



TOWN OF FARRAGUT
ECONOMIC DEVELOPMENT COMMITTEE MEETING
TOWN HALL BOARD ROOM
WEDNESDAY, MAY 4, 2016
8 AM

1. Call to order
2. Approval of Minutes
 - a. March 30, 2016
3. Discussion of Farragut Business Alliance Memorandum of Understanding with the Town of Farragut
4. Status Updates
 - a. Town of Farragut
 - b. Farragut/West Knox Chamber of Commerce
 - c. Farragut Business Alliance
5. Any other Business
6. Adjournment

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MINUTES
ECONOMIC DEVELOPMENT COMMITTEE MEETING
MARCH 30, 2016
8:00 AM

Committee Members Present:

Phil Dangel, Knick Myers, Alderman Ron Pinchok, David Smoak, Jim Holladay, Naoko Blue, Brandon Hackett, William Britt, Pamela Milliken

Committee Members Absent:

Drew Carson

Staff Present:

Gary Palmer, Sue Stuhl, Jenn Hatmaker

Other:

Ben Pounds with the Farragut Press

Ron Williams, Farragut Citizen

Roger Tyo, TDS Telecom

Jonathan Dzermejko, TDS Telecom

Call to Order

Chair Dangel called the meeting to order. A quorum was declared.

Approval of the Minutes

Mr. Myers moved to approve the February 3, 2016 minutes. Mr. Hackett seconded the motion. Motion passed.

Status Updates

- a. **Town of Farragut:** Presented by Mr. Smoak
 - i. Stanton Optical opened at the corner of Campbell Station and Parkside Drive
 - ii. Amish Excellence Furniture and Water Into Wine are going into the shopping center with Mellow Mushroom
 - iii. Chili's restaurant is starting grading work

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- iv. The final draft of the Impact Fee Study will be presented by Duncan and Associates during the Public Forum on March 31, 2016 at 7pm
- v. Staff members have been working on a Mixed-Use Neighborhood Zoning District
- vi. The Board of Mayor and Aldermen just approved the S-1 Zoning District for assisted living and elderly care facilities

b. Farragut / West Knox Chamber of Commerce:

- i. No one present from the Farragut / West Knox Chamber of Commerce – no status updates given

c. Farragut Business Alliance: Presented by Mr. Dangel

- i. The FBA will have a special called meeting on March 31, 2016 to provide a financial update
- ii. Mr. Smoak stated that depending on how the FBA moves forward the EDC may need to have a special called meeting to look at the FBA budget

Any Other Business

No other business was presented.

Mr. Britt moved to adjourn. Ms. Milliken seconded the motion. All voted in favor.

Next meeting Wednesday, May 4, 2016 at 8 AM in the Town Hall Board Room.

REPORT TO THE ECONOMIC DEVELOPMENT COMMITTEE

PREPARED BY: David Smoak, Town Administrator 

SUBJECT: Approval of Memorandum of Understanding between the Town of Farragut and the Farragut Business Alliance

INTRODUCTION: The purpose of this agenda item is to consider approval of a memorandum of understanding (MOU) between the Town of Farragut and the Farragut Business Alliance (FBA).

DISCUSSION: The FBA was formed in 2009 as a non-profit 501(c)6 organization whose primary mission is to help promote businesses in the Town of Farragut. Since that time, the FBA has held several community events, such as the Red, White and Blues Festival, the Farragut Food Festival, Light the Park and various events during the Dogwood Arts Festival. The FBA also has been leading the marketing of the Shop Farragut campaign during the holiday shopping season.

The Economic Development Committee (EDC) and Board of Mayor and Aldermen (BMA) reviewed a previously proposed MOU in February 2016 that would have included the FBA being responsible for helping implement the Town's new brand to the business community. After several public forums, the BMA decided to have town staff implement the branding strategy, thus leaving the FBA to provide similar business services as they have over the past five years, with an increased focus on expanding the Shop Farragut campaign to a year round program.

The attached MOU outlines the economic development initiatives the FBA will be responsible to provide for the Town of Farragut and the businesses located within the Town (see Exhibit A – Program of Work). The FBA's program of work will include promoting Farragut's businesses, retaining existing business, and recruiting new business to the Town. The FBA board voted to eliminate the annual Red, White and Blues festival and instead promote two additional shopping events at centers along the Kingston Pike corridor. The Town may also terminate this agreement at any time during the term.

