

## Economic Development Monthly Report

### July 2018 Report on June Activities

#### **One: Create a Robust Business Retention and Expansion Program**

1. a) Goals for the number of businesses to visit each year (Oct 1 – Sept 30) —60/100 a year

Blue Star Business Services  
Centennial Bank – NWA HQ  
Great Southern Bank  
NWA Democrat Gazette  
QBox

- b) Development of a survey or questionnaire to be used during interviews with existing businesses with results tabulated in a regularly updated and shared reporting document.
  - i. Development of a survey/questionnaire—Done
  - ii. Report—provided monthly
- c) Development of a process for addressing any business needs or challenges that were identified during the visit and survey
  - i. See attached Challenges/Expansion/Sales/Unemployment Rate/Regional (CESURR) report
- d) Use of a shared spreadsheet for timely tracking of visits, employer input, business challenges or needs, and other data identified as needed for tracking purposes
  - i. See attached CESURR report
- e) A summary report of the accomplishments of the program that year, including the information above, as well as the number of new expansion projects, jobs created or saved, average wages (when disclosed) and investment related to the programs
  - i. See attached CESURR report
- f) Demonstrate efforts to acquire and track the following:
  - i. An increased number of net new businesses established in the city over time;  
  
Net New Businesses                      140 businesses  
(Year-to-date)
  - ii. An increase in annual sales from businesses located in the city over time;  
  
See attached CESURR report

iii. An increase in the percentage of residents employed over time;

See CESURR report

iv. An increase in the number of net new jobs over time

Net new jobs (Year-to-date)	623.5 FTEs
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v. A decrease in the unemployment rate of residents over time

May unemployment rate was up 0.1% to 2.6% compared to April's rate of 2.5%.

vi. Various business sector employee wages, and how they increase or decrease as jobs are gained/lost

The printing sector continues to be challenged by the digital platform.

vii. An increase in the number of inquiries from prospective companies over time.

- Met with a hotel appraisal consultant from Texas to look at the economy in Fayetteville and NWA.
- Continue to provide local support to a group from Minnesota that will be visiting Fayetteville in October. Support includes hotel reservation, things to see, visit, and local businesses to meet with.
- Met with the founders of NWA Snack Lab that is interested to expand to Fayetteville. They currently have a store in Bentonville.
- Provided a group of possible sites to a preliminary request for information. The project is looking for at least 100 acres, very high investments but not many jobs. Working in partnership with AEP SWEPCO.
- Met with AFS Business Solutions from Fort Smith. They visited Fayetteville to learn more about our community as they are thinking of eventually establishing a presence here.
- Communicating with a Bentonville business that is involved in virtual reality about the potential of moving to Fayetteville. Introduced him to the UA Global Campus about the possibility of creating a teaching curriculum for virtual reality skills.
- Continued work on Project Prism. This is a competitive project between Fayetteville and another sister plant for a local food manufacturer.

- Continue to support and assist HBO's True Detective filming in Fayetteville and the region.
- Continue to provide support to 2 conferences that are coming to Fayetteville—EAST Initiative and Arkansas Economic Developers and Chamber Executives (AEDCE) conferences. Support include finding speakers and visiting with local businesses or dining in local restaurants.

viii. An increase in net new retail and accommodation establishments over time.

Working with a local hotel developer on 2 possible hotels on Wedington.

## 2. Legacy Industry:

a) Develop and maintain an up-to-date directory of legacy industries (including but not limited to manufacturers) within the City.

Done.

b) Develop a BR & E program with questions and data designed to meet this business sector's needs, exploring questions related to facility retention and expansion, new equipment investments, workforce attraction and training, and physical infrastructure needs such as rail, broadband, transportation or utilities.

- i. Maintain regular communications with a legacy business that is headquartered in Fayetteville on how to much its resources with its goals.
- ii. Met with a legacy business that was transitioned from mother to sons. Learned of its business plans moving forward to keep the business going.
- iii. Provided a variety of support to local businesses requesting for different types of assistance. Examples, major employers in town, tourism info for their guests visiting their offices.
- iv. Started to interview by video, the next batch of art exhibitors in the Chamber Art Gallery.
- v. Discussed with Creative Awards as it got ready to move from midtown to downtown and was interested to sell some of its equipment and supplies.
- vi. There was an announcement that ConAgra has acquired the group that owns Pinnacle Foods. Checking to see how this new acquisition will impact Pinnacle Foods in Fayetteville in the immediate and long-term plans.
- vii. Provided letter of support to UAMS-Northwest for its follow up grant application.

