COMMITTEE AGENDA TOPICS

I. Subject: **FY2011/FY2012 ED Focus Area Plan**
Action: Review changes to the draft FY2011/FY2012 ED Focus Area Plan.

II. Subject: CRVA January Barometer Report – Information Only.

COMMITTEE INFORMATION

Present: James Mitchell, Patrick Cannon, Jason Burgess, Andy Dulin and Patsy Kinsey
Time: 3:00p.m. – 3:40p.m.

ATTACHMENTS

1. FY2011/FY2012 ED Focus Area Plan ~ DRAFT
2. CRVA January Barometer Report

DISCUSSION HIGHLIGHTS

I. Subject: FY2011/FY2012 ED Focus Area Plan

Chairman James Mitchell:
Thanks everyone for coming to the Economic Development Committee meeting. We have only one major item on the agenda today. Mr. Kimble I will turn it over to you.

Kimble: Thank you, Mr. Chair. We had a very good meeting with you last week. You gave us some great insights, raised some questions and provided feedback and comments. We have brought back to you another draft of the FY2011/FY2012 ED Focus Area Plan. You will notice that we have abbreviated the front page of this document, so just capture what is on the inside. The referencing in the green lettering that covers the four major areas that are contained in the two pages that follow. One other thing that I would note for you is that you have a revised sheet of paper here because we edited it from that which went out last Friday so this is the most up to date page. We have put some additional verbiage and narratives in the boxes on this; you had requested to have one of these in your hand which talks about the amount of dollars. We also included the Small Business Strategic Plan which is another item that you had asked that we provide to you. Then we will walk through some of the things that we have done in making changes to this based on your questions and comments of last time. Brad and Pat were instrumental in helping to revise this. We had a couple of iterations and a couple of revisions; bouncing them off of

everybody in Neighborhood & Business Services. We have worked this back to you today. There is no vote required by you today; you just need to be comfortable going into your Retreat next Monday and Tuesday. If you are satisfied with the way it reads now, but the purpose of the Retreat is for the Council as a whole in a relaxed setting to be able to go through these, I think on Tuesday next week. If the Council wishes to make any changes, those changes would then be incorporated as it comes back to you at this Committee after the Retreat for a final vote then up to the full Council in March for final vote to adopt your Focus Area Plan for next year. This is another time for you to look at it and be comfortable with it, but it is not the last time that you are going to see this because as Council Members as a whole, have some comments. They are free to do that at the Retreat and then follow up beyond that.

Mitchell: Thank you Ron.

Kimble: We will walk through each one of these individually and we will tell you some of the changes that we made. Page two on "promote economic opportunity: help grow small business in our community". You asked us to write down what was in the Small Business Strategic Plan and we have done that in the bullet points that are listed underneath it. Then the Chairman had a question about Federal DBE and how it fits with small business and so we have made reference as to how we have picked that up in our conversations next year on DBE's. We think that we have made the changes that we heard from you last time, but if there is something that we have missed, simply let us know here in terms of any revisions.

Dulin: We have been through I guess a full seven days now but it's been more like two months of tensions from the NAACP. They really got cranked up over the school board issue and all of that. When I hear folks in the community saying that we are not doing enough for the minority businesses in town; we work on that weekend and week out. We have worked on it in this document too, so I think we need to do a better job somehow. We have to talk about it maybe at the Retreat. That would be a great Retreat conversation. We need to do a better job of educating the community about what we are doing or where they need to go. Now the folks that need the service or use the service know how to go and get it, but the folks that don't need it don't know that we are working on it.

Kimble: There is a good one tonight on your Council Agenda under the City Manager's Report; Brad is going to give an update on the Small Business Web Portal.

Dulin: It's hurtful to me and I think we missed an opportunity every now and again to let the community know that we do indeed care. Thank you.

Cannon: In as much it is encumbered upon us to ensure that the general public knows what the City government is doing. It is also encumbered upon those entities out there to also take it upon themselves to find out what is going on where and when. We have been working through an opportunity to help drive messages to make sure entities like the NAACP understands where we are. I think it has to be understood that that organization is just now beginning to get its feet back under itself. It has been disabled for a very long time. They are just now trying to get back into the community. Whether you agree with the way that they are trying to do that or not; which many of us would probably suggest that they go about it another way to get the information. That is something that has not been

done, but we continue to try to work with the leadership of the organization to make sure that they know what is happening where. I want to be careful that when we get to the Retreat that we don't try to get so far up into these layers by somebody rather than dealing with business as we normally have been doing. We know what we have been doing and I can see your point Councilman Dulin. You are right on it in terms of making sure that we convey it as best we can though the means that are already provided. Let the general public know how they can ascertain that information, be it our website or by other means. I don't want us to be so consecrated and or driven by something that we don't have to do. It's not that we don't care; I just don't want us to get too far off in another direction where we get away from our business at the Retreat.

Dulin: Mayor Pro Tem, I got you.

Mitchell: Patsy and Jason we just started going through the documents.

Kinsey: Sorry I am late. Don't make it up just for me.

Mitchell: O.K., we are on page three. Staff, let me thank you. I know the changes in green are the changes that we wanted. Are there any questions about page three?

Kimble: On your second item, we added the listing of the current Business Corridor in the heading. Let it be known that when we do a review of accomplishments and a review or the current geography, the prioritization of goals when we go through this next year, you can choose to add to or delete from the list of Business Corridors. When do the overhaul, you will be in there with us helping us to determine what are the targeted Business Corridors. For now, those are the existing targeted Business Corridors in your current Plan. We picked up on Mr. Cannon's comment on image building for distressed corridors and made sure that we highlighted that in number two. In number three, after hearing from you last time, we couldn't much overhaul it almost in its entirety and went to a different writing. What we heard from you was improved customer service, make sure within the permitting and regulatory environment that you wanted us to achieve greater collaboration and you talked a little about those specifics. Without going too far make sure that we are talking about the ability of the City and the County and into DOT to work better together to shorten the time it takes. Make it easier to obtain regulatory approvals even when there is not a Certificate of Occupancy in that regulatory approval. You were also talking about Certificates of Occupancy, so we decided to take that approach in how we captured what we thought you wanted us to do. The target is to eliminate the system barriers, conflicts and impediments in the applications of the regulations in the regulatory approval process and in the Certificate of Occupancy and other kinds of regulatory approval. Nan Peterson will be at most of your meetings to help. I thought your comments were good; we deviated a little and went this route based upon the feedback that we got from you.

Dulin: This is a working document anyway, working documents ebb and flow.

Kimble: In ED Area Initiative four which is the last one here, you had made some good comments about putting about what our targeted industry sectors are and also the second one was work with tourism partners to develop a plan because we heard that from the sheet last time around. What you are really talking about is developing a new public private model for adding an amateur sports facility in the future because the way we have done it in the past is not going to work because the County Parks and Recreation is undergoing some

significant budget challenges. We just need to tie the public and private sectors together and find out what the model is for delivering that facility.

Mitchell: Committee let me just throw this out to get your feedback. County Commission Cogdell talked to me about a week ago about a joint meeting between the City and County to talk about collaboration. In my mind, one area is the amateur sports. I get tired of getting all of the calls about it. Is this something you think we should entertain at a meeting with the County Economic Development and our Economic Development Committee?

Cannon: I think it's a good idea. One of the things we talked about on Public Safety is a joint meeting with their Public Safety. There is so much overlap here that maybe there are some things that we could collaborate on.

Dulin: I can take it or leave it; we have plenty to work on. I don't know what they do. I remember when Dan Ramirez was on County Commission he was the Chair of the Economic Development Committee for the County. We do all the economic supplement around here. Maybe we could get together and find out what each of the two bodies do. I think the flavor of the month statement around here is that is our staff has plenty to do already rather than trying to get those two groups together.

Mitchell: For me it's the amateur sports. I have been polling Ron for the last four or five meetings. We get to the point that is not the City you have to go to the County. So we could just work on a model that shows where we stop and the County picks up so that we are talking the same language.

Kimble: Yes, there would be some benefit. The question becomes when the most opportunity time to call for that joint meeting is. It's probably when we have some things on the table that we need some movement on or some discussion about. So it's a good idea, but it could be a couple of months before we are in a position to put forth something where both groups could chew on at the same time. Brad was just saying too that the County wants to do a review of the Business Investment Grant Program because they have some tweaks that they might like to make. That might provide another opportunity and avenue for you to have some joint conversations with them.

Dulin: This just shows you what a great politician I am; we have the Economic Development guy from the County sitting back there and I just hammered him. So maybe this is an opportunity for me to learn, sorry no offense. We all know that amateur sports means filled up restaurants and hotels day after day after day. Movie theaters, bowling alleys everything; so I think no one is going to do anything to stop the promotion of that. We have trouble here in Mecklenburg County with land cost, facility cost; we are darn near built out for a 100 acre site somewhere.

Kimble: You also have an active project that got caught in the economy, the soccor complex down in Matthews. The theory is a public/private model which might not only work for Charlotte if we want to build amateur sports facility in the future that can also be used for residents. The town has some projects too that they are going to need to turn to a public/private model. Maybe together with the towns and the County we can work on a common model that will work anywhere in Mecklenburg County.

Cannon: This would a great opportunity for both City and County staff to go back and forth continuing to work together in branding Charlotte on the energy side of things. It could

very well have been that the County Commissioners could have been invited to our meetings here. Rather than being a fly on the wall, there could have been input, if you will. That always helps us to drill down a few things; the opportunity would have been there to pose questions along the way. I see it to Ron's point as an opportunity, but on the Business Investment Grant side, it just makes sense.

Burgess: We don't have anything on the table that we need to be addressing as far as the City and County; now might be a good time to have a meeting so that we can get the ground rules and the role that each of us are going to take. So that way we are not dealing with two things, number one the process of how we are going to do things and number two the actual particular event. Also, I like the idea of the City and the County working together. I think if we have this opportunity we should take advantage of it.

Mitchell: If I heard the Committee discussion correctly, I know that there at least two items can have some collaboration, Business Investment Grants and amateur sports.

Kimble: If you put permitting and regulatory approval that would be the third one.

Mitchell: I will follow Andy's lead in saying I don't think it's anything urgent, but the good doctor made a good point. Maybe we could have some process and framework discussion before there is a project hearing.

Kimble: I think at the time that you are ready to say let's have a joint meeting and mentioning that at a City Council meeting so that the full Council knows that is what is occurring. Everything is above board, everything is public and everything is ready to go.

Burgess: I misunderstood, so we are not having that meeting now? Is that what we are saying?

Mitchell: No.

Kimble: No, but we are not waiting a long time. I think in the next couple of months. It might be good to wait until your Focus Area Plan is adopted and then have the meeting after it's adopted.

Dulin: I guess we can get a copy of the County's monthly schedule? It's only been a month or so since I saw one; it comes on slick fancy paper.

Kimble: It was a cost cutting measure to cut it out.

Dulin: The first thing after we adopt the Focus Area Plan is to get these guys together.

Mitchell: Thank you for the discussion. I am glad to see that everybody and staff is on board. I think that is it.

Kimble: That is it. I don't think we missed anything.

Dulin: I like the fact that you put the changes in green, thank you.

Kimble: A lot of ours is different from what the current one reads. But we did such an overhaul we didn't want to do the line striking and so we will have to explain that when we go to Retreat as we go through this on Tuesday.

Mitchell: This is a very good size, I like it. The only thing I noticed was that the previous slide had North Tryon Redevelopment. That's the difference in the two?

Mumford: We wanted to be more clear that this new version is all available funding. We took out the North Tryon because it's already committed.

Mitchell: So $9,000,000 is already committed to North Tryon?

Mumford: $9,500,000 is for North Tryon and $5,500,000 is for the street car. So of the total $20,000,000 that was bond allocation, $15,000,000 is accounted for North Tryon and the

street car. Leaving you with $5,000,000 that we show, so you have $5,000,000 there and $17,000,000 available in the Business Quarter Revitalization Strategy fund. We have $17,091,000, $5,000,000 for ED Initiatives, almost $17,000,000 for Eastland Mall, $16,000,000 in the Bond Infrastructure and then $1,000,000 in the General Fund for associated activity with the infrastructure.

Mitchell: Now Grameen falls in which bucket?

Mumford: That's in the next one.

Kimble: Business Revitalization money.

Mitchell: So it's in the first bucket?

Kimble: Yes, that should be net after Grameen.

Mumford: Yes, we will verify it.

Mitchell: Put Grameen in there because I know that is fresh and we adopted it.

Mumford: The Business Equity Loan Program has a balance of $1,375,000, that's for the loan equity component and then we have another $245,000 which is all of the grants; Façade Grant, Demolition Grant, Security Grants all those things come out of that bucket. That is General loan fund capability is what we are showing you there. The last one is the Economic Revolving Loan Fund which was a candidate source for Grameen but we chose to go the other way. This is CDBG money which is almost $2,700,000; that is available to be created with probably more lending. There are a lot of restrictions with that because it is CDBG, but it is an account that can be used. These priorities that we have established can be supported most logically in these funding areas.

