



An Economic Development Strategy to Grow the Economy of Fayetteville, Georgia

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The City of Fayetteville, Georgia



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EXECUTIVE SUMMARY

In August 2015, the City of Fayetteville, Georgia, retained Fayetteville-based Garner Economics, LLC to create an economic development strategy specific to the City that will take into account the current state of the City and provide a roadmap for Fayetteville to create economic opportunities for its citizens.



The focus of the engagement was to help Fayetteville's leadership understand the product improvement, marketing, and potential organizational changes it must make to ensure that the City strengthens its competitive position and is able to attract and retain the types of businesses that will create jobs and opportunities for its citizens.

Specifically, the scope of services for the overall project included:

- (1) A comprehensive and holistic assessment of key forces driving the economy and its shifting dynamics;
- (2) An *Assets and Challenges Assessment (A&C)* of Fayetteville from the perspective of a site-location consultant that facilitates investment decisions;
- (3) Recommendations for business targets suitable for the City based on our research and analysis; and finally,
- (4) A set of implementable recommendations that the leadership in the City can utilize to enhance the economic well-being of the area and make Fayetteville a desirable business location and enhance its quality of place.

In assessing Fayetteville as a competitive place to locate and grow a business, the consulting team found that the City falls behind its peers, the State of Georgia, and national averages in many criteria considered important to a community's competitive economic position. While Fayetteville has enjoyed several positive gains in the recent year—for example, the creation of Pinewood Atlanta Studios and the building of the City's film industry—there are many areas the City needs to improve if it is to be successful in attracting and retaining the types of companies that will provide better opportunities for its residents.

To begin mitigating these challenges and strengthening the City's overall position, this strategy creates a customized, comprehensive plan for Fayetteville's economic development for the next several years. Its end goal is to give the City the tools it needs to grow along a positive trajectory and provide the community and the people that live and work there with a steadily growing economic future.

Analysis and Assessments

As summarized in the *Competitive Realities Report* shared with the City in December 2015, our approach to creating this strategy began with Garner Economics conducting an *A&C* of the City and gathering input and perceptions of Fayetteville's business climate from the community. The former was done through a windshield tour of the City and against a pre-determined list of 51 criteria used to evaluate Fayetteville from a site-selection perspective. Garner Economics assessed the City based on the qualities, elements, and infrastructure that a business will look for when considering Fayetteville as a place for its operations.

The community engagement phase took the form of three focus groups with key community stakeholders and an online survey to solicit a variety of perceptions of the area’s business climate and areas for improvement. This input was used to validate and augment conclusions reached in the *A&C*.

Finally, because Fayetteville must compete with other geographies—both nationally and within the Atlanta metropolitan area, it is important to understand where the City stands compared to key competitors. Garner Economics evaluated key demographic and economic indicators for the City and compared them to statewide and national-level data, as well against the two benchmark cities: Woodstock, Georgia, and Opelika, Alabama. These benchmark geographies were selected by the strategy steering committee with the City of Fayetteville.

In addition to these assessments, the team also looked at Fayetteville’s retail sector and identified areas of leakage and conducted a Local Specialization, Competitiveness & Growth Assessment for the City.

These “building blocks” and the key findings of the *Competitive Realities Report* are summarized in Chapter 1. This dataset and body of knowledge are the basis upon which the recommendations have been built.



Target Industries

The above analysis revealed that there are areas that need attention if Fayetteville is to reach its potential as a competitive place for business. To confront these challenges, the City must find a balance between proactively working to recruit investment to the community, while protecting the friendly, small-town fabric that makes Fayetteville what it is today. To do so, the City must find consensus around the type of community it wants to be and work to recruit and retain the types of companies and talent that will enable this vision to come to fruition.

Chapter 2 provides insights in to what types of targets are “best fits” for Fayetteville, given the City’s existing assets and goals for the future. The description of, and rationale for, the targets will help the City and other economic development groups in the area prioritize marketing resources and will identify areas where policymakers can act to increase Fayetteville’s competitive position in attracting and retaining these business sectors.

The identified target industry sectors for Fayetteville are:

- **Small Business, Retail, and Film Production Support Services**
- **Professional and Corporate Office Users**
- **Computers and Technology**
- **Health Services**



Recommendations

Based on the assets and challenges identified within Fayetteville and the needs of the target business sectors, the recommendations provided within this strategy, and presented in detail in Chapter 3, reflect items the team believes the City should undertake to mitigate negative perceptions by site-location advisors or companies looking to invest in Fayetteville. Additionally, the recommendations highlight areas where the City should work with others in the region to better leverage Fayetteville’s location in the Atlanta metropolitan area. The recommendations also provide tactics the City can use to effectively market Fayetteville to the recommended business sector targets.

The recommendations go beyond traditional recruitment, expansion, and retention activities and look at Fayetteville and its economic future holistically. The recommendations are meant to be a comprehensive economic development strategy and are built to support one another. To be successful in attaining its goals, City leaders will need to take on a more structured approach to economic development that is proactive in guiding the area’s growth and assertive in building a funding stream to catalyze the change. This will mean executing economic development efforts differently and being a champion for long-term investments that will add to the City’s “product” and quality of place.

The recommendations are broken into three categories: policy changes and investments that should be made to strengthen the City’s product, tactics to market the City and better tell its economic development story, and organizational changes that will allow Fayetteville to significantly increase and improve its economic development service delivery. The recommendations further provide the optimal sequencing for taking on the tasks.

FIGURE 1: STRATEGIC RECOMMENDATIONS

Organizational Change
<ol style="list-style-type: none"> 1. Reorganize the City’s Community Development Department <ol style="list-style-type: none"> a. Rename the community development department b. Hire an Economic Development Director c. Separate the Planning and Zoning functions from economic development 2. Expand the existing Fayetteville Downtown Development Authority to encompass radius business district boundaries 3. Promote the existing Tax Allocation District 4. Make the case for a sustainable funding source for economic development projects
Product Improvement
<ol style="list-style-type: none"> 1. Recruit a vocational tech two-year college 2. Develop a city-sponsored or city-owned Center for Visual and Performing Arts 3. Implement the key recommendations of the 2010 LCI Urban Study 4. Create a plan to improve gateways into the City 5. Provide the public free, high-speed Internet access in the Core Business District and in disadvantaged neighborhoods 6. Conduct a downtown parking study
Product Marketing
<ol style="list-style-type: none"> 1. Create a separate economic development portal to enhance the City’s website 2. Partner with local and regional economic development allies to market the City 3. Engage Atlanta area commercial developers to promote the City’s value proposition 4. Re-brand (or create) a unified Fayetteville brand



As described in the following chapters, Fayetteville has great potential but must confront current challenges to improve its ability to be a home for the types of businesses and talent it desires. Given the competition of its peer communities and the changing demands and needs of the City's talented workforce, Fayetteville must be strategic in leveraging its assets and building its value proposition. Fortunately, the City has the leadership, aspirations, and resources to catalyze change in the community. By taking steps to change its trajectory, Fayetteville can shape its economic future and optimize economic opportunities for its residents.

The following chapters provide the rationale and create a plan for undertaking the strategy. Achieving these goals will require bold and strategic steps to transform Fayetteville into a place that attracts quality talent and companies, while maintaining the City's unique character and commitment to quality and fully leveraging its position in the Atlanta metropolitan region.

CHAPTER 1: WHERE FAYETTEVILLE STANDS AS A PLACE FOR BUSINESS

A Summary of the Competitive Realities Report

This chapter summarizes the Garner Economics team’s findings in Phase I, the “discovery” phase of the assignment. The assessment was an objective and subjective evaluation, and it included data collection, on-site visits, and soliciting opinions and perspectives of the City’s stakeholders. By knowing where Fayetteville stands, the City knows what challenges or gaps exist and can take steps to ameliorate negative situations, strengthen its overall “product,” and be a more attractive business location. Likewise, by knowing the area’s strengths, the City can better market them in its efforts to attract external businesses and retain those businesses already located in Fayetteville.

What Stakeholders Think

To provide a context around the data accumulated in the *A&C* and economic and labor analysis, Garner Economics held three focus groups with stakeholders in Fayetteville and Fayette County to solicit their perceptions and opinions of the City’s business climate. Fifty-two people participated in the focus groups. Additionally, an electronic survey based on the focus group responses was distributed by the City. There were 182 survey respondents. The respondents represented a broad group of area residents, including both corporate and economic development perspectives as well as feedback from the general citizenry. An additional opinion survey to a random selection of high school students was also provided.

Among the two groups, there were several areas of agreement. Survey respondents tended to focus on broader quality of place assets and issues, while focus group respondents had deeper comments and concerns over particular economic assets or challenges such as local regulations and procedures and workforce needs. Both groups rated the City as “average” in terms of its business climate (i.e., policies and laws enacted by the local government that impact local businesses). The overarching key themes that emerged include:

- A desire for more streamlined interaction with the City
- Continuing tensions between encouraging growth in Fayetteville and maintaining the status quo
- The need to improve access to and through the City
- A lack of amenities for younger professionals and visitors
- The opportunity to leverage the energy of Pinewood Atlanta Studios
- A desire for regionalism—on the county level
- Recruiting companies to Fayetteville, so residents have opportunities closer to home and the City’s tax base is increased

The graphs on the following pages highlight the feedback in terms of the overall competitive position of the City. A detailed summary of the community engagement input was provided in the *Competitive Realities Report*.

FIGURE 2: PRIORITIES TO STRENGTHEN FAYETTEVILLE’S COMPETITIVE POSITION AS A PLACE FOR BUSINESSES AND TALENT

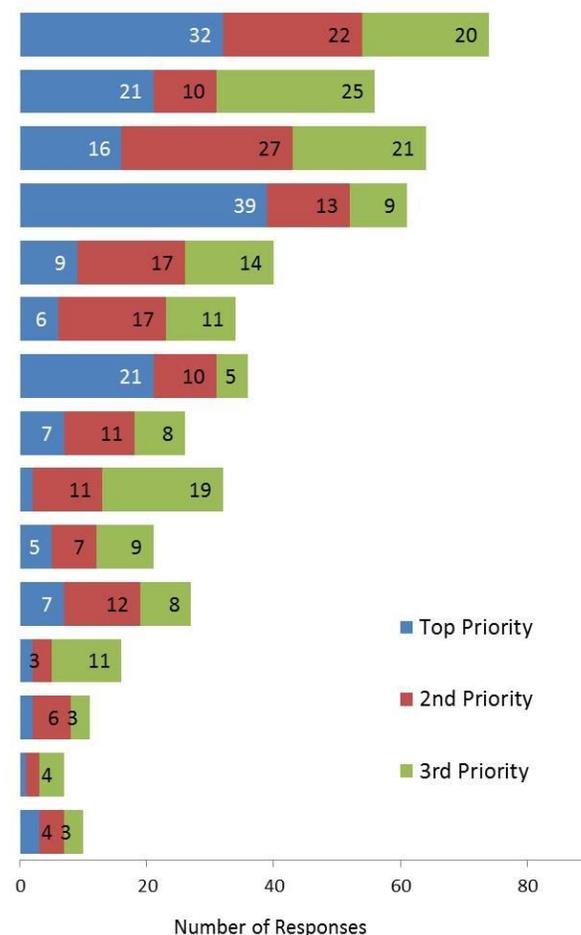
When asked to indicate the top items they would like to see the City leadership take on to strengthen Fayetteville’s ability to attract and retain quality companies and talent to the City—without worrying about money or politics—the two groups responded as follows:

Most frequently noted by focus groups:

- Improve access to highways and strengthen the road system within Fayetteville
- Create a cultural arts district and performing arts center
- Develop an area within the City that is a destination for residents and attracts visitors
- Ensure that the school system is ready to address the diversity that the County is experiencing
- Communicate the many assets Fayetteville has to offer

Most frequently noted by survey respondents:

- Develop downtown and adjacent properties
- Attract/retain millennials; serve needs of aging population
- Attract and grow jobs/lessen need to out-commute
- Fix the internal road system
- Create a shopping district that is unique and draws visitors
- Ensure that our school system is ready to address diversity
- Improve K-12 schools within Fayetteville
- Better market Fayetteville to potential tourists/companies
- Promote regionalism in Fayette County
- Open a new park or nature area within the City
- Create a cultural arts district
- Host more festivals/events to build community
- Encourage developments that are lifestyle centers
- Improve inter-city transit
- Better leverage and use the Tax Allocation Districts