- viii. Continue to monitor the expansion of a software company. Provided support upon requests.
- ix. Arranged several meetings and introductions between businesses and other businesses/public organizations.
- x. Continued meetings with local employers.
- xi. Providing B-2-B referrals
- xii. Acted as ombudsman for local businesses as they navigate their way in their development projects.
- xiii. Promoted events organized by our local businesses.
- xiv. Continue to spend considerable time following up with AEDC business development staff to discuss expansion plans for local businesses.
- xv. Promoted local and new businesses through networking, groundbreaking, anniversaries, expansions and ribbon cutting events.
  - Advanced Physical Therapy
  - Art Ventures
  - Citizens Bank (Wedington)
  - HPerry Jewelers (70<sup>th</sup> Anniversary)
  - Pure Barre
  - WER Architects/Planners

### 3. Regional Headquarters:

- a) Develop and maintain an up-to-date directory of businesses headquartered in Fayetteville, whether they maintain a home office or a regional headquarters within the City.
  - i. Met with staff of a regional logistics company to exchange information.
  - ii. Facilitated a meeting between a local digital media company with the Mayor.
  - iii. A local digital media company is getting ready to start its production in Fayetteville and surrounding areas. Provided assistance in scouting locations and connecting them to property owners.
  - iv. Continued to produce and promote videos about artwork by current artists exhibiting their work at the Chamber Art Gallery.
  - v. Referred B2B for two local companies.

b) Develop a questionnaire to explore the corporate services sector, including healthcare, to develop good working relationships with local management teams and to identify and establish relationships with parent headquarters outside of Fayetteville when deemed valuable.

- i. Conduct primary data collection when meeting with businesses to collect this information – ongoing.
- ii. Conduct secondary data collection to gather this information – ongoing.

4. Start-up/Entrepreneurial Businesses:

a) Develop a BR & E program for interviewing and gathering data for start-up/entrepreneurial business sector.

- i. Met with a trailing spouse who moved here from Texas. He is interested to start a lawncare/design/horticulture business targeted at golf courses. Provided technical assistance and resources.
- ii. Held discussion with a local startup in digital media on co-marketing opportunities between the company and local businesses.
- iii. Continue to work with a UA professor of engineering on his smart city project to help with proof of concept. Wrote letter of support of his grant application.
- iv. Met with a prospective entrepreneur who is deaf and is interested to open a pizza franchise.
- v. Consulted with a prospective entrepreneur interested to start a small firm theatre.
- vi. Continue to meet with various members of startup organizations and responded to their questions.
- vii. Worked with the city and prospective entrepreneur to set up an appointment with a local realtor for possible retail space for her business. The entrepreneur wishes to start a business for pets.
- viii. Continue to refer start-ups to Hidden Star for possible financial support for qualified owners.
- ix. Consulted with prospective entrepreneurs interested to start a business and provided resources.

b) Customize questions to understand how the City can best support the creation and sustaining of start-up companies created in Fayetteville, coordinating closely with other City-initiated entrepreneurial efforts.

- i. Supported StartUp Junkie with a site for its event, Coffee+E which took place on June 5. Support included promotion.
  - ii. Continue to partner with StartUp Junkie on StartUp Crawl event scheduled for September 14.
  - iii. Organizing tours of the NWA Fab Lab to engage students and the community.
- c) Support the advertising of appropriate seminars or training for Fayetteville or NWA in coordination with other City-initiated entrepreneurial efforts.
- i. Successfully implemented the 2 summer workshops--Nerdies Camp and Makers Camp.

**Two: Assess and meet property, building and data needs of targeted business sectors**

Fayetteville First identifies 5 targeted business sectors: Corporate Services, Entrepreneurs and Innovators, Legacy Manufacturers, Retail and Specialized Technologies.

1. Determine available properties:

- a) Create a comprehensive inventory of all sites and buildings that are available for potential development and ensure that the AEDC sites and buildings database are kept updated accordingly.
  - i. Reviewed and updated properties on the state website.
  - ii. Provided technical support to local realtors.

2. Assess site and building needs of targeted business sectors:

- a) Assess the potential site, building, and data needs of each of the targeted sectors, determine the need to identify additional sites and encourage the development of appropriate property in the future. Consideration must be given to match a company's requirements to the types of service available, which shall be assessed using measurable criteria through the BR&E surveys.
  - i. Gathering information and knowledge on the Opportunity Zones, a program newly created by the federal government to stimulate growth in depressed areas. Fayetteville has 2 qualified census tracts. There is still a lot to be done before communities can fully benefit from it. Attended an Opportunity Zones workshop on June 15.
  - ii. Held discussions with the city on possibly changing the zoning in certain parts of the city to stimulate development of targeted sectors—retail and mixed use.

