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Minutes
City of Fort Collins
Futures Committee Meeting
Regular Meeting
300 LaPorte Ave
City Hall
December 10, 2012
4:00 – 5:00 p.m.

Committee Members Present:

Wade Troxell - Chairman
Gerry Horak
Darin Atteberry
Bruce Hendee

Committee Members Absent:

Lisa Poppaw

Guests:

Josh Birks

Agenda Item 1: Approval of Minutes

The minutes from October were unanimously approved.

Agenda Item 2: Corporate Incentives

Josh Birks, Economic Health Director presented initial thoughts on a Business Assistance Process Framework. The intent of this framework is to guide the efforts of Staff and decisions by City Council. In addition, the framework should provide a more equitable and more predictable process. Finally, the framework will provide boundaries to limit the type and amount of assistance provided to businesses based on evaluation criteria.

Business Assistance Vision: To influence business to use TBL economic choices for our community, while using minimum City resources to do so. (Input from the board suggested to remove the last clause of this statement)

The current process includes three key steps: initial screening, develop assistance and Council action. Historically the Screening Criteria only included binary questions. An updated framework should include more sophisticated criteria.

A series of communities were identified for benchmarking. These communities were identified in one of three ways:

- Peer Cities – similar in size, demographics, presence of a major university, etc.

- Major Employer Locations – home to a satellite or corporate headquarters of one of the top primary employers in Fort Collins
- Target Industry Clusters – a community with a publically expressed emphasis on one of the target industry clusters identified in Fort Collins.

The study identified several high-level take aways, including:

- There is not a single approach to considering business assistance; even though private business would have the City believe the process is consistent elsewhere.
- Fort Collins is not alone in our case-by-case approach.
- Most other communities use a formal approach for considering business assistance that relies on a stated policy.
- Most other communities use formal screening criteria to evaluate whether or not to provide assistance as well as the type and amount of assistance to provide to a particular business.

The Business Assistance Package Tools primary focus is on business retention and expansion.

The improved Business Assistance Process will include the following steps should become (with the focus mainly on steps 2 and 3):

1. Connect
2. Classification/Rank (Screen Requests)
3. Business Assistance Package Development
4. Seek Approval from both City Manager as well as City Council
5. Implementation
6. Follow up

The committee suggested breaking approval up into distinct steps with the City Manager included in Step 3 developing the package and distinct from Step 4 City Council approval.

Staff described the criteria proposed to provide the guidance in Step 2 which is Classification and Ranking. These criteria include:

- Contributes to the overall quality of place
- Size and impact
- Corporate citizenship
- Alignment with City objectives
- Committee members asked to include an additional criterion for the Triple Helix.

A ranking chart was distributed, which gives staff the ability to score companies based on the criteria. This score could be used to determine which of the different tools should apply in a specific case. In addition, the chart helps to determine where and if additional tools are needed and if they fit the criteria. In certain cases Staff might find that the City can only offer to connect the company with other resources in the community.

Committee Member Input:

- Need to stress that this approach is targeted at primary employers. This is the City's priority. The main focus of the Economic Health Office should be to understand and meet, where possible, the demands of primary employers.
- A second priority is a focus on retail projects that create a significant delta in sales tax collections.
- A base level of criteria should be met to receive assistance. The additional criteria would provide the ability to rank projects against each other and measure the relative benefit of one versus the other.

The economic analysis needs to include a balance sheet approach that provides and understanding of both revenues/benefits against costs. This would give something to measure projects against.

- Consider using expert choice analysis in the development of weighting the proposed criteria.

Questions for the committee:

1. Are we headed in right direction
2. Anything missing
3. Prioritize
4. Weighted, how
5. Essential, or deal killers (ex. primary employment)

Questions from Committee:

- What is our path going forward?
- How are we plugging into NCEDC?
 - We are creating a better relationship with Key Accounts – is this creating a value to the City's value?
- How do we know when to engage? What tool should we use when? – make connections, build relationships and show them some of the options that are currently in place.