



CITY OF DURHAM | NORTH CAROLINA

Date: February 24, 2015

To: Thomas J. Bonfield, City Manager
Through: Keith Chadwell, Deputy City Manager
From: Kevin Dick, Director - Office of Economic and Workforce Development (OEWD)

Subject: Joint City-County Economic Development Strategic Plan

Executive Summary

This item has been prepared in order to transmit the draft Joint City-County Economic Development Strategic Plan (Plan) and to address questions and concerns that arose at the January 13, 2015 Joint City-County Committee Meeting. These questions and concerns were raised by the members of the Durham City Council and Durham County Board of County Commissioners.

Recommendation

Staff recommends that the Plan be approved by the Durham City Council. The County Manager's Office will be making a similar presentation and recommendation to the Board of County Commissioners at an upcoming meeting. Their presentation is currently scheduled for April 6, 2015.

Background

Discussions related to the development of the Plan began between the City and County in late 2011. The two governmental entities began these conversations with private stakeholders to address concerns such as:

- the need for a more purposeful approach to ensure employment of Durham residents, particularly on projects that have received economic development incentives;
- the need for a more unified and consistent strategy between the two entities related to the provision of economic development incentives, including a singular if not compatible approach to what and where the City and County want to incentivize;
- the need for a more consistent, more easily navigable and transparent development review process or at least a more favorable perception of those elements on the part of the development community.

The meetings continued periodically throughout 2012 – 2014, highlighted by a meeting with elected officials in March 2013, a stakeholder meeting in October 2013 and then a series of smaller breakout groups among stakeholders throughout the winter of 2013-2014. The list of stakeholders that attended these meetings and contributed meaningful information to the process is on the back page of the Plan. Throughout the process, a core team, consisting of City & County staff members as well as community partners, such as faculty from the

University of North Carolina School of City and Regional Planning and the Triangle J Council of Governments facilitated the development of the Plan. The four priority areas that emerged from reviews of literature, stakeholder meetings, planning team discussions and a review of concerns shared by elected officials during the discussions amongst the planning team and stakeholders included:

- Business Retention and Recruitment;
- Business Friendly Environment;
- Infrastructure;
- Talent Development and Recruitment.

A detailed list of goals, objectives, initiatives and measures for each priority area is detailed in the attached draft Plan.

Issues and Analysis

The draft document was first presented to elected officials at a meeting of the Joint City-County Committee in November 2014. Feedback from elected officials at that meeting included direction to prioritize thirteen of the Plan's fifty-five initiatives; these priorities are listed in the attached Powerpoint presentation. At the next meeting of the group in January 2015, the prioritized initiatives were presented to the joint body and the following questions and concerns emerged (these are listed below and each is accompanied by a staff response):

Q1: Why was the Greater Durham Chamber of Commerce not more prominently mentioned as a lead agency to carry out Plan initiatives?

A1: The impetus for the development of the plan and the collective understanding of the planning team based upon conversations and direction from City and County Managers throughout the process was that the execution of initiatives should be facilitated by City and County staff with input from stakeholders. However, it should be noted that the Chamber of Commerce was a prominent stakeholder throughout the process, providing feedback on the development of each priority area. Further, the planning team, which includes plan implementers amongst its ranks, has operated based upon the premise that many partners would help in the implementation. For example, an initiative to be undertaken in FY16 is the formation of a policy advisory group that would help hold the City and County accountable for the execution of the plan. Chamber staff and/or Board members would be afforded the opportunity to be part of this group.

Q1: Why does the Plan include advocacy for the creation of a Joint City-County Economic Development Office if there is a Greater Durham Chamber of Commerce?

A1: The Plan does not include advocacy for the creation of the Joint City-County Economic Development Office at this time. It merely calls for the initiation of a study to determine whether or not such an office would make sense for Durham. The inclusion of this initiative was based largely on the input of many of the participating stakeholders, who thought that the joint office would hasten the incentive review and negotiation process, among other benefits.

It should be noted here that while the planning team would enlist the study and then make a recommendation to elected bodies about the creation of a joint office, there is a consensus amongst the planning team that the need for a joint philosophical approach to economic development and the key strategies that should emerge must be shared by the elected bodies, regardless of whether a joint office is created or not.

Q1: What was meant by the term “independent analysis” in the Powerpoint presentation that was shown to the Joint City-County Committee in January 2015?

A1: Independent analysis was a term used to describe the slated involvement of an external entity - an intern, a group of interns or a consulting firm, that would assist the core team with implementation of the initiatives. In the updated presentation, the term is no longer used and has been replaced with specific references to interns or consulting firms.

Alternatives

The Durham City Council could choose not to approve the plan as written. This would delay the implementation of key initiatives related to the four priority areas and it would also delay the conveyance of the message to the business community of a more joint focus and approach to economic development on the part of Durham City and Durham County.