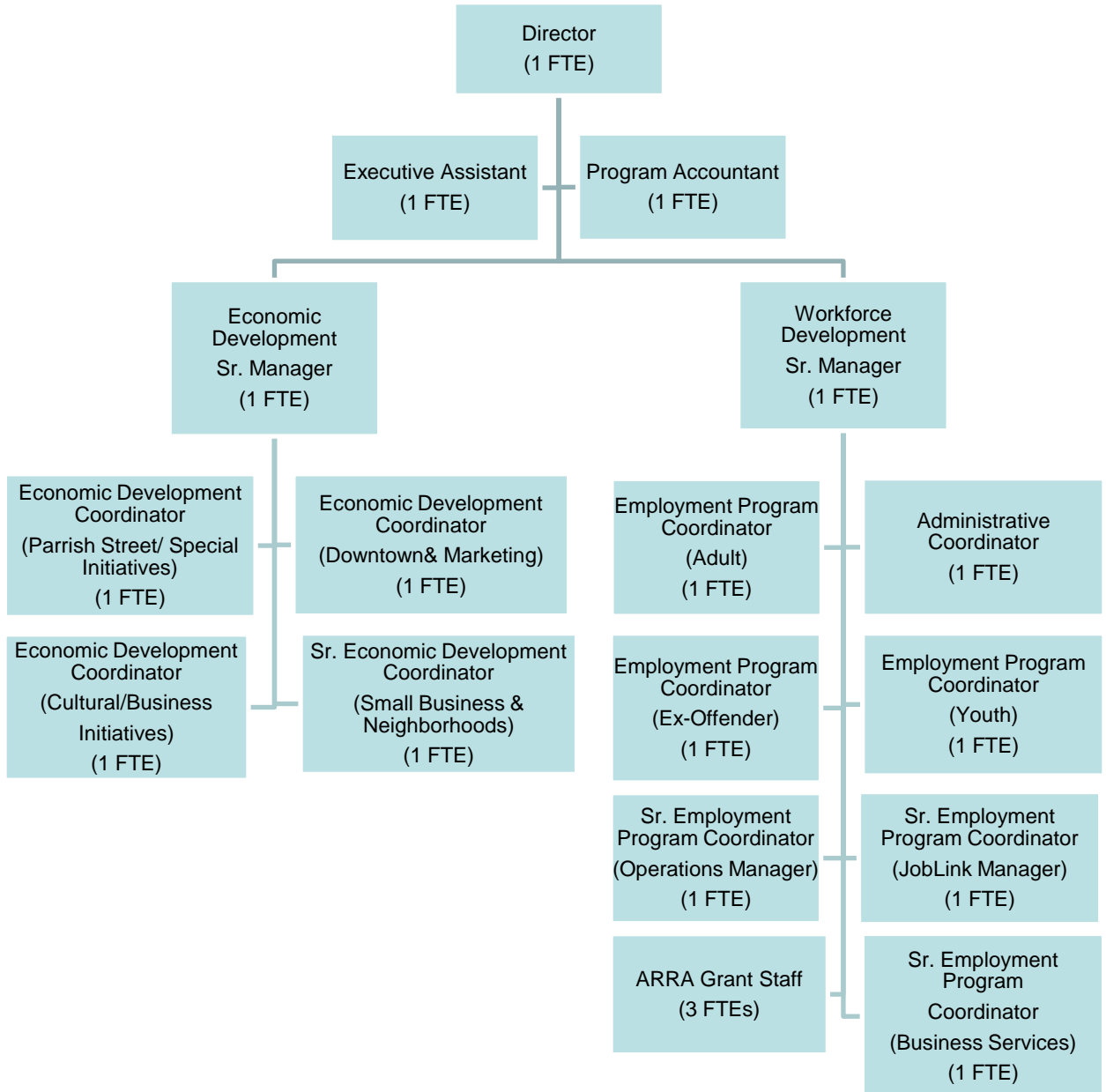




Office of Economic & Workforce Development (19 FTEs)



OFFICE OF ECONOMIC AND WORKFORCE DEVELOPMENT

Mission:

To innovatively drive economic prosperity in Durham by

- Revitalizing Durham neighborhoods.
- Increasing Durham's commercial tax base.
- Assisting in attracting, creating, expanding and retaining businesses.
- Fostering a skilled workforce.

