

**Status Report of Local Living Economy
Task Force Recommendations Implementation
6-3-2014**

RECOMMENDATION 1: Think Local First Campaign

The best way to influence buying habits that foster a sustainable, locally-owned, locally-sourced and -run economy is to educate the community via a Think Local First campaign.

We recommend a long-term initiative with multiple components designed to help citizens understand the importance of buying local and to showcase how easy it is to do. Elements of the campaign include:

- Creating a Think Local First brand
- Identifying and promoting local businesses through advertising
- Promotions and industry campaigns (i.e., natural health, automotive, trades)
- Community events including forums, yard sales and co-branding with other organizations

Every attempt was made to create events and initiatives that are inclusive and are of value to the many local business sectors and demographic subsets of the Carrboro community. In many cases, there are opportunities for volunteer involvement in the planning and execution of items. These recommendations are based on concepts included in *Small-Mart Revolution* but were developed with an eye to leveraging Carrboro's unique character. Most items meet several objectives that have been established to improve local buying.

The success of each component and the overall campaign will be measured using a combination of owner-reported business metrics and participation data.

The members of the Local Living Economy Task Force respectfully ask the Board of Aldermen to look closely at this project and investigate items that could be led by the Town, enabling it to walk its talk on the local economy. We also ask members' help in continuing the dialog by reaching out to community and business groups to encourage them to participate in or take responsibility for a component of the campaign.

See reference: Appendix A:

COMMUNITY BUILDERS: Think Local First Campaign ATTACHMENT B-7

UPDATE - For the past three years, the Town has run a 'For the Love of Carrboro' campaign during the month of February which highlights Carrboro businesses. There is also an on-going 'For the Love of Carrboro' Facebook page where Carrboro businesses are featured along with postings from 'bealocalist.org' are shared to reinforce why Buy Local messages.

Now that the branding campaign is completed and the new brand is introduced it will be more effective to support an on-going Think Local First campaign for Carrboro.

RECOMMENDATION 2: Town to Consider Local Options for Banking, Investment, and Procurement

A vibrant and sustainable local living economy requires exploration and support of more locally-based banking options for the Town's services and investments *and* to serve our residents and businesses.

Local banking options are key to:

- Keeping capital local
- Enabling more locally focused lending

Town exploration and support of locally-based banking services and increased procurement of local goods and services aligns political will with public need. Large institutions such as the Town have a significant impact on local banks and businesses. Directing Town banking and purchasing activities to them will make them more sustainable.

We recommend that the Town investigate:

- Options for local banking investment, including the possibility of becoming an institutional member of and depositing some town money with Latino Community Credit Union, which will open a new branch at Carrboro Plaza later this year.
- Support locally focused lending by charging the Economic Sustainability Commission to develop a methodology to follow and measure local lending (for shelter, transportation, college and business) by our locally-owned banking institutions
- Expand local procurement of goods and services by identifying needs and prioritizing local sources for procurement

Local focus can be measured by volume of local lending to residents and businesses and other behavioral measures.

See reference: Appendix A:

POLICYMAKERS: Consider Local Options for Banking, Investment, and Procurement

INVESTORS: Promote Local Banking ATTACHMENT B-8

UPDATE - In September of 2010 the Town considered RFP's submitted by local banking institutions. Although, Harrington Bank was considered it was not selected at the time due to the fact the bank was out of compliance with certain federal banking regulatory issues that precluded the Town from being allowed to use Harrington by the Local Government Commission. BB&T was selected for banking services and is currently the Town's bank.

The Local Government Commission also does not allow local governments to participate in Credit Unions.

The Town's written purchasing policies are to purchase local whenever possible.

RECOMMENDATION 3: Town Maintenance and Promotion of the Revolving Loan Fund

A sustainable, thriving local living economy requires partnership between the town, local business, and local investors. Small business (the creator of more than 50 percent of jobs in the United States) is in a credit crunch with low loan availability and high cost.

The Carrboro Revolving Loan Fund is the Town's most effective current method of stimulating the creation and development of locally-owned businesses. Continuous improvement of the loan process and an expanded scope and volume of loans are measurable means of Town support.

We recommend that the Town direct the Economic Sustainability Commission and the Economic and Community Development Office to:

- Conduct a full review of the CRLF qualification process and loan portfolio, including:
 - Measures of success
 - Identification and prioritization of new types of business compatible with local living economy that could be targeted through CRLF
 - Integration of business needs survey results
- Pursue stimulus funds for expansion of this program.
- Investigate the creation of a private investment fund for local business creation and development.
- Expand existing local business surveys to assess current needs (capital, land, space) for expansion and success.

