COMMITTEE AGENDA TOPICS

I. Subject: **Youth Employment Program**
Action: Make a recommendation to City Council on changes to expand the Youth Employment Program.

II. Subject: **ED Focus Area Plan 2011/2012**
Action: This is follow-up work that was discussed at the Council Retreat, February 3-5. The Committee will need to sign off on its recommended Focus Area Plan no later than March 25, 2010.

III. Subject: **Historic Properties**
Action: Report from Historic Landmarks Commission on administrative changes to address concerns on notification of County Commissioners on pending historic property tax exemptions. Committee discussion of any next steps or recommendation to City Council.

IV. Subject: Next meeting March 25th at 3:30pm in Room 280.

COMMITTEE INFORMATION

Present: Susan Burgess, Nancy Carter and Patsy Kinsey
Absent: James Mitchell and Andy Dulin
Time: 3:30 – 5:00pm.

ATTACHMENTS

1. PowerPoint Presentation: Youth Employment Program
2. Attachment: FY2011 Strategic Focus Area Plan - DRAFT
3. Handouts: Prospective Designation of the John Doe House Memo and Potential Historic Landmarks in Charlotte and in Charlotte's ETJ.

DISCUSSION HIGHLIGHTS

I. Subject: Youth Employment Program

Susan Burgess, Chairman:
Our Vice Chairman James Mitchell will not be able to join us today. We have had a discussion on the agenda items today and he is fine with approving our Focus Area Plan. Our first agenda item is an update by Brad Richardson on the Youth Employment Program.

Richardson: Thank you, Ms. Burgess. We were here just about one month ago talking to you about how to expand the Youth Employment Program that the City is involved in. If you recall, that was referred by City Council back in November. At the last meeting, we talked about several options and we had several good discussions about what we can do with both the City's contract with Goodwill Youth Jobs Connection that serves entry level jobs training as well as some job placement assistance. We also talked about the Mayor's Youth Employment Program an internship based program that relies on the private sector to fund employment for lower income youth from targeted areas. We source these young people from communities, schools, Goodwill, Right Moves for Youth and others. So what you did last meeting was to talk about what you liked and answer some questions for us. You took a couple options off the table leaving us with just a couple; so let's talk about those real quick. One is on the Youth Employment side, just how to, ways to increase and what would you get with increasing the City's contract with Goodwill. We will also talk about expansion of the Mayor's Youth Employment Program this summer through the redirection of some City funds that we currently have budgeted. The issues are pretty simple, we have options to how much to increase the entry with Goodwill. One is by completing our $200,000 contract they will be providing their services through the end of June, before they kick off the next contract year. We do have an option to increase the existing year contract by using the Council Contingency Fund. The other way is to increase the contract with Goodwill for next year. Our fiscal year splits in the summer so by increasing their contract this fiscal year you could affect their work toward the end of the summer. You have about $55,000, so should you want to use $50,000 of that to do an immediate action to amend the contract allowing Goodwill to start early for this summer. Their recommendation is to focus that into job development activity. They have about one quarter of time spent on job development, one quarter of time spent on FTE, you recall the focus there is training. They do some career fairs and job development with that quarter time FTE, they could increase that time to half time FTE. We would see a bump-up not so much in youth that receive the intensive career counseling, which is 300 by contract, but we would expect a small increase in job development activities of about 17% or so from the 150 that they are contracted to do.

Burgess: Brad does that add a half or bring it back to a half?

Richardson: It brings it up to a half and there would be some overhead associated with that. There would be associated benefits, associated staff cost and there is some overhead that we would be responsible for. Susan Furtney with Goodwill is here, Susan did I answer that correctly?

Burgess: That seems like a lot for a quarter.

Richardson: Would you like for Susan to explain more fully?

Burgess: Yes. What is the base salary?

Furtney: With benefits it is about $55,000.

Burgess: Just going back to the calculation, if employees are getting $55,000 and benefits and we are adding $50,000 and only getting a quarter, that's a lot of overhead. Are those job fairs additional to what you are doing now?

Furtney: Yes, they are. We engage with Bi-Lo to give some pre-screen job fairs. We have First Ward in January and we are trying to increase the numbers of those job fairs. We found that these pre-screen job fairs have a greater percentage of those that actually

get jobs. We go through the process of pre-screening on one to three different levels. So we get a smaller number of folks coming in to the first job fair, about half of them were eligible to go on to the next stage. We think that out of those 30 to 35 that about 20 actually got job offers. For one reason or another we ended up with about 10 or 15 that actually started a job. The percentage of people that actually get jobs out of that type of job fair is greater even though the volume is smaller that level has a greater level of intensity.

