

CITY COUNCIL COMMUNICATION



MEETING DATE: 01-05-2010 **ITEM NUMBER:** 9D
TYPE OF ITEM: **Consent**
PRESENTED BY: Doug Bene, Economic Development Manager, (303) 651-8403

SUBJECT/AGENDA TITLE: **2010 contract for services with the Small Business Development Center (SBDC)**

EXECUTIVE SUMMARY: The SBDC helps small businesses analyze marketing and growth issues, set reasonable short and long-term goals, obtain financing, and prosper in competitive markets. Since 2007, The city has partnered with SBDC to provide a customized set of programs and services for the Longmont business community. Specifically, this includes one-on-one consultation, practical workshops, and connection to resources. The 2010 contract continues SBDC services and adds a special business training series and consultation provisions for the Longmont Economic Gardening Initiative (LEGI) program.

COUNCIL OPTIONS: 1. Approve and authorize Mayor to sign contract 2. Provide alternate direction 3. Disapprove contract

RECOMMENDED OPTIONS: Approve and authorize Mayor to sign contract

FISCAL IMPACT & FUND SOURCE FOR RECOMMENDED ACTION: \$10,000 from the General Fund and \$5,000 from LEGI.

ATTACHMENTS:

1. 2010 contract for services with the Small Business Development Center



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AGREEMENT FOR ECONOMIC DEVELOPMENT SERVICES

THIS AGREEMENT is made and entered into in duplicate originals by and between the City of Longmont, Colorado, a municipal corporation, herein referred to as the City, and the Boulder Chamber of Commerce, a Colorado nonprofit corporation, d.b.a. Boulder Small Business Development Center (“SBDC”) (also called Contractor), effective as of the 1st day of January, 2010.

WHEREAS SBDC focuses on three areas of support for the small business: training (short and long-term), counseling, and access to valuable resources. The SBDC helps small businesses analyze marketing and growth issues, set reasonable short and long-term goals, obtain financing, and prosper in competitive markets; and

WHEREAS the stimulation of economic growth is recognized to serve both the public interest and municipal purposes of the City by enhancing the tax base and creating employment opportunities; and

WHEREAS it is deemed advisable for the City to contract for the provision of SBDC Services including free one-on-one business counseling, practical business workshops, and connection to business resources – both tools and professionals.

NOW, THEREFORE, in consideration of the mutual promises set forth herein, it is agreed as follows:

SERVICES

1. SBDC agrees to provide the following business services and programs, on behalf of the City, to established and emerging businesses that are located, or are considering locating, within the territorial limits of the City:
 - 1.1. The SBDC Director will commit an average of eight hours per month (sponsored by the Longmont Chamber) to the SBDC Longmont satellite office. The Director will devote part of that time to developing the program and will devote the remainder to consulting (by appointment) with small businesses (including initial and follow-up contacts with clients).
 - 1.2. One-on-one Consultation - Small businesses will contact the SBDC for assistance through the SBDC website, by email, by phone or at an event. The topics may consist of (but are not limited to) start-up issues, development of a business plan (for start-up, growth, financing) development of marketing strategies and action plans, development (and understanding) of financial projections and development of management skills. The SBDC will provide 260 hours for one-one consulting services.
 - 1.3. Practical Workshops – The SBDC agrees to develop and conduct six business plan essentials classes focusing on business planning including identifying and reaching your market, financial statements, and other business plan elements. All classes will be taught by qualified and experienced professionals such as attorneys, accountants, marketing

consultants, and seasoned business consultants. Because the classes are sponsored by the LEGI program, the classes are offered free of charge to Longmont businesses.

