



Legislation Text

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CITY COUNCIL AGENDA ITEM

Memo Date: December 4, 2019
Agenda Date: January 8, 2020
Prepared By: Charlene Neuterman, Deputy Community Services Director
Through: Nancy A. Bunt, Community Services Director
Requested Action:

Council approval of a Strategic Alliance Memorandum (SAM) between the U.S. Small Business Administration (SBA) and the City of Cocoa; Authorize the Mayor to sign the Memorandum on behalf of the City; Present a Proclamation acknowledging the Strategic Alliance Memorandum between the SBA and the City of Cocoa.

BACKGROUND:

The City of Cocoa and the U.S. Small Business Administration (SBA) executed the first Strategic Alliance Memorandum (SAM) in May 2012 for a period of two years and subsequently renewed the Memorandum in March 2014 and June 2016. The City of Cocoa and the SBA desire to renew this Memorandum to continue coordination and cooperation of mutually beneficial activities in the interest of small businesses within the City of Cocoa. Since the execution of the Memorandum, the City and the SBA has jointly hosted, directly and indirectly, 13 workshops and partnered on more than 21 projects concerning small business finance, HUBZone certification, government contracting, and other SBA-related activities.

The United States Small Business Administration (SBA) mission is "...to aid, counsel, assist and protect the interests of small business concerns, to preserve free competitive enterprise and to maintain and strengthen the overall economy of our nation..." In the course of carrying out that mission, SBA district offices deliver programs and services to the public, and assists local governments as they assist the small business community.

According to the SBA, 30% of new businesses fail during the first two years of being open, 50% during the first five years and 66% during the first 10. Furthermore, only 25% make it to 15 years or more. However, not all of these businesses need to fail. With the right planning, funding and flexibility, businesses have a better chance of succeeding. SBA indicates the top reasons a small business fail are: 1) lack of experience; 2) insufficient capital; 3) poor location; 4) poor inventory management; 5) over-investment in fixed assets; 6) poor credit arrangements; 7) personal use of business funds; and 8) unexpected growth.

Beginning several years ago, the City has worked to educate and inform our local businesses by holding a series of business workshops ranging from topics such as writing a business plan; financing; promotion and marketing; and management. The SBA has been a vital resource in conducting these workshops, along with the City and the local business community. The City and

SBA, specifically the Ft. Pierce district office, have been working collaboratively to educate and inform small business owners of various programs and services available to them. This Memorandum memorializes the existing collaborative partnership between the SBA and the City to aid our small business community and foster a more entrepreneurial local economy. The Memorandum also provides for information sharing between our respective agencies all to the benefit of the small business community.

STRATEGIC PLAN CONNECTION:

This item relates to the Strategic Plan Connection for Economic Development and relates to Goal # (Retain and Expand Business and Industry). A partnership with the SBA will help small businesses improve their success rate.

BUDGETARY IMPACT:

N/A

PREVIOUS ACTION:

The City Council approved a Strategic Alliance Memorandum between the City of Cocoa and the U.S. Small Business Administration on May 7, 2012, March 26, 2014 and June 28, 2016.

RECOMMENDED MOTION:

Council approval of a Strategic Alliance Memorandum (SAM) between the U.S. Small Business Administration (SBA) and the City of Cocoa; Authorize the Mayor to sign the Memorandum on behalf of the City; Present a Proclamation acknowledging the Strategic Alliance Memorandum between the SBA and the City of Cocoa.