Burgess: You do a great job and we do appreciate our partnership. The reason that I am asking these questions is that we only have $55,000 and we have to be able to make a case to the rest of the Council that is justified.

Kinsey: I agree, we go into July with $5,000, I am not comfortable with that.

Burgess: I think if we ask for less in services, I think we are going to get more questions. I don't know if you have had conversations with Goodwill that if it were a less amount if we get any benefit.

Richardson: I have not necessarily and this is for purposes of example, but it sounds like I have may have over simplified what that amount buys the City. The intent of this was that they spend the money on job development and associated activities. That was the point of my example is that they would not use is for employer subsidies as we are going to talk about with the Mayor's Youth Employment Program. That's not a model they will adopt, running a job connection for various reasons. They will devote it toward increasing job development; they would not use it for one on one job counseling or job training. That is the intent for working with Goodwill to see how much we could benefit. I will take your direction on what you want us to do and come back; if we use less of the contingency what that might reflect in new jobs for young people. Is that your wish and is that a fair assumption?

Burgess: Yes, I think so but I want to be fair to Goodwill. But on the other hand, we have got to get something that the Council will approve, at this time of the year. I just don't think even with this small amount of money, unless it's an urgency.

Carter: It's this time of year using such a large part of the contigency and seeing a short time span to see results. Is this the contingency from this year?

Kimble: At the end of the meeting today, we are going to suggest that you not have the March 25th meeting. At the next meeting of this Committee, I would ask Brad and Goodwill, pending the Committee doesn't take up the issue of $25,000 until April 8th meeting, does that still need a time deadline of how to use that money quickly to do job development.

Burgess: No, we need a little more time to figure the effect of it from what Susan has described. No one knows if the Council is going to approve it, but I think $25,000 would be the maximum.

Richardson: It sounds like that would not be up for Council vote until the end of April or early May. And that may be question; that given with a new contract starting July 1st, is that worth an amendment and is that considered to be worth less than 25 new jobs. It's a question I think that needs to be asked.

Burgess: There is no way you could tell us that now, if we took $25,000 that we are proposing as a recommendation could you do anything meaningful with that?

Furtney: Yes, you really can and that is what Brad and I talked about. There is a tremendous value for us to have someone out there dedicated working with employers as soon as

we can. Goodwill is committed that if the Council is agreeable that time wise it's the difference between getting someone and having someone as we do now ready to hit the ground running. So in having someone ready, we are not going to be losing time in the process, so right now is a great time to start.

Burgess: Would the Committee be comfortable today making a recommendation to Council for $25,000 contingency to get this person started?

Carter: The problem would be the timing. I don't feel comfortable without two of those clauses. But at this point to get it going, if there is actually a benefit, then yes.

Kinsey: That's still a lot of money, I am just wondering how many other firms are out there wanting money.

Carter: What are the other options is the other question? Is option II in competition with this one?

Richardson: We are going to talk about the Mayor's Youth Employment Program which is funded in FY2010 and the proposal. I will walk you through that and the other is to redirect some of the existing budget funds in a different direction. I have a slide toward the end of what you might recommend to Council, so with your permission I will continue.

Burgess: So, we will not make a decision until you have given us everything?

Richardson: In your budget negotiations this spring we were to increase this contract by $100,000 which they request in our talks with Goodwill. You would affect the back half of the summer somewhat; in job acquisition from 150 to 200 next year and a small increase in training in next year's contract. Again, that is action not for today, but it is context for next year's budget. As for employer outreach they would offer to go out into the community and do some off site training. They are currently in a study with UNC-Charlotte with the focus on assessment of youth needs in the community; that will be finished up sometime in the summer. They will then be able to apply some of that information with the contract. We can get more information on that next spring. The Mayor's Youth Employment Program, this is a general funded. When we last met with you, you did not want to stop funding the Mayor's Youth Program you wanted to keep it and you saw value there. We have about $55,000 in funds that we have saved from last summer, given that the economy was down and job development was down. We proposed to do some training and eliminate a closing event in lieu of spending all that money depending on negotiations with employers to provide incentives to hire young people. Dawn Hill had some trouble finding young people from our partners who qualified for our program that were low income from our targeted neighborhoods. The difficulty has been and will be in the coming years finding employers as we learned from the youth stimulus program that came through our community in the last 12 to 18 months. There is some value providing some matching grants or partial subsidies, we had not done that before in the Mayor's Youth Program. Given the economy that would be our recommendation. Dawn would be asked to do 100 youth jobs this summer. In this tough economy we think she could do that with the matching funds. This is the discussion; here are some possible Committee recommendations for today. The first one I just spoke about is the Mayor's Youth Employment Program and redirecting those funds. Even though the money is budgeted it is a significant redirection of funds, we would like Council to look over the intention before we did it. If you desire amend the City's existing contract by an amount that you would determine. The last one is really not an action, but a reminder that you have an