- 1.4. Connection to Business Resources - The SBDC has built a local network of professional service providers, entrepreneurs and government business contacts that further assist our small businesses (especially when the scope of the request is outside the SBDC mission or resource constraints.) Especially important is a network of commercial banks and other financing sources such as micro lending institutions. While the SBDC Director and other counselors may explain to business owners the range of typical lender requirements, there is no replacement for a one-on-one meeting with actual lenders. In addition, useful tools (templates, web-based resources, etc.) are developed to provide tangible support to businesses including the continued development of a minority business listing for Boulder County with the City being a supporting sponsor.
2. SBDC agrees to provide the City Economic Development Department and the City Council of the City with semi-annual activity reports, SBDC's periodic newsletters (as published) and an annual evaluation specifically related to services to be performed by SBDC under this Agreement. The annual evaluation shall include an analysis of the impact that SBDC has had on the economic health of the City as measured by number of clients counseled, number of client hours, number of jobs created/retained and capital generated.
3. SBDC, during the term hereof, agrees to remain a not-for-profit corporation dedicated to the rendition of the services described in this Agreement, and no part of the income or assets of SBDC shall be distributed to, or inure to the benefit of, any individual or for any other private purpose.
4. SBDC agrees to establish and maintain books of account and records reflecting all of SBDC's revenues and expenditures and services to be performed by SBDC under this Agreement, and SBDC agrees to provide the City Council of the City with quarterly financial reports, which shall include quarterly expenditures and revenues and a balance sheet. Such books and records shall be made available to representatives of the City at any time during normal business hours. The City may require an independent audit of SBDC at any time (to be performed at the expense of the City), and SBDC agrees to assist and cooperate in any such audit.

COMPENSATION

5. SBDC agrees to provide the services described in this Agreement. The City has authorized \$15,000.00 in its 2010 budget to provide the services described in this Agreement. However, because economic forecasts for 2010 include considerable uncertainty in various City revenue streams, in order to prepare for these uncertainties and notwithstanding any other provision of this Contract, the City and SBDC agree City will pay SBDC not less than \$13,500.00 in a single installment no later than January 31, 2010. On or about September 1, 2010 City will advise SBDC whether City will pay an additional \$1,500.00 under this Agreement in December, depending on the availability of funds as determined by the City at its sole discretion. It is the understanding of the parties that the payments identified herein

shall constitute the total compensation payable by the City for the services identified herein and provided by SBDC.

TERM

6. This Agreement shall be for a term beginning on January 1, 2010 and ending on December 31, 2010. This Agreement may be modified or extended by written agreement of the parties.

OTHER PROVISIONS

7. SBDC further agrees to submit a final report to the City's Economic Development Manager. The final report will contain complete and accurate statements of services rendered and will be signed by SBDC. SBDC will submit the final report no later than April 15, 2011. Besides any other remedies available under law, the City may decline to consider further contracts with SBDC if SBDC does not submit its final report on time.
8. SBDC shall perform all services under this Agreement as an independent contractor and not as an agent or employee of the City. It is mutually agreed and understood that nothing contained in this Agreement is intended or shall be construed as in any way establishing the relationship of co-partners or joint ventures between the parties hereto, or as construing SBDC, including its agents and employees, as an agent of the City. SBDC shall remain an independent and separate entity. SBDC shall not be supervised by any employee or official of the City, nor will SBDC exercise supervision over any employee or official of the City. SBDC shall not represent that SBDC is an employee or agent of the City in any capacity. **SBDC is not entitled to City workers' compensation benefits and is obligated to pay federal and state income tax on money earned pursuant to this Agreement, if applicable.**
9. None of the terms or conditions in this Agreement shall give or allow any claim, benefit, or right of action by any third person not a party hereto. Any person other than the City or SBDC receiving services or benefits under this Agreement shall be only an incidental beneficiary.
10. Contractor shall not knowingly employ or contract with an illegal alien to perform work under this Agreement. Contractor shall not knowingly contract with a subcontractor that (a) knowingly employs or contracts with an illegal alien to perform work under this Agreement or (b) fails to certify to the Contractor that the subcontractor will not knowingly employ or contract with an illegal alien to perform work under this Agreement.
11. Contractor has confirmed the employment eligibility of all employees newly hired for employment to perform work under this Contract through participation in either the E-verify program administered jointly by the United States Department of Homeland Security and the Social Security Administration or the employment verification program of the Colorado Department of Labor & Employment.
12. Contractor shall not use E-Verify program procedures to undertake preemployment screening

of job applicants while performing this Agreement.