**Three: Develop a focused retail development strategy**

1. Conduct a thorough inventory and analysis of Fayetteville's existing retail base and gaps. Working with the NWA Council and/or others, identify and inventory the existing retail base and gaps in the city.
  - i. Working in tandem with the city on the former Sears building in the NWA Mall. Looking at the overall Mall as well.
2. Examine local and regional demographic and retail trends. Demonstrate a clear understanding of the demographics of the city and region (to include Fort Smith as well as Northwest Arkansas), evaluating typical factors considered by the retail sector in its location decisions, which often include population, population growth, educational attainment and income. A retail infographic deliverable, coordinated with the City's Communications and Marketing team, shall reflect the results of this analysis and be used to market Fayetteville and the region to potential retailers and retail developers, with the goal of filling identified gaps.
3. Identify potential commercial properties. Identify potential commercial properties, large to small, to be mapped and marketed to potential retailers and retail developers, where appropriate as identified through the retail analysis. Potential redevelopment sites that may be appropriate for retail shall also be identified and catalogued, particularly in targeted redevelopment areas identified by the City.
  - i. Helped to promote available retail space at 2826 E Joyce Blvd. Realtor is CBRE.
  - ii. CBRE announced that there are plans to build a 45,000 SF Class A office building in uptown Fayetteville. It will be called Vantage Drive Office Park.
  - iii. Provided space through the Chamber Art Gallery to local artists to display their works for retail sale.
  - iv. Continue to review the 2 newly approved Opportunity Zones to identify possible sites for commercial use.
4. Identify potential retail targets. Based on the outcome of the retail base and gap analysis, as well as the commercial property inventory, identify potential specialty retailers to focus marketing efforts.
  - i. Together with the city, looking at big plots of land that could possibly be used for retail. Gathering information and analyzing the land in terms of their pros and cons.

5. Attend the designated International Council of Shopping Centers (ICSC) national and/or Regional conventions and participate with the City of Fayetteville representatives and regional economic development efforts at the National and Regional ICSC Show.

- i. Working with the City's Director of Economic Vitality on the retail sector.

**Four: Ensure Workforce and Training needs can be met**

1. Understand existing industry and targeted business sector needs.

Review and participate in workforce analysis studies conducted for the region to gain an understanding of the workforce availability related to the occupations required of the targeted business sectors, potentially partnering with the NWA Council on this initiative.

- i. Held discussions and meetings on the need to develop workforce for the digital media industry.
  - ii. Working on producing a workforce textbook for high schoolers in Fayetteville first, then expanding to high schoolers in the Boston Mountain Education Co-op areas. Met with employers and Fayetteville Schools District.
  - iii. Chung Tan learned about board responsibilities for nonprofits as part of continuing education. This knowledge will help to assist/support nonprofits in the city.
  - iv. Attended the NWA Economic Development District Board meeting on June 6.
  - v. Working on understanding the workforce needs for the digital media industry.
  - vi. Continue to partner with the City on developing a Workforce Development Strategic Plan this summer.
  - vii. Continued to connect local businesses such as Bio-Tech Pharmacal with the NWA Fab Lab to offer training for residents.
  - viii. Consulted with job seekers and made referrals to employers.
2. Research and conduct a survey of regional higher educational institutions. Develop an understanding of enrollment, degrees offered and graduates of regional institutions of higher education that may serve Fayetteville.
  - i. Promoted the NWA Better Vets Employment and Entrepreneurship Expo to be held on July 20.



3. Convene regional educational leadership.
  - a) Coordinate with the NWA Council to participate in discussions with local institutions of higher education, public school career and technical education program leaders, as well as local industry and targeted sectors, and determine whether the workforce and training needs of the identified target markets can be met.
    - i. Begun to inform regional and state workforce groups about the upcoming Fayetteville's Workforce Development Plan.
    - ii. Partnering with NWA Council and other healthcare leaders in the region through a Healthcare Board with the goals to expand the UAMS NW campus to a full medical school and to produce the skilled workforce in healthcare to support the school and the healthcare sector that is growing.
    - iii. Held meeting with the Arkansas Economic Developers and Chambers Executives organization to work on economic development programs.
  - b) Work with these institutions to expand skilled trade programs and training, and determine possible new program development in the future to meet the needs of the targeted business sectors and existing business and industry. Once established, create and measure performance standards to fill gaps in the workforce and training needed.
    - i. Started working on publishing a workforce textbook for use in Fayetteville and area high schools to share career pathway information for specific employers located in Fayetteville.

**Five: Support initiatives and programs that continue to improve the outstanding lifestyle quality in Fayetteville**

1. Explore other redevelopment opportunities. During the stakeholder engagement process, many mentioned that they would like to see redevelopment along 71B (College Avenue and South School Avenue). In line with the City Plan 2030 goals to prioritize infill over sprawl, to accommodate growth, and to bring more people to live, shop and play along Fayetteville's original Main Street, redevelopment of 71B is important for the city and should include improvement in walkability, new retail, residential and business development.
  - i. Started discussion with StartUp Junkie on the StartUp Crawl event scheduled for September 14.
  - ii. Having discussions on best use of upcoming bond funds that will go to the voters soon.
  - iii. Monitor public transit developments in the city and region.

