

CITY COUNCIL COMMUNICATION



MEETING DATE: December 14, 2021

ITEM NUMBER: 9.I

SECOND READING:

{{customfields.ResoOrdNumber}}

TYPE OF ITEM: Consent

PRESENTED BY:

Joni Marsh, City Manager's Office, Joni.Marsh@longmontcolorado.gov

SUBJECT/AGENDA TITLE:

Economic Development contracts for 2022

EXECUTIVE SUMMARY:

Each year, the City contracts with several organizations to provide economic development services around key areas: primary employment retention and recruitment, Advance Longmont 2.0 (Longmont EDP), business lending (Colorado Enterprise Fund), small business training and advising (SBDC), tourism and visitor services (Visit Longmont) and minority business development (Latino Chamber).

COUNCIL OPTIONS:

Approve, modify or reject the contracts.

RECOMMENDED OPTIONS:

Approve the contracts as presented.

FISCAL IMPACT & FUND SOURCE FOR RECOMMENDED ACTION:

The 2022 approved budget includes funding for these contracts outlined below:

Colorado Enterprise Fund: \$5,000

Latino Chamber: \$30,000

Boulder SBDC: \$64,500

Visit Longmont: \$300,000 (Lodger's tax)

Longmont EDP: \$362,500

BACKGROUND AND ISSUE ANALYSIS:

Colorado Enterprise Fund (CEF) provides loans to hard-to-finance businesses turned down by conventional lenders such as banks and SBA. The City's Housing & Community Investment Division invested CDBG dollars in a revolving loan fund for over ten years to capitalize a fund housed by CEF that could make loans to businesses turned down by other lending institutions. Today, that fund is fully capitalized and this contract provides a small

administration fee that the City pays to ensure our local businesses have easy access to CEF staff for business advising and financing assistance.

The Boulder Small Business Development Center provides one-on-one consultation services, classes and other trainings to local businesses and entrepreneurs. The City-SBDC contract began more than ten years ago as a way to enhance the level of service Longmont businesses receive from the SBDC. The contract is a direct payment for services rendered. The Boulder SBDC serves all of Boulder County and provides a base level of service but this contract provides for classes, training and a higher level of one-on-one consultation services specific to Longmont businesses beyond the base service they might otherwise receive absent this funding.

The Longmont Economic Development Partnership provides business recruitment, retention and expansion services for primary employers and a variety of services dedicated to startup assistance and entrepreneurial ecosystem development. The EDP administers a City grant program and is the lead agency for Advance Longmont 2.0, the collective impact model adopted by the City and partner agencies in 2019.

The Latino Chamber of Boulder County provides services for minority business outreach including networking, educational and leadership programs as well as workshops directly supporting minority Longmont businesses. The City began contracting with the Latino Chamber in 2016. In 2020, The Latino Chamber added a full time staff member to enhance their support to the minority business community.

Visit Longmont supports tourism activities utilizing the hotel occupancy tax collected by the City of Longmont. After a significant revenue downturn as a result of COVID 19 in 2019 and into early 2020, Visit made operational changes and was able to continue to provide tourism services and support Longmont as a great place to visit and to do business. Visit is planning for long term organizational sustainability and recently embarked on a national marketing campaign with grant funding.

Attachments:

- CEF contract
- SBDC contract
- LEDP contract
- Latino Chamber contract
- Visit Longmont contract