



Agenda Item: Presentation

Title: Annual report from the Laramie Chamber Business Alliance (LCBA) for its Fee for Service Contract

Administrative or Policy Goal:

Holistic Economic Development Goal A1:

Through and with the City’s economic development partners, recruit 3-4 new businesses within the Retail, Service, and/or Manufacturing Industries.

Background: Over the past ten years, the City has contributed \$997,000 in funds to the LCBA formerly, Laramie Economic Development Corporation) via a “Fee for Service” contract through which LCBA provides an array of economic development services for Laramie.

LCBA formed in 2014 with the merger of the former Laramie Economic Development Corporation and the Laramie Area Chamber of Commerce. Before this merger, the City of Laramie’s contractual and financial relationship was with the Laramie Economic Development Corporation. Since this merger, the Fee for Service Agreement has required certain controls to assure that municipal funds are invested in economic development activities -i.e., recruitment, retention, business park expansion, etc-, not Chamber activities, like Business After Hours events, golf tournaments, etc.

LCBA’s mission is to “lead the community in the improvement of the local business environment, creation of jobs, and growth of the local tax base in Laramie.” This mission is achieved through a variety of programs and activities which seek to grow existing businesses and attract new businesses and industries to the community. Although LCBA is a member-based organization, the vast majority of its services, activities, and programs do not require membership.

Notable outcomes of the Laramie’s relationship with LCBA are detailed within the 2010-2018 [Economic Development Update](#). Refer to pages 19-21.

(Note: LCBA’s Fee for Service agreement only addresses professional services provided to the City of Laramie by LCBA, but there are several other project and property specific contracts with LCBA primarily related to Business Ready Community grant/loan funded projects and the City of Laramie’s Economic Development Fund.)

LCBA Director, Brad Enzi, will present an update to the council on each of these services. In FY 2018/2019, \$110,000 was paid for the following services:

- a. *Develop the local economy to enhance quality of life for CITY residents by supporting all pertinent council goals and municipal initiatives, attracting and retaining employers, creating and retaining primary jobs, increasing overall economic viability and vitality of businesses within and around the CITY, and to increase employment opportunities for Laramie residents.*
- b. *Promote and take advantage of marketing opportunities to attract, retain, and grow businesses in the CITY and the surrounding area, and enhance the infrastructure readiness of the community to accommodate new and existing businesses.*

- c. *By October 1, 2018, communicate to CITY staff a plan for assessing the effectiveness of such economic development activities provided by LCBA under this Agreement, and provide an annual report to the CITY.*
- d. *By March 31, 2019, provide to the CITY a plan for attaining organizational self-sufficiency such that funding support through the CITY will no longer be necessary to maintain the regular day-to-day operations of the LCBA.*
- e. *Maintain sound financial accounting procedures and practices for the funds received from the CITY under the terms of this Agreement. LCBA will maintain financial books, ledgers, records, documents and other evidence necessary to sufficiently and properly reflect all transactions involving funds from the CITY or grant funds which are passed through the CITY. This includes all development projects in which the CITY was the grant recipient. Upon written request of the CITY, LCBA will make these documents available for inspection at the LCBA offices within five (5) business days.*
- f. *Provide a written financial and transaction report of the sources and uses made of funds received under this Agreement. The report will be provided to the City Manager and City Council on July 10 of each year for the prior year activity (i.e., the report for July 1, 2018 – June 30, 2019 will be due on July 10, 2019.) If the report is not received, payments under this or subsequent agreements may be withheld.*
- g. *Continue to work with and through the finance committee to operate while funds from the CITY or grant funds which are passed through the CITY are being used by LCBA, including recapture funds subject to audit. The finance committee shall provide oversight as to the accounting of CITY and pass through CITY funds. The Finance Committee will be responsible to monitor and make recommendations to the LCBA Board regarding LCBA financial conditions and operations related to funds in this Agreement and all grant funds passed through the CITY.*

LCBA submitted the self-sufficiency plan and the performance measures that were newly required this year. Staff have instructed the agency to provide an initial brief overview as part of their annual report

(Note: Staff would advise Councilors to consider information related to both the self-sufficiency plan and performance measures as merely a “first-draft” initial concept at this time. Staff are actively working with partner agencies to improve consistency and accuracy of the financial data and performance statistics they have provided.)

2010 to 2014 City Investment in LCBA

	2010	2011	2012	2013	2014	5-Yr. Change, 2010 to 2014
LARAMIE AIRPORT	\$85,278	\$82,578	\$80,528	\$80,528	\$91,628	7.4%
LCBA	\$78,000	\$79,000	\$90,000	\$90,000	\$110,000	41.0%
MAIN STREET	\$26,961	\$25,556	\$26,722	\$26,722	\$25,778	-4.4%
	\$190,239	\$187,134	\$197,250	\$197,250	\$227,406	19.5%

2015 to 2019 City Investment in LCBA

	2015	2016	2017	2018	2019	5-Yr. Change, 2015 to 2019
LARAMIE AIRPORT	\$94,692	\$96,324	\$92,704	\$95,617	\$120,000	26.7%
LCBA	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000	0.0%
MAIN STREET	\$40,000	\$40,000	\$40,000	\$40,000	\$50,000	25.0%
	\$244,692	\$246,324	\$242,704	\$245,617	\$280,000	14.4%

10-Year City Investment in LCBA

	10-Yr. Change, 2010 to 1029	10-Yr. Total
LARAMIE AIRPORT	40.7%	\$919,877
LCBA	41.0%	\$997,000
MAIN STREET	85.5%	\$341,739
	47.2%	\$2,258,616

City Investment Statistics, 2019

	By District Area Served	Per Capita	Per Household
LARAMIE AIRPORT	\$6,749 per sq. mi.	\$3.89	\$8.91
LCBA	\$6,187 per sq. mi.	\$3.57	\$8.17
MAIN STREET	\$440,141 per sq. mi. (\$1,786 per block)	\$1.62	\$3.71

City Investment Statistics, 2010 -2019

	<u>Annual Average, By District Area Served</u>	<u>Per Capita</u>	<u>Per Household</u>
LARAMIE AIRPORT	\$5,174 per sq. mi./yr.	\$29.85	\$68.30
LCBA	\$5,607 per sq. mi./yr.	\$32.35	\$74.03
MAIN STREET	\$300,827 per sq. mi./yr. (\$12,205 per block/yr.)	\$11.09	\$25.37