Mitchell: President Obama's budget will come out on February 3rd. He is looking to take a billion dollars out of CDBG. Most cities and towns will be fighting to restore that back in there, but locally we know that could affect us.

Mumford: Just to clarify this fund doesn't receive new appropriations so this $2,700,000 is current and not receiving any new infusion of capital.

Dulin: The $5,500,000 on the street car, that money has already been spent?

Mumford: It's been appropriated to support the local match that was required for the build for this section.

Dulin: That's already been pulled out and accounted for?

Mumford: That's correct.

Mitchell: I think for us it's always helpful to have the information so that we are as transparent as possible to answer the questions like "where are you all getting the money from"? So this helps to answer those questions.

Kinsey: I can't remember all this stuff from one meeting to the next, so this is very helpful.

Kimble: At the Retreat, although it won't be part of the Focus Area Plan if and when your Chairman of this Committee speaks, you could pass this out if you wanted to because it's good information for all the Council to know what is in the ED category.

Mitchell: O.k., thank you.

II. Subject: CRVA January Barometer Report

Mitchell: CRVA report there is no action required, just information.

III. Subject Next Meeting Thursday, February 10, 2011 at 3:30pm in Room 280

Mitchell: Committee everybody O.K. with that?
Kinsey: I may have to leave early.
Mitchell: You need it moved up to 3:00pm?
Kinsey: You can't because that is the day that we have three meetings in a row?
Mitchell: O.k., how about 3:00pm? Doctor, Andy, Pro Tem? O.k., let's go with 3:00pm. Patsy what time do you have to leave?
Kinsey: At 4:30p.m.
Kimble: Mr. Chairman on your draft Focus Area Plan, I think we might have overlooked Charlotte Center City Partners as a reference group with the Charlotte Chamber and the Charlotte Regional Visitors Authority. We will put Charlotte Center City Partners in there with your permission.
Mitchell: Thanks everyone. Environmental meets in here at 3:45p.m. Just a side note, is the web portal going to be on the City Manager's Report?
Mumford: Yes.
Richardson: I don't think it was sent out.
Mitchell: Oh, it wasn't sent out good, I thought I missed it.
Dulin: This CRVA Barometer, I haven't given it the time that I normally would. What is the good news in here that we can sell?
Kimble: After two successful years, there is a 16% decline in hotel motel occupancy and in lesser amounts in food and beverage. We are seeing the trough is gone and we are seeing an upswing. We are going to have a good increase in hotel motel occupancy. The average daily room rates are climbing. The occupancy is climbing; therefore, what is called the red bar is climbing. All of those signs are good in the hospitality field right now, which proves beneficial for the CRVA and how it operates. The Convention Center and how it operates, Ovens and
Bo Jangles and all of that is healthy for them.
Dulin: Somebody was telling me that The Ritz is drastically discounting their room rates.
Mitchell: As a follow up, isn't there a relationship chain between Bank of America and The Ritz?
Kimble: It could be for the business traveler, I don't know what is happening with CIAA and the room rates with The Ritz. It could be a lot of different reasons for trying to garner a share of the market.
Mitchell: Thanks everyone, we are adjourned.
Adjourned: 3:40p.m.

Economic Development Council Committee
Monday, January 24, 2011 at 3:00pm
Charlotte-Mecklenburg Government Center
Room CH-14

Committee Members:	James Mitchell, Chair Patrick Cannon, Vice Chair Jason Burgess Andy Dulin Patsy Kinsey
Staff Resource:	Ron Kimble, Deputy City Manager

AGENDA

I. FY2011/FY2012 ED FOCUS AREA PLAN - 30 minutes
Staff: Ron Kimble, Deputy City Manager
Action: Review changes to the draft FY2011/FY2012 ED Focus Area Plan. **Attachments**

II. CRVA January Barometer Report – Information Only (Attachment)

III. NEXT MEETING: Thursday, February 10, 2011 at 3:30pm, Room 280

Distribution: Mayor/City Council Curt Walton, City Manager Leadership Team Executive Team

FY2012 Strategic Focus Area Plan - **DRAFT**

"Charlotte will be the most prosperous and livable city for all citizens through quality economic development."

The City of Charlotte's long-term economic health is in large part driven by the City's ability to facilitate private sector job growth and investment through partnerships with agencies such as the Charlotte Chamber, Charlotte Regional Visitors Authority and the Charlotte Regional Partnership. Historically, these partnerships have resulted in a diversified local and regional economy, which requires public investment in public services and facilities and infrastructure. A healthy economy also requires a commitment to strengthen and grow existing businesses, small business enterprises, entrepreneurship, business corridors and adjacent neighborhoods. In order to foster effective economic development, we must coordinate the commitment from both the public and private sectors.

The City's economic development strategy focuses on supporting small business development, promoting redevelopment in distressed business corridors to support adjacent neighborhoods, creating a more business-friendly government and focusing on community endorsed high-growth industry sectors that support our efforts to attract and retain businesses and jobs. (*Also see Environment, Housing & Neighborhood Development and Transportation & Planning Focus Area Plans for more economic development initiatives.*)

Economic Development

Promote Economic Opportunity

I. ED. Focus Area Initiative: Help grow small businesses in our community.

A. FY12 Measure: Implement the Small Business Strategic Plan, which includes the following major objectives :

- Build and strengthen a consortium of business resource partners
- Develop a web portal with a recognizable brand and on-going marketing strategy
- Provide information and resources that meet changing market needs
- Promote partnerships that enable business owners to find capital.
- Increase opportunities for small businesses to expand sales locally.

1. FY12 Target: 100% of initiatives underway; 50% complete

B. FY12 Measure: Review the Small Business Opportunities Task Force recommendation on SBE Informal Goal Setting (including its relationship to federal DBE reporting requirements), and evaluate combining formal and informal opportunities.

1. FY12 Target: Establish and meet a combined goal

Expand Tax Base & Revenues

II. ED. Focus Area Initiative: Continue to focus on job and tax base growth in business corridors.

A. FY12 Measure: Revise and implement the City's Business Corridor Strategy, including an examination of the five priority corridors of North Tryon, Beatties Ford Road, Rozzelles Ferry Road, Wilkinson/Morehead and the Eastland area, which will include the following elements:

- Review of accomplishments.
- Review of current geography.
- Prioritization of goals.
- Establishment of roles for the City and its partners.
- Input from business owners, community leaders and developers.
- Benchmarking of similar programs in peer cities, with a focus on image building for distressed corridors.

1. FY12 Target: Adopt a new Business Corridor Strategy and

implement 50% of recommendations

* Cross reference H&ND Focus Area Initiative 2 regarding leveraging business corridor funds at 1:10 public/private ratio.

Develop Collaborative Solutions

III. ED. Focus Area Initiative:	**Focus on continuous improvement within the permitting and regulatory environment to facilitate job and tax base growth and to improve the customer experience.**
A. FY12 Measure:	Achieve greater collaboration among the City, County and NCDOT to shorten the time it takes and make it easier to obtain regulatory approvals, including, but not limited to certificates of occupancy.
1. FY12 Target:	Elimination of system barriers, conflicts and impediments in the application of regulations.
IV. ED. Focus Area Initiative:	**Work with economic development partners to grow businesses in the community's targeted industry sectors of energy & environment, finance, manufacturing, health care, defense, motorsports, tourism and film.**
A. FY12 Measure:	Design and implement a strategy to introduce local businesses into supplier relationships with large and mid-size businesses.
1. FY12 Target:	Establish the methodology for measuring the dollar value of goods and services sourced locally rather than from outside the region.
B. FY12 Measure:	Work with tourism partners to develop a plan for growing amateur sports in the Charlotte Region.
1. FY12 Target:	Develop a new public/private model for adding amateur sports facilities in the Region.

1/1/2011	Center #	Project Name	Transaction	Type of funding	Sub Project type	Amount
ECONOMIC DEVELOPMENT		Business Corridor Revitalization Strategy				
	47490	aka Community ED Strategy	Balance	GF		$ 15,591,675
			Committed		Greenway Business Park	$ (500,000)
		Provides funding for business corridor investments including property acquisition, loans and grants. The purpose of the funding is to stimulate growth and economic development opportunities along business corridors. The priority corridors are: Eastland, North Tryon, Beatties Ford Road, Rozzelles Ferry Road and Wilkinson/Morehead/Freedom.			Subtotal FY10	$ 15,091,675
			FY11 Appropriation	GF		$ 2,000,000
			Total for FY11			**$ 17,091,675**
	47760	Reserve for ED Initiatives		COPS		**$ 5,000,000**
		Provides economic development funding for projects designated by Council. The funding intended as a reserve to facilitate addressing economic development opportunities. The Reserve totaled $20 million in FY09 and has been reduced due to recommended funding of $9.5 million for North Tryon Street. A total of $5.5M was also used for the				
		Eastland Mall				
	47483	Eastland Infrastructure	Balance	NIP Bonds		**15,984,000**
	49341	Eastland Mall Recommendation	Balance	GF		1,000,000
						16,984,000
COMMUNITY & COMMERCE	**36919**	Business Equity Loan Program	Balance	GF		1,748,503
		Funds the Business Equity Loan Progam	**Total for FY11**			**1,748,503**
		Business Grant Programs		GF		244,992
			Total for FY11			**1,993,495**
		Provides funding for the City's Business Revitalization Programs including the Security, Façade and Infrastructure Grant programs, Business District Organization Program and Brownfield Assessment Program. The program provides a funding source for various initiatives and projects linked to redevelopment of the City's urban core.				
	Fund 6902	Economic Development Revolving Loan Fund (EDRLF)		CDBG		2,696,536
		This fund is derived from the CDBG program and is subject to federal rules and regulations.	**Total for FY11**			**2,696,536**

Small Business Strategic Plan

June 2010

Neighborhood & Business Services

Economic Development Office

Introduction

The Small Business Strategic Plan is intended to serve as an action plan for the City of Charlotte to use in leading a collaborative effort to help grow and sustain small businesses. The goal is for our community to become the premier location for small business investment and growth. This plan recognizes the many organizations that provide services to small businesses in Charlotte-Mecklenburg and the need to better collaborate with these organizations to implement the objectives of this plan. One of the key findings from the Small Business Strategic Plan input process was that this collaborative effort needs to be improved and it needs a lead organization. The City of Charlotte, through its role as a neutral party/convener, is best positioned to provide the necessary leadership to improve collaborative efforts for the benefit of the community's small businesses and help implement the identified strategies necessary to sustain and expand Charlotte's economic base.

The creation of the Small Business Strategic Plan originated from an August 2009 request from the Charlotte City Council's Economic Development & Planning Committee. The Committee asked for the City's Business Advisory Committee (BAC) to identify opportunities to grow Charlotte's small businesses. In October 2009, the BAC reported back to the Economic Development & Planning Committee by outlining the need for the development of a strategic plan to assist small businesses. In January 2010, City Council approved this recommendation. A description of the Business Advisory Committee and a copy of their recommendation can be found in **Appendix A.**

The City's BAC has played a critical role in advancing this effort and providing important insight throughout the development of the strategy. The City's Small Business Resource Partners, organizations providing services to small businesses, were also heavily involved in the development of this strategy, participating in a series of meetings throughout the planning process. A complete list of these organizations and a description of their services can be found in **Appendix D.**

Additionally, input into the development of the Small Business Strategic Plan was received from small businesses through an online survey and a small business public forum.

