1/9/2020

Workforce & Business Development Committee
January 6, 2020

City of Charlotte's Economic Development Program Overview

OUR PURPOSE:
OUR MISSION:
OUR POSITIONING:
Charlotte's got a lot of workforce talent.

1 GREAT PLACES
Create Great Places that Attract Great Talent
Plan and deliver major development projects and placemaking initiatives* Support neighborhood development to fuel micro economies (Opportunity Zones)

2 BUSINESS INNOVATION
Strengthen Ecosystem Where Startups and Existing Businesses Thrive
Support startups and small business Help businesses grow and innovate

3 TALENT DEVELOPMENT
Cultivate partnerships and programs that grow talent and MWSBEs
Support diversified talent development training Engage MWSBEs in capacity-building initiatives

4 PROSPECTIVE BUSINESSES
Close New Prospects and Grow Targeted Categories
Manage and close new business leads (The Alliance) Grow targeted industry clusters (CLT, International Finance, etc.)

Inspire & inform the focus areas
Support the stakeholders we serve
Advance our story of our talent-driven economy
Be transparent and accountable in driving measurable results

Market Intelligence Program
Stakeholder Relations Program
Marketing Communications Program
Key Performance Indicators Program

*This includes City- and County-inspired PIDs, CRWA projects, and other initiatives.
Great Places: Our Success

- Focus on neighborhoods and microeconomies through initiatives like Urban Main and West Blvd Revitalization Playbook
- $726,000 in business matching grants awarded in FY2019 have leveraged $48,350,000 in private investments
- Significant accomplishments with projects like Gateway Station, Eastland Mall and 7th and Tryon
- Prioritizing public-private partnerships
  - Upcoming partnerships in Ballantyne, NoDa, Freedom Drive corridor, University City, Beatties Ford corridor; and Midtown could leverage nearly $3,000,000,000 in private investment over the next 10 years
Public Private Partnerships (TIG, CIP, etc.)

Mission

• Leverage public investment to help facilitate private sector opportunities for growth and create opportunities to achieve City and community goals.

Objectives

• Build communities, expand tax base, remove blight, improve infrastructure

Successes

• Major development project support
• Potential partnership opportunities to leverage significant private investment

Opportunity Zones

Mission

• Align public investment in Opportunity Zones to leverage private investment to maximize impact and create opportunities for upward mobility for area businesses and residents

Objectives

• Our role will evolve as the federal program evolves
• Match developers and businesses to Opportunity Funds (and vice versa)
• Create strategies to market specific areas within the Opportunity Zones to developers and investors

Successes

• Created toolbox to maximize impact (e.g. [www.charlottenc.gov/opportunityzones](http://www.charlottenc.gov/opportunityzones))
• Active discussions on projects located in several OZs
**Corridor Revitalization**

**Initiatives**

- Business Matching Grant Program
- UrbanMain
- Corridor revitalization strategies (e.g. West Blvd Playbook)

**Objectives**

- Strong and vibrant business corridors are the cornerstone to healthy neighborhoods

**Successes**

- Awarded $726,000 in business matching grants, which will leverage private investment of more than $48,000,000 (FY19)
- In partnership with multiple department we completed the West Blvd Playbook and beginning implementation phase with the community
- P3 opportunities along Beatties Ford Road corridor

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**Business Innovation: Our Success**

- Three “CLT Labs” Design Sprints with entrepreneurial ecosystem
- Over 61,800 unique users to CharlotteBusinessResources.com (up 24% from 2018)
- Amp UP! Cohort 1 Graduates created or retained 56 jobs and netted $481k in new contracts
- Innovate Charlotte MIT Venture Mentoring partnership resulted in 26 founders engaged, 50% of which are female or minority
**Program Mission**

- An ethnic minority business program that prepares owners for growth and expansion through a seven month business education curriculum and supportive peer network

**Program Funding**

- Charlotte was awarded a $100,000 City Accelerator grant
- Part of the grant was used to develop and implement the Amp Up program using the national award-winning Interise Curriculum

**Program Success**

- First cohort partnership with the NBA for Allstar game procurement
- Second cohort partnership with Charlotte Douglas International
- To date, successfully graduated 28 ethnic minority business owners
- Applications for 3rd cohort due by Friday, February 28th

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**CBI Mission**

- Promote diversity, inclusion, and business opportunities in the City’s contracting and procurement process for Minority Women Small Business Enterprises (MWSBEs) located in the Charlotte region.