opportunity to in the upcoming budget process to add more impetus to youth employment contract with Goodwill. That concludes my presentation.

Burgess: Those are the two items that we could take action on? We could recommend that the Committee ask the Council to take $25,000 to jumpstart the summer program with Goodwill. We could still have a discussion at the full Council level and I am sure that will be one, so that every member on Council can weigh in on that. Is there any discussion about that?

Carter: There are competing items that we don't know and goals for other Committees. I think this is a priority for our Committee if the other five come forward then that is a legitimate debate for Council. The other option is to fold that $25,000 into next year's budget, go back into the General Fund. I would like to know, because that is a contingent, what the $65,000 pulling is from.

Burgess: Let's just stay on the Goodwill piece for now.

Carter: It makes a difference. I think they are dependent on one another they both enhance each other. To me it's a legitimate thing to address.

Burgess: Different line item, different choice of funding.

Carter: We don't know where the deficit will be if we take that $65,000.

Richardson: We arrived at the $65,000 because that is the number that has been approved. The Mayor's Youth Program has carried a balance in the temp salary. The model used to provide some temp salaries, payment over the summer for school teachers to come in and provide youth training. For the last few years we have saved money by doing internal training using Goodwill as a contract partner. So we have reduced our need for that temp salary, it's still sitting there and can be used to provide internships for Mayor's Youth Employment Program participants within the City of Charlotte government. We think that there is a public sector internship piece of this that is good for the summer. The rest of this comes from those three sources; less money spent the back half of the summer, proposed reducing some of the training, and then some of the celebratory aspects of the summer closing of the program. We would sacrifice that in favor of finding youth employment opportunities.

Burgess: What is the Committee's pleasure in recommending to the Council? That we take $25,000 from the contingency fund to improve and increase the summer implements. Is there a motion?

Carter: I would like to move that the Committee recommend to the City Council that they transfer $25,000 from the contingency fund.

Burgess: O.k. I will second that. All in favor say aye.

Motion: *A: Using $65,000 in existing MYEP funds for partial wage subsidies as employer incentives.*

Vote: *Burgess – Yes*
Carter - Yes
Kinsey - Yes
Dulin - Absent
Mitchell - Absent

Motion: *B: If desired, amend the City's FY10 contract with Goodwill by $25,000 using Council contingency funds.*

Vote: *Burgess – Yes*
Carter - Yes
Kinsey - No
Dulin - Absent
Mitchell - Absent

II. Subject: ED Focus Area Plan 2011/2012

Burgess: Our next item is the ED Focus Area Plan and as I mentioned we do not have Andy Dulin, it would be nice to have a full quorum. We have discussed the Plan and I am comfortable with it, if you would like to go over it again we certainly can do that. Do you have any questions about the green and orange colors?

Kinsey: That would be the only question what are the green and orange?

Kimble: The green was the input that you gave us in January we than brought that back and put it into a green format, that's what went to the Retreat. Based on the feedback at the Council Retreat we have added the orange formatting, most of it focused on the small business efforts and the updates on the Economic Development Strategic Plan.

Carter: I suggested that we place emphasis on film production and the film industry and I am not finding that in the orange areas.

Kimble: If you wanted to do that you could add it to the E.D. Initiative I, it would be in number two in the narrative portion of that, where it says "addressing the needs of Charlotte's largest employers and developing strategies and growing employment in: renewable energy, green industry, health care, hospitality and tourism, emerging industries and high growth/high tech companies" at that point you could add film industry.

Burgess: I think also Ms. Carter suggested that renewable energy.

Carter: Yes, and add to that environment.

Kimble: Would you like to say renewable/environment?

Burgess: Renewable energy I don't know if environment goes with the renewable?

Carter: I would strike renewable and just say energy and environment.

Kimble: If you would like to make that part of the motion and include it the recommendation.

Burgess: Are there any further discussions? All in favor say aye. It's unanimous.