The key elements in the Small Business Strategic Plan are:

1. Vision: To be the premier community for small business investment and growth

2. Mission: To Create an environment to help small business thrive in Charlotte-Mecklenburg through collaboration and public/private/non-profit partnerships

3. Objectives:
    a. Build and strengthen a sustainable local consortium of business resource partners
    b. Increase awareness of small business resources by developing a web portal with a recognizable brand and on-going marketing support
    c. Provide information and resources that meet changing market needs
    d. Promote public/private/non-profit partnerships to enable business owners to find capital
    e. Increase opportunities for small businesses to expand local sales

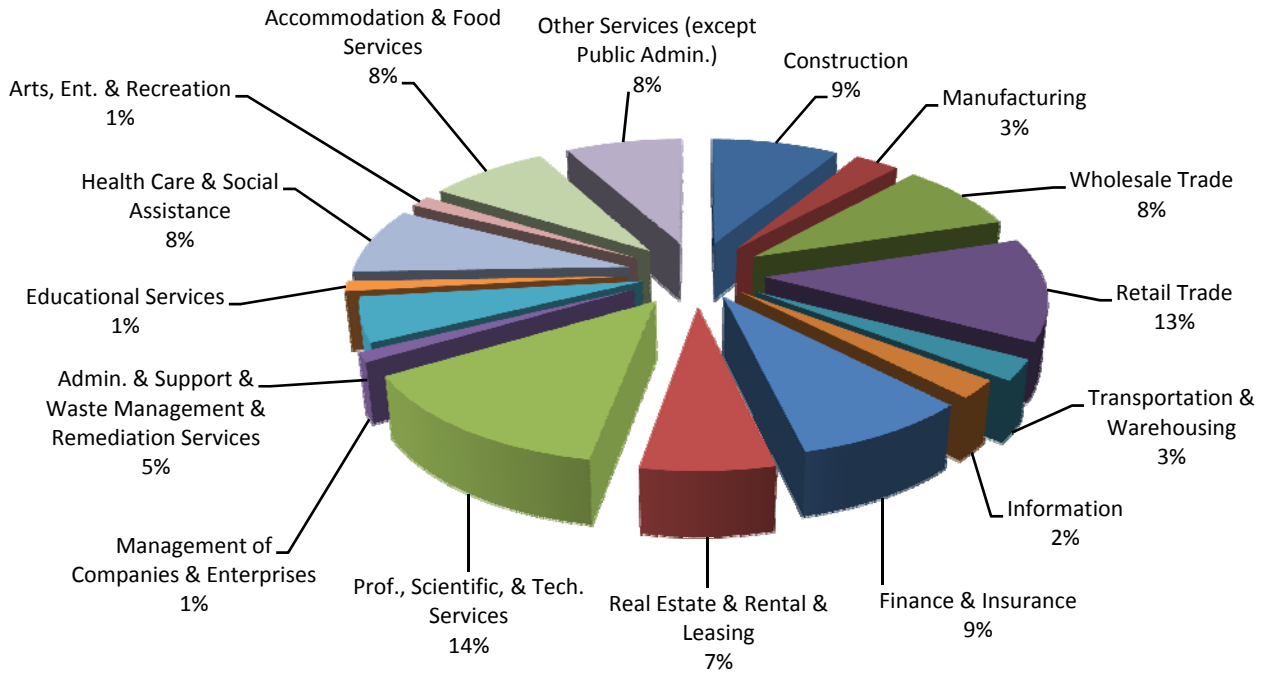
Background

Small Business Demographics:

According to the U.S. Census Bureau's County Business Patterns, there were 27,416 businesses with 99 or fewer employees in Charlotte-Mecklenburg in 2007. Seventy percent of these businesses had nine or fewer employees. This group also counted 69,554 sole proprietorships (businesses with only the proprietor receiving a salary) in Charlotte-Mecklenburg in 2007. The 27,000+ small businesses were primarily concentrated in the following sectors: Professional, Scientific, & Technical Services (14%); Retail Trade (13%); Finance & Insurance (9%); and, Construction (9%).

Chart 1: 2007 NAICS County Business Patterns

NAICS codes for the 27, 416 small businesses in Mecklenburg County



In comparison with Charlotte-Mecklenburg's peer cities, Charlotte-Mecklenburg has more small businesses (27,416) than: Indianapolis, Denver, Nashville and Raleigh. On a per capita basis, Charlotte-Mecklenburg has more small businesses (1 small business/1,000 population) than: Indianapolis, Nashville, Raleigh, and Tampa. A complete peer city comparison can be found in **Appendix B.**

Charlotte also has been widely cited as a good place for small businesses. Accolades that support this include:

- Ranked 17th on Forbes 200 Best Metro Areas for Business and Careers; *Forbes.com*, April 2010
- Ranked 56th on Forbes 100 Most Affordable Cities; *Forbes.com,* December 2009
- Ranked 2nd Best Place to Start a Small Business; *bizjournals.com,* February 2009
- Ranked 8th Best Place to Live and Launch; *Forbes Small Business*, October 2008

In summary, Charlotte has a vibrant and important small business economy and is recognized by business relocation specialists (and small business owners?) as a good location for small businesses.

Current State of Small Business in Charlotte:

To assess the current state of small business in Charlotte-Mecklenburg, City Economic Development staff reviewed information from the *BusinessFirst* Charlotte 2009 survey. This survey was conducted October-December 2009, and while not specifically targeted to small businesses, the City received responses from 76 businesses with 100 employees or fewer out of a total 166 respondents. The major findings of this survey included:

- Businesses surveyed predicted a 3.9 percent growth in employment over the next 12 months
- 15 percent of respondents expected to expand local operations in 2010
- 69 percent of sales occurred in the local or regional marketplace, lessening the likelihood of significant relocations from the Charlotte region

In January and February 2010, City staff conducted an online, 14-question survey specifically aimed at small businesses. The City received 227 responses to this survey included the following major findings:

- 62 percent were "satisfied", or "very satisfied" that Charlotte is *"business friendly"*
- 44 percent were "satisfied, or "very satisfied" with the *availability of business assistance programs*
- 42 percent were "dissatisfied", or "very dissatisfied" in their *ability to secure business capital/financing*
- 143 respondents provided ideas as to *"how state and local governments can assist their company in creating jobs,"* with the top four ideas being:
    1) Help with financing/provide access to capital
    2) Lower taxes and fees/provide incentives or stimulus funds
    3) Assistance in securing City/government contracts
    4) Streamline City/government permitting & processes
- 100 respondents provided ideas on *"what business assistance programs would be most helpful,"* with the top four ideas being:
    1) Financial assistance
    2) Government certification/education
    3) Counseling services
    4) Small business training/mentoring/assistance

On March 2, 2010, the City invited small businesses to a public forum to solicit input into the proposed small business strategy and to better understand their needs. Approximately 60 small business representatives attended the public forum where following major themes emerged:

- Small businesses are experiencing a shortage of working capital due to difficulty in collecting accounts receivable and difficulty in receiving financing/lines of credit

- There is a perceived difficulty/limited ability to do business with the City
- There is a need for greater coordination and marketing of all of the available small business resources in our community

Peer Cities and Best Practices:

City Economic Development staff reviewed peer cities' small business programs and their websites to identify best practices and services. Peer cities included in this analysis include: Raleigh, Nashville, Tampa, Portland, Denver and Austin, plus two international cities for an added perspective. Staff also researched best practices in New York and Phoenix. A chart summarizing these findings can be found in **Appendix C.**

This analysis indicated that the City of Charlotte's small business website lacks information frequently found on peer city websites, including: an event calendar, a "Frequently Asked Questions" page and the ability to contact a City representative directly through the website. The City of Charlotte also lacks many of the small business program offerings of these peer cities such as: assistance to start-up businesses, and assistance to mid-cycle businesses and free counseling. These services however are offered in our community by the Small Business Resource Providers **(Appendix D)**. Denver and New York offer the widest variety of services, including: a one-stop business assistance location, workforce recruitment assistance, funding assistance, free counseling, training, mentoring, and networking.

One current "best practice" in the economic development field is "economic gardening." Economic gardening works to grow a city's economy by focusing on the retention and growth of the local entrepreneur community. A key component of economic gardening involves identifying competitive or business intelligence, through the use of high-powered databases, which provide information to small businesses to increase their competitiveness and market knowledge. Economic gardening also focuses on a city's infrastructure and quality of life amenities to entice entrepreneurs to locate and create businesses. The last component of economic gardening is to build connections and promote networking opportunities between local businesses by facilitating industry clusters and cross marketing opportunities. Economic gardening is being embraced by many cities across the U.S., but most programs are being implemented in collaboration with community business resource providers, such as the local chamber of commerce, area colleges, and the library.

Small Business Resource Partners in Charlotte-Mecklenburg

Support for Charlotte-Mecklenburg's 27,000+ small businesses is provided by a wide range of public and private/non-profit agencies and organizations dedicated to small business development. The City refers to this group of key organizations as the Small Business Resource Providers (**Appendix D)**. These organizations provide a wide range of services that are key elements of a small business support system, including:

- Training programs and opportunities
- Access to capital
- Free business counseling

- Free access to business information
- Purchasing opportunities
- Small business advocacy
- Networking opportunities
- Marketing of programs and opportunities

Currently, many of these resource providers come together monthly as part of an informal "small business roundtable". The purpose of the roundtable is to share information, not to provide direction or leadership to the small business support effort. Over the past year, the Charlotte Chamber has also brought together representatives from these organizations to develop and present programs focused on assisting small businesses as part of their *"Survive and Thrive"* program.

The organizations identified as Small Business Resource Partners are:

- Business Expansion and Funding Corporation (BEFCOR)
- Carolinas Minority Supplier Development Council (CMSDC)
- Central Piedmont Community College (CPCC) Institute for Entrepreneurship
- Charlotte Chamber of Commerce
- Charlotte Mecklenburg Library
- Charlotte Regional Economic and Workforce Recovery Initiative
- City of Charlotte – Economic Development Office
- City of Charlotte – Small Business Opportunity (SBO) Program
- Counselors to America's Small Businesses (SCORE)
- Mecklenburg County
- Self Help
- Small Business Administration (SBA)
- Small Business & Technology Development Center (SBTDC)
- The Employers Association

Additionally, there are a number of member organizations targeted at small and entrepreneurial businesses that provide support to their members. These include, but are not limited to:

- Arrowood Association
- Business Innovation & Growth (BIG) Council
- Carolinas Asian-American Chamber of Commerce
- Carolinas Association of General Contractors (AGC)
- Latin American Chamber of Commerce
- National Association of Woman Business Owners (NAWBO)

<u>City of Charlotte: Small Business Opportunity Program</u>

The City of Charlotte's Small Business Opportunity (SBO) Program was created in 2004 and is targeted at a subset of the 27,000+ small businesses in Charlotte-Mecklenburg. The SBO Program is the outcome of

a legal challenge to the City's former Minority and Woman Business Development Program and focuses on awarding Small Business Enterprise (SBE) certification to small businesses that meet established size criteria and have the potential to do business with the City of Charlotte. For example, a landscaping company could be certified as a SBE; but a personal grooming establishment could not, as the City does not directly purchase personal grooming services. Currently there are 800 certified Small Business Enterprises. They operate in Mecklenburg and seven surrounding counties.

The SBO Program's focus includes identifying contracting opportunities for these businesses, working with the City's Key Business Units to set SBE utilization goals, and tracking and reporting compliance to these goals. The SBO Program also offers City of Charlotte certified SBEs the "Advance Your Business" Development Program consisting of:

- Small Business Workshop Series: Free monthly workshops and seminars provide networking opportunities for small businesses

- Central Piedmont Community College (CPCC) Institute for Entrepreneurship (IE) Partnership: The City provides certified SBEs tuition assistance of up to $300 each fiscal year; SBEs can select from a range of CPCC's entrepreneurship course offerings

- CPCC's *Getting to the CORE of Business* Strategic Development Program: This pilot initiative kicked-off in spring 2010. This five-month program provides business owners individualized, practical training to integrate, implement and execute a focused growth strategy

- Professional Association Sponsorships: One-time partial sponsorship of $100 toward annual membership dues for the following organizations: Charlotte Chamber, Latin American Chamber of Commerce, Association of General Contractors (AGC), Metrolina Minority Contractors Associations (MMCA), and National Association of Women Business Owners (NAWBO)

- Mentor Protégé Program: Hands-on managerial and technical assistance by matching SBE owners and managers in need of guidance and training with larger more experienced companies

- Survive & Thrive: Partnership with the Charlotte Chamber and other area small business providers offering business owners an educational monthly breakfast series

- ACCESS: Partnership with local government agencies and small business resource providers to coordinate and hold a yearly half-day procurement conference

Another focus of the City's SBO Program is the SBE Loan Fund, an innovative public/private fund established in 2003 to assist small businesses with gaining access to capital. The fund provides more flexible underwriting guidelines than traditional lenders. Businesses eligible for financing through the SBE Loan Fund typically would not be able to secure financing from a traditional bank. The SBE Loan Fund is administered by Self Help, a North Carolina non-profit community development lender.

Strengths, Weaknesses, Opportunities, Threats (SWOT) Analysis

City Economic Development staff, the Small Business Resource Partners and the BAC all participated in analyzing the current Strengths, Weaknesses, Opportunities and Threats (SWOT) of the current small business climate in Charlotte. This analysis is summarized in the chart below.

Strengths:	**Weaknesses:**
• Quality of small business resources — Variety — Limited redundancy • Depth and capacity of existing services • No cost start-up resources • Talented workforce • Small business friendly	• Access to capital for the small businesses • Lack of overall strategy • Lack of centralized marketing efforts — Online portal and web based resources — Communications with small businesses
Opportunities:	**Threats:**
• Branding — A central portal for information and data collection for providers • Create and implement a strategic plan • Enhanced resources to support start-up, mid-cycle, maturing and failing small businesses • Link Charlotte-Mecklenburg to regional resources • "Business to Business" small business network -- Opportunity to partner to go after project -- Opportunity to purchase from one another	• Lack of funding to implement initiatives that come out of this process • Access to working capital for the small businesses • Changing mindset to new economy- way to do business with internet, alliances, etc., • Perception of unfavorable cost of doing business • Perceptions of business environment stifling attraction and growth

A key strength for small businesses in Charlotte is the variety and quality of the available small business resources and the perception that Charlotte is "business friendly." However, a clear weakness is that many of these small business resources are unknown by Charlotte's small businesses because these services are not well marketed. There is a clear opportunity to create a central web portal that would provide access to small business services and a shared brand for all small business resource partners to market their services. The threat to accomplishing this is the lack of funding, particularly given current economic conditions. Another threat to growing small business in Charlotte is the perception that Charlotte has an unfavorable cost of doing business and government regulations that stifle the growth of small businesses.