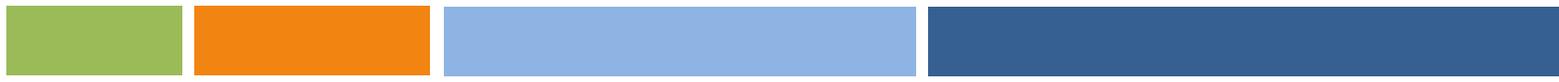
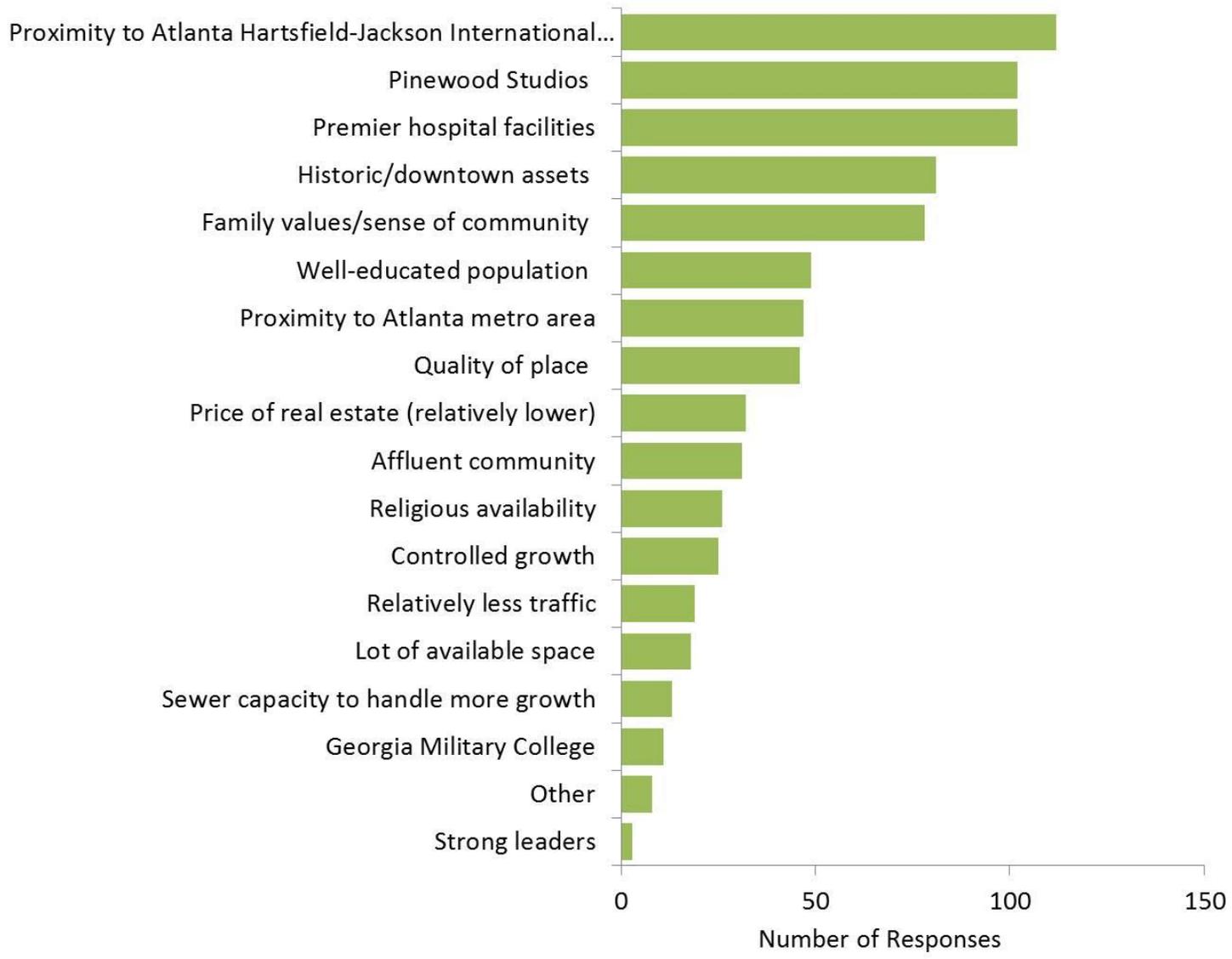


FIGURE 3: PERCEIVED STRENGTHS

When asked to indicate Fayetteville's strengths, the two groups responded as follows:*

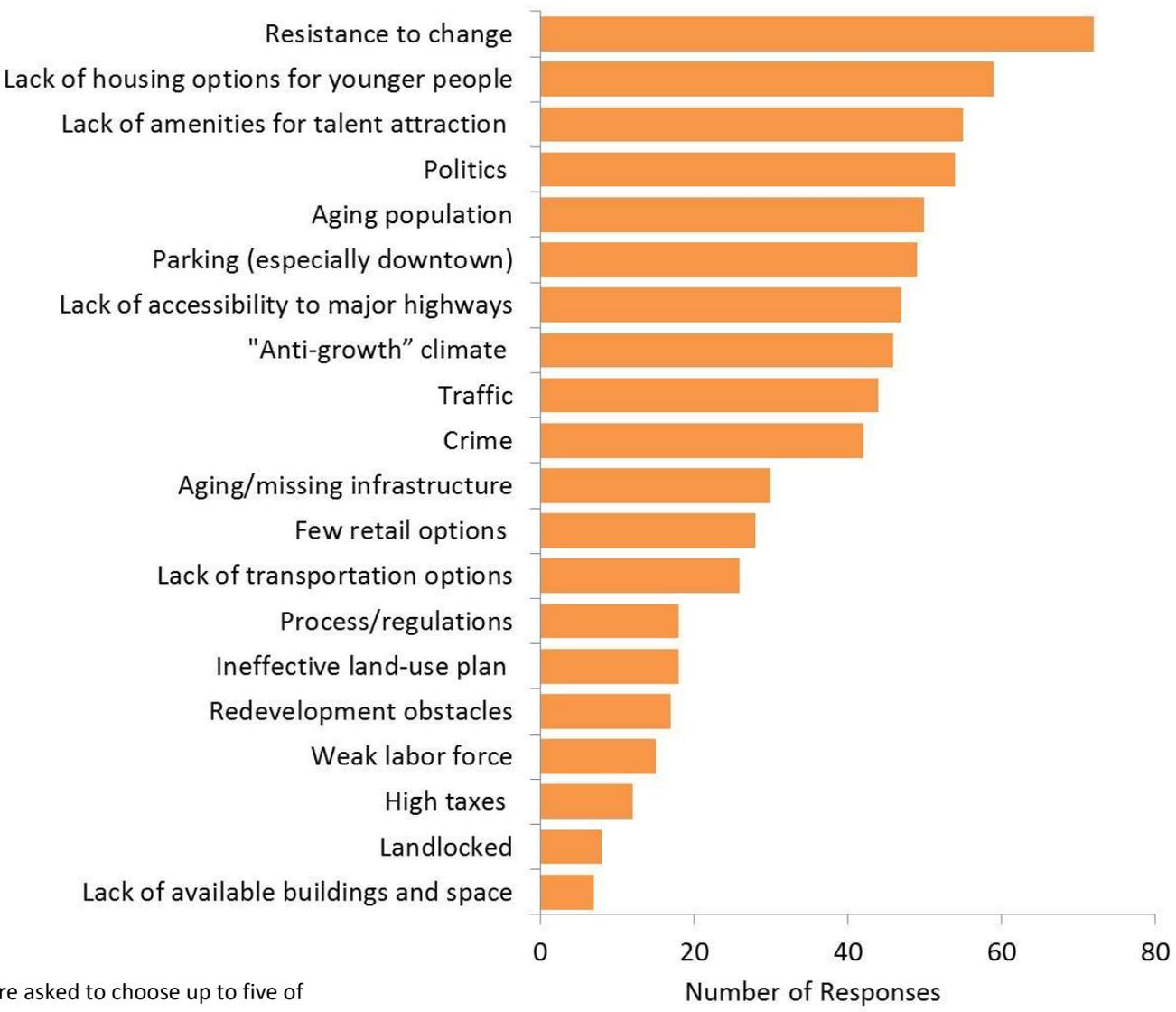


*Survey respondents were asked to choose up to five of the possible options.



FIGURE 4: PERCEIVED INHIBITORS

*When asked to indicate issues that inhibit Fayetteville from recruiting businesses, the two groups responded as follows:**



*Survey respondents were asked to choose up to five of the possible options.



FIGURE 5: POTENTIAL INDUSTRIES

When asked what types of companies would be a good fit for the area, the two groups responded as follows:

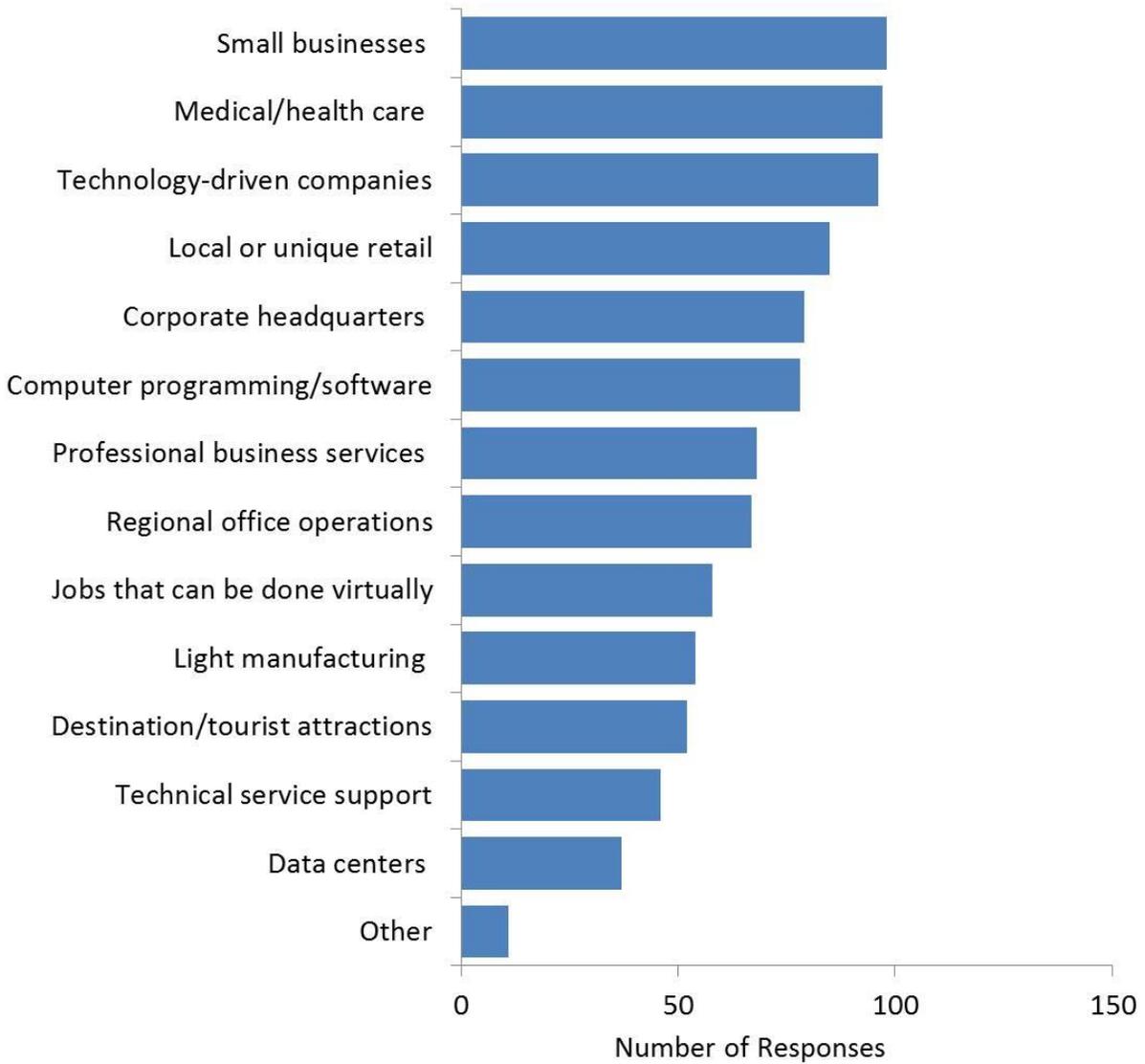
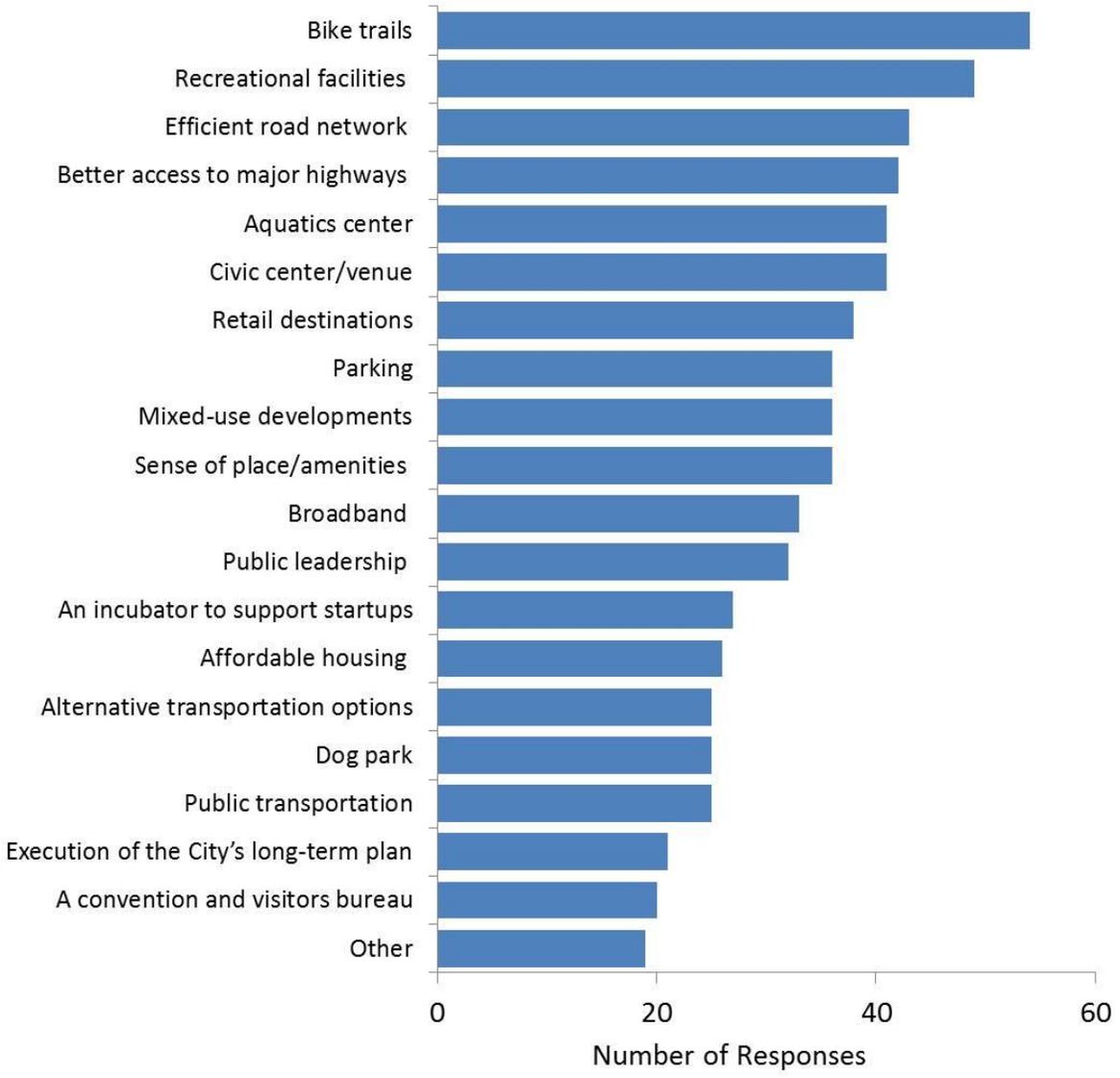




FIGURE 6: LACKING INFRASTRUCTURE

When asked what hard or soft infrastructure is weak or missing in Fayetteville, the survey respondents ranked the items as follows. Focus group participants most frequently noted the need for a more efficient road network and parking.*



*Hard infrastructure was defined as the physical networks such as roadways, sewer, broadband Internet, airports, and/or ports. Soft infrastructure was defined as institutions or places that support the economic, health, and cultural climate of a place, such as the education system, the health care system, system of government, and/or parks.