Due to these additional responsibilities and marketing enhancements for the Shop Farragut program, the FBA is requesting an increase in funding from the Town to \$70,000 for this one year agreement. The FBA has given a proposed budget and how they would utilize these additional funds in the attachment to this report.

The Economic Development Committee is being asked to make a recommendation to the Board of Mayor and Aldermen regarding the attached MOU.

PROPOSED MOTION: To approve a Memorandum of Understanding between the Town of Farragut and the Farragut Business Alliance as attached, or amended.

BOARD ACTION:

MOTION BY: _____ **SECONDED BY:** _____

[illegible]

Farragut Business Alliance Program of Work

Mission: Positively impact Farragut's economic growth by assisting new businesses, supporting and promoting existing businesses and, in coordination with the Town of Farragut, aiding in the economic development and promotion of the community.

Business Promotion, Retention and Support

Goal: Positively impact the amount of sales tax dollars collected in the Town of Farragut.

- Create, market and implement at least two location-centered mini-events to bring consumers directly to the doors of businesses (i.e., Village Green, West End Center, Patriot's Corner, etc.).
- Visit a minimum of 30 businesses per month in a business advocate capacity and document input collected.
- Add at least 5 businesses per month to the online Business Directory/Shop Farragut mobile app.
- Secure Shop Farragut involvement/exposure (coupons, events, co-op advertising participation, social media, app links, etc.) for/from at least 20 businesses per month.
- Involve and train at least 5 business volunteers to mentor new businesses.
- Collect and share Shop Farragut redemption data from businesses with the technology to track it.
- Increase Facebook and Twitter followers by at least 20% annually (baseline = 1469).
- Increase unique web site visits by 10% per month (baseline = 7200 annually).
- Generate an average of at least 35 Shop Farragut app downloads per month.
- Place Farragut-related "earned media" stories/appearances at least semi-monthly.
- Distribute e-newsletter at least monthly.
- Conduct at least one business and residential survey annually.

Strategy: Expand reach of the "Shop Farragut" brand to become recognizable in the Farragut community and the region.

ACTION STEPS:

1. Engage in ongoing public relations efforts to help disseminate the stories of unique Farragut businesses; include relevant businesses in proactive editorial coverage and media tours.
2. Ensure communications with business and non-business (churches, civic groups, schools, non-profits, neighborhood associations, etc.) sectors of the Farragut population.
3. Investigate opportunities to serve as "Official Welcoming Host" for visitors at regionally-significant events, in exchange for providing attendees with Farragut-branded promotional materials.

Strategy: Increase opportunities of exposure for businesses participating in the Shop Farragut initiative.

ACTION STEPS:

1. Seek out ways for businesses to significantly increase visibility and marketability to their potential customers by enabling their participation in marketing and promotional programs that most businesses could not afford on their own (co-op advertising, etc.).
2. Encourage, compile, and market special promotions and sales offered by multiple merchants during Shop Farragut blitz times as a basis for attracting new shoppers; expand the number of participating retail outlets.
3. Investigate adding a Shop Farragut loyalty/discount component.
4. Develop partnerships with hospitality industry to capture visitor spending.
5. Heavily cross-promote member events, specials and milestones.
6. Partner with other tourist-oriented Farragut venues to attract and keep visitor dollars in the Farragut area.
7. Revisit potential opportunities brought about by the location of the Knoxville Open.
8. Continue to develop and leverage local and regional strategic partnerships, especially as they relate to advertising and recruiting (Visit Knoxville, Knoxville Chamber, Legacy Parks Foundation, State of Tennessee Department of Tourism, etc.); increase exposure and identify potential opportunities for retail, restaurant and tourism growth.

Strategy: Increase the number of Farragut businesses involved in, and aware of, the FBA's and the Town's efforts, and deepen their involvement and understanding.

