

7.0 ECONOMIC DEVELOPMENT

7.1 OVERVIEW

Throughout the comprehensive planning process, economic development was identified as critically important to Greensboro’s future. An entire section of the Vision Statement addresses “Economic Prosperity,” envisioning a diverse new economy with business and employment opportunities for all, a balanced development pattern serving the entire City, a business-friendly environment, and a strong tax base.

Published in November 2000 under the sponsorship of several local foundations, the “McKinsey Report” provided an assessment of the current state of and prospects for Greensboro’s economy. The major conclusions of this study were:

- ***Economic evaluation:*** Greensboro currently ranks slightly above average among its peers in the Southeast.
- ***Economic forecast:*** An undirected, “business-as-usual” approach will likely lead to gradual erosion of the community’s overall prosperity and an increasing performance gap with the rest of the state.
- ***Discussion agenda:*** Greensboro would benefit from collectively agreeing on and pursuing a more focused development agenda.

The report found that there has been a fundamental shift in the economy from higher paying manufacturing to lower paying service jobs and that projected economic trends point to a continued “downward shift” of the City’s economic standing over the next few years. Clearly, significant “course corrections” are needed if Greensboro is to move in the direction of the Vision Statement.

Currently, the formally designated resources committed by the City to internal economic development activities include the (one-person) Office of Business Assistance and Development, Training & Employment Services, and the Minority & Women Business Enterprise (MWBE) program. Other city departments with an important role to play in economic development include Planning, Water Resources, and Transportation. Planning influences how and where development occurs through its current and long-range planning activities while Water Resources (sewer and water) and Transportation (roads) provide infrastructure necessary to support such development. In addition, the City contributes

funding to support a Council approved incentive policy as well as economic development activities of other organizations.

Given the need to proactively address issues related to Greensboro's economy and the number of local and regional agencies and organizations with economic development as their primary mission, the major challenges facing the City are to:

- Define its appropriate role in the economic development arena
- Identify the specific strategies it will pursue to promote employment, growth in per capita income and the tax base, and other economic development objectives set by the Vision Statement

These challenges are the focus of the economic development element. It should be noted that economic development should not be viewed in isolation, but rather as a **fundamental principle** that is reflected in **all elements** of the Comprehensive Plan. Thus the policies set forth in this element are meant to work in combination with other plan policies to achieve the City's economic development objectives. For example, Community Facilities, Services, and Infrastructure Policies 9A.1 to 4 for the extension of sewer and water infrastructure are important to support certain desired types of economic investments. Similarly, Land Use Policies 4A.1 to 3 and 4B.1 to 3 to promote reinvestment, infill, and redevelopment in urban areas are key to supporting economic development objectives such as increasing economic opportunity and achieving a more balanced development pattern. In another example, Community Character Policies 5A.1 to 4, which propose establishment of an expanded network of parks and greenways, support Greensboro's reputation for livability, one of the strengths on which economic development efforts can build.

7.2 GOALS AND POLICIES

GOAL

Promote a healthy, diversified economy with a strong tax base and opportunities for employment, entrepreneurship and for-profit and non-profit economic development for all segments of the community, including under-served areas such as East Greensboro

POLICIES

7A. Target city investment and regulatory polices for economic development

7A.1 Define the **economic development objectives and related strategies** of the City of Greensboro.

7A.2 Encourage **“home-grown” and community-based businesses and entrepreneurs**, with a special emphasis on increasing the number of minority-owned businesses and economic opportunities in traditionally under-served parts of the community.



