



TO: Mayor Shaun Sipma
Members of the City Council

FROM: John R. Zakian, DR Grant Program Manager & Chief Resilience Officer

DATE: February 7, 2019

SUBJECT: CITY COUNCIL APPROVE 22 MONTH MADC AGREEMENT

I. RECOMMENDED ACTION

City Council approve new 22 month MADC Agreement

II. DEPARTMENT CONTACT PERSONS

John R. Zakian, DR Grant Program Manager & Chief Resilience Officer, 423-4528

III. DESCRIPTION

A. Background

The International Economic Development Council in its report to the Mayor and City Council cited the importance of the role played by the Minot Area Development Council but recommended that the agreement between MADC and the city be more specific in terms of role, activities and measurable deliverables. The purpose of the recommendation is to provide clarity to MADC to understand and carry the role and activities envisioned by the city as well as to promote accountability and transparency in the agreement. A key factor in the role and responsibilities of MADC as envisioned by the IEDC included similar adjustments and improvements in the MAGIC Fund guidelines to also promote transparency and accountability in the use of these tax dollars. The City Council approved a two-month extension of the expiring 2018 agreement to run through February 28, 2019 to provide sufficient time for MADC and city leadership to development a new agreement based on mutually shared goals and objectives. As a result of such productive discussions, a new agreement has been reached covering the period through December 31, 2020 with funding for the 2020 calendar subject to City Council appropriation in the FY 2020 budget.

B. Proposed Project

Key aspects of the new agreement are:

- Monthly payments based on annualized City Council appropriation of \$328,500 acknowledging that for two months' payments have been made under the 2018 agreement extension
- The 2020 appropriation shall be mutually negotiated between the city and MADC as part of the City Council's 2020 city budget deliberations
- In June, 2019, MADC shall provide the city with an 18-month written plan establishing the activities, timelines, benchmarks and goals MADC plans to undertake consistent with the overall roles set forth in the agreement.
- The agreement establishes consistency with the MAGIC Fund policies setting forth the role of MADC in supporting the work of the MAGIC Fund Screening Committee

- There is also agreement that by June 1, 2020, MADC will develop and deploy a comprehensive Economic Development Strategic Plan denoting its mission, vision, targets, strategies, tactics, and performance metrics/milestones

IV. IMPACT:

A. Strategic Impact:

Establishes a clearly articulated relationship between the city and MADC as well as MADC roles as part of an overall economic development strategy for the city.

B. Service/Delivery Impact:

Provides the city and MADC with a solid road map in the pursuit of economic growth through the primary sector businesses

C. Fiscal Impact:

\$328,500 funded in 2019 budget and 2020 funds to be negotiated.

V. ALTERNATIVES

N/A

VI. TIME CONSTRAINTS

N/A

VII. LIST OF ATTACHMENTS

- i. New MADC Professional Services Agreement