ACTION STEPS:

1. Laser-focus on understanding and helping meet the needs of businesses in Farragut by identifying and training volunteer "Business Advocates" to "take the pulse" of the business community through personal visits; gather ideas, input, concerns and other relevant information and submit for appropriate action.
2. Leverage the FBA's position in the business license process to position the organization as the business start-up resource in Farragut.
3. Finalize and implement the Business Mentor Program to provide counseling and assistance to new and existing businesses.
4. Identify and communicate opportunities for market exposure for businesses (i.e. Small Business Saturday).
5. Ramp up social and digital advertising and cross-promotional efforts.
6. Engage board members to make key visits on behalf of the FBA to build and leverage strategic relationships.
7. Continue to populate online business directory with complimentary, robust listings and links.
8. Continue to distribute business communications through traditional media, social media and e-newsletters; merchandise back to the businesses what they are receiving for the Town's investment.
9. Conduct at least one survey of all Farragut businesses annually.

Strategy: Assist the Town in shaping positive public opinion regarding conducting business in Farragut.

ACTION STEPS:

1. Engage in ongoing public relations efforts to help position Farragut as a business-friendly community.

2. Continue to engage in one-to-one meetings with community and business leaders to build support.
3. Continue to build partnerships with key local and regional organizations.
4. Continue to communicate member feedback regarding processes, ordinances and other issues of mutual importance to the Town and to businesses.

Strategy: Help identify and assist new businesses endeavoring to open in Farragut.

ACTION STEPS:

1. Commit to sending at least one representative to the International Council of Shopping Centers (ICSC) Conference annually.
2. Host reception for developers, retailers, etc. during ICSC conference.
3. Mentor new businesses as needed to support them through pre-startup processes.
4. Advocate with the Town on behalf of new businesses on issues that might arise on a case-by-case basis.
5. Introduce new business owners/managers to other business, civic and governmental contacts that might prove mutually beneficial.
6. Encourage new businesses to join the Farragut/West Knox Chamber, schedule ribbon cuttings, arrange to attend/host networking events, etc.

Community Events

Goal: Plan and execute at least three community events annually in the Town of Farragut.

- Increase involvement of business community by adding at least three new businesses (sponsors, vendors, etc.) to each event per year.
- Increase business exposure by securing volunteering from at least 5 Farragut businesses per event.
- Weather allowing, increase attendance of special events by at least 10% (baseline averages are 600 for Art in the Park for Kids; 900 for Farragut Food Festival; and 600 for Light the Park).
- Partner with hotels for mechanism of tying increase in room night to specific events and/or promotions.

Strategy: Design and promote community events in a manner that benefits Farragut businesses, neighborhoods, and its general reputation, while operating in the black.

ACTION STEPS:

1. Look at ways to generate additional funds from events, such as admission rates, increased opportunities for generating funds from concessions and ancillary sales, reaching out to more event-specific sponsors, and positioning events more regionally.
2. Initiate more aggressive promotions and advertising for events, including television coverage, banner advertising, etc.
3. Continue email blasts to database to promote events.
4. Continue listing events in regional online calendars, media calendars, and governmental/organizational calendars in the region.
5. Explore creation of an historic tour highlighting special sites in Farragut.
6. Leverage partnership with Visit Knoxville to expand coverage.
7. Identify existing events that FBA can support/sponsor/partner with in exchange for exposure.

Organization Development

Goal: Position organization to respond to economic and other environmental factors in partnership with the Town of Farragut to ensure continued viability and productivity.

- Continue increasing the amount of sponsorship dollars (direct and in-kind) obtained from private entities, with an initial target of \$35,000 in 2016.
- Aim for representation of a minimum of 80% at Farragut Board of Mayor and Aldermen, Municipal Planning Committee, Economic Development Committee, and other relevant meetings.
- Ensure 100% on-time filings for relevant IRS and State of Tennessee forms and reports.

Strategy: Ensure compliance with the Memorandum of Understanding entered into with the Town of Farragut and an understanding of deliverables and factors impacting them.

ACTION STEPS:

1. Maintain presence on the Town's Economic Development Committee (or other committees as identified by Town) and provide regular updates.
2. Serve on Town's ad hoc committees as requested.
3. Monitor Municipal Planning Commission (the "FMPC") agendas and provide input/updates as needed.
4. Rotate FBA board members to ensure attendance/representation at as many FMBA and FMPC meetings as possible; report back to board.
5. Provide annual progress updates to Town during budgeting process.
6. Work closely with Town administration to ensure ongoing communications and facilitate brainstorming and planning for projects and initiatives.
7. Host annual joint FBA-FBMA planning meeting to review/formulate/endorse following year's goals.