Note: Survey respondents were asked to choose up to five of the possible options.

Assets and Challenges Assessment

Grounded by decades of economic development, site-location analysis, and industry cluster targeting experience, Garner Economics began the project to assess Fayetteville by using a rigorous set of techniques based on fully sourced and reliable datasets to completely understand the City's current economic state. The main component of this phase was the *Assets and Challenges Assessment (A&C)*, which is a compilation of local facts and data points with quantitative analysis and some subjective opinions. These are typically the same variables that are used when we conduct a locational assessment on behalf of a corporate client. The team assessed Fayetteville against 51 criteria.

The *A&C* helps local leaders understand the area's potential so they can best develop realistic goals, identifies key strengths to emphasize in economic development marketing efforts, and identifies key weaknesses that may limit investment in the area. By knowing what challenges or gaps exist, Fayetteville can take the steps necessary to ameliorate the situation and be a more attractive business location. Likewise, by knowing its strengths, the City can better leverage them in its efforts to attract businesses.

Of the 51 variables analyzed, 17 are considered an Asset and 20 a Challenge (14 rated as Neutral). With 20 challenge rankings, Fayetteville has too many in the negative column based on the ratio of an economically healthy, dynamic city. The goal in the future will be for those policymakers engaged in local economic development to move the bar with the neutral rankings from neutral to an asset, and the challenge ranking to neutral (or better).

To enable a summary overview of the *A&C's main* findings for readers, a set of dashboard icons was presented. Each finding has an accompanying icon to assist with interpretation. The tables on the following pages summarize the assessment of Fayetteville.

REPORT DASHBOARD



Indicates the City is better (more positive) compared to a majority of the benchmark geographies or points to a positive trend or asset within the area.



Indicates the City is neutral or normal, neither positive nor negative. Indicator may represent an observation or be in the middle of the benchmark geographies.



Indicates the City is worse compared to a majority of the benchmark geographies or points to a negative trend or challenge within the area.

FIGURE 7: FAYETTEVILLE'S ASSETS AND CHALLENGES

Neutral ratings are not summarized in this report. Detailed data can be found in the *COMPETITIVE REALITIES REPORT*.

	 Assets	 Challenges
Access to Markets	<ul style="list-style-type: none"> Centrally located for major regional market Centrally located for national market Well positioned to serve international markets Within 1 hour of commercial air passenger service Broadband availability and speeds 	<ul style="list-style-type: none"> Lack of interstate highway(s) Lack of rail service Lack of port facilities (inland and/or water)
Labor	<ul style="list-style-type: none"> Availability of managerial personnel Within ½ hour of university/college 	<ul style="list-style-type: none"> Lack of skilled industrial workers Lack of skilled clerical workers Lack of technicians and scientists Lack of post-secondary vocational training Lack of engineering program (local)
City Economic Development Program	<i>No relative assets</i>	<ul style="list-style-type: none"> Lack of adequate level of professional staff Lack of local economic development strategic plan(s) Low level of leadership support of economic development program Low level of funding for the City's economic development program
Access to Space	<ul style="list-style-type: none"> Availability of fully served and attractive office sites and space Availability of fully served and attractive retail space 	<ul style="list-style-type: none"> Lack of availability of fully served and attractive industrial sites and space
Access to Capital	<i>No relative assets</i>	<ul style="list-style-type: none"> Lack of availability of venture capital from local sources for business startups or early stage funding

FAYETTEVILLE’S ASSETS AND CHALLENGES, CONTINUED

	 Assets	 Challenges
Government Impact on Business	<ul style="list-style-type: none"> • Availability/capacity of wastewater treatment • Availability of labor training incentives • Local property taxes (City of Fayetteville) 	<ul style="list-style-type: none"> • Availability/capacity of water • SAT scores of Fayette County High Scholl related to the benchmarked jurisdictions
Quality of Place	<ul style="list-style-type: none"> • Availability of executive-level housing • Cost-of-Living Index • Level of cultural activity • Availability of shopping facilities • Availability of adequate medical facilities 	<ul style="list-style-type: none"> • Availability of apartments • Availability of recreational opportunities • Availability of first-class hotels, motels, and resorts • Quality and variety of local restaurants

Labor and Economic Trends

In addition to assessing Fayetteville against criteria and measures employed by site selectors, work during the assessments and analysis phase examined the area’s economic position against the State of Georgia, the United States, and two benchmark cities: Woodstock, Georgia, and Opelika, Alabama. These benchmark geographies were selected by the City.

Garner Economics used data that can be verified and, for which, comparisons with other cities or areas can be made at the level of detail

preferred by most site-selection professionals. The most detailed demographics data, industry statistics, and comparative rankings were used because businesses considering Fayetteville will do the same.

As the scorecards presented in the *Competitive Realities Report* (and replicated on pages 16-19) indicate, Fayetteville has mixed results in terms of demographics, labor, and economics.



Demographic & Labor Dynamics	
	Over the last decade, the total population of Fayetteville has increased 16.1% or 2,698 residents; the rate is above the nation, the state, Fayette County, and Opelika, but below the benchmark city of Woodstock.
	Over the last five years, the annual rate of population growth in Fayetteville has been 1.5%, while over 10 years, the rate averaged 2.2%. Fayetteville's 5- and 10-year annual pace of population growth is above Opelika, Fayette County, the state, and the nation.
	Over the 2009 to 2013 period, Fayetteville attracted 36.5% of its new residents from a <i>Different County in Same State</i> , a higher proportion than was experienced in both benchmark communities, the state, and the nation. Fayetteville attracted the lowest relative proportion of new residents from a <i>Different State</i> . The City also attracted the second highest percentage from <i>Abroad</i> .
	Among all of the study areas, Fayetteville has the second most racially diverse population.
	At 41.2 years, the median age in Fayetteville is higher than both benchmark cities, the state, and the nation, but slightly lower than the County median.
	Fayetteville's highest proportion of residents is in two age groups: 35–44 and 45–54. Fayetteville has a lower share of residents in age groups 25–34 than both benchmark cities.
	Fayetteville's violent and property crime rates were below Opelika, the state, and the nation, but above Woodstock and the County.
	Educational attainment among the majority of Fayetteville's population ages 25+ holds at least a high school diploma, with 42% holding a <i>Bachelor's Degree or Graduate or Professional Degree</i> . With the exception of Woodstock, Fayetteville has the lowest proportion of residents whose highest level of educational attainment is <i>Less than 9th Grade</i> .
	At 1379, Fayetteville's 2015 composite SAT total score for Fayette County High School is below all of the study areas.
	Fayette County High School and the entire district rank above all other benchmarks, except Opelika, in high school graduation rates.



Demographic & Labor Dynamics (continued)	
	Among Fayetteville’s new residents ages 25 and over, 42.3% hold a <i>Bachelor’s Degree</i> or higher. This is greater than Opelika, the state, and the nation—and only slightly lower than Woodstock and the entire County.
	Among Fayetteville residents ages 25 and over, median earnings are on par with the state and nation for all categories of educational attainment, however, lower than Fayette County. Earnings were lower than Woodstock as well, with the exception of the <i>Graduate or Professional Degree</i> category.
	58.8% of those working in Fayetteville live outside the area (in-commute).
	6,519 workers that live in Fayetteville travel outside the area for employment (out-commute).
	Over the last 10 years, the number of workers <i>Living in Fayetteville but Employed Outside</i> (out-commuters) has increased 40.8% or 1,890 more workers.

Economic Dynamics	
	The 2015 estimated average weekly wage in Fayetteville is \$719. The average wage applies to employees that work in Fayetteville regardless of residence. This average wage is the third lowest among the study areas, with the lowest in Opelika.
	Over the five-year period of 2010 to 2015, the estimated average weekly wage in Fayetteville increased by \$26 or 3.7%. This increase is well above the benchmark city of Opelika, but behind Woodstock, the County, the state, and the nation.
	For 2013, the per capita income in Fayetteville was \$30,036, which was higher than Opelika, the state, and the nation—but lower than Woodstock and Fayette County.
	Over 11.2% of workers in Fayetteville classify themselves as <i>Self-Employed</i> —which is second only to Fayette County, which had 11.4% <i>Self-Employed</i> .



Economic Dynamics (continued)	
	At \$18,049, median earnings among those Fayetteville workers classified as <i>Self-Employed in Own Not Incorporated Business</i> were the lowest among the study areas.
	Among residents ages 16 and over in Fayetteville, 58.1% are employed, which falls between the two benchmark cities and is below the County, but above both the state and nation.
	Fayetteville's proportion of families with two income earners (<i>Married, Husband and Wife in Labor Force</i>) is 43.3%, which is higher than Opelika, the state, and the nation, but lower than Woodstock and the County.
	Compared to the nation and the state, Fayetteville has the highest total share of households with incomes in the \$15,000 to \$24,999 category. Fayetteville's proportion of those above \$100,000 is 26.4%, which is below the overall county average of 38.5% and Woodstock's average of 28.5%.
	Of 20 major industry categories, Fayetteville has the highest relative percentage in one industry: <i>Health Care & Social Assistance</i> .
	The 2015 composite Cost-of-Living Index for Fayette County-Fayetteville is estimated to be 93.4. This is lower than Auburn-Opelika and the national average.
	Households in Fayetteville have the greatest access to DSL and cable broadband compared to the benchmark cities, the County, state, and nation.
	Fayetteville's average percentage of retail leakage is 59.4, indicating that shoppers from Fayetteville spend less than half of their disposable income in the City.
	The largest retail gap (indicating local consumers travel outside Fayetteville to satisfy their retail demands) is in <i>Motor Vehicle & Parts Dealers</i> at \$212.9 million, followed by <i>General Merchandise Stores</i> with an \$86.2 million gap.

Local Specialization, Competitiveness & Growth

Below are general observations from an in-depth analysis of industry sectors and occupational groups in Fayetteville. This information is not benchmarked to the nation, the state, or benchmark cities:

- ✓ Since 2010, the largest absolute industry jobs gains in Fayetteville came from *Health Care & Social Assistance*, up 1,028 jobs or 27 percent, followed closely by *Accommodation & Food Services*, up 1,019 jobs or 61 percent.
- ✓ There were significant job losses in *Government* (-454 jobs or 9 percent); *Professional, Scientific & Technical Services* (-75 jobs or 7 percent); *Real Estate & Rental & Leasing* (-57 jobs or 20 percent); and *Crop & Animal Production* (-33 jobs or 56 percent).
- ✓ Industrial average earnings in Fayetteville are above the national same-industry average in two major sectors: *Manufacturing* (10.3 percent higher) and *Transportation & Warehousing* (8.8 percent higher).
- ✓ Over the last five years, the single largest absolute occupational gains in Fayetteville came from *Food Preparation & Serving Related*, up 909 jobs or 48 percent.
- ✓ Fayetteville's median hourly earnings are above the nation for *Military* and *Farming, Fishing & Forestry*, but below the nation for the other 22 occupational sectors.
- ✓ Five industry sectors in Fayetteville have a level of local specialization above 1.0 (which indicates a larger percentage than the national average) and have grown within the last five years: *Health Care & Social Assistance*, *Accommodation & Food Services*, *Retail Trade*, *Construction*, and *Other Services*.
- ✓ The single industry At-Risk is *Government*, which has a strong local specialization at 1.2 but experienced a loss of 454 jobs over the past five years.
- ✓ *Motion Picture and Video Production*, a subsector of the *Information* category, may be classified as an *Emerging* industry due to new studios in Fayetteville. Using the Atlanta MSA and the State of Georgia as comparisons, both show this subsector as *Emerging*.
- ✓ Four main industry sectors with strong local *Competitive* effects were *Accommodation & Food Services*, *Health Care & Social Assistance*, *Construction*, and *Transportation & Warehousing*.
- ✓ Over the last five years, the occupational groups of *Food Preparation & Serving Related*, *Healthcare Practitioners & Technical*, *Sales & Related*, *Healthcare Support*, *Construction & Extraction*, *Personal Care & Service*, and *Community & Social Service* each experienced job growth while exhibiting local specialization.

CHAPTER 2: OPTIMAL BUSINESS TARGETS FOR FAYETTEVILLE



The optimal business sectors target selection is based on the site-specific characteristics of the local economy in Fayetteville. The recommended targets are for those engaged in recruiting new business to Fayetteville to prioritize resources with these industry sectors that offer the most promise for the City. These optimal targets hold a competitive advantage to the community and, thus, help policymakers prioritize the City’s economic development strategy.

In selecting optimal targets, Garner Economics uses a desirability and feasibility screening matrix to determine the recommended targets. Desirability includes the types of business sectors the community would like to see in Fayetteville (Figure 8). Feasibility includes what the area can actually achieve in the short- to mid-term, based on current or planned locational assets and in conducting an analytical review of the local and regional economy.

