



FRUITA
COLORADO

AGENDA ITEM COVER SHEET

TO: Mayor & City Council

FROM: Mike Bennett, City Manager

DATE: November 21, 2023

AGENDA TEXT: PRESENTATION - Presentation and Consideration of a Memorandum of Understanding (MOU) between the City of Fruita and the Western Colorado Business Development Corp. DBA Business Incubator Center (BIC) by City Manager Mike Bennett and BIC Executive Director Dalida Bollig

BACKGROUND

For many years the City has worked with the BIC to collaborate with business development, small business loan management, business training and economic development activity. In the City's Strategic Plan, a goal for 2023 is to clarify the relationship between the City and BIC in an MOU. City Manager Mike Bennett worked with BIC Executive Director Dalida Bollig to draft the MOU. The MOU is attached and Bollig and Bennett will present to Council during this agenda item and take any questions the Council has. Bollig will also present an update to City Council during this agenda item.

The purpose of the MOU is to define the roles of the relationship between the BIC and the City, and either party may terminate the MOU at any time upon 120 days' written prior notice. The MOU replaces the outdated MOU dated by both parties on June 18, 2013 for the purpose of the City providing satellite space in the Fruita Civic Center, which use has expanded and changed since that MOU into the FWorks Co-working space. This MOU also recognizes the Professional Services Agreement between both parties dated September 14, 2011 for the purpose of the BIC administering the Fruita Business Loan fund and other business loan programs. These two agreements are attached for reference.

The purpose of the MOU is defined to:

1. Establish a collaborative partnership between the City and BIC to foster economic development and provide essential resources for the growth of businesses within the City. The City recognizes the importance of fostering entrepreneurship and economic development within its boundaries. BIC has expertise in providing business support services, including co-working space management, business loan programs, assistance with specific federal and state programs, administration of Enterprise Zone, coaching, workshops, and other programs.
2. Replace the previous MOU dated June 18, 2013 regarding the development of a business incubator program satellite office in space provided by the City at the Fruita Civic Center to reflect changes and updates to the program and use of space that have occurred since the original MOU was executed.

The MOU defines the roles of the BIC and the City regarding this relationship in categories of economic development services, co-working space, and collaborating and reporting. These are listed in the attached MOU.

FISCAL IMPACT

Currently the City, in lieu of an annual payment to BIC, provides in-kind office and meeting room space within the Frutia Civic Center as identified in Exhibit A of the MOU. Any future changes to this arrangement or consideration of a funding request of the City from the BIC would be subject to the City's annual budget adoption.

APPLICABILITY TO CITY GOALS AND OBJECTIVE

Economic development is a strategy of the City found in both the City's Comprehensive Plan and the Strategic Plan focused on business retention, business expansion, and new business development. Continuing a relationship with the BIC is specified in both plans.

OPTIONS AVAILABLE TO THE COUNCIL

- 1. Approve the MOU with the BIC, directing the City Manager to sign the MOU.**
- 2. Approve the MOU, with amendments, and if approved by the BIC, direct the City Manager to sign the MOU.**

RECOMMENDATION

- APPROVE THE MOU WITH THE BIC, DIRECTING THE CITY MANAGER TO SIGN THE MOU.**