Recommendations

To accomplish the recommended vision, mission and objectives of the Small Business Strategic Plan, the City of Charlotte must assume a leadership role with the small business resource partners and provide the resources necessary to accomplish the objectives of this plan. The intent is for the City to better connect small businesses to available resources in the community, not for the City to provide these resources to all 27,000 small businesses.

The City is uniquely situated to lead this effort because:

- The City's interests span across the specialties (i.e. training, lending, and counseling) of the resource partners. No other resource partner has as broad a perspective as the City
- The City convened the resource partners and lead the effort to develop this plan
- The City has a successful track record of building and maintaining collaborative partnerships with both for-profit and not-for-profit groups
- The City is the only organization that currently has resources that can be reallocated to meet the objectives of this plan

The objectives of the Small Business Strategic Plan are listed below. A key consideration was how the recommendations of the Small Business Strategic Plan would strengthen the City existing Small Business Opportunity Program: This Strategic Plan positively enhances the City's certified Small Business Enterprises by:

1) Making information more available
2) Providing easier access to local government contracting information
3) Enhancing opportunities for business-to-business networking
4) Expanding opportunities for "success stories" recognition

Each objective has several accompanying action steps which are detailed in **Appendix E**. Each action step is assigned a, lead party, supporting party and timeline. The City is not the lead organization for each action step. For example, CPCC's Institute for Entrepreneurship is given the lead to maximize the effectiveness of the existing "Resource Navigator" by identifying best practices in other communities using the "Resource Navigator". The objectives and key action steps are:

Objective #1: Build and strengthen a sustainable local consortium of small business resource partners

The Small Business Resource Partners play an essential role in growing small businesses in Charlotte. However, not only do they each operate independently of one another, small businesses are often times unaware that these resources exist. A collaborative effort amongst the Partners to act together to, among other things, support the development of a central "go-to" web portal will greatly enhance the current small business environment. The goal of the web portal is to simplify access to information and resources for the small business community and is crucial to demonstrating our commitment to supporting small business development. Key action steps to accomplish this include:

- Determine and agree upon a set of guiding principles regarding commitment to move forward in developing the consortium and the centralized web portal
- Identify the funding/resource requirements for a web-based Charlotte-Mecklenburg small business portal and sustained marketing program
- Add a small business focus to the Business Advisory Committee (BAC) charge

Objective #2: Increase awareness of small business resources by developing a web portal with a recognizable brand and on-going marketing support

Currently, each resource partner brands and markets itself separately. Most of the resource partners are non-profits or funded by the State and therefore have limited marketing budgets. There is no single, comprehensive method to learn about all of the available small business resources in Charlotte. A consortium brand and marketing strategy, together with a central web portal, would serve as a public face representing our commitment to small business development. This brand and central web portal would serve the vital role of being the clear "go to" source for small businesses to learn where to go to find answers and solutions to specific business concerns. Key action steps to accomplish this include:

- Perform an inventory of the resource partners and their services
- Develop in collaboration with the resource partners, a small business web portal and a brand for the web portal
- Develop a coordinated approach to programming and marketing for Small Business Week

Objective #3: Provide information and resources that meet changing market needs

Small businesses are dynamic. Today their primary need is access to capital. A few years ago their primary need was a skilled workforce. Access to up-to-date, useful and relevant information and resources are critical to their success. Systems must be put in place to capture these ever changing needs and to keep the information on the web portal up-to-date and relevant. This is crucial to the success of the brand and web portal, and will also serve to help the Resource Providers respond to current small business needs. Key action steps to accomplish this include:

- Complete and maintain an up-to-date comprehensive inventory of local government permitting requirements and provide this information via the web portal
- Develop a consolidated small business event calendar on the web portal and a proactive process to keep it updated
- Develop "How to Start a Business" wizard for the web portal
- Maximize effectiveness of Resource Navigator, an existing on-line tool to connect businesses with area resources
- Evaluate starting an "economic gardening" program to provide market assessment, research and analysis to targeted small businesses to help them grow

Objective #4: Promote public/private/non-profit partnerships to enable business owners to find capital

Access to capital is the number one need of small businesses in today's market. Three resource partners, Self Help, BEFCOR, and the City, provide capital to small businesses. Other resource partners, CPCC, SCORE and SBTDC, assist businesses in preparing applications for loans and capital. However, the overwhelming amount of small business lending is done by the private sector. Therefore, the plan calls for additional public/private partnerships to help businesses access this private capital. Key actions steps to accomplish this include:

- Hold an Access to Capital conference
- Provide education to make potential borrowers credit ready
- Hold lender roundtables to facilitate ongoing dialogue, create a lender referral network, and develop partnerships
- Seek opportunities for non-traditional lenders (CDFIs, angels, Grameen, etc.) to engage in the Charlotte market

Objective #5: Increase opportunities for small businesses to expand sales locally

There is an opportunity to grow local small businesses by connecting them to other businesses in Charlotte's target growth clusters. This will provide businesses the ability to grow their sales, hire more people and keep money in Charlotte's economy. A key part of this work is providing better information via the web portal to connect small business both to local government and local business procurement opportunities. Key actions steps to accomplish this include:

- Provide centralized information on local government contracting opportunities
- Explore and research options for a "buy-local" campaign
- Examine State enabling legislation to consider allowing local companies opportunities to match low bids in Charlotte area
- Explore an online "Business to Business" marketplace
- Identify the supply chain for major industry clusters to discover and identify local suppliers

<u>Funding and Resources</u>

Economic Development staff estimates the development of the web portal, along with the associated branding and initial marketing campaign will cost $150,000. These resources are available in the Community Economic Development Strategy account, which as of May 2010, has a balance of $15,000,000. The annual marketing and maintenance costs for the web portal are estimated to be $20,000 to $30,000 and can be covered by reallocating existing resources within the Economic Development budget. This will also require a full-time staff person to lead development of the web portal, branding effort and marketing campaign. This can be met by reallocating and realigning existing Economic Development staff.

The Small Business Resource Partners will contribute in-kind resources to the marketing and branding campaign by co-branding their materials, events and websites, where possible.

Metrics

The complete list of objectives and action steps in **Appendix E** identifies a timetable for each action step. The success of the Small Business Strategic Plan will be evaluated based on the following metrics:

- An annual web-survey of small businesses to measure the percentage increase of small businesses' satisfaction with the Charlotte business climate, and the percentage increase of small businesses' satisfaction with the small businesses resources and services
- Web analytics to measure the success of the web portal
- Increased utilization of the Small Business Resource Partners
- Specific measures on small business vitality (i.e.: number of people employed by small business; decline in number of small business failures)

Appendix A

Business Advisory Committee

Committee Charge:

The Business Advisory Committee is charged to: provide recommendations and advice to City Council on ways the City can help business in Charlotte; provide a forum for businesses to raise issues; discuss and have input into City policy responses to these issues; provide input and advice to business retention planning efforts and implementation of the Business Retention Plan; keep City Council and Key Business Executives abreast of changes in business and business climate, and how that might affect business-government relations and needs of public services.

Committee Membership:

- Two (2) members by the Mayor;
- Six (6) members by the Charlotte City Council;
- Five (5) members by the Charlotte Chamber of Commerce
- One (1) member appointed by the Manufacturer's Council
- One (1) member appointed by the Arrowood Association

Committee Members:

Scott Stone, Mayor Appointment, Chair

Terri DeBoo, Charlotte Chamber

Michael Orzech, Charlotte Chamber

Robert Barkman, City Council

Lee Froneberger, City Council

Linda Daniel, Manufacturer's Council

Tunis Hunt, Arrowood Association

Eric Dudley, Charlotte Chamber

Todd Paris, Charlotte Chamber

Tariq Bokhari, City Council

Nalan Karakaya-Mulder, City Council

Gary LaBrosse, City Council

CHARLOTTE.
NEIGHBORHOOD & BUSINESS SERVICES

MEMORANDUM

TO: **Economic Development & Planning Committee**

FROM: **Scott Stone, Business Advisory Committee Chairman**

DATE: **October 16, 2009**

RE: **Recommendation to ED&P regarding small business resources**

At the request of the Economic Development & Planning Committee, the City's Business Advisory Committee has performed a SWOT Analysis (attached) on the current resources available to the small business community. From this analysis, it is our recommendation that the City needs a clearer strategy to support the local small business community. We believe that this strategy would best be communicated and implemented through a small business strategic plan which the City should undertake with its partners, including: Charlotte Chamber, SBTDC, CPCC, Mecklenburg County, etc.

Elements of this Small Business Strategic Plan should include:

- Mission Statement
- Quantifiable Objectives and Goals of the Plan
- Definition of a Small Business for Purposes of the Plan
- Defined Roles of the City, Chamber and other small business resource partners (Chamber, CPCC, UNCC, SBTDC, SCORE, Self-Help, BEFCOR, SBA)
- Peer City Analysis
- Small Business Data – research on current state of small businesses in Charlotte
- Identification of resources needed to implement plan and possible sources

This strategic plan would be incorporated into the City's updated Economic Development Strategic Plan for FY10 – FY15. The Business Advisory Committee would continue to provide direction and feedback to the City's Economic Development Office during the strategic plan process.

We recommend the creation of a Small Business Strategic Plan and the Business Advisory Committee would like to be a key driver in the development and implementation of this plan.

Cc: Business Advisory Committee

Tom Flynn, Economic Development Director

Nancy Rosado, Small Business Development Program Manager

Appendix B

Number of employees	County Business Patterns						
	Atlanta *Fulton*	Charlotte *Mecklenburg*	Indianapolis *Marion*	Denver *Denver*	Tampa *Hillsborough*	Nashville *Davidson*	Raleigh *Wake*
1 – 4	18,795	14,500	11,505	12,048	19,225	8,726	13,319
5 - 9	5,406	4,985	4,766	3,824	5,638	3,722	4,389
10 - 19	3,943	3,765	3,677	2,726	3,776	2,860	3,303
20 - 49	3,241	3,051	2,727	2,057	2,723	2,073	2,492
50 - 99	1,297	1,115	1,028	783	1,047	795	886
Small Businesses	**32,682**	**27,416**	**23,703**	**21,438**	**32,409**	**18,176**	**24,389**

** The U.S. Census County Business Patterns provides data on the total number of establishments by employment-size classes for all U.S. counties.*

	Self-Employed with No Paid Employees						
	Atlanta *Fulton*	Charlotte *Mecklenburg*	Indianapolis *Marion*	Denver *Denver*	Tampa *Hillsborough*	Nashville *Davidson*	Raleigh *Wake*
Nonemployer Firms	81,673	69,554	51,567	48,978	90,344	51,936	64,222

**Self-employed with no paid employees (nonemployer statistics) with annual business receipts of $1,000 or more.*

	All Small Businesses						
	Atlanta *Fulton*	Charlotte *Mecklenburg*	Indianapolis *Marion*	Denver *Denver*	Tampa *Hillsborough*	Nashville *Davidson*	Raleigh *Wake*
All Small Businesses	114,355	96,970	75,270	70,416	122,753	70,112	88,611

** Combined total of county business patterns and self-employed with no paid employees firms.*

Source: U.S. Census Bureau http://censtats.census.gov/cbpnaic/cbpnaic.shtml and http://www.census.gov/econ/nonemployer/index.html

Appendix C

Web Portal Matrix: Peer Cities & Best Practices for Small Businesses

The web portal matrix provides a brief snapshot of City government website information for entrepreneurs and small business owners.

Small Business Offerings	*Charlotte	*Raleigh	*Nashville	*Tampa	New York	Portland	Denver	Phoenix	Austin
Cities Website Comparisons									
Event Calendar			x	x	x	x	x		x
Frequently Asked Questions		x	x	x	x	x	x		x
Resource Partner Listings	x	x	x			x	x	x	x
Steps in Starting a Business	x	x	x	x	x	x	x	x	x
Gov't Certifications / Contracting	x	x	x	x	x	x	x	x	x
Financial Information	x		x	x	x	x	x	x	x
Umbrella Brand						x			
Green Initiatives						x	x		
Small Business Information Portal				x	x	x			x
Ease of Navigation					x	x	x	x	
Contact Us		x	x	x	x	x	x		x
Cities Small Business Services/Offerings									
One-Stop Location				x	x		x	x	x
Workforce Recruitment					x		x		
Assist Start-up Businesses			x	x	x	x	x	x	x
Assist Mid-cycle Businesses			x	x	x	x	x	x	x
Funding Opportunities	x			x	x		x	x	x
Free Counseling Services				x	x		x	x	x
Training	x		x	x	x	x	x	x	x
Mentoring					x				
Networking	x		x	x	x	x	x		x

*SBE or MWBE Program Only

Appendix D

Charlotte Small Business Resource Partners

City of Charlotte – Economic Development Office

The City of Charlotte's Economic Development Office focuses on locating and relocating businesses to Charlotte, workforce development, business corridor revitalization, financial assistance programs, small business opportunities, and business retention.