Using results from the previously completed *Competitive Realities Report*, the *Assets and Challenges Assessment*, focus groups, and field visits, four business and industry groups were chosen that best match the unique competitive advantages in the area to the needs of particular industry sectors. Special attention is given to sectors in the midst of significant change or innovative transformation, with the strong likelihood that there will be increased interest in adding, growing, or moving operational sites. Each sector selected has some sort of competitive advantage in the marketplace. Some sectors are already well established in the area and are positioned for additional growth. For others that are not as well established, there are opportunities to leverage Fayetteville’s assets in order to either attract existing businesses or to encourage entrepreneurs to start new ventures. For all targeted businesses, Fayetteville’s competitive advantages are presented, along with recent and projected performance of the targets at the national

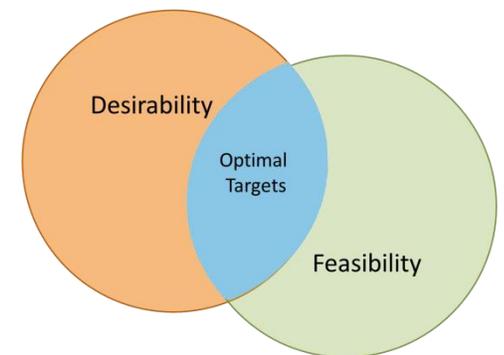
level. In some cases, target sectors are actually losing jobs nationally, but Fayetteville’s particular set of economic development assets still put it in position to capture demand. For each target, a list of related occupations is presented, along with a count of the current number of employed workers in Fayette County for each occupation.

Because economies are dynamic and impossible to precisely predict, these four optimal targets offer opportunities across several non-competing sectors, affording a means to diversify economic development strategies and avoid risky overconcentration.

The target information is presented in a practical and workable format, avoiding complex analysis and extensive projections of future outcomes. Instead, the justifications for the targets should be clearly apparent and make sense to the average practitioner. Under each major target sector, a list of individual subsectors is provided with accompanying NAICS classifications. A full description for each subsector target can be found in Table 9. Detailed subsector targets help to bridge the gap from broad economic concepts to a workable means for identifying specific prospective industries and firms.

For each target, a bulleted list of rationales is presented and identified as appealing to the needs of prospects (P) or the community (C). This material can be used in marketing and community support efforts or to help economic development personnel prioritize targeting efforts.

FIGURE 8: OPTIMAL TARGET SCREENING PROCESS



OPTIMAL BUSINESS TARGETS FOR FAYETTEVILLE



Small Business, Retail, and Film Production Support Services

Professional and Corporate Office Users

Computers and Technology

Health Services

MAJOR SUBSECTORS



- Local or Unique/Boutique Retail
- Destination/Tourist Attractions
- Virtual Jobs and Co-Working Facilities
- Restaurants and Other Dining Establishments
- Film Production Support Services:
 - ▶ Pinewood Forrest Development
 - ▶ Catering
 - ▶ Ground Transportation
 - ▶ Staffing Agencies
 - ▶ Agents and Talent Scouts



- Regional and Corporate Headquarters for Private and Not-for-Profit Institutions
- Legal Services
- Accounting, Tax Preparation, Bookkeeping, and Payroll Services
- Office Administrative Services
- Business Support Services



- Management, Scientific, and Technical Consulting Services
- Scientific Research and Development Services
- Software Publishers
- Computer Systems Design and Related Services
- Data Processing, Hosting, and Related Services
- Facilities Support Services
- High-Tech Light Manufacturing



- Offices of Physicians, Dentists, and Other Health Practitioners
- Health Services Educational Institutions
- Outpatient Care Centers
- Medical and Diagnostic Laboratories
- Home Health Care Services
- Nursing and Residential Care Facilities

SMALL BUSINESS, RETAIL, AND FILM PRODUCTION SUPPORT SERVICES



This target group seeks to leverage three of Fayetteville’s strongest assets: 1) its historic downtown, 2) its resident base of educated professionals, and 3) the presence of Pinewood Atlanta Studios. Collectively, these assets provide

a platform for building a diverse base of small businesses that provide a range of goods and services related to retail, dining, entertainment, transportation, the arts, and professional businesses.

Downtown Fayetteville is a compact, but significant, historic district that presently contains a limited number of retail, dining, and shopping services. The downtown area boasts a large base of daytime employees, as well as a hotel, but business development has been limited by issues related to accessibility and parking; investments in these items could have a significant effect on increasing investment.

Fayetteville’s combination of proximity to Atlanta, affordability, and quality of life has made it a popular place for many professionals to reside. However, since most of the jobs in the local economy are in lower wage industries, just 10 percent of the resident workforce works within the City. For the 6,500 commuters who leave the City every day to go to work, many may be entrepreneurs-in-waiting and others may be able and interested in working out of shared office space or “co-working” facilities in Fayetteville.

Pinewood Studios represents an enormous opportunity for promoting entrepreneurial business growth in Fayetteville. In addition to the studio itself, the planned Georgia Film Academy soundstage and future Pinewood Forrest mixed-use development will greatly expand the presence of the film industry in the area. This will create a variety of opportunities for support services, including catering, transportation, talent scouts, placement agencies, and even local acting talent.

Rationales

- Established Main Street development program (P) (C)
- Presence of Pinewood Studios and related activity (P)
- Availability of management personnel (P)
- Within ½ hour of college/university (P)
- High level of educational attainment among resident population (P)
- Availability of fully served and attractive retail space (P)
- Low local property taxes (P)
- Availability of executive and moderate-cost housing (P)
- Low cost of living (P)
- Availability of major shopping facilities (P)
- High rate of population growth (P)
- Highly rated K-12 public schools in the County (P)
- Opportunity to provide local opportunities for current out-commuters (C)
- Opportunity to create entrepreneurship opportunities (C)
- Opportunity to improve quality of retail and dining offerings (C) (P)
- Opportunity to capture retail spending that is currently leaking out (C)
- Excellent broadband access and speed (P)
- Recent rapid growth in *Accommodation & Food Services* sector (P)
- Average target subsector 2015 national earnings of \$25,511 (P)
- Average target subsector 10-year past employment growth of 22.1% (C)
- Average target subsector projected 10-year job growth of 15.2% (C)
- An existing local pool of high-demand occupations (Table 2) (P)
- Quality of place assets: proximity to Atlanta (ATL) Airport, cultural activity, historic buildings and areas, medical facilities, low crime rate (P)

Table 1: Small Business, Retail, and Film Production Support Services Target Subsectors

NAICS	Description	National Earnings, 2015	2005-2015 National Job Growth	2015-2025 National Job Growth Forecast	National Job Count, 2015 (Millions)
RETAIL AND DINING DESTINATIONS					
4452	Specialty Food Stores	\$27,790	2.8%	5.9%	0.32
4481	Clothing Stores	\$23,210	-0.6%	13.2%	1.18
453220	Gift, Novelty, and Souvenir Stores	\$21,924	-20.0%	-9.9%	0.29
722410	Drinking Places (Alcoholic Beverages)	\$19,283	3.3%	5.4%	0.44
72251	Restaurants and Other Eating Places	\$19,553	22.0%	11.8%	10.20
CO-WORKING FACILITIES					
531120	Lessors of Nonresidential Buildings (Except Mini warehouses)	\$66,248	43.0%	16.6%	0.89
FILM PRODUCTION SUPPORT SERVICES					
485320	Limousine Service	\$22,341	66.1%	28.8%	0.21
485510	Charter Bus Industry	\$37,812	-4.6%	2.0%	0.03
561311	Employment Placement Agencies	\$45,769	-5.0%	11.1%	0.28
561320	Temporary Help Services	\$34,807	16.2%	30.0%	2.91
711410	Agents and Managers for Artists, Athletes, Entertainers & Public Figures	\$56,529	22.8%	11.9%	0.08
711510	Independent Artists, Writers, and Performers	\$22,331	21.6%	13.8%	1.23
722310	Food Service Contractors	\$23,372	29.8%	12.3%	0.69
722320	Caterers	\$18,287	15.7%	2.8%	0.28
722330	Mobile Food Services	\$29,420	90.9%	34.1%	0.70
WEIGHTED AVERAGES/TOTALS		\$25,511	22.1%	15.2%	19.72

Source: EMSI, Garner Economics

Table 2: Small Business, Retail, and Film Production Support Services: Fayette County Existing Labor Pool of High-Demand Occupations-2015

Occupation	Employed in Fayette County
Retail Salespersons	2541
Combined Food Preparation and Serving Workers, Including Fast Food	1398
Cashiers	1360
Waiters and Waitresses	1202
First-Line Supervisors of Retail Sales Workers	1185
Property, Real Estate, and Community Association Managers	1148
Cooks, Restaurant	529
First-Line Supervisors of Food Preparation and Serving Workers	408
Light Truck or Delivery Services Drivers	350
Food Preparation Workers	341
Musicians and Singers	340
Food Service Managers	275
Dishwashers	233

Occupation	Employed in Fayette County
Hosts and Hostesses, Restaurant, Lounge, and Coffee Shop	215
Cooks, Institution and Cafeteria	213
Bus Drivers, School or Special Client	212
Counter Attendants, Cafeteria, Food Concession, and Coffee Shop	169
Bartenders	169
Human Resources Specialists	157
Dining Room and Cafeteria Attendants and Bartender Helpers	129
Amusement and Recreation Attendants	106
Taxi Drivers and Chauffeurs	78
Human Resources Managers	62
Food Servers, Non-restaurant	52
Actors	48
Agents and Business Managers of Artists, Performers, and Athletes	34

Source: EMSI, Garner Economics

PROFESSIONAL AND CORPORATE OFFICE USERS



Fayetteville’s unique assets make it a competitive location for a range of companies. The City has many assets for office-based businesses: residential appeal, proximity to ATL Airport, accessibility to the I-75 and I-85 corridors, affordable and available office space and sites, excellent broadband service, and many quality-of-life advantages.

Fayetteville is already home to a large base of professional workers but, as mentioned under the preceding target, nearly all of these workers commute to jobs in other locations. This resident workforce is important for two reasons: 1) it can be a springboard for entrepreneurs, and 2) it is attractive for prospective employers.

Businesses in each of the sectors in this cluster will be largely oriented towards serving larger businesses located across the Southeast. There are several models for successful businesses, including firms that provide services to local residents, firms that support businesses in larger cities, branch offices of national or regional companies, or firms that move to the area to take advantage of its assets.

Fayetteville’s appeal will differ somewhat for each specific sector. Law and accounting firms will be able to take advantage of population growth in the surrounding area. Administrative and business support services companies can perform outsourced functions for companies in Atlanta and other major regional markets. Regional or corporate headquarters can find affordable space in proximity to qualified workers that is still convenient to larger markets.

Rationales

- Centrally located for regional, national, and international markets (P)
- Availability of management personnel (P)
- Within ½ hour of college/university (P)
- Proximity to ATL Airport and surrounding business districts (P)
- High rate of educational attainment (P)
- High median household income level (P)
- High relative share of residents with *Bachelor’s Degrees* (P)
- Availability of executive and moderate-cost housing (P)
- Excellent broadband access and speed (P)
- Availability of fully served and attractive office sites and space (P)
- High rate of population and labor force growth (P)
- High percentage of *Self-Employed* workers in local labor force (P)
- Competitive wages in *Management of Companies & Enterprises* and *Professional, Scientific, and Technical Services* sectors (P)
- Ability to attract/retain the sizeable number of high-wage earners who presently out-commute (C)
- High rate of growth in *Office & Administrative Support* and *Management* occupational groups (P)
- Average target subsector 2015 national earnings of \$85,501 (C)
- Average target subsector 10-year past job growth of 19.2% (C)
- Average major subsector projected 10-year job growth of 11.7% (C)
- Strong existing local pool of high-demand occupations (Table 4) (P)
- Quality of place assets: cultural activity, historic buildings and areas, medical facilities, low crime rate, shopping, medical, K-12 schools (P)

Table 3: Professional and Corporate Office Users Target Subsectors

NAICS	Description	National Earnings, 2015	2005-2015 National Job Growth	2015-2025 National Job Growth Forecast	National Job Count, 2015 (Millions)
5411	Legal Services	\$92,693	0.4%	7.7%	1.50
541211	Offices of Certified Public Accountants	\$92,351	14.5%	9.9%	0.51
541214	Payroll Services	\$76,284	33.3%	20.3%	0.20
541219	Other Accounting Services	\$42,011	8.8%	3.5%	0.56
551114	Corporate, Subsidiary, and Regional Management Offices	\$123,355	32.80%	11.70%	2.30
561110	Office Administrative Services	\$62,992	26.40%	18.80%	0.81
5614	Business Support Services	\$39,324	16.2%	14.9%	1.24
WEIGHTED AVERAGES/TOTALS		\$85,501	19.2%	11.7%	7.10

Source: EMSI, Garner Economics

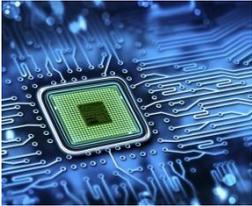
Table 4: Professional and Corporate Office Users: Fayette County Existing Labor Pool of High-Demand Occupations-2015

Occupation	Employed in Fayette County
General and Operations Managers	940
Office Clerks, General	855
Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	828
Customer Service Representatives	804
Management Analysts	715
Bookkeeping, Accounting, and Auditing Clerks	672
Accountants and Auditors	642
Receptionists and Information Clerks	531
First-Line Supervisors of Office and Administrative Support Workers	467
Sales Representatives, Services, All Other	427
Financial Managers	355
Chief Executives	353

Occupation	Employed in Fayette County
Lawyers	321
Business Operations Specialists, All Other	276
Market Research Analysts and Marketing Specialists	244
Financial Analysts	188
Billing and Posting Clerks	160
Tax Preparers	97
Office and Administrative Support Workers, All Other	95
Paralegals and Legal Assistants	70
Court Reporters	48
Title Examiners, Abstractors, and Searchers	41
Legal Secretaries	34

Source: EMSI, Garner Economics

COMPUTERS AND TECHNOLOGY



This target group includes a mix of technology-oriented industry sectors that aim to capitalize on Fayetteville’s skilled and educated workforce. This cluster places a particular focus on those who live in the local area but commute outside the local area to computing, IT, or tech jobs elsewhere in the Atlanta region.

