing any required vendor contracts, project implementation can begin. This phase of the process will be negotiated between the participating Department and the selected vendor. It is after the implementation phase that the pilot is operational. About one month from the end of the pilot, the participating Department will begin the evaluation process to decide whether to commit to or decline a contract with the vendor based on previously agreed upon metrics of success.

4.2. **Q:** How many Department team members are expected to participate in the pilot?

**A:** It is expected that two to three team members from the participating Department will be engaged in the pilot process. Each pilot team will have an executive sponsor (typically a Department Director or Bureau Manager), a project manager, a back-up project manager, and any additional team members with the relevant subject matter expertise.

4.3. **Q:** How many hours should participating team members expect to commit to the pilot each week?

**A:** The project manager is committed to working on the pilot for two to eight hours each week, though this depends on the phase the pilot is in and the nature of the relationship with the selected vendor. The back-up project manager may not work any hours on the pilot until needed. The additional team members can spend anywhere from one to eight hours a week working on the pilot depending on previously agreed upon responsibilities between the project manager and the vendor. The executive sponsor is only committed to one to two hours per month during the program.

4.4. **Q:** How often are team members from the participating department and the selected vendor expected to meet?

**A:** The pace of communication and meetings will be negotiated between the Department and vendor. Once the vendor is selected, the entire team will participate in a scoping workshop to define the pilot process and the desired outcomes. From that point teams can meet weekly to discuss project updates or troubleshoot unexpected issues. The executive sponsor can select how often they attend the regular meetings depending on their needs. Additionally, at agreed upon milestones (for example: project midpoint and close) the team will participate in stakeholder updates and pilot wrap-up.

**4.5. Q:** What support will TID provide to make sure my pilot is successful?

**A:** TID will provide several layers of support, including workshops, overall program guidance and technical expertise. TID will first host a project sourcing workshop to work with your Department to identify and refine an appropriate challenge statement. TID will also host a workshop during pilot implementation to discuss evaluation practices and how to transition from a pilot to a full contract. TID will also work with you during the Council approval process to author a City Council Letter for approval to enter into an agreement with your selected vendor. Finally TID will support vendor evaluation by offering technical guidance on qualified vendors' technology.

**4.6. Q:** Is the Smart City Challenge only open to technology and "innovative" solutions?

**A:** No, the program is open to all types of challenges your Department comes up with based on your needs and pain points. Solutions that vendors propose may be technology-based, or new ways of offering City services without technology. Solutions may be "first-of-its-kind" technology or products that have been deployed elsewhere. TID staff will work with you during the challenge sourcing stage to ensure that no existing City applications or vendors can meet your needs.

**4.7. Q:** Why would I implement a Smart City Challenge pilot project instead of a normal contract?

**A:** A pilot project is a no-cost short-term opportunity for you to test out a potentially transformative solution, measure its impact, and decide on its feasibility before investing heavy time and resources. Previous City examples include our Free Ride electric vehicle shuttle service and body-worn camera pilot program. Given constrained City resources, pilots allow you to co-design solutions with vendors, better understand a specific industry before committing to a full-scale contract, and if successful, can improve your Department's operational efficiency and delivery of key City services and programs.

**4.8. Q:** What is the length and cost of a Smart City Challenge pilot?

**A:** Pilots have a duration of approximately 5 months, not including set-up time. Vendors will also specify all resources needed – including staff time, infrastructure, or software. Smart City Challenge pilots are conducted at no additional (monetary) cost to the City.

**4.9. Q:** What are the benefits of participating in the Smart City Challenge cohort?

**A:** To foster a collaborative environment and increase knowledge sharing across City Departments, participating Department staff will attend a series of four workshops through the duration of the Smart City Challenge. These workshops will ensure City staff have the resources to successfully (1) create challenge statements, (2) evaluate vendors, (3) develop project metrics / KPIs, and (4) conduct project evaluations. There will also be opportunities for participants to share their pitfalls, successes and problem solve collaboratively.