DEPARTMENT DESCRIPTION

Non-Grant Funds: \$1,961,558

9 FTEs

Downtown Redevelopment

Grant Funds: \$1,617,167

10 FTEs

This service provides resources for the commercial redevelopment of downtown in partnership with Downtown Durham Inc. (DDI). Services include technical assistance, redevelopment, project coordination and business assistance. These services implement the Council goal of a prosperous economy by retaining and creating high quality jobs, reducing poverty and enhancing the downtown tax base. Services are provided to businesses, property owners, developers and individuals. The economic development team will implement the responsibilities of this core service with an emphasis on the completion of major projects.

Business and Workforce Development

This service provides resources for business development throughout the City of Durham. Working in partnership with the Durham Chamber of Commerce, services include technical assistance, referral information, workforce development, project assistance, incentive management, regulatory information and coordination, and property assistance. These services implement the Council goal of a prosperous economy by retaining and creating high quality jobs, reducing poverty and enhancing the tax base of the City. Services are provided to businesses, property owners, developers and individuals. There is an emphasis placed on small businesses and Small Disadvantaged Business Enterprise (SDBE) development. The economic development team and the workforce development team, in coordination with the Durham Chamber of Commerce and other small business assistance organizations, focus on these efforts.

Neighborhood Commercial Redevelopment

This service provides resources to support the commercial redevelopment of Durham neighborhoods. Services include technical assistance, redevelopment, project coordination, small business assistance (including SDBE firms), workforce development, planning activities, incentive management and regulatory information. These services are provided to implement the Council goal of a prosperous economy by retaining and creating high quality jobs, reducing poverty and enhancing the tax base of the city. Services are provided to businesses, commercial property owners, individuals seeking employment, community-based organizations and developers. The economic development team and the workforce development team with community-based and development-based organizations on these efforts.

University-Led Development

This service provides resources and works with the higher education institutions in Durham to maximize economic development opportunities for businesses and residents of Durham. This involves interacting with the development and business assistance services available at Durham universities. Services implement the Council goal of a prosperous economy by retaining and creating high quality jobs, reducing poverty and enhancing the tax base. They include assisting these institutions with master plan development, targeting business development opportunities and accessing small business assistance programs. The economic development team and the workforce development team implement these responsibilities in conjunction with the universities.

RESOURCE ALLOCATION

<i>Non-Grant</i>	Actual FY 2008-09	Adopted FY 2009-10	Estimated FY 2009-10	Adopted FY 2010-11	Change
Appropriations					
Personal Services	\$ 861,634	\$ 723,336	\$ 640,769	\$ 811,819	12.2%
Operating	752,020	1,246,189	1,718,472	1,149,739	-7.7%
Capital	103,600	-	-	-	0.0%
Total Appropriations	<u>\$ 1,717,254</u>	<u>\$ 1,969,525</u>	<u>\$ 2,359,241</u>	<u>\$ 1,961,558</u>	-0.4%
Full Time Equivalents	10	9	9	9	-
Part Time	-	-	-	-	-
Revenues					
Discretionary	\$ 1,695,874	\$ 1,940,525	\$ 2,330,241	\$ 1,961,558	1.1%
Program	21,380	29,000	29,000	-	-100.0%
Total Revenues	<u>\$ 1,717,254</u>	<u>\$ 1,969,525</u>	<u>\$ 2,359,241</u>	<u>\$ 1,961,558</u>	-0.4%
<i>Grant</i>					
Personal Services	\$ 543,761	\$ 600,618	\$ 1,224,687	\$ 295,217	-50.8%
Operating	1,316,020	2,328,904	1,890,531	1,321,950	-43.2%
Capital	-	-	-	-	0.0%
Total Appropriations	<u>\$ 1,859,781</u>	<u>\$ 2,929,522</u>	<u>\$ 3,115,218</u>	<u>\$ 1,617,167</u>	-44.8%
Full Time Equivalents	9	10	10	10	-
Part Time	-	-	-	-	-
Revenues					
EPA Brownfields	\$ 162,851	\$ 66,108	\$ 193,596	\$ -	-100.0%
ARRA EPA Brownfields	-	-	75,000	-	0.0%
Employment Training	1,506,471	1,505,203	1,480,911	1,617,167	7.4%
ARRA Employment & Training	20,619	1,317,711	1,297,092	-	-100.0%
Parrish Street Project	66,333	40,500	29,720	-	-100.0%
Cultural Master Plan	103,507	-	38,900	-	0.0%
Total Revenues	<u>\$ 1,859,781</u>	<u>\$ 2,929,522</u>	<u>\$ 3,115,218</u>	<u>\$ 1,617,167</u>	-44.8%
Total Budget	<u>\$ 3,577,035</u>	<u>\$ 4,899,047</u>	<u>\$ 5,474,459</u>	<u>\$ 3,578,725</u>	-27.0%