The industry groups found in this cluster are all poised to benefit from the convergence of global economic and technological forces. These subsector targets are responding to corporate clients’ adaptation to rapid changes in customer expectations within an evolving technological landscape. Fayetteville’s proximity to Atlanta is an asset for this group of industries, as Atlanta is the leading location in the Southeast for businesses involved in technical consulting, computer systems design, data processing, and

information technology. With digital transactions, virtual workplaces, and teleworking becoming the norm for many companies, lower cost areas close to major cities are poised to attract smaller businesses and/or startups from this cluster.

Fayetteville is also well positioned to attract niche manufacturing businesses, particularly those that use high-technology processes. This advantage is partly due to the number of qualified technical workers living locally and partly due to Fayetteville’s proximity to a large base of skilled manufacturing workers from existing businesses on Atlanta’s Southside. Given the limited amount of land and sites for industrial uses, this would need to focus on smaller and/or less labor intensive users, though.

Rationales

- Centrally located for regional and national markets (P)
- Availability of technicians and scientists (P)
- Within ½ hour of major college/university (P)
- Availability of office and flex space (P)
- Proximity to ATL Airport and surrounding business districts (P)
- High rate of educational attainment (P)
- Availability of executive and moderate-cost housing (P)
- Excellent broadband access and speed (P)
- High rate of population and labor force growth (P)
- Strong wages in *Manufacturing* sector (C)
- Competitive wages in *Information and Professional, Scientific, and Technical Services* sectors (P)
- *Emerging* growth in local *Manufacturing* sector (P)
- Ability to attract/retain the sizeable number of high-wage earners who presently out-commute (C)
- Average target subsector 2015 national earnings of \$103,214 (C)
- Average target subsector 10-year past job growth of 30.0% (C)
- Average major subsector projected 10-year job growth of 20.1% (C)
- Strong existing local pool of high-demand occupations (Table 6) (P)
- Quality of place assets: cultural activity, historic buildings and areas, medical facilities, low crime rate, shopping, medical, K-12 schools (P)

Table 5: Computers and Technology Target Subsectors

NAICS	Description	National Earnings, 2015	2005-2015 National Job Growth	2015-2025 National Job Growth Forecast	National Job Count, 2015 (Millions)
33441	Semiconductor and Other Electronic Component Manufacturing	\$116,334	-16.5%	-0.5%	0.38
33451	Navigational, Measuring, Electromedical, and Control Instruments Manufacturing	\$111,102	-9.6%	0.6%	0.40
511210	Software Publishers	\$151,134	34.4%	25.4%	0.37
518210	Data Processing, Hosting, and Related Services	\$96,089	18.1%	9.7%	0.38
5415	Computer Systems Design and Related Services	\$104,709	43.2%	26.2%	2.30
5416	Management, Scientific, and Technical Consulting Services	\$74,145	40.5%	24.8%	1.59
5417	Scientific Research and Development Services	\$131,235	14.7%	14.8%	0.70
WEIGHTED AVERAGES/TOTALS		\$103,214	30.0%	20.1%	6.12

Source: EMSI, Garner Economics

Table 6: Computers and Technology: Fayette County Existing Labor Pool of High-Demand Occupations-2015

Occupation	Employed in Fayette County
General and Operations Managers	940
Management Analysts	715
Bookkeeping, Accounting, and Auditing Clerks	672
First-Line Supervisors of Office and Administrative Support Workers	467
Team Assemblers	440
Financial Managers	355
Chief Executives	353
First-Line Supervisors of Production and Operating Workers	198
Financial Analysts	188
Computer User Support Specialists	177
Computer Systems Analysts	174
Software Developers, Applications	155
Web Developers	136

Occupation	Employed in Fayette County
Computer Programmers	119
Software Developers, Systems Software	103
Computer and Information Systems Managers	99
Office and Administrative Support Workers, All Other	95
Network and Computer Systems Administrators	86
Electrical and Electronic Equipment Assemblers	78
First-Line Supervisors of Helpers, Laborers, and Material Movers, Hand	61
Computer Network Support Specialists	52
Assemblers and Fabricators, All Other	37
Database Administrators	35
Computer Network Architects	32
Computer Operators	25

Source: EMSI, Garner Economics

HEALTH SERVICES



The industries in the health services target already form the backbone of the Fayetteville economy. The *Health Care & Social Assistance* sector presently accounts for 20 percent of its jobs. Much of this industry centers around Piedmont Fayette Hospital, which is the largest private employer in the City, with about 1,450 jobs, and is considered the premier health care facility on Atlanta's Southside. The hospital's status is being enhanced further by its recent affiliation with the MD Anderson Cancer Network.

In addition to being Fayetteville's largest industry group, health care has also been one of its fastest growing. From 2010-2015, the sector added more than 1,000 jobs in the City. More importantly, local wages in this sector are comparable to national averages, while most other local sectors pay far below national averages.

In spite of the major presence and growth prospects of this cluster, the local health care industry is limited by its orientation to providing retail health care services to the local resident market, as opposed to regional destination services. As such, the growth prospects of Piedmont Fayette Hospital and of related health care industries will be dictated by demand growth from Fayette County and surrounding areas. With continued population growth and an aging population in the area, this target should see sustained growth.

Another component of this target is specific to the region's aging population: the care and housing of the elderly. This target includes nursing care facilities, continuing care retirement communities, and assisted living facilities. With Fayette County's median age 7.1 years above the state average, these facilities will clearly be needed in the local area in the future.

Rationales

- Centrally located for local and regional markets (P)
- Availability of skilled medical workers (P)
- Availability of post-secondary vocational training (P)
- Within ½ hour of college/university (P)
- Availability of executive and moderate-cost housing (P)
- Presence of Piedmont Fayette Hospital (C) (P)
- Availability of fully served and attractive office sites and space (P)
- High rate of population and labor force growth (P)
- High median household income level (P)
- High median age in local and regional population (P)
- High concentration of employment in *Health Care* sector (P)
- Strong wages in *Health Care* sector (C)
- Strong local *Competitive* effect for *Health Care* sector (P)
- Strong growth for *Healthcare Practitioners and Technical* and *Healthcare Support* occupations (P)
- Average target subsector 2015 national earnings of \$58,753 (C)
- Average target subsector 10-year past job growth of 33.6% (C)
- Average major subsector projected 10-year job growth of 23.7% (C)
- Strong existing local pool of high-demand occupations (Table 8) (P)
- Quality of place assets: cultural activity, historic buildings and areas, medical facilities, low crime rate, shopping, K-12 schools (P)

Table 7: Health Services Subsectors Target Subsectors

NAICS	Description	National Earnings, 2015	2005-2015 National Job Growth	2015-2025 National Job Growth Forecast	National Job Count, 2015 (Millions)
621111	Offices of Physicians (Except Mental Health Specialists)	\$101,436	20.5%	18.7%	2.72
621112	Offices of Physicians, Mental Health Specialists	\$76,050	14.9%	12.1%	0.11
621210	Offices of Dentists	\$61,185	16.9%	17.4%	0.98
6213	Offices of Other Health Practitioners	\$45,387	43.4%	24.4%	1.44
6214	Outpatient Care Centers	\$68,561	57.1%	33.0%	0.78
621511	Medical Laboratories	\$69,199	38.4%	26.1%	0.21
621512	Diagnostic Imaging Centers	\$72,069	10.2%	12.2%	0.08
621610	Home Health Care Services	\$29,536	67.5%	38.3%	1.80
623110	Nursing Care Facilities (Skilled Nursing Facilities)	\$38,213	4.8%	14.0%	1.66
623311	Continuing Care Retirement Communities	\$33,380	53.7%	31.3%	0.47
623312	Assisted Living Facilities for the Elderly	\$28,757	32.1%	23.6%	0.44
WEIGHTED AVERAGES/TOTALS		\$58,753	33.6%	23.7%	10.69

Source: EMSI, Garner Economics

Table 8: Health Services: Fayette County Existing Labor Pool of High-Demand Occupations-2015

Occupation	Employed in Fayette County
Registered Nurses	730
Nursing Assistants	442
Medical Assistants	327
Dental Assistants	240
Licensed Practical and Licensed Vocational Nurses	239
Home Health Aides	226
Physicians and Surgeons, All Other	216
Clinical, Counseling, and School Psychologists	177
Massage Therapists	176
Pharmacy Technicians	150
Dental Hygienists	121
Pharmacists	115
Dentists, General	84
Opticians, Dispensing	73

Occupation	Employed in Fayette County
Medical Transcriptionists	72
Emergency Medical Technicians and Paramedics	70
Physical Therapists	68
Optometrists	63
Family and General Practitioners	51
Medical and Clinical Laboratory Technicians	50
Medical and Clinical Laboratory Technologists	46
Radiologic Technologists	45
Nurse Practitioners	43
Occupational Therapists	41
Chiropractors	39
Physician Assistants	38
Medical Records and Health Information Technicians	37
Surgical Technologists	34

Source: EMSI, Garner Economics

Table 9: Target Subsector Descriptions

Small Business, Retail, and Film Production Support Services

NAICS 4452 Specialty Food Stores

This industry group comprises establishments primarily engaged in retailing specialized lines of food.

NAICS 4481 Clothing Stores

This industry group comprises establishments primarily engaged in retailing new clothing.

NAICS 453220 Gift, Novelty, and Souvenir Stores

This industry comprises establishments primarily engaged in retailing new gifts, novelty merchandise, souvenirs, greeting cards, seasonal and holiday decorations, and curios.

NAICS 485320 Limousine Service

This industry comprises establishments primarily engaged in providing an array of specialty and luxury passenger transportation services via limousine or luxury sedans generally on a reserved basis. These establishments do not operate over regular routes and on regular schedules.

NAICS 485510 Charter Bus Industry

This industry comprises establishments primarily engaged in providing buses for charter. These establishments provide bus services to meet customers' road transportation needs and generally do not operate over fixed routes and on regular schedules.

NAICS 531120 Lessors of Nonresidential Buildings (Except Miniwarehouses)

This industry comprises establishments primarily engaged in acting as lessors of buildings (except miniwarehouses and self-storage units) that are not used as residences or dwellings. Included in this industry are: (1) owner-lessors of nonresidential buildings; (2) establishments renting real estate and then acting as lessors in subleasing it to others; and (3) establishments providing full service office space, whether on a lease or service contract basis.

NAICS 561311 Employment Placement Agencies

This US industry comprises establishments primarily engaged in listing employment vacancies and in referring or placing applicants for employment. The individuals referred or placed are not employees of the employment agencies.

NAICS 561320 Temporary Help Services

This industry comprises establishments primarily engaged in supplying workers to clients' businesses for limited periods of time to supplement the working force of the client. The individuals provided are employees of the temporary help service establishment. However, these establishments do not provide direct supervision of their employees at the clients' work sites.

NAICS 711410 Agents and Managers for Artists, Athletes, Entertainers, and Other Public Figures

This industry comprises establishments of agents and managers primarily engaged in representing and/or managing creative and performing artists, sports figures, entertainers, and other public figures. The representation and management includes activities such as representing clients in contract negotiations; managing or organizing clients' financial affairs; and generally promoting the careers of their clients.



Small Business, Retail, and Film Production Support Services (continued)

NAICS 711510 Independent Artists, Writers, and Performers

This industry comprises independent (i.e., freelance) individuals primarily engaged in performing in artistic productions, in creating artistic and cultural works or productions, or in providing technical expertise necessary for these productions. This industry also includes athletes and other celebrities exclusively engaged in endorsing products and making speeches or public appearances for which they receive a fee.

NAICS 722310 Food Service Contractors

This industry comprises establishments primarily engaged in providing food services at institutional, governmental, commercial, or industrial locations of others based on contractual arrangements with these types of organizations for a specified period of time. The establishments of this industry provide food services for the convenience of the contracting organization or the contracting organization's customers.

NAICS 722320 Caterers

This industry comprises establishments primarily engaged in providing single event-based food services. These establishments generally have equipment and vehicles to transport meals and snacks to events and/or prepare food at an off-premise site. Banquet halls with catering staff are included in this industry. Examples of events catered by establishments in this industry are graduation parties, wedding receptions, business or retirement luncheons, and trade shows.

NAICS 722330 Mobile Food Services

This industry comprises establishments primarily engaged in preparing and serving meals and snacks for immediate consumption from motorized vehicles or non-motorized carts. The establishment is the central location from which the caterer route is serviced, not each vehicle or cart. Included in this industry are establishments primarily engaged in providing food services from vehicles, such as hot dog carts and ice cream trucks.

NAICS 722410 Drinking Places (Alcoholic Beverages)

This industry comprises establishments known as bars, taverns, nightclubs, or drinking places primarily engaged in preparing and serving alcoholic beverages for immediate consumption. These establishments may also provide limited food services.

NAICS 72251 Restaurants and Other Eating Places

This industry comprises establishments primarily engaged in one of the following: (1) providing food services to patrons who order and are served while seated (i.e., waiter/waitress service) and pay after eating; (2) providing food services to patrons who generally order or select items (e.g., at a counter, in a buffet line) and pay before eating; or (3) preparing and/or serving a specialty snack (e.g., ice cream, frozen yogurt, cookies) and/or nonalcoholic beverages (e.g., coffee, juices, sodas) for consumption on or near the premises.

Professional and Corporate Office Users

NAICS 5411 Legal Services

This industry comprises offices of legal practitioners known as lawyers or attorneys (i.e., counselors-at-law) primarily engaged in the practice of law. Establishments in this industry may provide expertise in a range or in specific areas of law, such as criminal law, corporate law, family and estate law, patent law, real estate law, or tax law. It additionally includes the offices of notaries, title abstract and settlement offices, and all other legal services.

NAICS 541211 Offices of Certified Public Accountants

This US industry comprises establishments of accountants that are certified to audit the accounting records of public and private organizations and to attest to compliance with generally accepted accounting practices.

NAICS 541214 Payroll Services

This US industry comprises establishments (except offices of CPAs) engaged in the following without also providing accounting, bookkeeping, or billing services: (1) collecting information on hours worked, pay rates, deductions, and other payroll-related data from their clients; and (2) using that information to generate paychecks, payroll reports, and tax filings.

NAICS 541219 Other Accounting Services

This US industry comprises establishments (except offices of CPAs) engaged in providing accounting services (except tax return preparation services only or payroll services only). These establishments may also provide tax return preparation or payroll services.

