

TO: Mayor and Members of City Council

THRU: Theodore L. Voorhees, City Manager

FROM: Rochelle Small-Toney, Deputy City Manager

DATE: February 1, 2016

RE:
Update on Economic and Business Development Department Activities

COUNCIL DISTRICT(S):
ALL

Relationship To Strategic Plan:

This item is related to the following City Council Strategic Goals:

#2-Diverse and Viable Economy

Executive Summary:

The focus areas of the Economic and Business Development Department are 1) Commercial and Corridor Development, 2) Marketing and Local Business Development, and 3) Downtown Viability. This report provides a mid-year update on the activities of the Department's work plan and accomplishments in the three focus areas since July 1, 2015 to present.

Commercial and Corridor Development

- Budget for this year includes funding for the development of an Economic and Business Development Strategic and Action Plan (EBDSAP). Redrock Global, LLC has been selected to develop the City's first EBDSAP. Firm will be introduced to the Council on February 1, 2016 and will review with City Council their approach to this project. The team includes local participation as required per the RFP and community input and participation.
- Budget for this year includes funding for the development of the Feasibility and Economic Impact Analysis for Catalyst Site 1 to include a minor league baseball stadium and mixed use development in and around the site. The team of Barrett Sports Group, LLC, Populous, and Hunt Construction Group has been selected to prepare the study and analysis. The firm will be introduced to the Council on February 1, 2016 and will review with Council their approach to this project. The team includes local participation per the RFP community input and participation.
- Land acquisition and condemnation of remaining properties within Catalyst Site 1 is progressing. We anticipate having ownership of all properties in 2017 or sooner.

Marketing and Local Business Development

- New marketing brand and website was launched in September 2015---
FayettevilleNow...Rethink the Opportunities
- First Annual Economic and Business Development Forum held on the campus of Fayetteville State University. 180 participants were in attendance, including 35 local and statewide exhibitors and vendors.
- Second workshop for small business owners will be held January 28, 2016 at Kiwanis Center in conjunction with the Workforce Development Center. The focus is how business owners can access and use workforce development incentives to reduce their personnel and hiring costs.
- In the process of completing an agreement between the City of Fayetteville and the Small Business Administration that would establish a strategic alliance resource project would include local non-profit associations, organizations and chambers. It has been given the name the Fayetteville Business Resource Alliance Group or FAY-BRAG. It will establish a roundtable for the dissemination of information, resources and opportunities.
- Through the Support Center of North Carolina, Marketing is working to establish alternative sources of lenders for small businesses along underperforming corridors.
- Planning is underway for the third workshop for small businesses focused on available lending resources.
- Continuing to counsel small businesses and provide education and training to improve their borrowing capacity, especially in the neighborhoods surrounding the underperforming corridors.
- We have under contract the consultant that will assist the City in preparing the its first Local Small Disadvantage Business Enterprise Program.
- We anticipate hiring the LSDBE Manager funded in the current year's budget in February.

Downtown Viability

- Walkable Urban Development, LLC completed a neighborhood study for the downtown and surrounding area and identified several developers that have an interest in considering areas in and around the downtown are for development. Follow-up with the interested developers will be undertaken by the Director of Economic and Business Development in consultation with Walkable Urban Development, LLC.

- The anticipated redevelopment of the Prince Charles Hotel site will require a project manager to oversee all necessary and required participation from the City. The Director of Economic and Business Development will serve as the City's project manager.

Background:

The Economic and Business Development Department is in its first full year of operation. Economic and business development tied for first with public safety for City Council's priority initiatives for FY16 and is on track with the work plan that was established for this year. The EBD Department is one of the key partners in the continuum of providers for increasing the economic prosperity for our residents while also maintaining a direct focus on developing catalytic projects along underperforming corridors in the City.

Issues/Analysis:

The EBD department is continuing to build its foundation in its first full year of operation. Although the department has been without a full-time Director since June, progress has continued to be made in all focus areas. I anticipate that a new director will be named this month. The interview process for the LSDBE Manager will begin the first week of February with the hope of filling this position shortly thereafter.

Budget Impact:

The expenditures are within the allotted budget for this fiscal year.

Options:

Accept the report and provide direction.

Recommended Action:

Accept the report and provide direction.

Attachments:

Financial Report for FY 2015 and FY 2016 (To Date).