

Legislation Text

File #: 17-574, **Version:** 1

Presenter/Contact

*Jeff Jewell, Economic Development Manager
(830) 221-4621 - jjewell@nbtexas.org*

SUBJECT:

Approval of a resolution recommended by the New Braunfels Industrial Development Corporation to provide up to \$114,661 to the Center for Entrepreneurship for operation of the Small Business Development Center in 2017-2018.

BACKGROUND / RATIONALE:

This expenditure will allow the Spark Small Business Center (SPARK) to renew its contract with UTSA to operate the Small Business Development Center (SBDC) in New Braunfels for fiscal years 2017-2018. SPARK, formally known as the Center for Entrepreneurship, has facilitated a partnership between the New Braunfels and Seguin economic development corporations to provide an opportunity for local business owners to locally access the programs and services offered by small business development centers. SPARK supports the entrepreneurial and small business environment in New Braunfels by providing free services targeted to existing businesses and aspiring entrepreneurs. SPARK primarily focuses on counseling sessions, expanding access to capital, contracting and procurement opportunities and exporting initiatives. The NBIDC board continues to receive regular updates on the performance measures of the center.

Since 2011, the New Braunfels Industrial Development Corporation (NBIDC) has partially funded a contract with the SPARK to fund New Braunfels' portion of the satellite center. The SPARK board establishes performance goals for the SBDC center and reviews the contract on an annual basis. Through the end of the third quarter, the Center advised 367 clients, delivered 1343 advising hours, trained 168 clients and held 12 training events. The center had facilitated the creation of 12 new businesses and 13 business expansions with 272 jobs created and 327 jobs retained. These businesses attracted more than \$6 million in new capital infusion into the community. The Center exceeded their performance measures through the end of the third quarter of FY 2016-2017.

ADDRESSES A NEED/ISSUE IN A CITY PLAN OR COUNCIL PRIORITY:

X	Yes	City Plan/Council Priority:	Strategic Priorities: 12 - Work with existing entities to ensure balanced economic development
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FISCAL IMPACT:

Up to \$114,661. The Center's total budget for FY2017-2018 is anticipated to be \$171,994 with New Braunfels and Seguin paying 2/3 and 1/3 of the total costs, respectively. This represents an overall cost increase of 3.9 percent over last year's budget and is mostly attributable salary and benefits costs.

COMMITTEE RECOMMENDATION:

The Board of Directors of the NBIDC unanimously approved this expenditure at their August 15, 2017 meeting.

STAFF RECOMMENDATION:

Staff recommends approval of the resolution.