NAICS 551114 Corporate, Subsidiary, and Regional Management Offices

This US industry comprises establishments (except government establishments) primarily engaged in administering, overseeing, and managing other establishments of the company or enterprise. These establishments normally undertake the strategic or organizational planning and decision making role of the company or enterprise.

NAICS 561110 Office Administrative Services

This industry comprises establishments primarily engaged in providing a range of day-to-day office administrative services such as financial planning, billing and recordkeeping, personnel, and physical distribution and logistics for others on a contract or fee basis. These establishments do not provide operating staff to carry out the complete operations of a business.

NAICS 5614 Business Support Services

This industry includes a range of sectors that provide services to other business types, including document preparation, telephone call centers, business service centers, collection agencies, credit bureaus, repossession, court reporting, and other related services.

Computers and Technology

NAICS 33441 Semiconductor and Other Electronic Component Manufacturing

This industry comprises establishments primarily engaged in manufacturing semiconductors and other components for electronic applications. Examples of products made by these establishments are capacitors, resistors, microprocessors, bare and loaded printed circuit boards, electron tubes, electronic connectors, and computer modems.

NAICS 33451 Navigational, Measuring, Electromedical, and Control Instruments Manufacturing

This industry comprises establishments primarily engaged in manufacturing navigational, measuring, electromedical, and control instruments. Examples of products made by these establishments are aeronautical instruments, appliance regulators and controls (except switches), laboratory analytical instruments, navigation and guidance systems, and physical properties testing equipment.

NAICS 511210 Software Publishers

This industry comprises establishments primarily engaged in computer software publishing or publishing and reproduction. Establishments in this industry carry out operations necessary for producing and distributing computer software, such as designing, providing documentation, assisting in installation, and providing support services to software purchasers. These establishments may design, develop, and publish, or publish only.

NAICS 518210 Data Processing, Hosting and Related Services

This industry comprises establishments primarily engaged in providing infrastructure for hosting or data processing services. These establishments may provide specialized hosting activities, such as web hosting, streaming services, or application hosting; provide application service provisioning; or may provide general time-share mainframe facilities to clients. Data processing establishments provide complete processing and specialized reports from data supplied by clients or provide automated data processing and data entry services. This industry includes data centers.

NAICS 5415 Computer Systems Design and Related Services

This industry comprises establishments primarily engaged in providing expertise in the field of information technologies through one or more of the following activities: (1) writing, modifying, testing, and supporting software to meet the needs of a particular customer; (2) planning and designing computer systems that integrate computer hardware, software, and communication technologies; (3) on-site management and operation of clients' computer systems and/or data processing facilities; and (4) other professional and technical computer-related advice and services.

NAICS 5416 Management, Scientific, and Technical Consulting Services

This industry comprises a range of establishments that provide consulting services related to one or more of the following fields: business, administrative management, human resources, marketing, logistics, or environmental.

NAICS 5417 Scientific Research and Development Services

This industry comprises establishments primarily engaged in conducting research and experimental development in the physical, engineering, and life sciences, such as agriculture, electronics, environmental, biology, botany, biotechnology, computers, chemistry, food, fisheries, forests, geology, health, mathematics, medicine, oceanography, pharmacy, physics, veterinary, and other allied subjects. It additionally includes establishments primarily engaged in conducting research and analyses in cognitive development, sociology, psychology, language, behavior, economic, and other social science and humanities research.

Health Services

NAICS 621111 Offices of Physicians (Except Mental Health Specialists)

This industry comprises establishments of health practitioners having the degree of M.D. (Doctor of Medicine) or D.O. (Doctor of Osteopathy) primarily engaged in the independent practice of general or specialized medicine (except psychiatry or psychoanalysis) or surgery. These practitioners operate private or group practices in their own offices (e.g., centers, clinics) or in the facilities of others, such as hospitals or HMO medical centers.

NAICS 621112 Offices of Physicians, Mental Health Specialists

This industry comprises establishments of health practitioners having the degree of M.D. (Doctor of Medicine) or D.O. (Doctor of Osteopathy) primarily engaged in the independent practice of psychiatry or psychoanalysis. These practitioners operate private or group practices in their own offices (e.g., centers, clinics) or in the facilities of others, such as hospitals or HMO medical centers.

NAICS 621210 Offices of Dentists

This industry comprises establishments of health practitioners having the degree of D.M.D. (Doctor of Dental Medicine), D.D.S. (Doctor of Dental Surgery), or D.D.Sc. (Doctor of Dental Science) primarily engaged in the independent practice of general or specialized dentistry or dental surgery. These practitioners operate private or group practices in their own offices (e.g., centers, clinics) or in the facilities of others, such as hospitals or HMO medical centers. They can provide either comprehensive preventive, cosmetic, or emergency care, or specialize in a single field of dentistry.

NAICS 6213 Offices of Other Health Practitioners

This industry comprises a range of health care professionals, including chiropractors, optometrists, mental health practitioners, physical, occupational and speech therapists, audiologists, podiatrists, and other areas of expertise.

NAICS 6214 Outpatient Care Centers

This industry includes establishments that provide specialized outpatient treatment such as family planning, mental health, substance abuse treatment, kidney dialysis, ambulatory surgery, and emergency care.

NAICS 621511 Medical Laboratories

This industry comprises establishments known as medical laboratories primarily engaged in providing analytic or diagnostic services, including body fluid analysis, generally to the medical profession or to the patient on referral from a health practitioner.

NAICS 621512 Diagnostic Imaging Centers

This industry comprises establishments known as diagnostic imaging centers primarily engaged in producing images of the patient generally on referral from a health practitioner.

NAICS 621610 Home Health Care Services

This industry comprises establishments primarily engaged in providing skilled nursing services in the home, along with a range of the following: personal care services; homemaker and companion services; physical therapy; medical social services; medications; medical equipment and supplies; counseling; 24-hour home care; occupation and vocational therapy; dietary and nutritional services; speech therapy; audiology; and high-tech care, such as intravenous therapy.



Health Services (continued)

NAICS 623110 Nursing Care Facilities (Skilled Nursing Facilities)

This industry comprises establishments primarily engaged in providing inpatient nursing and rehabilitative services. The care is generally provided for an extended period of time to individuals requiring nursing care. These establishments have a permanent core staff of registered or licensed practical nurses who, along with other staff, provide nursing and continuous personal care services.

NAICS 623311 Continuing Care Retirement Communities

This industry comprises establishments primarily engaged in providing a range of residential and personal care services with on-site nursing care facilities for (1) the elderly and other persons who are unable to fully care for themselves and/or (2) the elderly and other persons who do not desire to live independently. Individuals live in a variety of residential settings with meals, housekeeping, social, leisure, and other services available to assist residents in daily living. Assisted living facilities with on-site nursing care facilities are included in this industry.

NAICS 623312 Assisted Living Facilities for the Elderly

This industry comprises establishments primarily engaged in providing residential and personal care services (i.e., without on-site nursing care facilities) for (1) the elderly or other persons who are unable to fully care for themselves and/or (2) the elderly or other persons who do not desire to live independently. The care typically includes room, board, supervision, and assistance in daily living, such as housekeeping services.

Source: US Census Bureau, Garner Economics

CHAPTER 3: OBSERVATIONS & RECOMMENDATIONS—WHERE DO WE GO FROM HERE?



To ensure that Fayetteville can leverage its many assets and strengthen its business climate so as to retain the companies it currently has, as well as attract its targets and others, the City must be proactive in shaping Fayetteville’s economic future and setting it apart from

other peer jurisdictions.

The following observations, conclusions, and recommendations are based on data and feedback collected during Phase I and noted in the previously cited *Competitive Realities Report*. They also build upon the assessments made to prioritize the business targets identified in Chapter 2.

The resulting body of work suggests that the City has an opportunity to improve its business climate and make changes to its local development program to better attract the talent and companies that will create more opportunity within the City’s boundaries. The recommendations look to build upon the many assets Fayetteville has and to fill any product gaps.

As noted in the introductory chapters, this assessment—and the observations therein—were developed from a site-selector perspective. The recommendations are built with an eye toward those areas that will differentiate Fayetteville. The first goal of this master plan/strategy is to provide the City with a framework for the City Council to consider its economic development service delivery and activities to support and augment the work of other city departments and organizations involved in economic development. Therefore, these recommendations are designed to go beyond traditional recruitment, expansion, and retention activities. The recommendations look at Fayetteville and its economic future holistically and explore ways to better connect and leverage the City’s talent and workforce, entrepreneurship, infrastructure, and business climate.

As with any strategy, there will be some elements that the City can take on independently. There will be other initiatives that will need to be taken on in collaboration with others or in support of others. The City administration will be a champion for the initiatives as a means to improve the City’s competitiveness as a place to do business and one that can attract the types of talent that will drive the economy for years to come. The recommendations were written so as to calibrate the City’s actions to its specific role.

Garner Economics developed the conclusions and recommendations with the following principles for the City in mind:

- **Undertake economic development activities in the context of work being done to strengthen not only the City, but also the entire region.** For Fayetteville to capitalize on such potential, Garner Economics recommends that the city government take a more proactive approach to driving the City’s growth—changing parts of the City’s economic development service delivery, working to improve the City’s overall product, and better telling the story of the many assets Fayetteville has to offer as a home for business.
- **Be a leader.** The success of the economic development strategy will depend not only on the changes the City makes regarding how it does business and services its clients, but also on its ability to be a leader within the City for making the case for such collaboration and change. Where there continues to be disagreement as to the future trajectory of Fayetteville’s growth, the City government should work to build consensus around paths that are realistic given the City’s assets and potential, as well as around those that provide a strong enough value proposition so as to differentiate Fayetteville from its competitors and peers.



Recommendations for action are categorized under three areas of opportunity: Execute Effectively (Effective Service Delivery), Enhance the Product (Product Improvement), and Tell the Story (Marketing).

Execute Effectively	
Enhance the City’s role as a leader in economic development by aligning Fayetteville’s mission and focus on those areas that will directly impact economic growth.	
Enhance the Product	Tell the Story
Strengthen the infrastructure, talent pool, and business climate of the City so that Fayetteville can attract investment and talent.	Be a better spokesperson for the economic dynamism of the community by effectively communicating and engaging site-location advisors, entrepreneurs, and companies within the targeted business sectors.

EXECUTE EFFECTIVELY (EFFECTIVE SERVICE DELIVERY)

If the City of Fayetteville is to enhance its role as a leader in economic development for the region, then City government must align their mission and focus on those areas that will directly impact economic growth.

- 1. **Reorganize the City’s Community Development Department to effectively seize on current and future economic opportunities.**

Observation: The City does not have a true economic development department by name or in the traditional sense. Rather, it has a community development department that serves as the de facto economic development entity for the City. This includes managing and administering Planning and Zoning, the City's Main Street Program, and operating The Southern Ground Amphitheater. They provide staff support to the City of Fayetteville Downtown Development Authority and the Fayetteville Main Street Tourism Association. With 2.5 FTEs, they perform admirably. However, the City wishes to enhance its economic development efforts, and, as such, it will need to grow its economic development initiative and staffing. The City’s community development budget (economic development) is \$275,000, which is significantly below the average benchmark in the Southeast of \$500,000 for a community the size of Fayetteville.

Recommendations:

- a. **Rename the community development department to the Economic and Community Improvement (or Development) Department.** This name change is more than symbolic. It first conveys to the citizens of Fayetteville and general public what the community development functions have been doing for some time—creating opportunity and working diligently as a catalyst and or facilitator to execute initiatives by using the name “economic.” However, in reality, economic and community have two separate and distinct roles. The economic component of the department will work in wealth-building opportunities for the City, which is the definition of economic development. It conveys growth and serves in a proactive manner to achieve success.

The community improvement component focuses on building the product (the City of Fayetteville is the product). The two operate in tandem, and you must have an effective community development function to allow those engaged in economic development something to effectively market and sell.

- b. **Hire an Economic Development Director.** As part of the reorganization, the City should hire a professional economic development director, who will serve as the department head for the expanded department. This person will manage the department and serve in a capacity to work with existing Fayetteville businesses in their expansion efforts, recruit new businesses noted in the previous chapter as part of the Optimal Targets for Fayetteville, and provide overall leadership, support, and direction to the City Manager, City Council, Mayor, and staff for the overall management of the department.

Best practice example: Woodstock, Georgia

<http://www.woodstockga.gov/index.aspx?NID=425>

- c. **The Planning and Zoning function should be a stand-alone department.** Currently, Planning and Zoning is under the community development department. It is the wrong place for the role they are in, which is to administer the planning and zoning laws and regulations and administer building and code enforcement for the City. Planners are regulators, and though they need to demonstrate a culture of yes, they are ultimately responsible for administering the planning and zoning rules and regulations of the City (with the understanding that being adaptive and flexible where possible is paramount to achieving success). Economic and community developers are doers. Their focus is on insuring economic opportunity for the residents of the City.

Though this proposed organization structure is not meant to create silos, it does illustrate the difference of the organizational tasks and job. It would be analogous to putting police and public safety under the direction of the Main Street program. It just does not fit as part of the existing community development or soon-to-be-named economic and community development department (Figure 9). Planning and Zoning, along with Building and Code Enforcement, should be autonomous and be led by an engineer or planner.

Best practice example: Columbus, Georgia
<http://www.columbusga.org/Planning/>

FIGURE 9: PROPOSED ORGANIZATION CHART



2. **Expand the existing Fayetteville Downtown Development Authority (DDA) to a more citywide Development Authority, encompassing the City’s radius business district boundaries.**

Observation: The City has a Downtown Development Authority as prescribed under Georgia law. Its mission is to allow the City to use the tools available to DDAs to provide the ability to enhance economic opportunity within the Central Business District (CBD) of the City. DDAs allow “the revitalization and redevelopment of the central business districts of the municipal corporations of this state develop and promote for the public good and general welfare trade, commerce, industry, and employment opportunities and promote the general welfare of this state by creating a climate favorable to the location of new industry, trade, and commerce and the development of existing industry, trade, and commerce within the municipal corporations of this state. Revitalization and redevelopment of central business districts by financing projects under this chapter will develop and promote for the public good and general welfare trade, commerce, industry, and employment opportunities and will promote the general welfare of this state. It is, therefore, in the public interest and is vital to the public welfare of the people of this state, and it is declared to be the public purpose of this chapter, so to revitalize and redevelop the central business districts of the municipal corporations of this state.” O.C.G.A. SEC. 36-42-2.