Strategy: Maximize FBA board composition and involvement to reflect a variety of businesses, locations and interests within the Town of Farragut and ensure that board works productively towards stated FBA goals.

ACTION STEPS:

1. Hold relevant economic development-related training/information sessions for board members (i.e., ICSC liaison, developers' meeting, Town department heads, etc.).
2. Recruit new directors to the FBA Board as needed to further diversify representation and to replace outgoing directors in a timely manner.
3. Hold regular FBA board meetings, as outlined in bylaws.
4. Utilize directors as liaisons between working committees and board.

Strategy: Actively identify and secure supplemental funding to leverage Town's investment.

ACTION STEPS:

1. Investigate possible public-private sponsorship programs.
2. Research and leverage grant opportunities to support tourism, main street, small business and other economic development programs.
3. Develop a more robust and broader-based corporate underwriting program; expand opportunities for event sponsorships; create and market program sponsorship opportunities.

CLASS/YEAR		2011	2012*	2013	2014**	2015***	2016 (Ex.2 w/3 events + 2 retail events)
FBA							
	Sponsorships	0	0	0	0		0
	<u>Other (TOF)</u>	27415	44000	44000	34000	37750	70000
	Gross Income	27415	44000	44000	34000	37750	70000
	Expenses	12395	36730	36144	45405	43662	61226
	Net	15020	7270	7856	-11405	-5912	8774
AIP							
	Sponsorships	625	3250	3750	4500	4500	5000
	<u>Other</u>	748	1167	2550	3268	0	0
	Gross Income	1373	4417	6300	7768	4500	5000
	Expenses	1497	2304	5046	6826	2898	2500
	Net	-124	2113	1254	942	1602	2500
RWB							
	Sponsorships	2000	4350	5350	4250	13375	0
	<u>Other</u>	5611	6918	1624	6776	4909	0
	Gross Income	7611	11268	6974	11026	18284	0
	Expenses	11933	11570	12260	12560	22778	0
	Net	-4322	-302	-5286	-1534	-4494	0
FFF							
	Sponsorships	1500	4850	5125	7750	6700	17500
	<u>Other</u>	17135	21175	17927	23003	10724	25000
	Gross Income	18635	26025	23052	30753	17424	42500
	Expenses	7440	11101	12098	18184	20151	27500
	Net	11195	14924	10954	12569	-2727	15000
LTP							
	Sponsorships	0	3250	4385	5000	6750	7000
	<u>Other</u>	0	0	0	0	0	0
	Gross Income	0	3250	4385	5000	6750	7000
	Expenses	924	1312	903	972	1898	2000
	Net	-924	1938	3482	4028	4852	5000
SF							
	Sponsorships	0	0	0	0	0	0
	<u>Other (TOF)</u>	0	0	0	0	0	0
	Gross Income	0	0	0	0	0	0
	Expenses	3700	22180	7905	8057	4644	30000
	Net	-3700	-22180	-7905	-8057	-4644	-30000
ICSC							
	Sponsorships	-	-	0	0	0	0
	<u>Other</u>	-	-	0	0	0	0
	Gross Income	-	-	0	0	0	0
	Expenses	-	-	320	3235	3635	4000
	Net	-	-	-320	-3235	-3635	-4000
RETAIL EVENTS (2) SPONSORSHIP (IN LIEU OF RWB)							5500
ANNUAL							
	Sponsorship Inco	4125	15700	18610	21500	31325	35000
	<u>Other Income</u>	50909	73260	66101	67047	53383	95000
	Gross Income	55034	88960	84711	88547	84708	130000
	Expenses	37889	85197	74356	92004	99666	127226
	Net for Year	17145	3763	10355	-3457	-14958	2774

*Does not include revenue-neutral West End Center event (\$1700)

**Does not include Go & Glow inc/exp = Gross income of \$336

***Changed format of AIP to kids' piece only