Motion: R*ecommend the ED Focus Area Plan 2011/2012 to City Council for approval with the following changes to the ED 1. Focus Area Initiative: Promote a healthy business climate by 1) Implementing a strong business expansion and retention effort, exploring with the Chamber the effectiveness and metrics of BusinessFirst Charlotte, 2) addressing the needs of Charlotte's largest employers, and developing strategies and growing employment in: energy and environment, green industry, health care, hospitality and tourism, film, emerging industries and high growth/high tech companies (including updating and beginning implementation of the City's Economic Development Strategic Plan and a strategy for use of available industrial land) and 3) working with internal and external partners to grown Charlotte's hospitality industry, including quarterly tracking of hospitality revenue streams and exploring partnerships to expand amateur sports.*

Vote: *Burgess – Yes*
Carter - Yes
Kinsey - Yes
Dulin - Absent
Mitchell - Absent

III. Subject: Historic Properties

Burgess: Our last item is Historic Properties, this is a continuation of our discussion at our last meeting. We are happy to have Dr. Morrill with us today.

Morrill: I can be here today because it's spring break at the University today, I am usually in the classroom.

Burgess: Good then you can teach us today. We have some concerns about making sure that the County Commission is aware of the change to property taxes when the City of Charlotte designates historic properties. Mr. Kimble, can you bring us up to date from our last conversations?

Kimble: From our conversation last time, Ms. Kinsey had some questions. One of the questions was how can we be assured that the County Commissioners themselves not informing County staff, but informing the County Commissioners that coming up on an agenda is the recognition of an historic property and the impact that the property can have because of the tax deferral on those properties. Dr. Morrill drafted a letter that the Committee can use as a template for informing the County Commissioners and use this as an illustration so that you can actually see the wording in the document. We will assure you that this document will be completed and that the County Commissioners will receive the letters.

Burgess: Commission Vice-Chair Cogdell has initiated and now chairs a committee on Economic Development. So if there is any discussion at the Commission level it would be through that committee.

Carter: Do the Commissioners have a Budget Committee?

Kinsey: They have a number of committees, I am just not sure if they have a Budget Committee.

Kimble: They have a Citizens Capital Budget Committee.

Burgess: This certainly needs to go to the County Commissioners and to the City Manager.

Kinsey: The main thing they need to know is what we are doing to them. They need to know in time to get it back to us if they have questions or concerns.

Morrill: If there are any questions about this template just let us know. I do have here a document that lists the properties that are currently in the qu. That is we could bring to City Council and are basically waiting for when that will be permitted for us to do.

Burgess: Before we get to that part, let's talk about our concerns.

Kinsey: Yes, I have other concerns. I want to get them in line and get them to Mr. Kimble so he can get them to Dan Morrill, then we can discuss it. We probably should have taken this up earlier.

Burgess: O.k. if you can do that soon we can get this moving. Let's see right now what those properties would be.

Morrill: Let me go through these; the S.B. Alexander house which the Public Hearing has already incurred, but there has been no vote taken. The house in Eastover was at the request of the owner a report was done on that property. The Commission was

convinced and the State was convinced that the property had special significance. You can see the potential deferred taxes shown list there both for the City of Charlotte and Mecklenburg County. Also the Queens Terrace Apartments, which is a result of a Commission survey, that property has been declared eligible for the National Registry of Historic Places. The Board of the Homeowners Association is requesting Historic Landmark designation although I anticipate at the Public Hearing there might well be some residents that may be opposed to it; I don't think it will be unanimous. But you see the amount of potential tax deferral.

Burgess: Can you show us why this building may be eligible?

Morrill: Mid-twentieth century modernism. Interestingly enough even though Lewis Asbury was the Architect of Record, of the building it was actually designed by Jack Boyd. This is someone that Patsy Kinsey and I both knew and it is very distinctive example of a multi-floor condominium of the 1960's. There are only two condominiums of that era which can be declared eligible for National Registry.

Kinsey: Who requested the designation?

Morrill: The Homeowners Association. The Thrift Northern Railroad Depot has been declared eligible for the National Registry. It's the only surviving Piedmont Northern station that is left, it's highly endangered.

Burgess: Who owns it?

Morrill: CSX Railroad.

Burgess: And they are buying that?

Morrill: I think they will oppose it. This was Commission initiated.

Burgess: What is the adaptive use of this facility?

Morrill: It's currently vacant.

Burgess: I know.