Recommendation: Fayetteville needs a broad Development Authority that will allow for the City to offer incentives, development, and finance options as the current DDA is able to provide within its territorial boundaries. Ideally, the expansion of the current DDA, that will follow the City's tax allocation districts and incorporate development corridors along Highways 85 and 54 and the CBD, is more ideal than creating a separate Development Authority. In conversations with a Georgia attorney who specializes in development authorities, his initial reaction is that an expansion of the current DDA may be possible and should be explored. If a legal opinion is returned that an expansion of the current DDA is not advisable, then it is recommended that the City create a citywide Development Authority that allows the City to offer the same benefits to new and expanding businesses as the current DDA. A consolidated DDA should be renamed as the Fayetteville Development Authority.

Best practice example: Alpharetta Development Authority
<http://growalpharetta.com/business-assistance/development-authority/>



3. Promote the existing Tax Allocation District in Fayetteville

Observation: In 1985, the Georgia General Assembly authorized the formation of Georgia's form of tax increment financing called Tax Allocation Districts (TADs). This redevelopment funding mechanism, which is used in more than 40 states, earmarks some or all of the new local real property and/or sales tax revenues generated within a specific geographic area for reinvestment within that area. TAD revenues are typically applied to finance the capital costs related to infrastructure, land acquisition, relocation, demolition, utilities, and planning initiatives. A TAD offers local governments the opportunity to undertake redevelopment projects in areas that would otherwise not receive investment.

Fayetteville created its first and only TAD in 2013. However, the program is not known in the community by many developers and potential investors, and the City does not effectively market the TAD. The City has a one-page flyer that gives a poor description of the TAD (see Appendix A). The TAD is not mentioned on the City's website, and there is no published formal application process for property owners or developers to request financial support from the TAD.

Recommendation: The City needs to create a *Frequently Asked Questions* (FAQs) section and application process on the community development page of its website regarding the TAD. Gwinnett County, Georgia, offers a best practice example of a FAQs page for its TADs and other items related to economic development in the County. Fayetteville should replicate what Gwinnett has done.

Best practice example: Gwinnett County, Georgia

<https://www.gwinnettcounty.com/portal/gwinnett/Departments/Plannin gandDevelopment/EconomicDevelopment/TaxAllocationDistricts;>

<https://www.gwinnettcounty.com/static/departments/planning/Economic%20Development/TADs/Gwinnett%20Tax%20Allocation%20District%20Policy.pdf>

4. Make the case for sustainable funding sources to improve the City's economic development infrastructure and identify catalytic programs to use the monies effectively.

Observation: Focus group participants and survey respondents commented that the City has a need for significant infrastructure improvements including roads to help traffic patterns, bike trails, green space, a performing arts venue, and more to allow for quality economic growth and to strengthen the City's quality of place. However, these needs take resources or money, which the community must provide. As the community works to enhance its infrastructure, such as the New Downtown Plan related to this economic development strategy, the City must take the lead to find a sustainable funding source to present those plans and strategies from sitting on the "shelf of shame." In all likelihood, this type of transformational initiative will take a series of champions, including assistance in the state legislature. A sustainable funding source for Fayetteville would serve as a catalyst for those city economic development initiatives that would otherwise be problematic to implement but would significantly improve the City's business climate.

The State of Texas offers one precedent of the need and impact of such foresight. In 1979, the Texas Legislature decentralized economic development by giving cities and counties more control over their destinies. It allowed each entity to vote on a one-cent sales tax for tools and investments needed to better "sell" themselves as a location for

business (e.g., deal closing funds, entrepreneurial development, venture capital or early stage investment funding, and product improvement such as infrastructure or increased air service). As a result, Texas is ranked by most in the industry as having a strong economic program and is the best practice example of sustainable funding for economic development on the local level.



Recommendation: Improvements to the City's economic development infrastructure will be costly. Hence, to ensure that adequate and reliable funding is available, Fayetteville should work with the Georgia Municipal Association and its local legislative delegation to create a sustainable funding stream for economic development projects and needs that will benefit the region as a whole. Because the projects and initiatives will allow Fayetteville to leapfrog its competition by making strategic improvements, this approach would have a profound positive impact on economic development in the area.

Another example for funding is an enhancement of the current Georgia TAD program. As currently structured, it is not as competitive as some other states that have modified Tax Increment Financing programs. Louisiana allows the local governing body to assess a sales tax and without a referendum dedicated to a tax increment financing area, such as Georgia's TAD boundaries, for a specific amount of time so that these proceeds can be used for certain projects related to economic development. This approach would allow the public leadership of a municipality to act based on public need and create a revenue stream to pay off the bonded indebtedness on a project, such as a downtown redevelopment initiative or a performing arts venue.

Best practice examples: One particular non-Texas community is Topeka, Kansas. The Joint Economic Development Organization (JEDO) was established by an inter-local agreement between Shawnee County and the City of Topeka, Kansas, in 2001. The JEDO Board is comprised of 13 members. Voting members include the three Shawnee County Commissioners, City of Topeka Mayor and Deputy Mayor, and two City Council members. Nonvoting members are the remaining six Council members. JEDO is funded through the one-quarter of one cent countywide retailers' sales tax established by the inter-local agreement and is to be used for economic development. It generates about \$5.5 million annually for economic development purposes within the City and County.

For enhancements to the Georgia TAD program, Iberia Parish, Louisiana, is a best practice example for how to acquire a funding stream effectively for economic development purposes within specific geographic boundaries.

<https://parishe-file.revenue.louisiana.gov/FaqPDFs/iberiatifletter.pdf>.

5. Advocate for and develop a realistic and sustainable incentive policy for the City.

Observation: Incentives are a part of the competitive landscape in economic development and the city must have a clear, executable policy that city staff can confidently present to business prospects and local businesses that qualify. The incentives should be targeted to agreed-upon business sub sectors. Policies are written for the benefit of business and the public. Incentives that follow policy should be approved at an administrative level with the exception of extraordinary cases or cases where an exception to



the policy is contemplated. However, ratification of incentives by policy makers is usual and customary. The risk of course is that Council will change the rules during the process, which in turn will usually result in the project finding another location. Though being adaptive and flexible in incentive offerings has merit, most (not all) companies, consultants, and developers would prefer to see a uniform incentive structure based on the value of the capital investment, jobs created, and total economic impact on the community. In short, the investor would like to know the ground rules up front as it relates to incentives. Besides cash grants, incentives may include deferral of certain City fees, tax abatements, accelerated permitting, etc.

Recommendation: To properly and more accurately set expectations for companies considering investment in the City, the City should develop a uniform incentive policy that incorporates those policies and procedures with the level of incentives calibrated to projected economic impact of the project and the projected return on investment to the community. The City should post this information on a page on their website that is easily accessible. Policies will include clawback provisions and a return on investment/economic impact analysis, which should be done by the City's Economic & Community Development Department at time of application by the company applicant.

Best practice example: Wichita and Sedgwick County, Kansas.
http://www.sedgwickcounty.org/finance/incentive_policy.asp

ENHANCE THE PRODUCT (PRODUCT IMPROVEMENT)

The City’s product is defined as the infrastructure—including a favorable business climate—needed to attract investment in the City. Local marketing efforts are only successful if the City has a community “product” to sell, including sites and buildings, transportation infrastructure, utility infrastructure, workforce development, leadership, and incentives.

1. Recruit a vocational tech two-year college to Fayetteville.

Observation: Many of today’s and future career opportunities will be with occupations and careers that require a certification or a post-secondary two-year degree. Many of the targeted businesses recommended in the optimal targets for Fayetteville validate that assertion. Fayetteville has been successful in attracting a campus of the Georgia Military College (GMC) and now the Georgia Film Academy. However, a missing link is a two-year technical college, such as Southern Crescent Technical College based in Griffin, Georgia.

Recommendation: The City should work to attract an additional campus of Southern Crescent Technical College (SCTC), just as the City did in securing a GMC campus. Currently, SCTC has campuses in six locations. Market growth in the Fayette region should validate the need for a Fayette location. This higher education opportunity will allow Fayetteville to more proactively compete in a changing global economy.

2. Develop a city-sponsored or city-owned Center for Visual and Performing Arts.

Observation: Focus groups and survey respondents noted the need to attract more corporate employers and businesses that would provide residents of Fayetteville employment alternatives. Both recognized, however, that Fayetteville is at a disadvantage to other areas in the Atlanta metropolitan region, as it has few amenities to attract young professionals. Focus group participants also recognized the need to

create locations to draw people to Fayetteville from around the region—be it downtown, creating mixed-use complexes, or upgrading retail alternatives.

Additionally, a student survey was conducted by the City and, out of the 20 student respondents, only

four plan to return to Fayetteville after they finish their degrees. Those indicating that they have no intention of returning to Fayetteville after college or an advanced degree cited the lack of job opportunities and things to do.

When asked to indicate the top items the focus group respondents would like to see the City leadership take on to strengthen Fayetteville’s ability to attract and retain quality companies and talent to the City—without worrying about money or politics—a performing arts venue was at the top of the list.

Recommendation: Having the necessary venue (building) and programs to grow the cultural opportunities is a necessity if Fayetteville wants to be able to attract the best companies and talent to the community without having that talent leaving as out-commuters.



Williamsport, Pennsylvania

Many of the stakeholders that voiced the need for an arts center suggested a downtown location. The City's downtown is quaint and attractive and, as with most cities, a downtown differentiates the community, for good or bad. Fayetteville's downtown, though small, is attractive and offers potential to grow other city-sponsored marquee development projects like an arts center. Bringing population density downtown is paramount for success if any retail establishment hopes to grow.

The City should 1) undertake a market assessment and analysis of the best location for the performing arts venue, whether it be downtown, West Fayetteville, or wherever; and 2) as part of the assessment, conduct a financial feasibility analysis that also takes into consideration the funding plan for the venue, understanding that a facility such as this provides a community service and most often is not a profit generator for the City.

Best practice examples:

- Williamsport, Pennsylvania Community Arts Center: <http://www.caclive.com/index.php>
- Midlothian, Texas Conference Center: <http://www.midlothian.tx.us/index.aspx?NID=198>
- Rohnert, California Paradise Performing Arts Center: <http://www.paradisepperformingarts.com/tour.php>
- Clifton, Texas Bosque Arts Center: <http://www.bosqueartscenter.org/>

3. Implement the key recommendations from the 2010 LCI Urban Study for Fayetteville, which will in turn help attract a younger population to live in Fayetteville.

Observation: The 2002, the Fayetteville LCI Study focused on crafting a community vision and outlining land-use and transportation strategies to reinforce Fayetteville's historic downtown area, build a critical mass to support downtown businesses, improve connectivity, and foster a more walkable environment. While the LCI's framework plan included redevelopment recommendations for GA 85 and aging retail centers, the short-term work plan focused primarily on downtown and the area between downtown and the Villages at Lafayette Park.

Since that time, economic factors have significantly impacted aging commercial centers and stalled new development and redevelopment initiatives throughout the region. While financial resources are limited due to the recent economic downturn, significant advances have been made over the last several years regarding redevelopment of greyfield sites including strip centers, auto dealerships, and other large parcels along high-traffic corridors and the creation of more compact town center and activity center developments in suburban locations. The 2010 LCI Supplemental Study provides an opportunity to consider development and redevelopment opportunities along GA 85 and GA 54, refine and apply Fayetteville's LCI and smart growth vision, and devise development and redevelopment concepts that will be ready to move forward as the economy continues to rebound.

"Arts, cultural areas, hip bars and dining options, and edgy retail shopping would attract more 30-somethings to live here."

—Survey Respondent

Recommendation: The LCI 2010 update is well done and offers specific guidance for the City to move forward as it relates to its commercial corridors. With the exception of the creation of the Tax Allocation District, which was recommended in 2010 and implemented in 2013, other items have not received the same attention or level of implementation. Without the proper staff and funding resources as noted in the previous recommendations, implementation is always problematic.

Five key recommendations remain for the City to implement:

1. **Diversify the mix of land uses in the downtown area.**
2. **Encourage the development of more residential uses within the LCI study area.**
3. **Encourage the creation of office and institutional uses in downtown to reinforce the importance of the City's core.**
4. **Create a network of public investments to create a new identity for the study area.**
5. **Focus on implementing one or more catalyst projects, e.g., the performing arts venue and a new City Hall.**

4. Create a plan to improve gateways into the City—including new signage, landscaping, and beautification initiatives.

Observation: As reiterated by focus group participants and survey respondents, the gateways into Fayetteville (Highways 85 and 54) are either nondescript or are aesthetically displeasing. As a way to welcome both visitors and potential businesses, the City should work to improve major gateways by enhancing landscaping and creating signage that clearly indicates entrance into the City's boundaries and into downtown.

Recommendation: A community beautification initiative, e.g., Keep Fayetteville Beautiful, would be a way to make an immediate impact on the brand of the City. Model programs such as "Keep America Beautiful" would be a relatively easy way to mitigate the negative perceptions. The City could recruit another organization such as the Fayette County Chamber of Commerce to be the lead on the campaign and create its own 501(c)3 status as a not-for-profit, tax-exempt organization. Existing businesses would also be engaged and see the positive impact of the City's action.

Best practice examples: Keep America Beautiful is the nation's leading nonprofit that brings people together to build and sustain vibrant communities. The network of more than 1,200 affiliate and participating organizations works with volunteers to help take action in their communities through tested programs that improve the cleanliness and aesthetic appeal of those communities.

http://www.kab.org/site/PageServer?pagename=grants_home

The City of Mobile, Alabama, has adopted such a program:
<http://keepmobilebeautiful.org/>

Other examples:

- Augusta, Georgia: The City of Augusta, Georgia, formed a public/private partnership between the Georgia Department of Transportation, the Augusta Convention and Visitors Bureau, local businesses, and concerned citizens to work on several projects aimed at beautifying the City's major corridors. For each of these projects, the group has commissioned plans, conducted bids, managed construction, and continues to oversee ongoing weekly landscape maintenance.