Old City Hall
600 East Trade Street, 3rd Floor
Charlotte, NC 28202
Phone: 704-432-1395
Website: www.charmeck.org

City of Charlotte – Small Business Opportunity (SBO) Program

The SBO Program seeks to enhance competition in City contracting and to promote small business economic growth and development in the Charlotte Regional area. The City certifies small businesses as Small Business Enterprises (SBE) based upon established size standards. Small businesses can also participate in *Advance Your Business* development programs.

Old City Hall
600 East Trade Street, 3rd Floor
Charlotte, NC 28202
Phone: 704-432-1395
Website: http://smallbiz.charmerck.org

Self Help

A nonprofit community development lender whose mission is creating ownership and economic opportunity for small businesses and nonprofit organizations headed by minorities, women, rural residents and low-wealth families. Self- Help also administers the SBE Loan Fund.

926 Elizabeth Avenue
Charlotte, NC 28204-2204
Phone: 704-332-1514
Website: www.self-help.org

Business Expansion Funding Corporation (BEFCOR)

Working in partnership with a bank, BEFCOR provides federal 504 loan program financing for fixed assets at a low-fixed interest rate.

5970 Fairview Road, Suite 218
Charlotte, NC 28210
Phone: 704-442-8145
Website: www.charlottecdc.com

CPCC Institute for Entrepreneurship

Provides education, skills training, one-on-one counseling and access to their resource center with materials and resource information to plan or improve small businesses. Free seminars on business related topics are offered most months at the Institute and various public library locations.

CPCC Central Campus, Hall Professional Development Building
1112 Charlottetowne Avenue
Charlotte, NC 28204
Phone: (704) 330-6736
Website:www.cpcc.edu/e-institute

Small Business & Technology Development Center (SBTDC)

Provides management counseling and educational services to small and midsized businesses. Their primary focus is operations, and business planning, and feasibility assessment.

The Ben Craig Center
8701 Mallard Creek Road
Charlotte, NC 28262
Phone: (704) 548-1090
Website: www.sbtdc.org

Counselors to America's Small Businesses (SCORE)

SCORE members are retired business professionals who provide volunteer business services to those interested in starting or expanding a business. Free consultations are available to help individuals define a successful marketing strategy, develop a marketing plan or help solve business problems.

6302 Fairview Road, Suite 300
Charlotte, NC 28210-2227
Phone: 704-344-6576
Website: www.score.org

Charlotte Mecklenburg Library

Sample businesses, sample business research tools and much more are all available on the second floor of the Main Library.

310 North Tryon Street
Charlotte, NC 28202
Phone: Please contact Charlotte SCORE at 704-344-6576 for appointments
Website: www.plcmc.org

Charlotte Chamber of Commerce

A membership, volunteer-led organization that works to recruit companies interested in relocation; provides information and assistance; and monitors government to identify issues that affect the local business climate and advocates on behalf of its members.

330 South Tryon Street
Charlotte, NC 28202
Phone: 704-378-1300
Website: www.charlottechamber.com

Carolinas Minority Supplier Development Council (CMSDC)

A private, non-profit, membership organization of major corporations, financial institutions, government agencies, and universities that operate within North or South Carolina. The organization promotes and facilitates the development of business relationships between its members and certified minority-owned business enterprises

100 Seaboard Street, Suite B-14
Charlotte, NC 28206
Phone: 704-549-1000
Website: www.carolinasmsdc.org

Mecklenburg County (Minority, Women and Small Business Enterprises Program)

The City of Charlotte and Mecklenburg County offer a variety of economic development and business development programs for qualified businesses.

Valerie C. Woodward Center
3025 Freedom Drive, Suite 101
Charlotte, NC 28208
Phone: 704-336-6186
Website: www.charmeck.org/Departments/MWSBE/home.htm

The Employers Association

Provides human resources and training services to organizations in the greater Charlotte, NC area. Serves more than 850 member organizations of all sizes and industries, both public and private.

3020 West Arrowood Road
Charlotte, NC 28273
Phone: 704-522-8011
Website: www.employersassoc.com

Small Business Administration (SBA)

An independent agency of the federal government that aids, counsels, assists and protects the interests of small business concerns. Also, provides SBA-backed loans, government contracting opportunities, disaster assistance and training programs to help small businesses succeed.

SBA Regional Office
6302 Fairview Road, Suite 300
Charlotte, NC 28210
Phone: 704-344-6563
Website: www.sba.gov

Charlotte Regional Economic and Workforce Recovery Initiative

A collaborative effort to address high unemployment due to the recession, particularly among professionals.

550 S. Caldwell Street, Suite 760
Charlotte, NC 28202
Phone: 704-336-6270
Website: www.pronetcharltotte.com

APPENDIX E

Objectives and Action Steps

Vision:

To be the premier community for small business investment and growth

Mission:

To create an environment to help small businesses thrive in Charlotte-Mecklenburg through collaboration and public/private/non-profit partnerships

Objectives:

1. Build and strengthen a sustainable local consortium of business resource partners
2. Increase awareness of small business resources by developing a web portal with a recognizable brand and on-going marketing support
3. Provide information and resources that meet changing market needs
4. Promote public/private/non-profit partnerships to enable business owners to find capital
5. Increase opportunities for small businesses to expand sales locally

Activities:

1. Build and strengthen a sustainable local consortium of business resource partners

- Define the value proposition of the consortium and each consortium member
  Lead party: City of Charlotte
  Supporting party: CPCC, Charlotte Chamber
  Timeline: Immediate

- Determine and agree upon a set of guiding principles regarding commitment to move forward
  Lead party: City of Charlotte
  Supporting party: Small Business Resource Partners
  Timeline: Immediate

- Identify the funding/resource requirements for a web-based Charlotte-Mecklenburg small business portal and sustained marketing program
  Lead party: City of Charlotte
  Supporting party: NA
  Timeline: Immediate

- Create a short-term and long-term funding strategy
  Lead party: City of Charlotte
  Supporting party: Small Business Resource Partners
  Timeline: October 2010

- Add a small business focus to the Business Advisory Committee (BAC) charge
  Lead party: City Council
  Supporting party: BAC
  Timeline: September 2010

- Examine potential of a "Mayor's Small Business Alliance" similar to Mayor's Mentoring Alliance
  Lead party: City of Charlotte
  Supporting party: Small Business Resource Partners
  Timeline: October 2010

2. **Increase awareness of small business resources by developing a web portal with a recognizable brand and on-going marketing strategy**

- Perform an inventory of the resource providers and their services
  Lead party: City of Charlotte
  Supporting party: Small Business Resource Partners
  Timeline: October 2010

- Develop a small business web portal and a brand for the web portal
  Lead party: City of Charlotte
  Supporting party: Small Business Resource Partners
  Timeline: Fall 2010

- Create a short-term and long-term marketing strategy
  Lead party: City of Charlotte
  Supporting party: Small Business Resource Partners
  Timeline: Fall 2010 and ongoing

- Take a coordinated approach to Small Business Week
  Lead party: CPCC
  Supporting party: Small Business Resource Partners
  Timeline: Ongoing

3. **Provide information and resources that meet changing market needs**

- Aggregate information from all resource partners to present most up to date picture of small business offerings, e.g. programming, loan programs, counseling, etc.

Lead party: City of Charlotte
Supporting party: CPCC
Timeline: April 2011

- Complete a comprehensive inventory of local government permitting requirements and provide this information via the web portal
  Lead party: City of Charlotte and Mecklenburg County
  Supporting party: Small Business Resource Partners
  Timeline: April 2011

- Determine the schedule and process to refresh and update web portal information
  Lead party: City of Charlotte
  Supporting party: Small Business Resource Partners
  Timeline: January 2011 and ongoing

- Provide access to information, e.g., postcard with website address, packet, etc. to new small business identified through new business licenses
  Lead party: City of Charlotte
  Supporting party: Small Business Resource Partners
  Timeline: January 2011

- Regularly survey small businesses to ensure relevant programming and outreach
  Lead party: City of Charlotte
  Supporting party: SBTDC, CPCC
  Timeline: Ongoing (at a minimum, one annual survey)

- Maximize effectiveness of Resource Navigator
  Lead party: CPCC
  Supporting party: City of Charlotte
  Timeline: January 2011

- Provide a small business advocate to work with small business on regulatory permitting and other issues
  Lead party: City of Charlotte and Mecklenburg County
  Supporting party: NA
  Timeline: January 2011

- Develop a consolidated small business event calendar and a proactive process to keep it updated
  Lead party: City of Charlotte
  Supporting party: Small Business Resource Partners
  Timeline: January 2011

- Evaluate starting an "economic gardening" program to provide market assessment, research and analysis to targeted small businesses to help them grow

Lead party: City of Charlotte
Supporting party: Charlotte Chamber
Timeline: April 2011

- Maintain and/or expand "Biz-Boost" program at SBTDC
  Lead party: State of NC
  Supporting party: SBTDC, City of Charlotte
  Timeline: July 2010

- Develop "How to Start a Business" wizard for the City of Charlotte website
  Lead party: City of Charlotte
  Supporting party: Mecklenburg County
  Timeline: April 2011

4. Promote public/private/non-profit partnerships to enable business owners to find capital

- Hold an Access for Capital conference
  Lead party: Charlotte Chamber
  Supporting party: City of Charlotte
  Timeline: June 2010

- Provide education to make potential borrowers credit ready
  Lead party: CPCC, SBTDC
  Supporting party: Small Business Resource Partners
  Timeline: Ongoing

  - Hold lender roundtables to facilitate ongoing dialogue, create lender referral network, develop partnerships, etc. Identify small business champions within each financial institution

  Lead party: City of Charlotte
  Supporting party: State of NC
  Timeline: December 2010

- Seek opportunities for non-traditional lenders (CDFIs, angels, etc.) to engage in the Charlotte market
  Lead party: City of Charlotte
  Supporting party: Charlotte Chamber
  Timeline: Ongoing

- Regularly review city loan programs to ensure they are meeting market needs
  Lead party: City of Charlotte
  Supporting party: Self-Help, BEFCOR
  Timeline: Ongoing

- Provide business resource directory to lenders
  Lead party: City of Charlotte
  Supporting party: Small Business Resource Partners
  Timeline: April 2011 (updated annually)

5. Increase opportunities for small businesses to expand sales locally

- Explore and research options for buy local campaign
  Lead party: Charlotte Chamber and City of Charlotte
  Supporting party: NA
  Timeline: June 2011

- Pursue state enabling legislation to allow local companies to match low bids in Charlotte area
  Lead party: City of Charlotte, City Council, Mecklenburg County
  Supporting party: Charlotte Chamber
  Timeline: May 2010

- Provide information of local government contracting opportunities
  Lead party: City of Charlotte, Mecklenburg County
  Supporting party: Small Business Resource Partners
  Timeline: Ongoing

- Structure and hold procurement conferences
  Lead party: SBTDC, Charlotte Chamber
  Supporting party: Small Business Resource Partners
  Timeline: Ongoing

- Explore an online "Business to Business" marketplace
  Lead party: City of Charlotte, Charlotte Chamber
  Supporting party: NA
  Timeline: 3-5 years

- Create a corporate procurement roundtable
  Lead party: Charlotte Chamber
  Supporting party: City of Charlotte
  Timeline: October 2010

- Identify the supply chain for major clusters to discover and identify local suppliers
  Lead party: Charlotte Regional Partnership/ Charlotte Chamber
  Supporting party: NA
  Timeline: Summer 2010

- Leverage relocation and business expansion projects that move to Charlotte to provide opportunities to the existing small businesses in Charlotte

Lead party: Charlotte Chamber
Supporting party: NA
Timeline: October 2010

The Charlotte BAROMETER Report

An Official Publication of the Charlotte Regional Visitors Authority

JANUARY 2011

National & International Business & Convention

THIRD QUARTER 2010 TRADESHOW GROWTH ENCOURAGING

Third quarter 2010 statistics released by the **Center for Exhibition Industry Research** (CEIR), found attendance was up 6.6%, revenue rose 5.6%, the number of exhibitors climbed 5.2% and net square footage was up 5.2% compared to the third quarter of 2009. Although second quarter numbers showed an industry wide decline of 1.4% from 2009, overall, the third quarter was up 5.5%.

Compared to 2009, the second quarter of 2010 saw a 3% dip in net square footage of exhibition space sold, a 3% decline in the number of exhibitors, a drop of 4.4% in projected revenue, but a 4.5% increase in attendance. With back to back quarters of attendance growth, there is optimism that 2011 will mark a turning point for the exhibition industry.

