

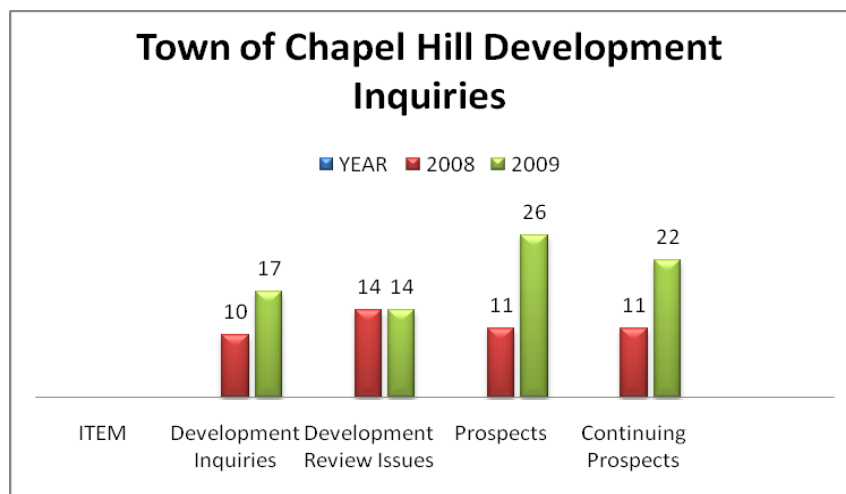


M E M O R A N D U M

TO: Roger Stancil, Town Manager
 FROM: Dwight Bassett, Economic Development Officer
 DATE: September 8, 2009
 RE: Year End Economic Development

During my second year as the Town’s Economic Development Officer, I believe we have achieved positive results for the Town and business community. I also served as Interim Director of the Downtown Partnership serving their needs for 20 hours per week from July 21, 2008 until May 29, 2009. I think serving in this position gave me stronger insight into the issues that both the Partnership and downtown businesses face in Chapel Hill. The number of inquires has grown and I think it is a result of the Town working to send the message that we desire to be a welcoming community to businesses.

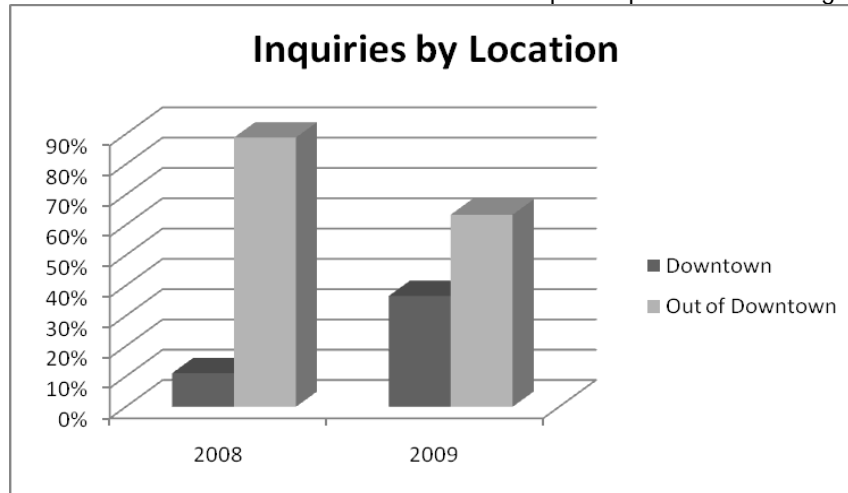
Below is a chart reflecting development/prospect inquires and development review questions from July 2007 until June 2009, divided by year. These inquires come from a variety of sources including referrals from sister agencies, businesses that desire to locate in Chapel Hill and developers who desire to work in our market. This chart also shows the number of development review issues that have been inquired about through my office. Development inquires are defined as developers/property owners who desire to develop/redevelop their property for other uses and prospects are businesses, including retail, restaurant/commercial office and hospitality related, that desire to locate/relocate in our market. There were 43 development/prospect inquires through the Town’s Economic Development office and reflects a 60% growth from the 2007-2008. The number of prospect inquires grew by 70% in the same period. The number of Development Review Issues for 2009 versus 2008 remains flat and given the overall increase in inquires is a much smaller percentage of the total. There were a few developments/prospects that are not continuing and the reasons vary as noted below.



