

**FAYETTEVILLE CITY COUNCIL
BUDGET WORK SESSION MINUTES
LAFAYETTE ROOM
MARCH 19, 2014
5:00 P.M.**

Present: Mayor Nat Robertson

Council Members Kathy Jensen (District 1); Kady-Ann Davy (District 2); H. Mitchell Colvin, Jr. (District 3); Chalmers McDougald (District 4); Robert T. Hurst, Jr. (District 5); William J. L. Crisp (District 6); Larry O. Wright, Sr.,(District 7); Theodore Mohn (District 8); James W. Arp, Jr. (District 9)

Others Present:

Theodore L. Voorhees, City Manager
Kristoff Bauer, Deputy City Manager
Rochelle Small-Toney, Deputy City Manager
Jay Reinstein, Assistant City Manager
Karen McDonald, City Attorney
Victor Sharpe, Community Development Director
Tracie Davis, Corporate Communications Director
Dwayne Campbell, Chief Information Technology Officer
Pamela Megill, City Clerk
Members of the Press

1.0 CALL TO ORDER

Mayor Robertson called the meeting to order.

2.0 INVOCATION

The invocation was offered by Council Member Wright.

3.0 BUDGET ITEMS OF BUSINESS

3.1 PROPOSED DEPARTMENT OF ECONOMIC AND BUSINESS DEVELOPMENT PRESENTATION FOR FY 2015

Mr. Theodore Voorhees, City Manager, provided the opening remarks and stated staff is not proposing to duplicate pieces of economic development that other entities are currently taking care of.

Ms. Rochelle Small-Toney, Deputy City Manager, presented the item with the aid of a PowerPoint presentation and provided a handout to the Council Members. Ms. Small-Toney gave an outline of the historical context of Economic Development in the City of Fayetteville. Ms. Small-Toney stated the current City of Fayetteville funded economic development programs and services are:

The Partners

- 1.City of Fayetteville Community Development Block Grant (CDBG): Federal HUD program administered by the Community Development Department, provided 73 grants and loans that totaled \$2,030,543 since FY 2005. The focus is in redevelopment areas and downtown, and administers the General Fund Property Tax Grant Program.
- 2.City of Fayetteville Development Services Department: Planning, Zoning, UDO, Design Standards, Privilege Licenses, Permitting, Inspections.
- 3.City of Fayetteville Engineering and Infrastructure Department: Real Estate, Roads, Project Management
- 4.Fayetteville's Public Works Commission: Provides economic development incentives for utility rates and connection fees for high consumption users.
- 5.The Alliance: Target sectors: Manufacturing, Industrial, Corporate funded by COF/GF (\$100K) and PWC (\$315k)
- 6.Center for Economic Development: Funded by COF/CDBG and COF/GF

Ms. Small-Toney provided an overview of what our peer cities are doing with regards to economic development.

Ms. Small-Toney said the proposed Department of Economic Development and Business Development would consist of four employees: Director of Economic and Business Development (a reclassification of an existing position); Commercial Redevelopment Manager (new position); Marketing and Business Development Manager (new position); and an Administrative Assistant (new position).

The proposed initiatives are to establish an EBD fund at \$500,000 (guidelines to be approved by the City Council) to leverage private participation to assist and incentivize city-wide business recruitment, retention and expansion; develop an economic development strategic plan; develop a comprehensive marketing program for economic and business development; and to organize the economic development partners of the city into a Council to work collaboratively and support all of the many services and programs available to our business and corporate community.

Following the presentation, a discussion ensued.

Community Development Department

Mr. Victor Sharpe, Community Development Director stated the department is committed to providing quality service and opportunities to citizens in need of decent, safe and affordable housing; creating positive economic development situations resulting in job opportunities for low to moderate-income persons and expansion of the tax base. Mr. Sharpe provided an overview of the consolidated plan, annual action plan, consolidated plan priorities, and an itemized list of the CDBG funded economic development programs.

Following the presentation, a discussion ensued.

The Alliance

Mr. Russ Rogerson, The Alliance Chief Executive Officer, presented with the aid of a PowerPoint presentation and stated, economic development aims to influence the growth and restructuring of a community's economy to enhance its well-being. This is achieved through job creation and retention, wealth creation for individuals and businesses, tax base enhancements, and improving the quality of life. Mr. Rogerson provided an outline of what economic development is. Mr. Rogerson briefed the Council on sections of the Garner Report, target markets for the City of Fayetteville, the NC Alliance Board of Advisors, and the annual goals and focus of The Alliance. He further briefed on The Alliance on the program of work and communications.

Following the presentation, a discussion ensued.

CEED Women's Business Center

Ms. Suzy Hrabovsky, Chief Operations Officer, CEED, presented with the aid of a PowerPoint presentation and stated the Center for Economic Empowerment and Development (CEED), formerly the Women's Center of Fayetteville, is a non-profit organization established to improve the economic environment and create opportunities for individuals and to provide a resource center for women in crisis. Its Women's Business Center, a program of CEED, has served the community for over thirteen years by assisting persons in all phases of small business development. The goal of the business center is to create employment and business opportunities for low to moderate income individuals through self-employment and increased job opportunities in the area. The business center provides counseling, business plan assistance, access to funding, and training to entrepreneurs for starting or expanding a business. Ms. Hrabovsky gave mention to several very successful local businesses that began their endeavors with CEED.

Following the presentation, a discussion ensued.

Public Works Commission Current Economic Development Activities

Mr. Mark Brown, PWC Senior Programs Customer Officer, presented this item with the aid of a PowerPoint presentation and stated the PWC economic activities are joint activities with City staff, economic Alliance support, Commission initiatives, water and sewer incentives, and community redevelopment.

Following the presentation, a brief discussion ensued.

4.0 ADJOURNMENT

There being no further business, the meeting adjourned at 8:30 p.m.