BUDGET ISSUES FOR FY 2010-11

- Higher than average demand for job training and placement services for hard to serve clients (ex-offenders & dislocated youth).
- Unanticipated costs of WIA administration in addition to newly absorbed costs this year create a possible WIA administration deficit entering next year.
- Will not be able to apply for WIA recapture & redistribution funds next year, which have traditionally earned \$25K- \$35K per year in additional revenue.
- First incentive payment to Burt's Bees job creation initiative.
- Evaluate conversion of Adult/Dislocated Worker and Youth Services from contracted programs to in-house direct services for clients.
- American Recovery and Reinvestment Act (ARRA) funds will be fully expended by June 30, 2010.

- Identification of new administrative space for OEWD.

COMPLETED INITIATIVES FOR FY 2010

- Received a total of \$390,707 in competitive grants and non-formula funding in 2009 to augment the General Fund budget and expand services for: JobLink Adult and Youth Program Performance Incentive funds (\$73,171); a Youth Demonstration Grant (\$125,000); fiber optic based telecommunication system training for youth at risk of being involved in criminal activity (\$165,000); Adult Program funds for career services (\$14,711); Youth Program funds for professional development (\$12,825).
- Received 1,712 job openings and filled 1,176 jobs through Dec. 31, 2009 through the Durham JobLink Career Center.
- Located the JobLink Mobile Unit at Northgate Mall and provided 3,529 job referrals to 1,811 individuals between July 26, 2009 and January 31, 2010.
- Placed 74 youth in summer employment positions through the Mayor's Summer Youth program.
- Held a Durham Youth Summit at Holton Career and Resource Center attended by over 100 youth and aimed at addressing community concerns and needs of youth.
- Recruited 66 individuals from Northeast Central Durham and graduated 88% of participants in the EPA Brownfields Job Training program.
- Offered comprehensive employment case management and counseling to 114 ex-offenders through the Durham JobLink Ex-Offender program between July 1, 2009 and March 1, 2010.
- Placed 41 ex-offenders in employment and/or training between July 1, 2009 and March 1, 2010 resulting in 50% sustaining employment after six months.
- Led 23 students in the Working Hard on Achieving (WHOA) program to gain professional development opportunities and acquire workplace skills that will support them in their job searches following graduation.
- Provided Rapid Response services to 10 businesses affected by layoffs in 2008-2009. Approximately 850 employees received employee assistance that included employment search, re-training, unemployment insurance, social and community benefits, and attended career readiness workshops.
- Approved \$93,849 in Incumbent Worker grants for five local businesses. These grants will fund training for 106 existing employees to learn lean manufacturing, value stream mapping, information technology training and leadership training.
- Marketed and promoted the City and encouraged professionals and executives to relocate to Durham. The Make It Durham program created digital/print materials and distributed 408 information packets to prospective clients, contacted 91 real estate agents, provided five formal presentations, and made announcements of over 780 jobs created in Durham.
- Funded Adult and Youth Work Experience (WEX) programs through ARRA grants, providing 67 Adults and 156 Youth with paid work experience opportunities. The combined WEX programs provided temporary subsidized work placements in public, private, and not-for-profit agencies, saving these entities a projected \$1,009,454 in labor costs.
- Strengthened community collaborations by participating in the 10-Year Plan to End Homelessness, End Poverty Durham, Green Durham Roundtable, Black Brown Green Alliance of Durham, and on the Durham Housing Authority's Steering Committee.
- Utilized \$200,000 in EPA Brownfield grant funding to complete 30 phase I property assessments in Northeast Central Durham (NECD). Based on the success with this grant, Durham was awarded an additional \$400,000 which will help complete hazardous waste and petroleum assessments.
- Lewis & Clark Community Development, LLC completed the renovation of the former John O'Daniel Hosier Mill/Farmer's Exchange at 801 Gilbert Street transforming it into a small business incubator. The project was awarded \$202,000 in federal and local funds for a total combined public/private partnership of \$1,100,000.
- Superlative Fine Foods, LLC rehabilitated three adjacent properties at the corner of Angier Ave and Driver Street. The project was awarded \$200,000 from Neighborhood Commercial Revitalization funding for a combined public/private total of \$656,000 in capital investment.
- Approved four Façade Grants for \$19,912 for a combined public/private total of \$39,824 in capital investment.
- Approved one Merchandise Based Retail Incentive for \$15,000 for a combined public/private partnership of \$182,353.
- Unveiled the second group of three Historic Parrish Street Markers in October of 2009. The planned marker series for Historic Parrish Street are pedestrian-scaled freestanding markers.
- Completed the Downtown Market Retail Study. Analysis provides useful information for all downtown districts and the city's five target neighborhoods which relates to retail market demand and shapes recommendations for economic development incentives for retail.

