

Mayor and Council Communication

DATE: 02/22/22

M&C FILE NUMBER: M&C 22-0113

LOG NAME: 17ECONOMIC DEVELOPMENT STRATEGIC PLAN UPDATE

SUBJECT

(ALL) Accept Receipt of the Fort Worth Economic Development Strategic Plan Update from TIP Strategies, Inc., including the funding of an Economic Development Incentive Fund (EDIF) and Refer the Strategic Plan to the City Manager and Staff to Develop Strategies and Policies for Implementation

RECOMMENDATION:

It is recommended that the City Council accept the completed Fort Worth Economic Development Strategic Plan Update (Plan) including the funding of an Economic Development Incentive Fund (EDIF) and refer the Plan to the City Manager and staff to develop strategies and policies for its implementation.

DISCUSSION:

The purpose of this Mayor and Council Communication (M&C) is to accept the completed Fort Worth Economic Development Strategic Plan (Plan) including the funding of an Economic Development Incentive Fund (EDIF) and refer the Plan to the City Manager and staff to develop strategies and policies for the implementation of the Plan. A copy of the Plan is available for review on the City's website.

On January 24, 2017, the City Council authorized execution of a professional services contract with TIP Strategies, Inc., (M&C P-11994), to develop an economic development strategic plan for the Economic Development Department. Efforts were undertaken by the Economic Development Department and TIP Strategies, Inc., to engage partners and stakeholders via roundtables, workshops, surveys and a town hall. The stakeholder input, along with significant research, provided the foundation for the Economic Development Strategic Plan, which includes Volume 1: Competitiveness, Volume 2: Opportunity 3: Strategy and a Technical Report: Guidance on Marketing, Program Areas & Site Selection. Briefings were provided to the City Council by TIP Strategies, Inc., on April 11, 2017, June 20, 2017 and December 12, 2017 with the plan being accepted by City Council on December 17, 2017 (M&C G-19192).

Given the ongoing aspects of the COVID-19 Pandemic, the Economic Development undertook an update of the strategic plan in April 2021 to determine the current business outlook and move quickly to adjust to the current environment. TIP Strategies Inc. was contracted to complete the following Scope of Work:

DISCOVERY

What has changed in the last three years? In light of the COVID-19 pandemic, what trends are likely to affect us going forward?

- Project kickoff. TIP will facilitate a priority-setting conference call with the City to discuss objectives and expectations.
- Current conditions. TIP will prepare a targeted assessment of data and trends integral to re-visiting the plan.
- Organizational update. TIP will interview key personnel to discuss any changes to the City's mission, vision, and major initiatives, as well as any potential challenges or opportunities. TIP can also conduct roundtables with key stakeholders and partners to solicit input on the update.

OPPORTUNITY

What new opportunities are open to us? Which opportunities are no longer relevant?

- Goals & objectives. TIP will collaborate with city staff to conduct a review of the existing plan's goals and objectives.
- Target industry refresh. TIP will revisit the established sectors and emerging opportunities identified in the 2017 plan to evaluate how these sectors have been impacted by the pandemic and associated economic upheaval.
- Equity and inclusion. Emphasis will be placed on ensuring the strategies and recommendations in the plan are approached through an equity lens. TIP's current work establishing an Office of Economic Equity and Opportunity for Harris County will inform this work.
- Strategies. Once the goals and objectives have been confirmed, TIP will work closely with staff to build out a matrix showing current strategies and suggested revisions.

IMPLEMENTATION

How have our priorities and resources changed?

- Recommendations. Findings will be presented in an abbreviated written document. TIP will also collaborate with staff to prepare an updated implementation matrix.
- Rollout presentation

As a part of the process, staff and TIP Strategies engaged with a number of stakeholders to provide an assessment of Fort Worth's current

economic development efforts and where we need to adjust initiatives. These stakeholders included; Fort Worth Now, the Fort Worth Chamber of Commerce, Fort Worth Metropolitan Black Chamber of Commerce, Fort Worth Hispanic Chamber of Commerce, the Real Estate Council of Greater Fort Worth, Downtown Fort Worth Inc., Southeast Fort Worth Inc., Near Southside Inc. and the East Fort Worth Business Association.

TIP Strategies and city staff provided an overview of the results of the strategic plan update to City Council on January 4, 2022. As part of the presentation, staff presented a specific recommendation outlined in the plan to build a newly established special revenue fund as a broadened Economic Development Initiatives Fund (EDIF). This proposal would dedicate a percentage of annual funding currently contributed by the City to Tax Increment Financing (TIF) Districts to both lower the property tax rate and build the EDIF following their termination.

The City Manager and staff will begin the process of developing strategies and policies for the implementation of the Plan as well as establishment and utilization of the Economic Development Initiatives Fund.

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that approval of these recommendations will have no material effect on City funds.

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Expedited