7A.3 Increase the level of resources committed by the City to achieving its **economic development objectives**, including:

- Increased staffing and a higher level of authority for the City’s economic development function
- Focus increased City attention on minority business development opportunities by assigning a senior economic staff person reporting directly to the City Manager as a liaison to the Greensboro Minority Business Development Council [See Economic Development Policy 7D.4]
- Increase funding levels, including establishment of an Economic Development Investment Fund for priority economic development projects that require a financial boost to “get them over the finish line,” with periodic review of this commitment by City Council

Narrative:

The first step in initiating a proactive approach to achieving a healthy, sustainable economy is to define the City’s overall **mission and objectives** related to economic development. This mission should not seek to duplicate the work of other economic development entities, but rather focus on those programs and initiatives that the City is best equipped to address and which implement its defined economic development objectives. Key areas include:

- Promoting local entrepreneurs and **small business development**, emphasizing minority communities and areas such as East Greensboro that have not had equal access to economic opportunity
- **Targeting city actions** such as water/sewer extensions (see Community Facilities, Services, and Infrastructure Policies 9A.1 to 4 and Land Use “Growth at the Fringe” Policies 4F.1 to 5) or funding/incentives to help make specific projects happen (e.g.,

a new research/employment park in a targeted growth area or a grocery store in East Greensboro)

The new mission statement and objectives will provide direction for increased commitment of city resources to economic development issues. These commitments should include:

- Increasing the number and profile of **economic development staff** above currently authorized levels
- Establishing an **Economic Development Investment Fund (EDIF)** to supplement the City's incentive program. The purpose of the EDIF would be to provide a competitive advantage on priority projects that meet the City's economic development objectives, but which require an extra financial incentive to make them happen. The fund could be used for such purposes as buying down land costs, lease costs, tenant improvements, etc. Criteria should be established for the return in terms of tax revenues, jobs, or other economic benefits to be generated by the project.

Other city funding should be coordinated with funding provided by other agencies for economic development activities in Greensboro. Examples include Forward Greensboro's Venture Capital Fund, the State of North Carolina's Development Zone and Brownfields programs, and Action Greensboro initiatives for the Downtown. These efforts should target opportunities to address the City's defined Economic Development mission and objectives.

7A.4 Based upon the City's economic development objectives, provide **incentives** to support **priority economic development projects**, for example:

- Extensions of city infrastructure
- More flexible code requirements for desirable infill projects, such as parking and building setbacks that match the local context
- Expedited development review and approval processes
- Consistent with North Carolina law, loans, tax abatements, and fee waivers (e.g., annexation agreements that defer actual annexation and the requirement to pay city taxes for a period of years)
- Reasonable, business-friendly interpretations of the Development Ordinance to avoid hindering projects

Narrative:

Incentives are one of the most powerful economic development tools available to the City and can be made even more useful by directing them to support the mission and objectives defined per Policy 7A.1. As noted, a variety of incentives should be used, including:

- Extension of **physical infrastructure** (water, sewer, roads) for key projects that help implement the City’s economic development objectives (see Community Facilities, Services, and Infrastructure Policies 9A.1 to 4 and Land Use “Growth at the Fringe” Policies 4F.1 to 5)
- Modification to **development regulations** to facilitate desired types of development (e.g., adaptive reuse of historic development or infill development that may be constrained by inappropriate code provisions; see Land Use Policy 4A.2)
- Direct **financial incentives** (e.g., use of the proposed Economic Development Investment Fund)

7A.5 Revise the City’s **incentive guidelines** so that they are consistent with the new economic development objectives.

In revising and applying the incentive guidelines the City should consider both projects/locations that do not currently qualify (e.g., aviation maintenance businesses in the airport tax exempt zone) and others that may currently qualify but which would not meet the new guidelines.

7A.6 Enact regulatory changes to make it easier to **start and operate small businesses** (e.g., live-work units, review current home occupation ordinance).



Southside live-work unit

Narrative:

One way to facilitate entrepreneurial activity is to establish regulations that allow persons to operate small businesses out of their homes.

Live-work units (which combine living accommodations with space for business activities) are one technique that has been successfully used in urban settings; mixed-use zoning districts should accommodate this kind of activity. In addition, the City’s existing **home occupation regulations** should be reviewed for opportunities for persons to operate small businesses out of their homes. Changes to the home occupation regulations should include standards to protect public health and safety, neighborhood character, and adjacent properties where necessary.