Local Perspective

CHARLOTTE AREA LODGING – NOVEMBER SMITH TRAVEL RESEARCH

Charlotte area hotels averaged 55% **occupancy** during November 2010, up 6.4% over November 2009. November marked the 11th consecutive month of occupancy increases in the Charlotte market. That's the best streak seen in the market since 2006 to 2007. Year to date Charlotte area occupancy stands at 58.2%, an 11.4% improvement from the same period last year. By comparison, year to date occupancy is 58.7% in the US (up 5.7%), 54.9% in NC (up 7%) and 64.7% in the Top 25 markets (up 6.9%).

Charlotte area hotel **room demand** increased 8% in November 2010 as compared to November 2009. November marked the 13th straight month of Charlotte area room demand increases. That's the best run since the 2005 to 2006 timeframe. Year to date, Charlotte area room demand has improved 14.7% over the same period last year. By comparison, year to date room demand has increased 7.8% in the US, 9.8% in NC and 8.8% in the Top 25 markets.

Charlotte area hotels' **average daily rate** was $80.60 in during November 2010, a 2.6% improvement from November 2009. November was the 3rd straight month of $80+ average rate in the market, the best since the 5 straight from January through May 2009. November marked the 5th consecutive month of Charlotte area hotel rate improvements. That's the most consecutive months of ADR increases in the market since 2008. Year to date, ADR is $80.91 in the Charlotte area, down 0.8% from the same period last year. By comparison, year to date ADR is $98.22 in the US (down 0.2%), $80.30 in NC (down 0.8%) and $118.40 in the Top 25 markets (up 0.2%).

Charlotte area **revenue per available room** was $44.33 in November, up 9.1% from November 2009. That's the 10th straight month of RevPAR improvements for the market, the best streak since 2007. Year to date, RevPAR is $47.08 in the market, up 10.5% from the same period last year. By comparison, RevPAR is $57.61 in the US (up 5.4%), $44.13 in NC (up 6.1%) and $76.61 in the Top 25 markets (up 7.1%).

MECKLENBURG COUNTY HOSPITALITY TAX COLLECTIONS-- FY11 THROUGH NOVEMBER

Mecklenburg County **6% occupancy tax collections** total $10 million fiscal year to date, up 21% from the same period last year.
Mecklenburg County 2**% NASCAR Hall of Fame occupancy tax collections** total $3.3 million fiscal year to date, also up 21% from the same period last year.

Mecklenburg County **1% prepared food & beverage tax collections** total $8.4 million fiscal year to date, up 8% from the same period last year.

National Leisure & Tourism

NATIONAL RESTAURANT ASSOCIATION RESAURANT PERFORMANCE INDEX

The **National Restaurant Association**'s *Restaurant Performance Index* (RPI) fell below 100 in November. The RPI – a monthly composite index that tracks the health of and outlook for the U.S. restaurant industry – stood at 99.9 in November, down 0.8% from October. November marked the first time in three months that the RPI stood below 100, the level above which signifies expansion in the index of key industry indicators. The RPI consists of two components, the Current Situation Index and the Expectations Index. Although the overall Expectations Index declined in November, restaurant operators remain relatively optimistic about sales growth and the direction of the overall economy in the months ahead.

Economy

THIRD QUARTER 2010 GDP

According to the **Commerce Department**, the economy grew at a moderate pace in the third quarter reflecting stronger spending by businesses to replenish stockpiles. Gross domestic product increased at a 2.6% annual rate in quarter three. That's up from the 2.5% pace estimated a month ago. While businesses spent more to build inventories, consumers spent a bit less. Many analysts predict the economy strengthened in the fourth quarter. They think the economy is growing at a 3.5% pace or better mainly because consumers are spending more freely again. Analysts are predicting economic growth next year will come in next year close to 4%. It would mark an improvement from the 2.8% growth expected for 2010 and would be the strongest showing since 2000.

CONSUMER CONFIDENCE INDEX

The Conference Board *Consumer Confidence Index*®, which had improved in November, decreased slightly in December. The Index now stands at 52.5 (1985=100), down from 54.3 in November. The Present Situation Index declined to 23.5 from 25.4. The Expectations Index decreased to 71.9 from 73.6 last month.

Media

DECEMBER 2010 VOCUS

During December **Vocus** identified 1,588 news items relating to key words tracked by CRVA. By category, the top five were: Charlotte Attractions (17%), Time Warner Cable Arena (15%), Charlotte Sports (9%), Charlotte Convention Center (5%) and NASCAR Hall of Fame (4%). By media type, the top five were: Online, Consumer (45%), Online, News and Business (21%), Wire Service (13%), Television Program (7%) and Newspaper (7%). A total of 89% of December's news hits appeared outside of the Charlotte area.

Sources for this Publication

- **Associated Press**
- **Center for Exhibition Industry Research**
- **Mecklenburg County Tax Office**
- **Meetings & Conventions**
- **National Restaurant Association**
- **Smith Travel Research**
- **The Conference Board**
- **The TAP Report**
- **Travel Smart News**
- **US Department of Commerce**
- **US Department of Labor**
- **Visit Charlotte/CRVA**
- **Vocus**

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Inside This Report

- **Barometer Summary (p. 1&2)**
- **Hospitality Industry Statistical Report (p. 3)**
- **Definite Bookings (p. 4)**
- **Pace Report (p. 5)**
- **Charlotte Convention Center Tradeshow & Convention Booking Outlook (p. 6)**
- **Hospitality Industry Sales Activities (p. 7)**
- **Lost Business Report (p. 8)**
- **Occupancy Tax Collections (p. 9)**
- **Prepared F&B Tax Collections and The Economy (p. 10)**

HOSPITALITY INDUSTRY STATISTICAL REPORT
December 2010

Charlotte Market Lodging Production					
	Charlotte Market	**North Carolina**	**Competitive Set**	**United States**	**Top 25**
November 2010 Occupancy %	55.0	51.3	54.5	53.3	60.5
% Change	6.4	9.4	9.0	9.0	9.2
November 2010 ADR $	80.60	78.19	87.03	96.70	122.01
% Change	2.6	1.3	1.0	2.5	3.9
November 2010 RevPAR $	44.33	40.13	47.83	51.54	73.87
% Change	9.1	10.7	10.2	11.8	13.5
2010 YTD Occupancy %	58.2	54.9	58.8	58.7	64.7
% Change	11.4	7.0	6.4	5.7	6.9
2010 YTD ADR $	80.91	80.30	88.31	98.22	118.40
% Change	-0.8	-0.8	-2.0	-0.2	0.2
2010 YTD RevPAR $	47.08	44.13	52.35	57.61	76.61
% Change	10.5	6.1	4.2	5.4	7.1

Source: Smith Travel Research-Stats lag by one month

Comp Set includes: Tampa, Atlanta, Indianapolis, Baltimore, Minneapolis, St. Louis, Greensboro, Raleigh, Cincinnati, Columbus, Philadelphia, Pittsburgh and Nashville

Charlotte Douglas International Airport Aviation Production				
	Month of November	**% Chg from Nov. 09**	**2010 YTD**	**YTD % Chg from 09**
Passenger Enplanements	1,620,097	19%	17,496,379	10%
Passenger Deplanements	1,629,238	20%	17,564,032	11%

Source: Charlotte Douglas International Airport-Stats lag by one month

Visit Charlotte Definite Room Night Production				
	Month of December	**Change from December 2009**	**FY 2011 YTD**	**YTD Chg (%) from FY10**
Total Room Night Production	10,376	-36,734	233,234	68,414 (42%)
Visitor Economic Development ($)	7,946,750	-18,234,478	158,821,570	20,963,730 (15%)
Number of Definite Bookings	17	-14	124	6 (5%)
Average Size of Definite Bookings	610	-898	1,881	484 (35%)
Total Attendance	9,490	-21,927	324,413	4,692 (1%)
Convention Center GSF Booked	920,000	-1880,000	11,820,000	2,540,000 (27%)

Visit Charlotte Lead Room Night Production				
	Month of December	**Change from December 2009**	**FY 2011 YTD**	**YTD Chg (%) from FY10**
Total Room Night Production	32,568	-4,845	454,478	-98,326 (-26%)
Number of Lead Bookings	33	1	315	45 (17%)
Average Size of Lead Bookings	987	-182	1,443	-597 (-29%)

Visit Charlotte Housing Bureau Production			
	Month of December	**FY 2011 YTD**	**YTD% Chg from FY10**
Total Reservations Produced	701	4,848	125%
Total Room Nights Produced	2,931	16,225	143%

Visit Charlotte Leisure Tourism Production			
	Month of December	**FY 2011 YTD**	**YTD % Chg from FY10**
Ad Inquiries (+Travelocity clicks, etc.)	29,471	129,904	2%
Visitor Center Walk-In Traffic	3,503	21,591	42%
Call Center Inquiries	377	2,909	-6%
Web Site Official Visitors Guide Requests	936	7,366	-52%
Emails/Letters/Faxes	18	128	-15%
Total Visitor Inquiries	**34,305**	**161,898**	**0.8%**
Visit Charlotte Web Site Visitors (Google)	70,284	**517,778**	**-2.1%**
Motor Coach Group Bookings (Passengers)	321	2,969	18%

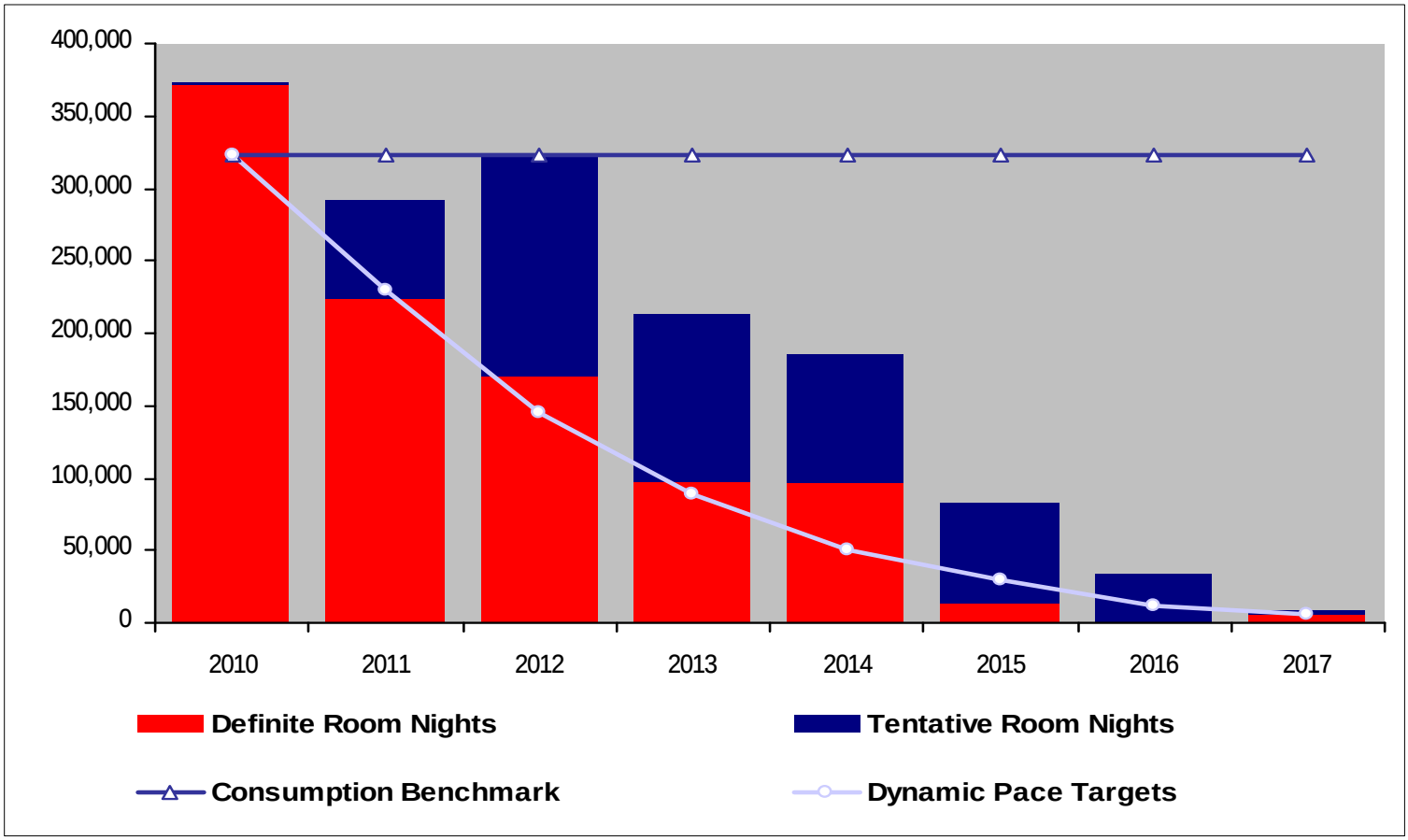
DEFINITE BOOKINGS
December 2010

Charlotte Convention Center							
Group Name	**Meeting Type**	**Event Date**	**Days**	**Exhibit Gross Sq Ft**	**Total Room Nights**	**Attendance**	**Visitor Econ. Dev. ($)**
Conference Sales							
American Public Works Association ®	Hall of Fame	4/13	4	600,000	2,225	600	753,600
Association of Perioperative Nurses	Convention	9/13	3	160,000	1,980	9,000	2,826,000
American Physical Therapy Association ®		1/11	2		22	125	78,500
American Association on Intellectual and Developmental Disabilities		1/11	4		190	100	125,600
Chikly Health Institute		1/11	5		50	30	47,100
Hotels for Hope		1/11	4		30	100	125,600
Charlotte Scrabble Club ®		2/11	3		120	120	113,040
Christian Cheerleaders of America ®		3/11	4		1,048	3,000	1,608,000

