

Wendy Bricher

Subject: FW: Council SAR #27434 / re: SBDC -- City Budget

From: Wendy Bricher **On Behalf Of** Darin Atteberry
Sent: Tuesday, September 09, 2014 11:07 AM
To: Lisa Poppaw
Cc: Darin Atteberry; Bruce Hendee; Josh Birks; City Council
Subject: Council SAR #27434 / re: SBDC -- City Budget

Hi Lisa,

Please see the update below provided by Josh Birks, Economic Health Director:

Thank you for the opportunity to provide some background and context related to the Larimer County Small Business Development Center (SBDC).

Current Status:

The Economic Health Office (EHO) worked with the SBDC to submit a request for funding in the 2015/2016 budget. The request for \$40,000 annually is intended to support additional consulting expertise and hours for City of Fort Collins small businesses to access free of charge.

The above budget offer is below the funding line in the City Manager's Recommended Budget as presented to City Council and currently available online.

Background:

The SBDC was formed in 1989 as part of a national network of small business development centers. The entity's mission is to help existing and new businesses grow and prosper in Larimer County by providing free confidential consulting and no- or low-cost training programs. For more information see: <http://www.larimersbdc.org/>.

The City has not provided funding for the SBDC prior to 2013. However, the City has worked closely with the SBDC since 2010 to improve and enhance the entity's offerings and create alignment with the broader community. In 2013, the City provided \$2,500 in sponsorship funds, which partially funding a multi-week business formation course titled NextLevel. In 2014, the SBDC received \$17,500 through the 2014 competitive Cluster Grant program to support consulting hours.

The SBDC provides a service that cannot be replicated by the City for the \$40,000 annual support requested. The SBDC provides retention and expansion services to small businesses in our community. For this reason, the EHO feels support of the SBDC is consistent with the City's approved Economic Health Strategic Plan. In 2014, the SBDC moved into the Rocky Mountain Innosphere building to create alignment between the two organizations and leverage shared training resources.

Performance:

The SBDC measures performance based on the number of consulting hours, business formations, jobs created/retained, and business sales. A document providing recent performance metrics for Larimer County is attached.

Highlights of performance include:

- o Provided 1,747 consulting hours in 2013. Already over 1,300 hours through June 2014 or an increase of 62% over the first half of 2013.
- o Helped 78 new businesses start, created and saved more than 800 jobs, and increased client sales by \$9 million.
- o Helped clients raise \$13 million in capital for product and business expansion, through relationships with local commercial bankers.

I have not provided a copy to Anne, if you would like me to do so, please let me know. A copy of this SAR response will be included in tonight's read-before packet.

Wendy Bricher

Financial Coordinator

City of Fort Collins

City Manager's Office | Sustainability Services | CPIO

300 Laporte Avenue

Fort Collins, CO 80521

Phone: 970.221.6506

Fax: 970.224.6107

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From: Lisa Poppaw

Sent: Monday, September 08, 2014 10:19 AM

To: Darin Atteberry

Subject: HIGH PRIORITY Council SAR #27434 / re: SBDC -- City Budget

What's the status of this?

LP

Lisa Poppaw

Fort Collins City Councilmember, District 2

Lpoppaw@fcgov.com

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Sent from my iPad. Please excuse any typos.

Begin forwarded message:

From: <abmac@frii.com>

Date: September 8, 2014 at 9:52:30 AM MDT

To: <lpoppaw@fcgov.com>
Subject: SBDC -- City Budget

Hi Lisa,

This letter is regarding the Small Business Development Center being left out of this year's City Budget, as mentioned in the Coloradoan and the Northern Colorado Business Report. The SBDC evidently had strong internal rankings by City staff, with wide positive citizen input. Too, there were no negative performance issues with the Larimer SBDC. When asked how this oversight can be remedied, the answer the SBDC received was--since the budget was now made public, there was no way back. I'm not sure this is the best way to serve Fort Collins small business.

I have worked as an SBDC counselor/researcher on behalf the Poudre River Public Library District for the last seven years. I can't overstate the contribution the SBDC makes to business development in Fort Collins. As I drive around town and as I read the business section of the Coloradoan I more often than not recall that business having gone through the SBDC at some time in the last seven years. Now, with Mick O'Connell as Director, the SBDC has grown exponentially in quality of counselors, general administrative management and stature in the business community. The SBDC-Larimer is a true partnership between SBDC, Front Range Community College, SBA--I hope that the City can be added as an enthusiastic funding partner. In addition, the Library District has also been a very generous partner. The Library District donates my time as an SBDC counselor at over 50 hours/quarter. The Library District also purchases the following databases solely to serve the SBDC research needs, to make sure the SBDC has the tools it needs to conduct industry and market research: Mergent/Hoover's/D&B First Research; AotZDatabases; Plunkett; BsinessDecisions, Business Plans Handbook, and Business Source Premier, a total of over \$35,000/yr.

I hope you can work with the City staff to add SBDC to the annual City Budget.

Thanks, Anne.