

**Greater Phoenix Economic Council**  
**A Request for Quote (RFQ)**  
**A Market Assessment and Feasibility Study:**  
**Virtual Care Innovation Center and West Valley Satellite Hub**  
**Issued: January 19, 2021**  
**RFQ closes on January 25, 2022**

### **Statement of Purpose**

Greater Phoenix Economic Council (GPEC) is requesting quotes from qualified consultants for a Market Assessment and Feasibility Study to support the planning of a Virtual Care Innovation Center (VCIC) and a related satellite incubator location in the West Valley (“West Valley Hub”). These two incubator projects are part of the Phase 1 Build Back Better Regional Challenge grant project titled *Driving the New Healthcare Innovation Economy* (“the NHIE Phase 1”). The NHIE Phase 1 is funded by the U.S. Economic Development Administration (EDA).

### **Background Information**

GPEC is a nonprofit regional economic development organization located in Phoenix, Arizona and is the lead in the Greater Phoenix’s Healthcare Innovation Economy Coalition (“the Coalition”).

The Coalition is made up of 18 members and is supported by more than 40 industry, academic, government and nonprofit organizations. The Coalition has developed five interrelated component projects in response to the EDA Build Back Better Regional Challenge Phase I competition. The component projects are designed to advance an inclusive end-to-end healthcare innovation ecosystem that achieves new wealth creation opportunities across broad social, demographic, and economic groups and geographies.

As 1 of 60 regional coalitions funded by the EDA in Phase I, the Coalition will be competing for a Phase II implementation grant up to \$100 million per coalition. The Phase II application is due March 15, 2022 and EDA intends to award 20-30 coalitions in September 2022.

The Virtual Care Innovation Center (VCIC) will create a nexus for entrepreneurs, engineers, and investors to support technology businesses enabling the future of “hospital at home”. The VCIC project led by the Center for Entrepreneurial Innovation along with the West Valley Hub led by City of Surprise will offer incubation services to support diverse and promising health tech ventures. In the Phase I concept proposal, we anticipated supporting 80 to 100 startups at the VCIC by year 5, with approximately 30 of those startups projected to reach an average of \$10 million in revenue.

## Components of the Market Assessment and Feasibility Study

The objective of the study is to establish the market demand for healthcare technology and related start-up companies for the proposed incubators and develop a management plan for operations that will support the incubator to reach positive cash flow within three years.

### A. Market assessment

- Provide a regional and submarket analysis by reviewing and analyzing data from state, local, regional and national sources regarding business trends, companies, the availability of capital, support for the facilities, entrepreneurial activity and general preferences of companies, trends in the healthcare fields, and existing programs in the area.
  - analysis of the needs and gaps in local educational programs;
  - the capacity for growing start-ups and small businesses in the area, and what additional factors/items are needed to add to that growth capacity;
  - an assessment of existing Intellectual Property potential and capital investment networks (including the potential for building/attracting capital networks).
- Establish a demand methodology and provide a preliminary estimate of potential demand or need for incubation services at the VCIC and the West Valley Hub.
- Provide recommendations on engagement to reach diverse and underrepresented entrepreneurs and founders with the goal of increasing the number of diverse applicants, including but not limited to women and founders of color, people of color, and applicants with a disability.

### B. Site Assessment

- Evaluate the suggested sites for the incubator building for the proposed incubation programs in accordance with industry best practices. Assess and analyze incubator sites for potential and determine the best site for the program, including identifying upgrade and construction needs, building design and equipment.
- Evaluate suggested sites on the basis of demographic data, including but not limited to income levels, crime, public transportation access, scoring metrics for education and other social good criteria and across racial and ethnic markers.
- Provide a detailed analysis and description of items necessary to operate the proposed building according to best practices as an incubator and offer suggested layouts and equipment to maximize success.

### C. Operational Needs Assessment

- Provide an outline of proposed services to be provided by the incubator, support structure for businesses, documentation for operational excellence and an outline of programs to assist business growth.
- Provide the following components of a management and operational plan:
  - Tenant/client selection policy that includes a description of the types of businesses sought, any established selection criteria, and metrics on businesses that will continue to be tracked after they leave the incubator.

- Tenant lease or license agreement that enumerates the shared services to be provided; delineates the incubator’s business assistance policy, including the provision of management, technical, and training assistance, and the incubator’s graduation policy; and establishes periodic access to the tenant’s business records to permit assessment of the financial and operational viability of the tenant’s business.
- Business assistance policy that outlines the various types of assistance that the incubator will provide to start-up firms, including how the incubator will support tenants/clients with access to capital needed to grow their businesses successfully.
- Staffing plan that details the talent and resources that will be dedicated to supporting the start-up companies accepted into the incubator.
- Tenant graduation policy that is documented as a provision of the tenant lease or license agreement with clear requirements for tenant graduation from the facility or services of the incubator.
- Incubator performance plan that includes how the incubator will track the success of incubator tenants/clients, specifically identifying what performance measurement data the incubator proposes to collect from tenants/clients and for what period of time during and after the service period the data will be collected. This should also include members of any oversight or policy board for the incubator that will be responsible for setting performance goals of the incubator, selecting or approving selections of staff, establishing and reviewing policy, and monitoring performance.
- Advisory board policy that includes qualifications, roles and responsibilities, terms of commitment, and engagement requirements.
- Draft criteria that integrates best practices around inclusivity and engagement with underrepresented founders and entrepreneurs, e.g. integrating a selective accelerator program for founders of color or women founders when considering tenant/client selection policy.
- Provide an outline of programs to incorporate partners, sponsors and university departments into the operational strategy of the incubator.

#### **D. Financial Assessment**

- A. Review recommended budget and expenses for the incubator, including potential revenue sources.
- B. Provide specific recommendations for personnel/organizational structure (including salaries, titles, and job descriptions).
- C. Provide an initial 3-year projection for the business incubation program with a complete breakdown of expenses and revenues.

### **Deliverables and Performance Standards**

#### **Deliverables:**

- a) Project work plan with timelines

- b) Interim deliverables as agreed to with Regional Economic Competitiveness Officer and VCIC and West Valley Hub leads
- c) Draft Market and Feasibility Study
- d) Final Market Assessment and Feasibility Study

Consultant is expected to perform all services and prepare work products in a substantial manner and conform to the professional standards of quality.

**Term of Contract and Payment**

The term of the contract will be from January 31, 2022 to March 15, 2022. The contract will be fixed price and will not exceed \$47,000. The payment schedule will be as follows.

Deliverable	Date (Estimates)
Work plan	February 4, 2022
Draft market and feasibility study	February 25, 2022
Final market and feasibility study	March 1, 2022

**Quote Submittal Instructions**

The quote submittal should include 1) documentation of qualifications; 2) price break-down by study components; 3) company and primary contact information.

Please direct all inquiries for the RFQ to Kathleen Lee, Senior Vice President of Regional Initiatives at [klee@gpec.org](mailto:klee@gpec.org). **The deadline for RFQ submittals is 12:00(Noon) MST on January 25, 2022**

**Send one (1) electronic copy in PDF format to [klee@gpec.org](mailto:klee@gpec.org)**

GPEC reserves the right to reject any bids submitted. The successful service provider will be required to execute GPEC’s agreement for professional services. The materials submitted will not be returned unless requested in writing by the applicant.