



---

**TO:** Mayor & City Council

**FROM:** Mike Bennett, City Manager

**DATE:** September 19, 2023

**AGENDA TEXT:** Presentation and Consideration of a Memorandum of Understanding (MOU) between the City of Fruita and the Grand Junction Economic Partnership (GJEP)

---

### BACKGROUND

For many years the City has worked with the GJEP to collaborate with economic development activity. In the City's Strategic Plan, a goal for 2023 is to clarify the relationship between the City and GJEP in an MOU. City Manager Mike Bennett and Mayor Pro Tem Matthew Breman, Council liaison and GJEP Board Member, reviewed the role of GJEP to support the City in its economic development efforts. Bennett worked with GJEP Executive Director Curtis Englehart to draft the MOU. The MOU was reviewed by the City Attorney as well. The MOU is attached and Englehart and Bennett will present to Council during this agenda item and take any questions the Council has.

The purpose of the MOU is to define the roles of the relationship between GJEP and the City, and either party may terminate the MOU at any time. The roles of GJEP and the City regarding this relationship are outlined in the MOU as follows:

#### **Responsibilities of Grand Junction Economic Partnership:**

- GJEP will be responsible for hiring and training City staff on business recruitment, and expansion strategies.
- GJEP will be the subject matter experts on all state and local incentive programs including but not limited to: Rural Jump Start, Job Growth Incentive Tax Credit, Career Development, Skills Advanced Colorado, Enterprise, and Opportunity Zones.
- GJEP will present to the City of Fruita Council and update on incentive programs and other matters relevant to economic development on a bi-annual basis.
- GJEP will meet with the Fruita City Manager on a quarterly basis. These meetings may also include other community members the City of Fruita invites to these meetings.
- GJEP will coordinate site visits with prospective businesses and developers and include City of Fruita staff and properties located within the City.
- GJEP will showcase commercial properties and buildings located in the City on a consistent basis.
- GJEP will maintain an open line of communication with the Fruita City Manager.

#### **Responsibilities of the City of Fruita:**

- The City of Fruita will lead economic development efforts in the City and collaborate with GJEP

regarding the services and areas of expertise GJEP provides in this MOU.

- The City of Fruita will lead the development approval process and building permit process with all developers and their representatives.
- The City of Fruita will develop a Fruita Economic Development group that will meet on a quarterly basis to discuss the economic needs of the community.
- The City of Fruita will pay GJEP annually for their economic development services. Each year GJEP will provide a requested amount and the City will consider and approve the annual contribution in their annual budget appropriation process for outside agencies.
- The City of Fruita will have an Ex-Officio (City Manager) and Voting Board member (City Council Member) on the GJEP Board of Directors.
- The Fruita City Manager will keep an open line of communication with the GJEP Executive Director.

## **FISCAL IMPACT**

Currently the City pays GJEP \$10,000 annually for their services from the Economic Development fund received via lodger's tax. For 2024, GJEP is requesting the City pay \$20,000 for its services—to be considered during the 2024 annual budget process, when City Council considers all outside agencies. The annual amount the City pays GJEP is not subject to the MOU, but determined in the City Council's annual budget appropriation.

## **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 GJEP is specified in both plans.

## **OPTIONS AVAILABLE TO THE COUNCIL**

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

## **RECOMMENDATION**

**Approve the MOU with GJEP, directing the City Manager to sign the MOU.**