- Major development expansions continued at American Tobacco, West Village, Golden Belt, Venable, Biotechnology Center at Durham Central Park and Roger's Alley.
- Opened the Durham Train Station in July 2009.
- Opened the Durham Transportation Center in April 2009.
- Reopened the Durham Athletic Park in August 2009.
- Received City Council approval of incentives for ACW (\$69,905) which will create 155 jobs for Durham residents.
- Received City Council approval of incentives for EMC (\$1,000,000) which will create 112 jobs for Durham residents and qualified capital investments which are expected to exceed \$65,000.
- Conducted several meetings with PAC 1, 3, 4, and 5 representatives to receive input to finalize streetscape concept designs in key commercial districts and to discuss grant funding opportunities.
- Provided five Cultural Master Plan grants totaling \$33,800 for cultural related activities for Durham residents.
- Downtown Durham Inc. served 30 business clients, marketed 382 downtown events, and helped maintain positive absorption of commercial office space (86,000+ square feet of space).

DEPARTMENT INITIATIVES FOR FY 2010-11

- Expand Neighborhood Revitalization efforts in targeted corridors.
- Complete year 3 of a 3 year joint commitment with Durham County and the Durham Chamber of Commerce for the Make It Durham initiative.
- Expand services to the Urban Growth Area as opportunities allow.
- Provide in-house receptionist training opportunities.
- Continue staff training initiatives.
- Implement Recovery Zone Facility Bond program with local businesses.
- Continue Adult and Dislocated Worker Work Experience Program.
- Enhance WHOA summer program through partnerships with area organizations.
- Expand the Youth Paid Work Experience program to increase participation and offer year-round work-experience/internship opportunities for eligible individuals.
- Streamline marketing and delivery of all financial tools with economic development partners.
- Implement new business development tools for Downtown, neighborhood and Urban Growth area businesses through Building Improvement Grants, Small Developer Project funding and Sign Grants.
- Establish the Parrish Street "Common Room". Implement two of the established components of the Parrish Street "Heritage Development Plan".
- Actively seek new grants to supplement City funding and form partnerships to collaboratively pursue grants and other financial resources.
- Continue plan development and construction of neighborhood streetscapes.
- Develop new projects based on the Neighborhood Assessment & Plan.
- Increase marketing of OEWD services through an enhanced website.
- Execute contracts for development projects using neighborhood commercial revitalization funding as viable opportunities evolve.
- Continue implementation of the Brownfields Assessment and Job Training Program Scopes of Work on the established timelines.
- Continue to implement the Small Business Comprehensive Plan.
- Link City incentive contacts to Workforce Development plans.
- Continue implementation of the Cultural Master Plan.

GOALS, OBJECTIVES & STRATEGIES FOR FY 2010-11

GOAL: *Durham enjoys a prosperous economy.*

OBJECTIVE: **Redevelopment**

To promote long-term economic growth through ongoing downtown and neighborhood redevelopment efforts.

STRATEGIES: DOWNTOWN

- Aggressively move forward on major projects.
- Implementation of recommendations from City Center Market Retail Study.

- Implementation of Parrish Street Plans including the Common Room.
- Launch marketing and usage of new financial tools.
- West Village II Streetscape.
- Continue marketing and increase usage of Durham Athletic Park.
- Support and assist with the increase of hotel spaces.
- Capitalize on the traffic to be created by the new DATA Connector between Duke Hospital and University and Golden Belt.
- Support and assist with the attraction of a signature corporation to Downtown.

