



Date: May 7, 2018
To: Thomas J. Bonfield, City Manager
Through: Keith Chadwell, Deputy City Manager
From: Andre Pettigrew, Director, Office of Economic and Workforce Development
Subject: Fiscal Year 2018-2019 Agreement to Fund Economic Development Programs and Services Operated by Downtown Durham, Inc. Using City of Durham Funds

Executive Summary

This item seeks City Council approval of the Fiscal Year 2018-2019 contract for downtown economic development and marketing services with Downtown Durham, Inc. (DDI) in an amount not to exceed \$170,048.00. This is the twelfth year that the Office of Economic and Workforce Development has administered this contract.

Recommendation

The Office of Economic and Workforce Development (OEWD) recommends that City Council authorize the City Manager to execute the Fiscal Year 2018-2019 contract with Downtown Durham, Inc. to operate economic development programs and services in an amount not to exceed \$170,048.00.

Background

The proposed 2018-2019 budget for the OEWD includes an allocation for an Economic Development Programs and Services contract with DDI in an amount not to exceed \$170,048.00.

Issues and Analysis

DDI has proven to be a high-performing organization and a catalyst for the growth of Downtown Durham for many years. As downtown continues to change, DDI must focus its efforts on continuing to build relationships and capacity to make prosperity attainable by a greater number of downtown stakeholders. A key area of focus for DDI continues to be increased outreach and programming to promote, sustain, and enhance diversity in business ownership, residents, and visitors to downtown with an emphasis on African American participation.

For 2018-2019, DDI staff will collaborate with OEWD to plan downtown economic development programs, special events, and marketing strategies. Continued implementation of the Downtown Master Plan will be a significant focus. The City and DDI have agreed on general service delivery and programming goals as outlined in Attachment 1.

The proposed agreement includes an increase of \$10,000 to the DDI Programs and Services Budget. This increase is proposed to provide for a portion of the estimated \$30,000 annual cost of employer supported health insurance coverage for DDI staff. The proposed increase would require DDI to obtain matching funds from Durham County, in addition to raising an estimated one-third support from other sources. The ability to provide employer supported health insurance coverage will increase DDI's ability to retain quality employees.

Alternatives

City Council may choose to not fund the contract, or to fund the contract at a reduced amount. If DDI is not funded or not fully funded, economic and marketing services for downtown could not be delivered at the level currently proposed.

Financial Impact

Funding for the proposed contract is provided through the Downtown Revitalization fund portion of the 2018-19 OEWD budget.

UBE Summary

This is an agreement which was not reviewed by the Department of Equal Opportunity/Equity Assurance for compliance with the Ordinance to Promote Equal Business Opportunities in City Contracting.

Attachments

- Fiscal Year 2018-2019 Contract to Fund Economic Development Programs and Services Operated by Downtown Durham, Inc. using City of Durham Funds
- Attachment 1 – Fiscal Year 2018-2019 Program Scope of Services
- Attachment 2 – Fiscal Year 2018-2019 Programs and Services Budget
- Attachment 3 – Fiscal Year 2018-2019 DDI Quarterly Deliverables Report
- Attachment 4 – Insurance Requirements
- Attachment 5 – Minority-Owned Businesses in Downtown Durham