Union Chapel Missionary Baptist Church	3/11	3	60	45	42,390
Progressive Black Men, Inc.	4/11	2	40	80	50,240
Uniform Data System for Medical Rehabilitation	4/11	3	65	40	37,680
Butts-Lukens Wedding	5/11	2	35	150	94,200
Fields Family Reunion	6/11	2	72	100	62,800
Christian Cheerleaders of America ®	7/11	4	324	300	160,800
Americans for the Arts ®	11/12	4	870	600	753,600
Southern Association of College & University Business Officers ®	11/13	2	930	500	314,000
Total			**3,856**	**5,290**	**3,613,550**
GRAND TOTAL			**10,376**	**9,490**	**7,946,750**

Sports & Leisure Spending DKS&A 2007 Charlotte Update (attendance x $134 x # days)
Convention & Conference Spending 2005 DMAI ExPact Study (attendance x $314 x # days)
® Repeat Business

Eight Year Dynamic Room Night Pace Report
(As of 12/1/10) Trends Analysis Projections, LLC

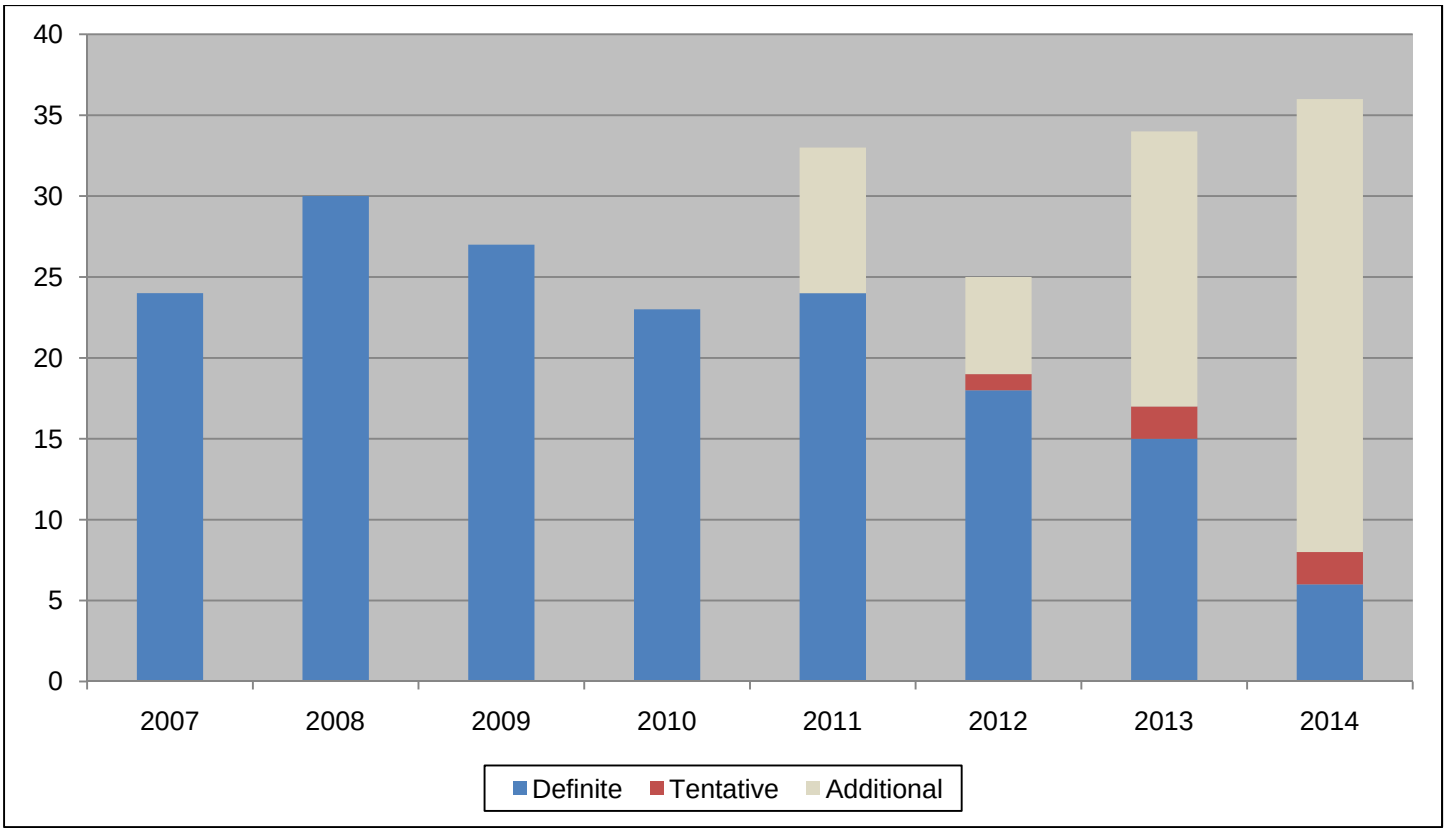


Eight Year Dynamic Room Night Pace Report
(As of 12/1/10) Trends Analysis Projections, LLC

	2010	2011	2012	2013	2014	2015	2016	2017	Total
Charlotte Definite Room Nights	372,184	224,295	170,942	98,423	95,691	13,483	0	5,937	980,955
Pace Target	322,613	229,705	144,608	89,304	50,850	28,896	11,624	6,391	883,991
Pace Percentage	115%	98%	118%	110%	188%	47%	0%	93%	111%
Tentative Room Nights	940	67,083	150,626	115,420	89,502	69,677	33,520	3,525	530,293
Consumption Benchmark	323,130	323,130	323,130	323,130	323,130	323,130	323,130	323,130	2,585,040
Peer Set Pace Percentage	99%	90%	87%	86%	86%	124%	111%	110%	94%

Peer Set Data includes Charlotte, Baltimore, Louisville, Pittsburgh and Tampa

Charlotte Convention Center
Tradeshow & Convention Booking Outlook
(As of 1/5/11)



Tradeshow & Convention Booking Outlook
(As of 1/5/11)

Fiscal Year	2007	2008	2009	2010	2011	2012	2013	2014
Definite Bookings	24	30	27	23	24	18	15	6
Tentative Bookings	0	0	0	0	0	1	2	2
Subtotal	24	30	27	23	24	19	17	8
Definite Target	20	21	26	30	33	25*	34*	36*
Variance	4	9	1	-7	-9	-6	-17	-28

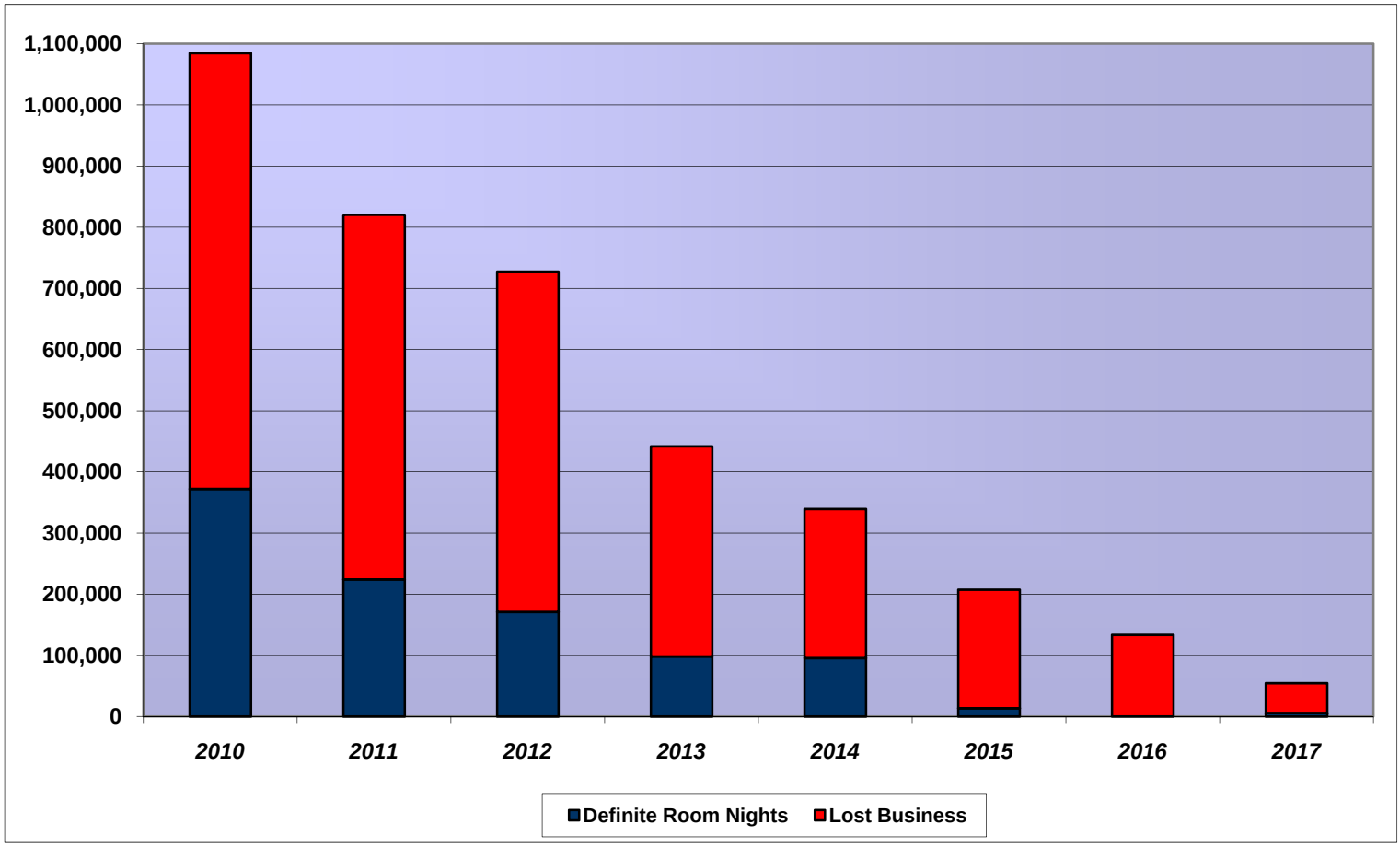
*new goal beginning FY11

HOSPITALITY INDUSTRY SALES ACTIVITIES
December 2010

Site Visits			
Group Name	**Venue**	**Total Room Nights**	**Total Attendance**
DEFINITES			
Unitarian Universalists (6/11)	CCC	9,550	4,500
Southern States Cooperative (9/11)	CCC	2,351	1,100
TENTATIVES			
NC Dept. of Health & Human Services (12/10)	Hotel	40	40
Berkshire Hathaway Company (3/11)	Hotel	-	80
Bennett – Ingram Family Reunion (6/11)	Hotel	65	70
American Public Works Association (4/13)	CCC	2,675	600
Pampered Chef (7/13)	CCC	3,800	9,000
Southern Assoc of College & University Business Officers (10/13)	Hotel	930	500
Alpha Kappa Alpha National Convention (7/14)	CCC	TBD	TBD

Trade Shows & Events (attended by staff)	
Event Name	**Location**
Association Executives of North Carolina Tradeshow	Raleigh, NC
Holiday Showcase	Washington, DC
International Association of Exhibitions & Events Tradeshow	New Orleans, LA
National Coalition of Black Meeting Planners Conference	Toronto, Canada
North Carolina Amateur Sports	Raleigh, NC
USA Track & Field Annual Conference	Virginia Beach, VA
Washington Area Convention Bureau Satellite Offices	Washington, DC

Visit Charlotte Pace vs. Demand Comparison – Lost Business (As of 12/1/10)Trends Analysis Projections, LLC



Visit Charlotte Pace vs. Demand Comparison – Lost Business (As of 12/1/10)Trends Analysis Projections, LLC