**Key Program Objectives**

- Process SBE Certifications and MWSBE Registrations
- Establish Citywide MWSBE Prime Spend Goals
- Establish Project Specific MWSBE Subcontracting Goals
- Monitor CBI Policy and MWSBE Contract Compliance
- Track Citywide MWSBE Spending and Publish Spend Reports
- Conduct MWSBE Education and Outreach Initiatives
- Support the City Council appointed CBI Advisory Committee (CBIAC)
- Access to Capital/Financial Resources

**Program Success**

- For a fourth straight year, the city surpassed its prior year spending with MWSBEs for a new record of $110.4 million in FY18.
Talent Development: Our Success

- Project P.I.E.C.E.
  - 374 job seekers enrolled (Goal 180)
  - 205 graduates employed
  - $844k in private, state, and federal funds leveraged.
  - Charlotte region tech talent assessment (initiated)

Project P.I.E.C.E.

Mission
- Increase economic mobility through placing people with multiple barriers to employment in the construction industry

Objectives
- Partner with Goodwill and TWIN to provide industry-certified training in construction trades
- Provide supportive services for career readiness, placement and job retention
- Provide a talent pipeline to construction employers in our Corporate Advisory Councils

Successes
- Exceeded program goals for participants enrolled and employed
- Partnerships with private and public sectors for employment opportunities (Charlotte Water, Charlotte Training Academy, Holder-Leeper-Edison Ford workforce initiative)
Opportunity Hiring Grant Pilot

Proposed Mission
• Increase equity and opportunity in economic development

Proposed Objectives
• Increase opportunities for individuals to obtain jobs in Charlotte
• Create an additional "tool" for business recruitment and expansion that is tied to providing equitable opportunity to new jobs created
• Bolster utilization of the City of Charlotte's talent development partners
• Increase connections between economic development and community talent development objectives

Goals for 2020
• Pilot this grant program with 2-3 new companies

Prospective Businesses: Our Success

• Created and hired a new team to lead Business Recruitment, Retention and Expansion in the City of Charlotte

• Customized and strategic recruitment approach centered around talent, real estate and incentives

Since March 2019:
• 4,733 new jobs were created
• $211 million in capital investment
**Business Investment Grant (BIG)**

**Mission**
- Created in 1998 with Mecklenburg County
- Encourages the attraction, retention and/or expansion of businesses and jobs
- Competitive in nature and required for State Incentives

**Objectives**
- Provides grants based upon the amount of new property tax generated by the business
- Requires companies to meet thresholds for capital investment, new jobs and wages

**2019 Pilot**
- Implemented 12 month Pilot program in October to test:
  - Create flexibility within our policy framework
  - Reward companies locating in targeted business corridors
  - Emphasize target industries
  - Adapt policy to be more focused on the quantity and quality of jobs

**BIG Pilot Classifications:**

- **Standard Grant**
  - 3 million investment; and 20 new jobs at 100% average wage for MSA ($51,150) or Standard Occupational Code (SOC)
  - 3-year or 5-year grant term at 50% or 90% reimbursement

- **Large Grant**
  - $30 million investment; and/or 150 new jobs; and/or 125% average wage for MSA or SOC
  - Meet 2 of the 3 requirements
  - 5-year or 7-year grant term at 50% or 90%

- **Emerging Target Industry Grant**
  - Create 150 jobs, and 125% average wage for MSA or SOC, and Targeted Industry
  - Within 5 years, invest minimum of $3M in real and business personal property and commit to adding 20 new jobs;
  - Future consideration of 7-year grant term at 90% reimbursement

- **Transformative Project Grant**
  - $100 Million in Investment; and/or 1,000 new jobs; and/or 125% average wage for MSA or SOC, and/or Targeted Sector
  - Meet 3 of the 4 requirements
  - Ability to extend grant term to 10 years.
Foundational Elements

- New in-house, actionable data analytics program
- New CRM platform tracts projects and their impact
- Comprehensive economic development communication program
- Stakeholder engagement and acknowledgement
2020 Anticipated Committee Items

Prospective Business:
• BIG Policy Update
• Business Recruitment and Retention Metrics

Business Innovation:
• Amp UP! CLT Metrics
• “CLT Labs” Implementation
• Updates on CBI program

Great Places:
• Business Corridor Revitalization Program Policy Revisions
• Opportunity Zone Program Updates

Talent Development:
• Opportunity Hiring Grant Pilot
• Project PIECE
• Talent Connectivity Efforts
• Capacity Building