Morrill: What would it be potentially? Well there have been several suggestions, although I don't think there has ever been an official feasibility study done. There is a parcel of land associated with the station; the North Carolina Department of Transportation is seriously considering acquiring and reestablishing service on that whole line. So it might well be put back to railroad use, we hope that will happen in the future. There have been several things like a self-storage facility where this would be used as a office type arrangement. The thing that really got the attention of the Commission was that this was an extremely important interurban railroad initiated by James P. Duke and it's the only artifact left. There was one in uptown Charlotte, it's been torn down; there are two in Gaston County but this is the only one left in Mecklenburg County.

Kinsey: So there is nothing that can be done with it unless they are going to sell?

Morrill: The Landmark Designation would give it protection.

Kinsey: So as long as they own it even if we designate it, nothing can be done with it.

Morrill: You are absolutely right. Stewart, you might have to clarify, Tuckaseegee Foard, the Planning Commission actually requested that we process the portion of the trail left as part of their area planning, is that correct?

Gray: That's correct. They contacted us two years ago while Whitewater was being built. They said they would like us to consider Landmark Designation for the trail and foard.

Morrill: There is only a small portion of it left. This was the I-85 of 18th century. You can see the trail it's actually there, this is County owned property. The County has no objection to this it pays no property tax.

Kinsey: Would it be restored?

Morrill: There is no proactive action that results from Landmark Designation, it's just a protection. It's next to the Whitewater facility, Landmark Designation does not require the owner to do anything to restore or bring back to original condition. Although the Whitewater people are interested in trying to do signage or interpretation, but to be right up front I don't think Landmark Designation is necessary to make that happen. I think what the Landmark Designation would do for future generations would just give a level of protection.

Burgess: I would hope so, because when we first began discussing this, no one knew it existed or had ever heard of it. I think Warren knew that there was a place around here, now that it has been identified, we need to appreciate it.

Carter: There was some concern that it was part of the Carolina Thread Trail, section two down to the water. Some concern that this involved with that development.

Kimble: We have followed up on this and we don't think this is connected to the Re-Venture or the Carolina Thread Trail property.

Morrill: This is the last one; Jerry Orr has requested Historic Landmark Designation for the Douglas Hanger. What is interesting is when something is designated as a local historic landmark it gives greater flexibility from the building code. The plan is to relocate the hanger; it's going to be relocated very close by. I think this is actually required by Federal regulations regarding separating it from the runway and so forth. But because it will be easier to move the building, because of the County building code, he is requesting Landmark Designation. There is no question that it is the original hanger of Ben Douglas's WPA project airport, so obviously there is no property tax. So those are the ones that are presently in the qu.

Burgess: Very interesting, thank you. Are there any questions? Thank you, Dr. Morrill.

Kimble: We have the Small Business Strategic Plan discussion for our next meeting.

Burgess: Thank you all, we are adjourned.

Adjourned: 4:40pm

CHARLOTTE
ECONOMIC DEVELOPMENT

Economic Development Committee

Expanding Youth Employment Programs

March 11, 2010

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CITY OF CHARLOTTE

Background

youth job connection

- Increase contract with Goodwill

CITY OF CHARLOTTE MYEP MAYOR'S YOUTH EMPLOYMENT PROGRAM

- Use funds to provide partial wage subsidies

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Options

Options for Goodwill Contract

1. Complete $200,000 contract with Goodwill for FY10, unless Council desires to increase it by using Council contingency fund

   and/or

2. Increase FY11 contract by up to $100,000

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Options

Example: If Council desires to increase the Goodwill contract by $50,000 by using Council contingency funds:

- Use of $50,000:
  - Adds 0.5 FTE for job development
- Expected Outcomes:
  - 300 youth served 1:1
  - 175 get a job (17% increase from current contract of 150)

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Options

Action:
- Increase FY11 contract by $100,000 (total contract of $300,000)

➢ Use of funds:
- Adds 0.75 FTE for job development
- Adds 0.50 FTE for program support

➢ Expected Outcomes:
- 300 youth served 1:1
- 200 get a job (33% increase from 2009-10 contract)
- 800 youth trained (7% increase from 2009-10 contract)

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Expanded Services

- Expanded Employer Outreach
  - Host recurring onsite job fairs for pre-screened youth
  - Recruiter of choice for employers to fill summer, part-time and seasonal employment needs
- Expanded Community Outreach
  - Off-site trainings to targeted at-risk populations
  - More referrals to volunteer opportunities and internships
- Address Gaps in Youth Service Needs

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Recommendations

Redirect existing MYEP funds to provide partial wage subsidies

- Use of funds:
  - Use $65,000 in program funds for wage subsidies as employer incentives
    - Savings from summer 2009
    - Reduce training and printing budget
    - Eliminate closing celebration
- Expected Outcomes:
  - 100 youth jobs (100% increase from FY10 goal of 50).