This is also an ideal opportunity for staff to build relationships outside of their immediate Department and with colleagues of all seniority levels

## **5. Frequently Asked Questions for Vendors**

**5.1. Q:** What is the timeline for a challenge-based procurement?

**A:** The ideal timeline for an active pilot is around five months. The process from the open call for proposals to final pilot evaluation is about seven months. This includes submitting a proposal, proposal evaluation and vendor interviews, pilot setup and execution. The final

evaluation period will occur one month before the pilot is scheduled to complete to allow for the opportunity to scale the pilot with no disruption in service.

**5.2. Q:** How will I know when my proposal is being evaluated by the City?

**A:** Long Beach Technology and Innovation Department (TID) Smart City Initiative staff will be the main point of contact for applicants during the proposal and evaluation process. TID staff will inform applicants when proposals are being evaluated by the committee and the outcome of the evaluation. Applicants selected to interview will be contacted to schedule a meeting time and be informed of evaluation criteria for the interview. After a final vendor has been selected, the main contact for vendors will become the Challenge Project manager for the duration of the pilot with additional support provided by TID staff when needed.

**5.3. Q:** What if my proposal includes confidential, trade secret, or proprietary information?

**A:** We encourage proposers to avoid including confidential, trade secret, and/or proprietary information in your Smart City Challenge proposal. The City reserves the right to use contents of your pitch to develop future solicitations to help determine the best option for a full implementation. Submissions are subject to the provisions of the California Public Records Act (CPRA). Under the CPRA, the City is required to make its public records available for public disclosure, unless there is a specific reason not to do so. Proposers should mark documents of concern as "Trade Secret," "Confidential" or "Proprietary." The City will use its best efforts to inform the proposers of any request for any confidential documents pertaining to their pitches.

**5.4. Q:** Can I propose a pilot that is not free for the City?

**A:** Long Beach does not offer financial compensation for companies during the Smart City Challenge pilot process. However, if a pilot is determined to be successful and the participating Department has the capacity to support a full implementation, the vendor may be awarded a full contract. This decision to sustain or scale a project requires mutual agreement between the City and the awarded Contractor. The City also maintains the right to sustain or scale the project by issuing a new solicitation after the pilot period.

**5.5. Q:** Will the pilot end after 6 months or is there potential for the pilot to carry on?

**A:** The timelines have some flexibility but proposers should not expect for the pilot period to last longer than 6 months. The timeline for the pilot project will be finalized during the project scoping process.

**5.6. Q:** Will the City keep my product/service at the end of the pilot?

**A:** Any equipment used will not be retained or considered property of the City or participating authorities. All products piloted as part of the Smart City Challenge program will be returned at the end of the pilot. Data that is generated through the pilot is expected to be provided to the City for evaluation purposes. The City reserves the right to use the data for related services and initiatives.

**5.7. Q:** Can the solution provider be an individual, a group/consortium of individuals, or a company?

**A:** Yes, individuals and sole proprietorships are eligible, along with companies. Selected vendors will be required to submit a W-9 to receive payment.

5.8. **Q:** Are established companies and companies from outside of Long Beach eligible to participate?

**A:** Yes, we welcome companies of all stages to participate. While local providers will receive preference over those from outside Long Beach (where pitch quality is similar), we welcome participation from well-qualified innovators everywhere.

5.9. **Q:** Are you seeking solutions that already have been developed? Or, is this open to MVPs (Minimum Viable Products) that would need further development?

**A:** We're looking for solutions that are deployment ready. You must also be able to support your business financially throughout the process of piloting.

5.10. **Q:** Are you only seeking technology and/or app-enabled solutions only?

**A:** No. We are open to all solutions, including innovative approaches to enhance City services, technology solutions, and "tech-enabled" solutions. We understand "tech-enabled" to mean any solution that has a technology component but doesn't necessarily hinge on the tech, however we welcome well-designed initiatives that combine different strategies and mediums to ultimately address the issue at hand leveraging a technology component.

5.11. **Q:** Will I have access to existing City-owned infrastructure and technology systems?

**A:** The possibility to use existing City-owned infrastructure and technology will be assessed during the evaluation stage and considered after a cybersecurity and operations review by the City.

6. **Contact Info:** For any questions about the Smart City Challenge, you may contact Ryan Kurtzman, Smart Cities Program Manager, City of Long Beach Department of Technology & Innovation, at [ryan.kurtzman@longbeach.gov](mailto:ryan.kurtzman@longbeach.gov).