7B. Promote a customer-friendly environment within city government related to economic development

- 7B.1** Through the Office of Business Assistance & Development and Planning Department continue to provide **assistance to individuals and businesses** who approach the City on economic development matters, for example:
- Information and resources on economic development issues (e.g., available incentive programs)
 - Assistance in navigating city permitting and approval processes
 - Referrals to agencies that can provide more in-depth assistance and resources on particular issues (e.g., starting a small business)
 - Creation of market packages providing relevant development and demographic data and maps
- 7B.2** Create an **appeals process** to the Department Head and City Manager for the resolution of permitting issues within a short timeframe.
- 7B.3** Through a top-down commitment beginning with public endorsement by City Council, adopt results-oriented **economic development as part of the mission statement** of city government. Make all city departments aware of the importance of their activities to achieving the City’s economic development goals.

Narrative:

The Vision Statement identifies a **business-friendly, welcoming** environment as key to Greensboro’s economic future. Towards this end, facilitating economic development should be an integral part of the mission statement of city government that is implemented through the programs and day-to-day activities of all departments. The current function of the Office of Business Assistance & Development as an **“ombudsman”** to assist persons on economic development matters should be continued and expanded and all department heads should be encouraged to be supportive as the City commits additional resources to economic development (Policy 7A.3). City policies and procedures should focus on **streamlining** desirable economic development projects to the greatest extent possible through measures such as provision for expedited appeals of unfavorable staff decisions.

7C. Ensure that city land use policies and regulations allow for an adequate supply of land to accommodate economic development

- 7C.1** Ensure that **adequate land is zoned and has infrastructure available** for the various stages of business development (sites for small business start-ups/incubators, existing businesses needing to expand, larger businesses seeking to locate in Greensboro, etc.).

7C.2 Develop and maintain an **inventory of available economic development sites**, ranging from infill opportunities to sites suitable for corporate/research park development.

Narrative:

Adjusting the City's **zoning and development regulations** will be one of the priority implementing actions of the Comprehensive Plan. In addition to ensuring that sufficient zoned land is available to accommodate future demand, the City's development regulations should be revised where necessary to accommodate current economic uses (e.g., "flex-office," research & development) and eliminate obsolete ones. **Land use and infrastructure** programs should be coordinated to ensure that the needs of economic development sites for water, sewer, and adequate road access are met by existing infrastructure or that the infrastructure can be easily extended. Finally, current information on **available sites** should be developed, maintained, and made available by the City and local economic development agencies to businesses interested in locating or expanding their operations in Greensboro. Commercial/industrial real estate brokers should be involved in this effort.

7C.3 Identify **brownfield sites and underutilized/abandoned properties and buildings**, pursue funding, and expedite opportunities for development. [see also Land Use Policies 4D.1 to 6]

Narrative:

Encouraging **reuse and redevelopment** of previously developed properties and buildings that are no longer economically viable for their intended uses is an important Comprehensive Plan strategy (see Land Use Section 4.3.1, Reinvestment/Infill/ Redevelopment). One key action is to remove **unintended impediments** to reuse and redevelopment of these properties caused by regulatory and other policies (see Land Use Policy 4A.2). In addition, many of these properties (referred to as **brownfields**) have the added complication of the presence or potential presence of a hazardous substance or contaminants generated by previous uses. Programs at the federal and state levels are available to expedite development of these properties by providing funds for site assessment and cleanup and limiting liability for landowners and developers not responsible for the original contamination. The City should encourage the use of such programs to stimulate redevelopment of brownfields in areas such as the Downtown and older industrial zones.



7C.4 Explore the feasibility of establishing a **technology development zone**.

Narrative:

A “**technology development zone**” is an area designated to support the development of a concentration of research/technology facilities and businesses. Establishment of such a zone in Greensboro would involve designation of a suitable location(s) in which, through a partnership between the City and other economic development agencies, policies and programs such as zoning, infrastructure, provision of economic development incentives, and marketing would be targeted to attract high-tech facilities and businesses. This initiative is consistent with the Greensboro and Guilford County Cluster Analysis prepared for Forward Greensboro, which identifies **industry clusters** for targeting as part of city and county economic development programs. Communications services and software were identified as one of the potential industry clusters.

7C.5 Assure the above efforts include sites in **East Greensboro** and other under-served areas that could benefit from economic development.