	2010	2011	2012	2013	2014	2015	2016	2017	Total
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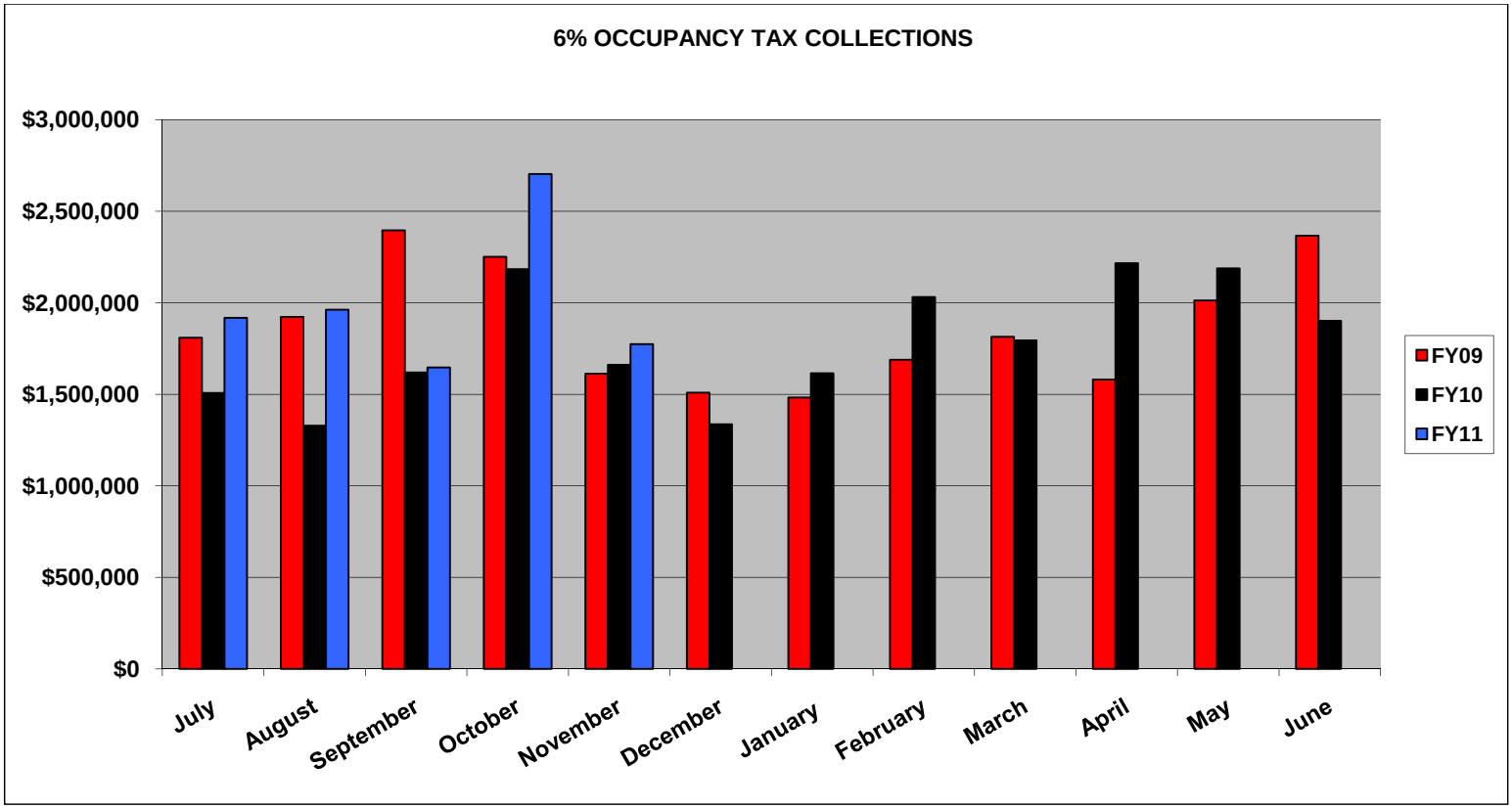
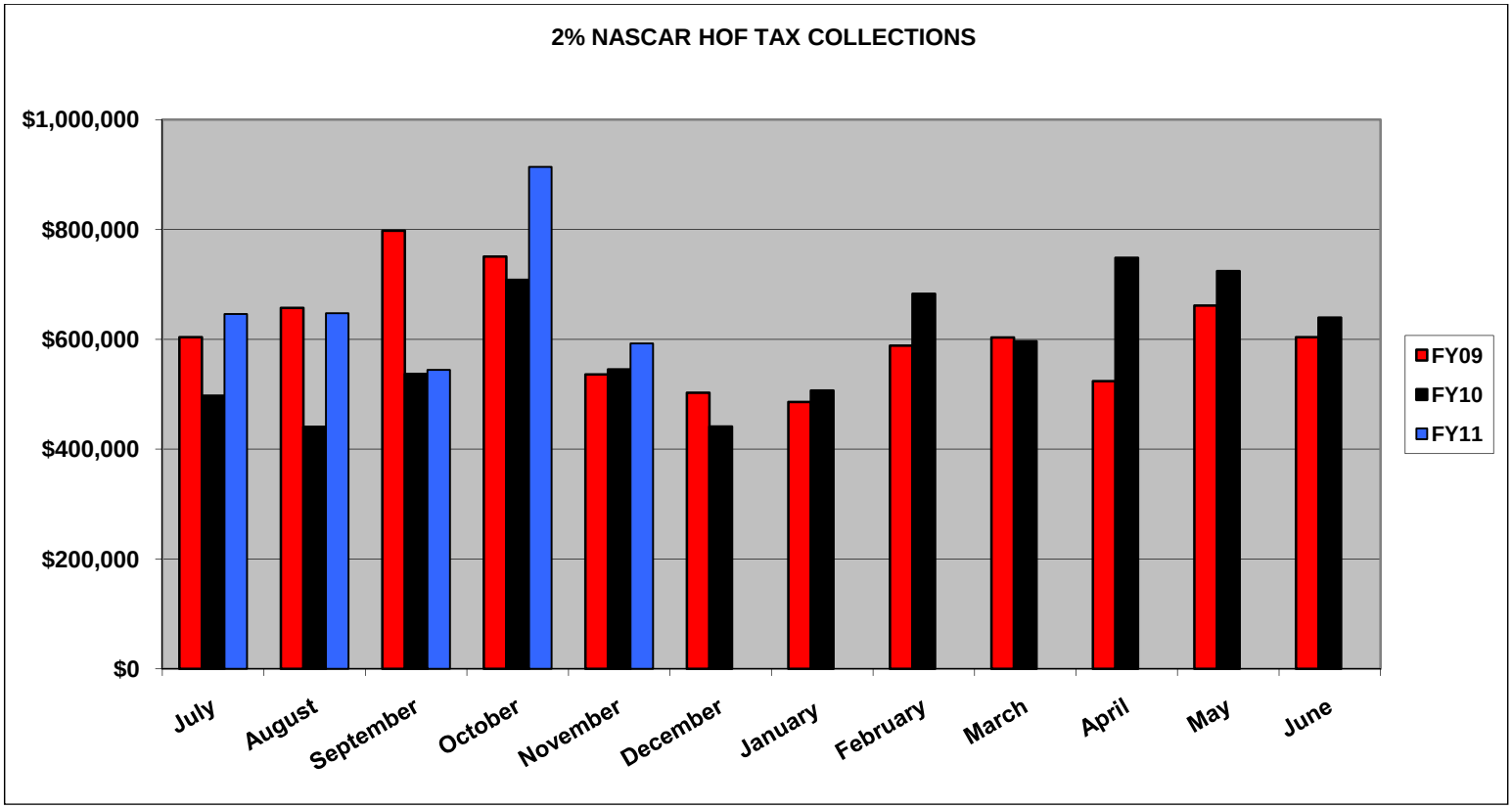
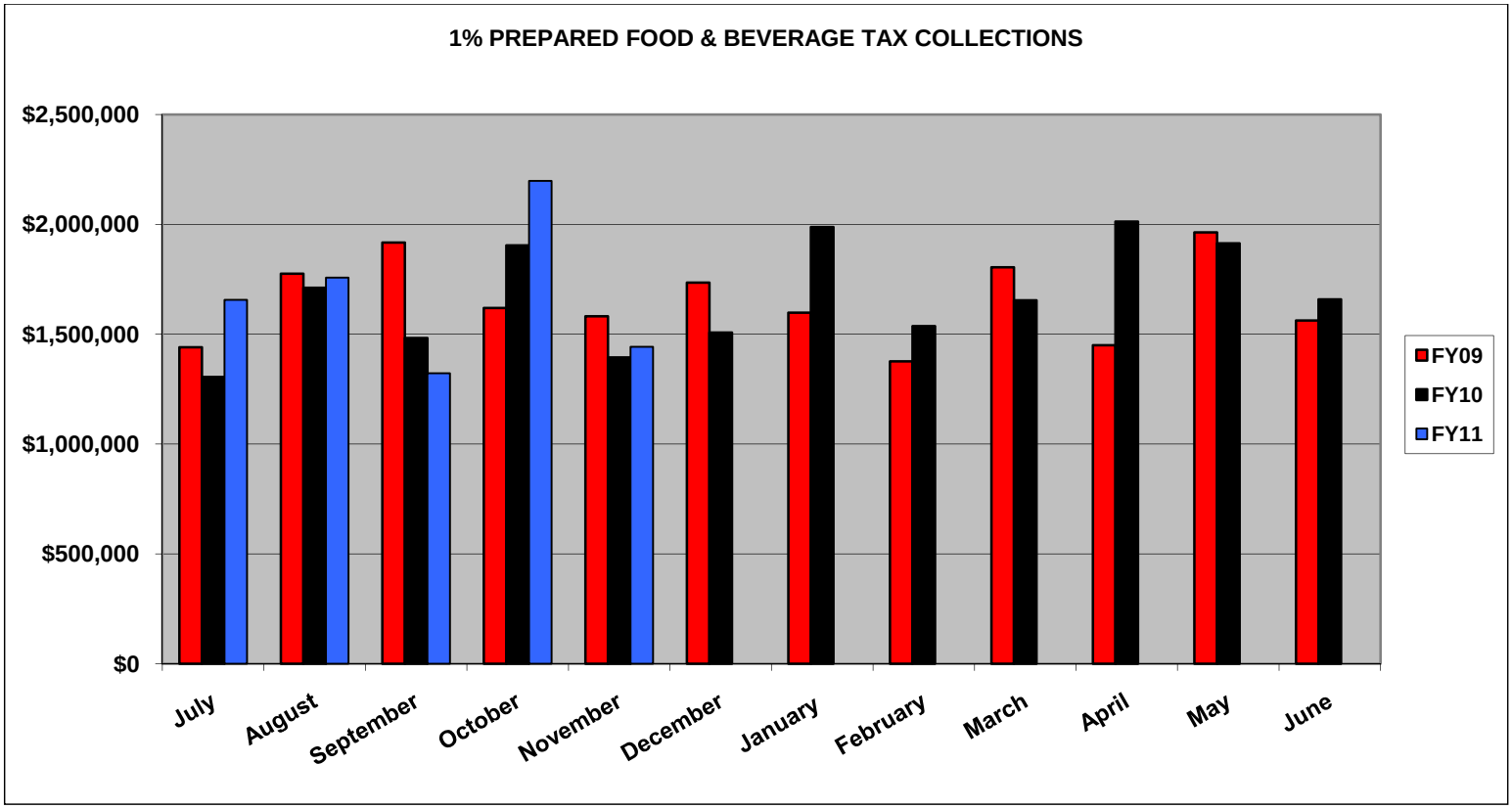
Pace Target	322,613	229,705	144,608	89,304	50,850	28,896	11,624	6,391	883,991
Pace Percentage	115%	98%	118%	110%	188%	47%	0%	93%	111%
Total Demand Room Nights	1,084,591	820,410	727,320	441,746	339,413	207,441	133,548	54,464	3,808,933
Lost Room Nights	712,407	596,115	556,378	343,323	243,722	193,958	133,548	48,527	2,827,978
Conversion Percentage	34%	27%	24%	22%	28%	6%	0%	11%	26%
Peer Set Conversion Percentage	28%	23%	19%	20%	20%	24%	24%	18%	23%

Peer Set Data includes Charlotte, Baltimore, Louisville, Pittsburgh and Tampa


6% OCCUPANCY TAX COLLECTIONS
$3,000,000
$2,500,000
$2,000,000
$1,500,000
$1,000,000
$500,000
$0
July
August
September
October
November
December
January
February
March
April
May
June
FY09
FY10
FY11


2% NASCAR HOF TAX COLLECTIONS
$1,000,000
$800,000
$600,000
$400,000
$200,000
$0
July
August
September
October
November
December
January
February
March
April
May
June
FY09
FY10
FY11



THE ECONOMY
November 2010

	2009	2010	% Change
Consumer Confidence Index	50.6	54.3	7.3%
Consumer Price Index (CPI)	216.330	218.803	1.1%
Unemployment Rate			
- National	10.0%	9.8%	-2.0%
- State	10.9%	9.7%	-11.0%
- Local	11.9%	10.8%	-9.2%