



Legislation Details (With Text)

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File created: 6/18/2013 **In control:** Board of Aldermen
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Title: Public Hearing On A Proposed Economic Development Agreement

PURPOSE: The purpose of this agenda item is to take public comment on a proposed economic development agreement between the Town of Carrboro, Fleet Feet, Kalisher, and Main Street Properties

Indexes:

Code sections:

Attachments: 1. Resolution to approve ED Agreement, 2. ECONOMIC DEVELOPMENT AGREEMENT 6-12-2013, 3. Fleet Feet - Property Purchase Budget Amendment

Date	Ver.	Action By	Action	Result
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TITLE:

Public Hearing On A Proposed Economic Development Agreement

PURPOSE: The purpose of this agenda item is to take public comment on a proposed economic development agreement between the Town of Carrboro, Fleet Feet, Kalisher, and Main Street Properties

DEPARTMENT: Economic and Community Development

CONTACT INFORMATION: Annette D. Stone, AICP (919) 918-7319

INFORMATION: Attached is a proposed Economic Development Agreement between the Town of Carrboro, Fleet Feet, Kalisher and Main Street Properties. The agreement lays out in detail all the performance measures for each party in accordance with NC Gen. Stat. 158-7.1 (a)(b). Without this agreement, Fleet Feet Inc., the Fleet Feet retail store and Kalisher's businesses will relocate outside of Carrboro.

The economic and community benefits include job retention and creation by Fleet Feet and Kalisher with annual payrolls of \$2.5 million and \$7.95K respectively. Property tax and sales tax revenues (\$45,129 annually) from new construction of the next phase for 300 East Main and the retention of the Fleet Feet Store. The new construction will result in 36,000 square feet of office and retail space in the Downtown. Fleet Feet Inc. brings over 300 business travelers annually to Carrboro for franchise recruitment. The average mid-week business traveler spends \$285 per day. The estimated revenues from business travelers for Fleet Feet alone is \$85,000 in local dollars spent annually. Fleet Feet coordinates community runs on weekends and evenings with 800 to 1000 local residents participating, they produce or sponsor local races with over 21,000 participants in 2012 and host numerous other events and services to the local community promoting healthy active lifestyles. Jesse Kalisher supports many local, state and national non-profits and was the founder of the Walk Carrboro campaign.

NC General Statutes require that the Board of Aldermen hold a public hearing prior to execution of a development agreement. The public hearing for June 25th has been duly advertised ten days prior to the hearing as required by the general statutes. The Board should take public comment prior to considering any action on the attached resolution and budget amendment.)

FISCAL & STAFF IMPACT: The purchase price of the condo owned by Fleet Feet is \$563,000 plus estimated closing costs of \$5,000. The lease of the condo back to Fleet Feet will net the Town \$54,026.00 annually. Funding for the cost of this acquisition are available in the General Fund unassigned fund balance.

RECOMMENDATION: Staff recommends the Board hold the public hearing and consider adoption of the attached resolution authorizing the development agreement; and, adoption of a budget amendment to appropriate funds from fund balance for property acquisition purposes.