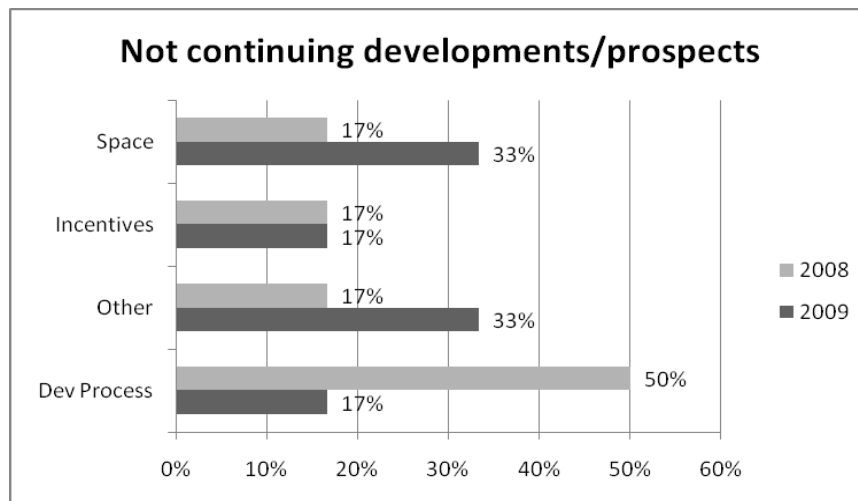
Development Review Issues include: Resource Conservation District, Drive-thrus, rezoning, fire sprinkler, storm-water clarification, handi-cap parking, signage, and obtaining a Zoning Compliance Permit.



This chart shows the distribution between downtown and non-downtown inquiries. It is reasonable that downtown inquiries were stronger in 2009 as I served as the Interim Director of the Chapel Hill Downtown Partnership from July 20, 2008 until May 31, 2009. I served in this position after the resignation of former director, Liz Parham and to help facilitate a conversation between the Town and Partnership to improve the working relationship.



The chart below reflects the reasons for developments/prospects not continuing to be interested in locating in Chapel Hill. This is a sub-data of the first chart reflecting all inquiries for Chapel Hill. The difference in reasons has shifted in the past 24 months and in 2009 seems to be a space issue. In looking at the prospects reflected in these numbers below, the majority of these prospects represents the retail market sector. The lack of incentives continues to remain a concern in growing our office market.



Reason businesses choose not to locate in Chapel Hill: land requirements, development incentives, lack of available space and not allowing street vending. There were four development/prospects inquires that located elsewhere.



In the second year of economic development we have begun to make progress on a number of projects and goals. Some of the items I work on in the second year have included;

Economic development Work Plan ([web link to Work Plan](#))

Work on tasks in the economic development work plan that included;

1. [Analyzing the retail market](#) to identify potential and capacity (Completed June 2009 and on web site) Task I.1,
2. Develop [new web presence](#) to offer information on business development in Chapel Hill. (Updated as a part of the redesign of the Town's web site.) Task I.5,
3. Initiate process for new downtown master plan. Combine with existing resources like Parking Study and retail analysis to determine future investment opportunities. (Budgeted \$50,000 for 2009-2010 budget) Task I.3,
4. Develop an e-newsletter of economic and development news. (Began e-news-letter) Task I.5,
5. Create a database of existing office space in Chapel Hill. (Began Spring 2009) Task II.3,
6. Develop incentives to assist in small and local business development. (Small Art Business Loan Program) Task III.2,
7. Seek new opportunities for downtown redevelopment (Exploration of Lot 2 redevelopment – continuing) Task I.3,
8. Develop a strategic approach to improving the Town's development process (see Development Process below) Task III.3, and
9. Work with UNC Economic Development to form a Innovation Committee to meet quarterly to discuss futuristic opportunities in economic development. (Manager's Town/Gown Working Group) Task IV.1

Downtown related goals

1. Developed [Replacement Parking plan for Lot 5](#) development.
2. Coordinated the [Parking Study and Recommendations](#) made to Council.
3. Presented a response to Council regarding the [Challenges facing Downtown](#).
4. Responded to Council on [Communication with Downtown Businesses](#). This led to a quarterly report of the Downtown Partnership.
5. Facilitated conversations between the Town, University and downtown business which led to a Town/Partnership Memorandum of Understanding.
6. Developed Small Art Business Loan Program to present to Council and subsequently Council adopted.
7. Worked to facilitate the development of an [arts co-op for downtown](#) in conjunction with the Downtown Partnership, Chapel Hill-Orange County Visitor Bureau and Orange County Arts Commission.

Development Process

1. Continued to work on Internal Improvements to the Development Process.
2. Hired an Intern to update Planning applications and checklist as a part of Development Review.
3. Hired a consultant to work to make improvements to Planning's PLAD database interface. (Development Review)

Project specific

1. Continuing to work with Madison-Marquette on the future redevelopment of University Mall.
2. Worked with the Mayor and Town Manager to encourage the removal of the old Enterprise building at Ram's Plaza.



Economic Development
Town of Chapel Hill
405 Martin Luther King Jr. Blvd.
Chapel Hill, NC 27514-5705
(p) 919 968-5010 (f) 919 969-2063
www.townofchapelhill.org

Speaking and Participation:

1. Participated in Council Retreat
2. Participated in NRG Forum on Growth
3. Presented at the Chamber's Development Update
4. Participated in Web and GIS Town Committees
5. Participated in a conversation held in Asheville in conjunction with Charlotte, and Greensboro on issues like business improvement district, panhandling and other urban issues.