2. Attract and retain the workforce of today and tomorrow. With the presence of the U of A and the lifestyle quality the city offers, Fayetteville should be a prime location for the millennial population, as well as the future Generation Z, and attracting and retaining that population must be a focus related to talent. Maintaining and enhancing an authentic culture for its residents and student population to remain in the city requires coordination in many of the identified areas. Walkable neighborhoods with commercial areas, including urban mixed-use developments, diversity, transportation alternatives and amenities like arts, culture and restaurant choices appear in numerous studies identifying where millennials want to be. Care for the environment and the desire to live in communities that practice sustainable development are also prevalent.
  - i. Visited with a U of A computer science professor on his project to help make Fayetteville a smart city. Discussed collaboration and partnership.
  - ii. Continue to assist workforce to look for work.
3. Promote, foster, and seek development opportunities that help create an environment and amenities that attract the new millennial worker and/or business owners. Work with the development community and City to explore initiatives meeting these stated goals.
  - i. Promoted the US Census Bureau's request for local businesses to participate in its Economic Census survey.
  - ii. Arranging to bring local businesses and leaders to a Washington DC Fly-In event scheduled for July 18. This event provides an opportunity for local businesses/leaders to meet with representatives in DC.
  - iii. Successfully recruited 80 folks from Minnesota to visit Fayetteville in October. Continue to support them with their trip logistics.
  - iv. Continued to gather information and research on the local housing market from the standpoint of affordable and attainable housing for the working class.
  - v. Visited with various individuals who were relocating or thinking to relocate to Fayetteville. Provided resources for information.
  - vi. Responded to inquiries about Fayetteville, its businesses, and economy.

**Six: Collaborate with the City for Communication with the Public**

1. The City's Economic Development web site will be used to communicate the implementation of the Fayetteville First plan, using the City's branding and marketing. All communication and engagement with the business community via surveys and questionnaires will be done from a link within the City's Economic Development web site pages and will be promoted on the City's social media channels via coordination with the

City's Communications and Marketing Team. All performance measures and reports will be updated on a regular basis via the City's web site.

a) The Chamber of Commerce will work with the City's Communications and Marketing Team to ensure that the deliverables from this contract remain up to date on the City's Economic Development web site. Responses to requests for information and updates shall be timely and within reason.

- i. Continued work on the *Fayetteville, AR Connect* mobile app with a tagline of *One Fayetteville, One app*.
- ii. Spent considerable amount of time gathering the 3,000 addresses to send the #2B Fayetteville magazine to.
- iii. Continued work on the second quarterly business magazine for Fayetteville called #2B Fayetteville. Responded to inquiries about the magazine.
- iv. Circulating 2018 Livability Fayetteville magazine.
- v. Updated the economic development web pages, and social media channels.
- vi. Responded to inquiries from media, out-of-town consultants and research companies.

2. Communications from the Chamber of Commerce related to economic development initiatives within the scope of this contract, major decisions and/or development matters, and public-facing activities should be coordinated with the Mayor's office or his assigned staff. This includes statements at City Council meetings, Agenda Sessions, public presentations, press conferences, etc.

- i. Supported the city's press release on workforce development strategic plan with a quote.
- ii. Chung Tan provided an economic development update on Fayetteville as part of a northwest Arkansas panel. The panel spoke at the NWA Economic Development Luncheon for realtors hosted by Arvest Bank on June 5.

### **Seven: Reports and Presentations**

1. Reporting results and milestones will be done as deliverables are met in the implementation of the Fayetteville First Economic Development Strategic Plan and will be formatted to fit within the City's Economic Development branding on the City web site. The City's internal Economic Development team will meet regularly with the Chamber of Commerce (at a minimum on a monthly basis) to discuss the status of deliverables. The Mayor and/or City Council may request periodic updates and public engagement for citizens to be kept informed of the city's economic development goals.

- i. Met with StartUp Junkie and City to exchange information as relating to the city contracts
  - ii. Met with the City's Director for Economic Vitality.
2. The Chamber of Commerce shall provide written reports and prepare a brief presentation to the Mayor and City Council on at least a bi-annual basis. Reports and presentations should outline the tasks accomplished, outcomes achieved and include statistics for each performance measure outlined herein.
  - i. Met with the City's Director for Economic Vitality on June 11.
  - ii. Presented semi-annual presentation (Oct 2017 – March 2018) to the City Council during Agenda Session on June 12.
3. A schedule for completion of outlined performance measures and a monthly status report shall be submitted for each month of the contract, delivered during regular monthly meetings with the City's internal team.