Narrative:

The City’s economic development activities will need to address both areas designated for growth at the city/county fringe and reinvestment in urban areas within the present city limits. A key principle of the Comprehensive Plan is to promote economic development in historically under-served parts of the City such as **East Greensboro**. Properties in these areas should receive priority consideration as the City designates and promotes land for economic development. The NCA&TSU Farm site is one such candidate.

7D. Build partnerships with other entities on economic development issues

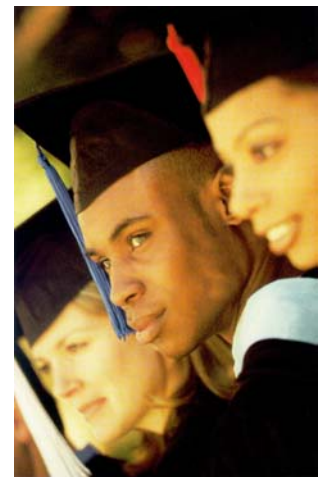


7D.1 Continue to provide funding to **agencies/organizations** involved in promoting economic development in the City. Work with these agencies to set specific goals to address the City’s economic development objectives (e.g., increasing community-based businesses).

7D.2 Continue and expand the City’s role as a **catalyst in facilitating priority economic development projects** to achieve its economic development objectives.

7D.3 Promote economic development through **public/private partnerships** to include government, economic development agencies, educational and health care institutions, and businesses. Build on existing partnerships and initiatives in this effort. Examples include:

- Adult education/worker training (building on current efforts by Training & Employment, programs offered by GTCC, etc.)
- Small business development (building on current efforts by the Office of Business Assistance & Development, MWBE, Main Library, and non-city organizations)
- University-related research and development opportunities with UNCG and NCA&TSU (building on the example of the Nussbaum Center incubator facility)
- Work with NCA&TSU to establish a research park on the A&T farm property
- Retention of young persons (college graduates) in the community (e.g., sponsoring job matching and career placement programs to make young persons aware of the opportunities; enhancing downtown Greensboro's role as a cultural/entertainment center of the community)



Narrative:

Continuing and expanding **partnerships** among governmental agencies, economic development organizations, and private sector businesses is essential to achieving the economic development objectives of the Comprehensive Plan. The City currently provides funding to organizations involved in economic and community development. The City should continue this funding and work with the organizations to ensure that its application supports the economic development objectives defined per Policy 7A.1. It will be important in each partnership initiative to define the specific role the City will play to promote economic development. This role may include, for example, making sure adequate zoning and infrastructure is in place, expediting the review and approval process, or providing financial incentives.

7D.4 Establish a senior economic staff position reporting directly to the City Manager to work with private businesses, foundations, and universities to establish a **Greensboro Minority Business Development Council** dedicated to increasing access and opportunity for minority entrepreneurs through services such as:

- Facilitating access to affordable capital
- Providing technical and management assistance
- Matching minority businesses with private and public-sector purchasers of goods and services
- Promoting networking opportunities
- Preparing marketing and promotional packages
- [See Economic Development Policy 7A.3]



Narrative:

A number of communities around the nation have established minority business development councils to address issues of business access and economic parity for the minority community. The mission of such an organization in Greensboro would be to foster **community-based economic development** by promoting business opportunities for minority entrepreneurs and firms with public agencies and private sector corporations. Acting as a catalyst in establishing and developing the capabilities of such an organization should be a priority of the City’s enhanced economic development program.

7D.5 Support programs by the Greensboro Department of Transportation and Piedmont Authority for Regional Transportation to **connect workers to jobs** (e.g., better road networks and transit service to link areas such as East Greensboro with employment centers).



Narrative:

Viable transportation is a key ingredient in providing employment opportunities for persons who have not previously participated fully in Greensboro’s economy. **Transportation programs** initiated by the public sector or through public/private partnerships can help to match job seekers with positions that need to be filled, benefiting workers and employers alike. An example is the shuttle service provided by Piedmont Authority for Regional Transportation (PART) in the area of the Piedmont Triad International Airport. This service connects workers arriving at PART’s regional express bus hub to businesses located in the Airport vicinity (see Transportation Policy 8C.1).