STRATEGIES: NEIGHBORHOOD REVITALIZATION

- Enhance financial services to Targeted Community Development Areas, including the use of new proposed financial tools and Merchandise Based Incentive Program.
- Further develop the small business services agenda per the small business comprehensive plan.
- Develop public/private partnerships in concert with the Neighborhood Assessment and Plan using neighborhood revitalization funding.
- Implement the second round of EPA funded Brownfields assessments in NECD.
- Develop design concepts and begin engineering for Targeted Community Development Area streetscapes.
- Market Targeted Community Development Area commercial districts.

STRATEGIES: URBAN GROWTH AREA REVITALIZATION

- EMC Capital economic development incentive deal/Fill 112 jobs and connect contractors to opportunities.
- ACW Technology economic development incentive deal /Fill 154 jobs and connect contractors to opportunities.
- Fill approximately 285 positions at Cree, fill approximately 180 positions at EMC in the RTP.
- Create opportunities for businesses through connections of prospective tenants to owners of vacant spaces.
- Market proposed new financial tools.

MEASURE: (Median HH income)	Actual FY 2009	Adopted FY 2010	Estimated FY 2010	Adopted FY 2011
Assist in increasing median income of Durham households current levels*	\$32,649	\$32,649	\$ 47,770	\$ 47,770

* Figure is only available on an annual basis.

MEASURES: (Tax Base growth) **	Actual FY 2009	Adopted FY 2010	Estimated FY 2010****	Adopted FY 2011****
Assist in maintaining the tax base in the following geographic areas:				
Northeast Central Durham	\$193.7 M	\$ 250 M	\$253.8 M	\$253.8 M
Downtown Tier ***	\$557.1 M	\$557.1 M	\$909.7 M	\$909.7 M
State Economic Dev. Zone (excluding Downtown)	\$3.9 B	\$3.9 B	\$5.1 B	\$5.1 B
Citywide (commercial/industrial only)	\$5.0 B	\$5.0 B	\$5.3 B	\$5.3 B

** These are broad community measures that OEWD can have a positive impact on by carrying out its goals and objectives. There are a number of outside factors that can affect these measures that are beyond the control of OEWD. Methodology in calculating figures has changed from past years to reflect the value of condominiums.

*** Area of downtown has changed to include the "Downtown Tier" as defined by the City Council through the Durham Comprehensive Plan adopted 2/28/2005.

**** Reflects the results of the January 1, 2008 revaluation.

OBJECTIVE: Business Growth

To increase employment opportunities and maximize immediate economic growth by supporting the formation, retention, expansion and relocation of businesses, and by partnering with the three local colleges and universities: Duke, North Carolina Central University and Durham Technical Community College.

STRATEGIES: BUSINESS AND WORKFORCE

- Assist new companies in the start-up stage.
- Assist small and medium-to-large businesses to retain, expand or relocate jobs to Durham.
- Continue a minority outreach strategy with EOE.
- Expand services of JobLink to better meet the needs of professional and underemployed job seekers.
- Continue expansion of the JobLink network by utilizing local colleges and universities, as well as temporary agencies to better connect businesses and job seekers.
- Increase marketing of OEWD services in conjunction with various strategic plans.
- Connecting to emerging jobs by solidifying relations with City departments and other public agencies on publicly funded projects.
- Support of high quality educational and employability initiatives for youth between the ages of 14 and 24, targeting high-growth industries in healthcare, higher education, life sciences, and computer systems.

STRATEGIES: UNIVERSITY-LED DEVELOPMENT

- Capture spin-off opportunities from Duke and NCCU research, especially in biotechnology.
- Collaborate on workforce development issues.
- Collaborate on small business assistance.
- Collaborate on redevelopment priorities.

	Actual FY 2009*	Adopted FY 2010	Estimated FY 2010	Adopted FY 2011
MEASURE: (New job growth) Assist in creation of new jobs for Durham residents	778	700	1,020	700
	Actual FY 2009*	Adopted FY 2010	Estimated FY 2010 **	Adopted FY 2011
MEASURES: (JobLink visibility) Job orders received through JobLink	4,712	3,600	2,000	2,500
Job orders filled through JobLink	1,096	1,500	1,000	1,500
Individuals employed after receiving Service	1,549	3,600	2,000	2,500
	Actual FY 2009	Adopted FY 2010	Estimated FY 2010	Adopted FY 2011
MEASURE: % of Ex-Offender Program participants still employed 6 months after start date	50%	65%	50%	50%

* Based on 1/1/09 to 12/31/09 data

** Based on FY10 to date (March 2010) projections