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Committee Action Requested

Possible Committee recommendations to Council:

A: Using $65,000 in existing MYEP funds for partial wage subsidies as employer incentives.

B: If desired, amend the City's FY10 contract with Goodwill by $50,000 using Council contingency funds.

- Consider increasing contract with Goodwill by $100,000 during FY11 budget process

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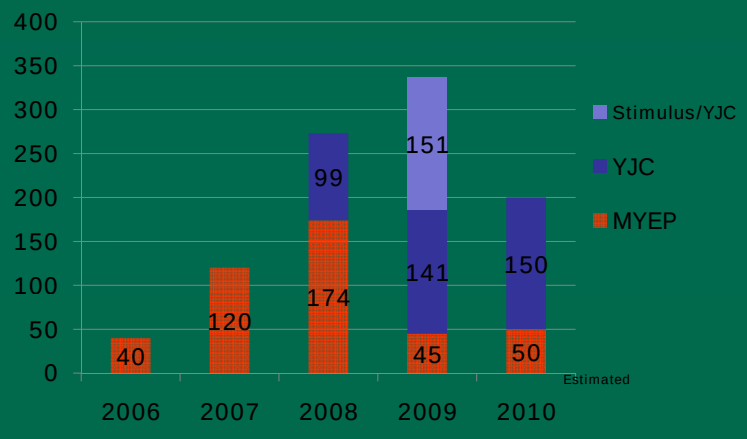
Current City Programs

Job Placements



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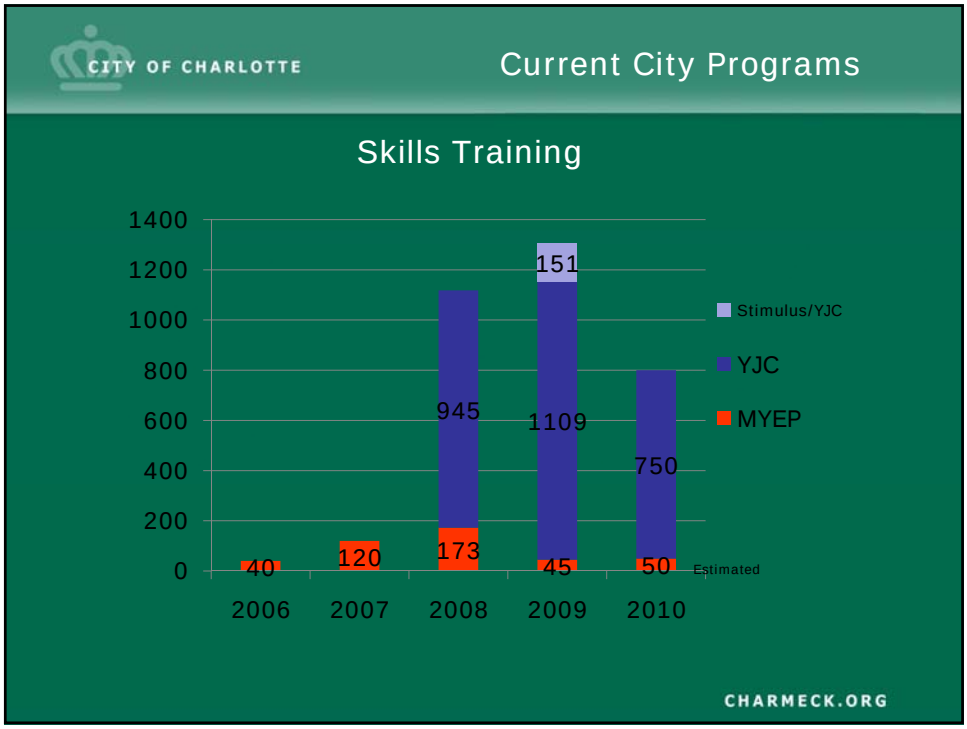
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Current City Programs
Skills Training
1400
1200
1000
800
600
400
200
0
40
120
173
45
50
945
1109
750
151
2006
2007
2008
2009
2010
Estimated
Stimulus/YJC
YJC
MYEP
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