See reference: Appendix A:

INVESTORS: Expand the Use of Small Business Loans

INVESTORS: Business Survey of Local Capital Needs

POLICYMAKERS: Review and Expand Carrboro Revolving Loan Fund ATTACHMENT B-9

UPDATE- In 2012-13 the Town adopted revised criteria for the Revolving Loan fund and created a second pool of money that opened up more cash for business expansion. On May 27, 2014, the Board made its first loan from the fund to Barry Keith of Surplus Sids.

RECOMMENDATION 4: Town Pursuit of Stimulus Funds

Federal and State stimulus funds are available to municipalities to aid in the creation, development, and support of small local businesses. Those municipalities who choose to apply for these funds will be taking a proactive step in supporting their respective local living economy. Given the poor state of the U.S. economy and record level unemployment, the Federal Government instituted the \$862 billion American Recovery and Reinvestment Act of 2009 to stimulate the economy by increasing federal spending and cutting taxes. Approximately \$ 6.1 billion of this funding has been made available to North Carolina—35 percent of which is tax cuts. Funds awarded through contracts and grants are meant to shore up the North Carolina economy and provide jobs. A breakdown of the State's stimulus funds can be found here: www.ncrecovery.gov/investments/default.aspx.

We recommend that the Town begin by investigating the following funding opportunities:

- Community Development Block Grants (CDBG's): \$6.9M available
- Transportation/Infrastructure Improvements: \$70M available
- Energy Efficiency and Conservation: \$37M available
- Weatherization: \$131M available

In addition, the Town should make a concerted effort to publicize the services and resources offered by the following local business support organizations:

- The Small Business and Technology Development Center (SBTDC)
- Orange County JobLink Career Center
- Durham Tech's Small Business Center
- SCORE Chapel Hill Carrboro
- Council for Entrepreneurial Development (CED)
- Carrboro Revolving Loan Fund (CRLF)
- Orange County Small Business Loan Program
- Midway Business Center
- \$30 billion in federal Stimulus funds being redirected to community banks for small business loans

See reference: Appendix A:

POLICYMAKERS: Pursuit of Stimulus Funds ATTACHMENT B-10

UPDATE - The amount of federal dollars have substantially changed since this recommendation was made. However, the Town is in the process of administering a CDBG project for the installation of Sewer on Roberson Street.

Also, the Energy Efficiency Revolving Loan Fund has now been established and is currently regenerating for future loans.

RECOMMENDATION 5: Town Branding and Marketing

Effective branding influences consumer behavior. Everything else being equal, consumers will regularly gravitate to or embrace a brand which has come to embody the traits or characteristics they value most.

The consistent use and promotion of a Town graphic and tagline provides a visual hook to uniquely identify those businesses, programs, events, products, people and the physical environment that define our community. Properly developed, this graphic and tagline could embody the unique traits and characteristics of the community (i.e. quality, successful, unique, healthy, committed, beautiful, funky, leading edge, fun, historic, active.)

Brands can convey positive or negative feelings. A successful town brand is one which reflects the best attributes of a community. When a successful brand is applied to a new and unproven business, product, or event the goal is for the positive attributes of the brand to be passed on so potential consumers choose to engage, try, or participate.

We recommend that the Board contract with a professional advertising firm to develop a Town graphic and tagline and to advise on how it might best be used.

See reference: Appendix A:

POLICYMAKERS: Branding and Marketing Effort ATTACHMENT B-11

UPDATE – The new brand has been adopted and implementation of the Brand is underway. With the launch of the new brand there are numerous opportunities to promote Carrboro for business recruitment (recommended in the RTS report for Creating Carrboro’s Economic Future), for tourism, and buying local.

RECOMMENDATION 6: Support of Local Economy Business Network

Local business networks play a leading role in building and sustaining a local living economy. The Town should leverage these networks in all its initiatives as it seeks to strengthen and grow the local business economy.

It is imperative that local businesses take a leadership role in the development of a local living economy. Without their intimate involvement up front, initiatives undertaken by concerned citizens or local government often fail when not embraced by the business community.

An engaged, local economy business network is best able to take the pulse of the business community. It will likely have the most current information available, and is therefore able to accurately give voice to businesses needs while simultaneously addressing those needs in partnership with Town advocates, local government and the community at large.

The Town has a wealth of resources at its disposal to aid local business networks in their efforts to grow the local living economy.

See reference: Appendix A:

Support Local Economy Business Network ATTACHMENT B-12

UPDATE - This effort has been presented to the Business Community on numerous occasions, but unfortunately has not found “the champion” it needs for successful implementation in Carrboro.