

City of Scottsbluff, Nebraska

Monday, February 6, 2017

Regular Meeting

Item Reports3

**Council to consider the eCenter Contract with Twin Cities
Development and authorize the Mayor to execute the agreement.**

Staff Contact: Nathan Johnson, City Manager

SUPPORT AGREEMENT

eCenter

The City of Scottsbluff, Nebraska (“City”) and Twin Cities Development Corporation (“TCD”) agree to provide support and services as set forth in this Support Agreement (“Agreement”).

Recitals:

- a. The City has adopted an Economic Development Program (the “Program”) pursuant to the Nebraska Local Option Municipal Economic Development Act;
- b. TCD has created an Entrepreneur Center located at TCD’s office at 1620 Broadway, Scottsbluff, Nebraska (the “eCenter”) TCD has requested assistance from the Program in order to support the eCenter;
- c. The City has determined that support for the eCenter is consistent with the objectives of the Program, and agrees to provide support for the eCenter as provided for in this Agreement.

Agreement:

- 1. Term:** This Agreement shall be for a term of 12 months for the City’s 2016-2017 fiscal year beginning October 1, 2016. Any future support by the City shall be addressed on a fiscal year basis during the City’s budget process.
- 2. Services to be Provided by TCD:** TCD, through the eCenter, shall incubate new businesses and provide opportunities for new businesses to grow. The provision of these services by TCD shall include:
 - a. Onsite resources targeted to meet the needs of entrepreneurs, including but not limited to: workshops, seminars and access to industry-specific experts. Resources will be provided through outside partnerships with Western Nebraska Community College (WNCC), Nebraska Business Development Center (NBDC) and Service Corps of Retired Executives (SCORE).
 - b. Onsite workspace for each individual tenant of the eCenter to include utilities, internet access, administrative support, copier machine, fax machine, post office drop box and any other necessary items to enable each tenant to function.
- 3. Support Payments to TCD:** As long as the City has sufficient funding for the Program, the City agrees to contribute up to \$1,000 per month for every Eligible Tenant that occupies the eCenter during a calendar month. Support payments shall be used by TCD for the support of the eCenter. Contributions by the City under this Agreement shall be retroactive to the first day of the City’s current fiscal year. The total amount of Payments to TCD under this Agreement shall not

exceed \$60,000 during the City's fiscal year. In addition:

a. In order to be an "Eligible Tenant", a tenant of the eCenter must meet the following criteria, all of which shall be supported by documentation as requested by the City:

(1) Be eligible to be considered a "Qualifying Business" under the Program.

(2) Be a "start-up" or new business at the time that it initially occupies the eCenter and cannot occupy space within the eCenter for longer than a 36 month period.

(3) Occupy its space within the eCenter for at least 16 days of a calendar month.

b. TCD shall provide evidence acceptable to the City as to how the support payments are benefitting the eCenter. Such evidence shall be provided on a monthly basis and shall include direct program expenses incurred and overhead expenses allocated by TCD for the benefit of the Eligible Tenants.

c. Payment will be made to TCD within 30 days following the month the Eligible Tenant occupies its space within the ECenter.

4. Reporting: As a way of insuring that the City's support is used as required by this Agreement, TCD shall:

a. Report to the City Council at least twice per year, or as requested, on its activities and plans for the eCenter.

b. Provide an annual accounting of revenues collected and expenditures incurred related to the eCenter operations. Additional documentation and substantiation of revenues and expenditures may be requested by the City following its review, and shall be provided in a timely manner.

c. Provide the City with its most recent budget. Any subsequent budgets shall also be provided after approved and is available for distribution.

d. Report to the City Manager or his designee, on a quarterly basis, regarding eCenter support activities, including but not limited to, workshops held, seminars provided, and utilization of industry specific experts provided by TCD as a resource to eCenter tenants.

e. Participate in an annual review with the City Manager, to include a review of Eligible Tenants, in order to assist the City in evaluating whether further City support is warranted.

5. Miscellaneous:

a. This Agreement constitutes the entire agreement of the parties with respect to its subject matter, and may only be modified by a writing signed by both of the parties.

b. The City's waiver of any one default shall not be a waiver of the same or any other default in the future. In addition, the City's failure to exercise any right given to it by this Agreement shall not be a waiver of any later exercise of that right.

c. The provisions of this Agreement are severable and if any provision is held to be invalid, the remainder of the Agreement shall remain in effect.

d. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but which together shall constitute a single instrument.

e. This Agreement shall be governed by the laws of Nebraska.

f. This Agreement shall be binding on the successors and assigns of the parties.

CITY OF SCOTTSBLUFF, NEBRASKA

TWIN CITIES DEVELOPMENT
ASSOCIATION, INC.

By _____
Mayor

By _____
Board President

Date: _____

Date: _____

Twin Cities Development eCenter Budget

Revenues:

Offices	21,600
---------	--------

Cubicles - current	5,100
--------------------	-------

Total Revenues	<u>26,700</u>
-----------------------	----------------------

Expenses:

Salary - Sean	45,625
---------------	--------

Salary - PT Admin	7,800
-------------------	-------

EMSI subscription - Part of cost	5,500
----------------------------------	-------

Advertising	2,600
-------------	-------

Utilities (1/4 bldg)	8,075
----------------------	-------

Internet - 150 x 12	1,800
---------------------	-------

Workshop materials	500
--------------------	-----

Repairs	650
---------	-----

Janitorial (1/4 bldg)	890
-----------------------	-----

Supplies	700
----------	-----

Travel, Conference, Education	1,800
-------------------------------	-------

Taxes (1/4 bldg)	6,930
------------------	-------

Insurance (1/4 bldg)	8,250
----------------------	-------

Equipment purchase	6,000
--------------------	-------

Total Expenses	<u>97,120</u>
-----------------------	----------------------

Shortage	70,420
-----------------	---------------