<http://www.augustaga.gov/index.aspx?NID=1695>

- Jersey City, New Jersey: The Jersey City, New Jersey, Gateway Beautification program sought to enhance the appearance of the Gateway areas and to make them safer by upgrading planting and maintenance of trees, shrubs, evergreens, and flowering plants and installing paved walkways and crosswalks, decorative steel fencing, flag and banner poles, and lighting. The program is run by the Jersey City Division of Economic Development.

<http://www.jcedc.org/Pages/beautification.html>

- Midland, Michigan: The wayfinding and gateways program in Midland, Michigan, reflects the Frank Lloyd Wright-inspired architecture on gateways, parks, and recreational areas. The case for such an extensive wayfinding program is in reinforcing the entire urban brand through placemaking.



5. Provide the public free, high-speed Internet access to enhance the visitor and resident experience in the Core Business District and in disadvantaged neighborhoods where access is limited based on affordability.

Observation: Access to broadband infrastructure is critical to the development of distressed areas and is an enabling platform for rapidly growing business sectors such as e-commerce, social networking, online education, health IT systems, and delivery of public services. High-speed connections are increasingly becoming a fundamental infrastructure element rather than a luxury for an area. The basic premise of carpeting an area with wireless service in urban centers is that it is more economical to the community to provide the service as a utility rather than to have individual households and businesses pay private firms for such a service. Such networks are viewed as capable of enhancing city management and public safety, especially when used directly by city employees out in the field. They can also be viewed as a social service to those who cannot afford private high-speed services such as DSL.

Recommendation: Fayetteville should take action to build a free, high-speed wireless node, preferably throughout the City, but in the downtown and in distressed neighborhoods, at the least. This effort will show residents, visitors, and entrepreneurs that the community has embraced technology and supports a mobile workforce. By working with appropriate vendors to create areas downtown and in specific, disadvantaged neighborhoods that have access to free, high-speed wireless Internet connections, Fayetteville will not only create an amenity that will draw activity to the area, but will also provide an added utility and asset to some of the economically disadvantaged populations noted above. This can be sponsor-driven or in partnership with the City's utility franchisees such as AT&T and Comcast. Either would be a smaller cost obligation to the City.



Best practice examples:

- Old Town Alexandria, Virginia:
http://www.alexandriava.gov/news_display.aspx?id=14280
- Amherst, Massachusetts:
<http://amherstma.gov/index.aspx?NID=805>
- Anderson, Indiana:
<http://www.cityofanderson.com/wifi.aspx>
- Ponca City, Oklahoma:
<http://www.poncacityok.gov/index.aspx?NID=417>
- Mountain View, California (in conjunction with Google) :
http://www.mountainview.gov/services/learn_about_our_city/free_wifi.asp

6. Conduct a downtown parking study that will recommend areas for parking growth

Observation: The City has been effective and successful in growing business around the square and Central Business District. But, as part of that success, there are fewer parking options for shoppers and diners to park in a convenient manner. Parking is an important function in growing a city's downtown since a CBD is competing with shopping centers and strip centers that have an abundance of free parking. The availability of parking in the CBD surfaced as a key challenge in focus groups and on the electronic survey.

Recommendation: The City should contract with a professional consulting firm that does parking analyses and subsequent recommendations on where additional surface or garage parking may occur, based on future growth.



TELL THE STORY (MARKETING)

In being more proactive, Fayetteville and its redesigned department of economic and community development have the opportunity to tell the City's story more effectively and to be a better spokesperson for the economic dynamism of the community. Site-location advisors, entrepreneurs, and companies within the targeted business sectors are the primary audience for such efforts.

1. Create a separate economic development portal to enhance the City's website and address the needs of location consultants and potential investors.

Observation: The City's website woefully lacks the information that potential investors to the City would find useful related to their due diligence of a location. An economic development organization's website is its most important marketing tool to attract investment into the region. As such, the City website needs to be designed to offer the resources that meet its primary and specific audiences' needs.

Recommendation: As the City strengthens its economic development and marketing efforts, its website should be adjusted to be aimed at the information needs and the interests of location advisory audiences, individuals/entrepreneurs, and companies doing site searches on their own. The site's navigation functionality, graphic appeal, and available data should be built and directed to these external audiences.

From the perspective of a location advisory firm, Garner Economics suggests the following recommendations when developing the City economic development portal:

- Navigation should be restructured to serve each target sector, especially for recruitment. Successful websites have oriented navigation by audience type, such as the four industry targets.
- While advisors will begin their expansion or location search via the Internet, eventually real-time contact with considered locations is made. Contact information (especially phone) should be clearly visible on each page (e.g., in the header of the site) and on all material for printing or downloading.
- Data most commonly considered in the location process by site selectors and corporate end-users should be available and easily accessible. The data compiled for Fayetteville from the *Competitive Realities Report* should be used.
- A PDF creator should be employed, so visitors can customize documents for printing or downloading.
- Branded, thematic maps should be created to orient and inform website visitors.



- Social media tools should be integrated into the website’s strategy, given the local audience and investors that use such tools. Site-location consultants and many companies that are engaged in the site-location search will not use social media as frequently; however, potential work talent and employees do, and they may influence their company’s location decision.
- Have specific data related to retail, downtown, and the movie and film industry.

Best practice examples:

- Rockingham County, North Carolina Department of Economic Development and Tourism, <http://www.ncnorthstar.com/>
- City of Opelika, <http://www.opelikaeconomicdevelopment.org/>
- City of Alpharetta, <http://growalpharetta.com/>



2. Partner with local and regional economic development allies to market the City.

Observation: Having an external marketing program is expensive and often times not very effective. Unless a community has a large external marketing budget, it’s not cost-effective to convey your City’s value proposition in a way that would resonate with a targeted audience.

Recommendation: Garner Economics subscribes to the mantra that you market yourself regionally and sell yourself locally. The City should create strategic and financial alliances with those economic development organizations (EDOs) that have a budget to market the locality. Both the Fayette Chamber and County Development Authority have limited budgets related to marketing, so before a local marketing alliance should be explored, an assessment of a total marketing budget for the County or region should be offered and then the marketing strategy proposed to accomplish the objective. That should determine any financial contribution from the City for a regional or County marketing alliance.

3. The City's economic development staff should engage Atlanta-area commercial developers about the City's value proposition.

Observation: Fayetteville is growing, and based on new developments occurring and plans for future growth opportunities, transformative change is very possible. But the key to Fayetteville's economic success will be to grow smartly.

Recommendation: The City's new economic development staff should develop relationships and network with major commercial developers in the region that can help influence transformative or catalytic projects. Fayetteville is developing a tremendous story to tell. There are individuals in the region who can influence the investment of millions of dollars in the region. By doing so, they can make Fayetteville top of mind in case an appropriate project fits the area. National and international real estate brokerage firms are the first start in this effort. Working in tandem with the Metro Atlanta Chamber and the Fayette County Development Authority is the first start.

4. Re-brand (or create) a unified Fayetteville brand.

Observation: The City's website shows no brand identity or tagline. It uses the cliché: **A great place to live, work, and play**, which every City in America attempts to boast. Its closest brand identity is a stylized Fayetteville.

Recommendation: Fayetteville needs an overall brand identity that can be used by the City and the economic office for both business and retail development and tourism promotion.



In a recent webinar touting how visitors can have a positive influence on traditional economic development activities, Atlas Advertising noted the following:

- Places leave the most lasting impressions, tangible or intangible, on human beings. And human beings still make the decision where a company stays or relocates to and, similarly, where they want to vacation.
- As the world becomes more competitive at a faster and faster rate, choices for visitors and companies get harder. Digital has become the game changer.
- As companies work to locate where the workforce is and visitors seek out their next vacations, how your brand attracts and retains those audiences is the destination challenge of the next 25 years.
- Having a brand gives you the tools to have a real dialogue about your place.

As such, the City should engage a firm that specializes in brand development to create a unified brand for the City of Fayetteville.

Best practice examples: Columbus, Indiana; Virginia Beach, Virginia; Branson, Missouri; Kokomo, Indiana.

CHAPTER 4: CONCLUSION



With its strong sense of community and history, and being located close to major air hubs, Fayetteville has much potential to claim a place for business within the Atlanta metropolitan region. To reach such potential, the City realizes that—if it is to adequately prepare for growth and create more and better opportunities for its citizens—more must be done to proactively

welcome investment to the community, align its economic development efforts, and create the quality of place that will attract and retain talent. The City must also find consensus around the type of community it wants to become and confront the challenges that are impeding it from being a competitive place for business and talent to locate.

This Economic Development Strategy provides a roadmap for City leaders to take on these tasks. It provides long-term organizational and structural investments to ensure that Fayetteville can mitigate current challenges and better leverage its assets. The Strategy also calls on the Fayetteville leadership to take on catalytic initiatives to strengthen the City's quality of place assets. Such bold and strategic steps will help Fayetteville differentiate itself and attract the target business sectors and similar activity.

In order to redirect the City's trajectory for growth, leadership will need to be more proactive and execute its economic development efforts differently. It will need to be a champion for long-term investments that will add to the City's product and quality of place, as well as ensure that sufficient resources are available to fund such goals. As this strategy suggests, the City must take a more structured approach to economic development by ensuring that the correct level of personnel and attention is paid to the City's economic growth, and that the City can grow and nurture Fayetteville's quality of place in the long-term. At the same time, Fayetteville must become more adaptive and flexible to encourage investment and better serve existing companies.

Coupled with this change, Fayetteville will need to be more proactive and outward-facing in its marketing and attraction effort. In addition to targeting the optimal industries noted earlier in this report, the City must work with other economic development partners and stakeholders to create and encourage the development of the spaces and places where such activity will occur.

The end result will be to greatly improve the City's attractiveness for business and talent. The status quo is not an option. By taking on actionable and measurable plans to focus its marketing and attraction efforts and transform the City's business climate, Fayetteville will become more competitive. With added focus, the City can make huge strides in its economic development efforts and build the community it desires.

Garner Economics would like to thank the City of Fayetteville staff, the focus group participants, and the residents who took the time to complete the electronic survey. The staff's feedback, compilation of data, and information, as well as their openness and willingness to explore various opportunities to strengthen operations, have contributed to the richness and rigor of this strategy.



RECOMMENDATIONS SUMMARY

The results of this work create an economic development strategy for Fayetteville that will be a key to the City’s future success. By taking proactive action to set its own trajectory, Fayetteville can ensure that it builds economic opportunities for its residents, businesses, and future residents. The following is a summary of the recommendations offered in this strategy. (These were developed given the analysis and assessment taken during the first two phases of the project.)

Strategy	Description	Actions
Execute Effectively—Effective Service Delivery	Enhance the City’s role as a leader in economic development in the region by aligning Fayetteville’s mission and focus on those areas that will directly impact economic growth.	<ol style="list-style-type: none"> 1. Reorganize the City’s Community Development Department <ol style="list-style-type: none"> a. Rename the community development department b. Hire an Economic Development Director c. Separate the Planning and Zoning functions from economic development 2. Explore expanding the existing Fayetteville Downtown Development Authority to encompass radius business district boundaries 3. Promote the existing Tax Allocation District 4. Make the case for sustainable funding sources 5. Create a City incentive policy
Enhance the Product—Product Development	Strengthen the infrastructure, talent pool, and business climate of the City so that Fayetteville can attract investment and talent.	<ol style="list-style-type: none"> 1. Recruit a vocational tech school or two-year college to Fayetteville 2. Develop a city-sponsored or city-owned Center for Visual and Performing Arts 3. Implement the key recommendations from the 2010 LCI Urban Study for Fayetteville, which will in turn help attract a younger population to live in Fayetteville 4. Create a plan to improve gateways into the City—including new signage, landscaping, and beautification initiatives 5. Provide the public free, high-speed Internet access to enhance the visitor and resident experience in the Core Business District and in disadvantaged neighborhoods where access is limited based on affordability 6. Conduct a downtown parking study that will recommend areas for parking growth
Tell the Story—Product Marketing	Be a better spokesperson for the economic dynamism of the community by effectively communicating and engaging site-location advisors, entrepreneurs, and companies within the targeted business sectors.	<ol style="list-style-type: none"> 1. Create and separate economic development portal to enhance the City’s website and address the needs of location consultants and potential investors 2. Partner with local and regional economic development allies to market the City 3. The City’s economic development staff should engage Atlanta area commercial developers about the City’s value proposition 4. Re-brand (or create) a unified Fayetteville brand



APPENDIX A: FAYETTEVILLE TAX ALLOCATION DISTRICT FAQ

What if property values go down within the TAD?

If the total digest within the TAD were to be less than the 2013 base assessed value, then no monies would be deposited to the TAD fund that year. Monies are only collected for the TAD fund when it exceeds the 2013 base amount.

If the lump sum of taxes collected from all properties within the TAD are higher than the total from 2013, then that overage amount goes to the TAD fund. Individual properties may go up and down, but we only deposit into the TAD fund the net increase of the entire district's tax collections.

How do you address a millage rate change?

Any positive change to the total \$\$ amount collected in the TAD (from the 2013 base level) is deposited to the TAD fund, including increases resulting from millage rate hikes. Likewise, if a taxing authority elects to reduce their millage rate, and that causes the district's assessed value to fall below the total 2013 base value, then no monies would be deposited into the TAD fund that year.

What if public property is sold to the private sector and vice-versa?

The assessed value of public property when the TAD base was established was certified at \$0, therefore, when that property is sold to the private sector, it becomes part of the taxable digest. The taxing authorities have agreed to collect no more than the 2013 base \$\$ amount in the TAD district for the life of the TAD. Therefore, the full value of such a property is counted towards the total increase of the TAD digest. Likewise, if a taxable property is purchased by a public or other nonprofit entity, its assessed value goes to \$0 when calculating the TAD digest each year.