13. If Contractor obtains actual knowledge that a subcontractor performing work under this Agreement knowingly employs or contracts with an illegal alien, Contractor shall:
 - 13.1 Notify the subcontractor and the City within three days that the Contractor has such actual knowledge; and
 - 13.2 Terminate the subcontract with the subcontractor if, within three days of receiving such notice, the subcontractor does not stop employing or contracting with the illegal alien; except that Contractor shall not terminate a subcontract if, during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.
14. Contractor shall comply with any reasonable request of the Colorado Department of Labor and Employment made in the course of an investigation pursuant to C.R.S. 8-17.5-102 (5).
15. In addition to any other legal or equitable remedy the City may be entitled to for a breach of this Agreement, if the City terminates this Agreement, in whole or in part, due to Contractor's breach of any provision of this Agreement, Contractor shall be liable for actual and consequential damages to the City.
16. Section 15 of Article XXVIII of the Colorado Constitution is hereby incorporated by reference into this Agreement.
17. Contractor, on behalf of itself, any person who controls ten percent or more of the shares of or interest in Contractor, and the Contractor's officers, directors and trustees agree, for the duration of this Agreement and for two years thereafter, to cease making, causing to be made, or inducing by any means, a contribution, directly or indirectly, on behalf of the Contractor or on behalf of immediate family members and for the benefit of any political party or for the benefit of any candidate for any elected office of the state or any of its political subdivisions.
18. The parties agree that if Contractor intentionally violates Section 15 of Article XXVIII of the Colorado Constitution, as contractual damages that Contractor shall be ineligible to hold any sole source government contract or public employment with the state or any of its political subdivisions, for three years.
19. All terms used in this Agreement and not otherwise defined in this "contract" shall have the same meanings as set forth in Article XXVIII of the Colorado Constitution.
20. Paragraphs 16, 17, 18, 19 and 20 of this Agreement shall have no further force and effect as of the date on which Section 15 of Article XXVIII of the Colorado Constitution is held to be unconstitutional or otherwise invalid by a lawful order of: a division of the Boulder District Court, a division of the Colorado Court of Appeals, the Colorado Supreme Court or the United States District Court for Colorado, has been repealed retroactively or otherwise does not apply to this Agreement.

21. Paragraphs 16, 17, 18, 19 and 20 shall have no force and effect, if this Agreement does not constitute a sole source government contract as defined in Article XXVIII of the Colorado Constitution.

Executed this _____ day of _____, 2010.

CITY OF LONGMONT

THE BOULDER CHAMBER OF
COMMERCE, D.B.A. BOULDER SMALL
BUSINESS DEVELOPMENT CENTER

MAYOR

EXECUTIVE DIRECTOR

APPROVED AS TO CONTENT:

APPROVED AS TO FORM:

ECONOMIC DEVELOPMENT DIRECTOR

ASSISTANT CITY ATTORNEY

PROOFREAD

DATE

State of Colorado)
) ss.
County of Boulder)

I attest that the foregoing instrument was acknowledged before me this _____ day of _____ 2010, by _____, as the Mayor of the City of Longmont.

Witness my hand and official seal.

CITY CLERK

Notary Public, State of Colorado

My commission expires: _____

State of _____)
) ss:
County of _____)

The foregoing instrument was acknowledged before me by _____,
as _____ of the Boulder Chamber of Commerce, d.b.a. Boulder Small
Business Development Center, on behalf of the corporation, this ___ day of _____, 2010.

Witness my hand and official Seal.

My Commission expires _____

Notary Public

CA File # 8160

ILLEGAL ALIEN CERTIFICATE

FROM: Boulder Chamber of Commerce, d.b.a. Boulder Small Business Development Center
("SBDC")

TO: CITY OF LONGMONT

Project Name: Agreement for Economic Development Services

As a prospective contractor for the above-identified project, I (we) do hereby certify that, as of the date of this certification, I (we) do not knowingly employ or contract with an illegal alien and that I (we) have participated in or attempted to participate in the E-verify program administered by the United States Department of Homeland Security in order to verify that I (we) do not employ any illegal aliens.

Executed this _____ day of _____, 2010.

Prospective Contractor: Boulder Chamber of Commerce, d.b.a. Boulder Small Business Development Center ("SBDC")

By: _____

Its: _____
Title