

MEMORANDUM OF UNDERSTANDING

This Memo of Understanding formalizes agreements between the City of Fruita and Western Colorado Business Development Corporation, DBA the Business Incubator Center regarding operations, financial considerations and the scope of work necessary to develop a business incubator program satellite office in the City of Fruita Civic Center.

RECITALS:

WHEREAS, The City and Business Incubator Center have developed a strong working relationship to create, foster and enhance entrepreneurial business activity in the City of Fruita; and

WHEREAS, the City and Business Incubator Center desire to continue with this relationship and improve the economic vitality of Fruita by locating a satellite incubator office in the Fruita Civic Center; and

WHEREAS, the City desires to obtain the services of the Business Incubator Center to administer and operate a satellite incubator office in Fruita; and

WHEREAS, the Business Incubator Center is a qualified, non-profit, small business development organization, capable of providing the professional services; and

WHEREAS, the Business Incubator Center is willing and able to provide the City with the services as outlined in this Memorandum of Understanding.

NOW, THEREFORE, in consideration of the terms and covenants of this Memorandum, the parties agree as follows:

SECTION 1: The City of Fruita will provide the Business Incubator Center approximately 1,600 square feet of space in the Fruita Civic Center. In the space provided, the Business Incubator will operate a satellite business incubator office.

SECTION 2: In the space provided, the Business Incubator Center will work to support the launch, growth, stabilization and long-term success of business enterprises. This satellite office will work with all types of industries including, but not limited to, manufacturing, technology, agriculture, construction and retail. The incubator satellite center will provide education and coaching to business owners and leaders and work to establish an entrepreneurial infrastructure for the community.

SECTION 3: It is understood that meaningful, quantitative measures of success are very difficult to develop for endeavors such as this. As such, the Business Incubator Center and the City will measure success by the creation of an environment to guide entrepreneurs through sound business decisions and having a positive influence on economic growth in the region. In order to create this environment, the satellite office will offer free or low cost counseling, workshops and classes, opportunities for approved businesses to use shared services and lease

space, provide small business financing through the Business Loan Fund of Mesa County and the Fruita Business Loan Fund, and administer the Enterprise Zone tax credit through the Mesa County Enterprise Zone among other types of assistance.

SECTION 4: The Business Incubator Center Plans to operate the Fruita satellite office indefinitely depending on the success of the endeavor. In order to make this endeavor as successful as possible in the beginning years, the Business Incubator will commit to operating the satellite office for a minimum of a three year period.

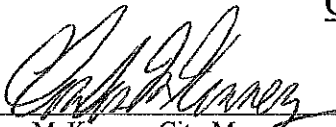
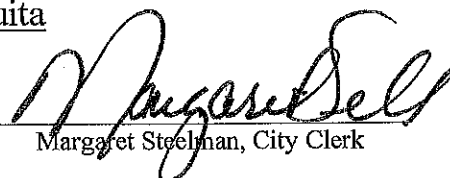
SECTION 5: In order to reduce the burden on the Business Incubator Center of starting this endeavor, and in an effort to help secure the success of the business incubator satellite office, the City of Fruita will provide the Business Incubator Center with a payment of \$13,200. In addition, the City will commit to improving the flooring prior to December 2013 in the satellite space to meet the needs of the facility. Finally, it is understood the City will provide wireless internet services and pay the utility costs for the space provided.

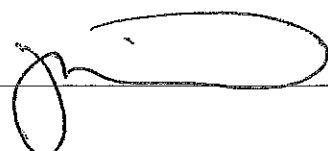
SECTION 6: The term of this Agreement shall commence on the day executed by both parties, and shall continue indefinitely. This Agreement may be terminated as follows:

- a. Immediately upon the dissolution of the entity known as Western Colorado Business Development Corporation dba Business Incubator Center, or
- b. By the City or Business Incubator Center at any time, upon 120 days written prior notice.

SECTION 7: Any modification of this Agreement shall be binding only if evidenced in writing and signed by each party. If modifications are jointly agreed to and will improve the efficiency and effectiveness of the agreement, the Fruita City Manager and Executive Director of the Business Incubator Center are authorized to jointly modify this agreement without action of their respective boards as long as the overall intent of the agreement is upheld.

BY THEIR SIGNATURES, the parties agree to the terms of this Memorandum of Understanding this 18th day of June, 2013.

By:  ATTEST: 
Clinton M. Kinney, City Manager Margaret Steelman, City Clerk

Western Colorado Business Development Corporation
By:  Title Executive Director

ACKNOWLEDGEMENT

STATE OF COLORADO)

COUNTY OF MESA)

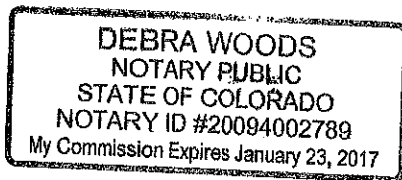
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CLINTON M. KINNEY AND

The above and foregoing signatures of MARGARET SELL were
18th day of June, 2013. was subscribed and sworn to before me this

Witness my hand and official seal.

My commission expires on: 1/23/2017



(SEAL)

Debra Woods
Notary Public

325 E. Aspen Ave.
Address

Fruita CO 81521