



**Tuesday, May 8, 2018**  
**REGULAR MEETING - SECOND TUESDAY - WORK SESSION**

**RALEIGH CITY COUNCIL MEETING**  
**4:00 PM**  
**CITY COUNCIL CHAMBER, ROOM 201**  
**222 WEST HARGETT STREET**  
**RALEIGH, NORTH CAROLINA**

**Nancy McFarlane, Mayor**  
**Corey D. Branch, Mayor Pro Tem**  
**David N. Cox**  
**Kay Crowder**  
**Stef Mendell**  
**Russ Stephenson**  
**Nicole Stewart**  
**Dickie Thompson**

**NOTICE TO HEARING IMPAIRED**

Assistive listening devices are available upon request. Interpreters for deaf and hearing impaired persons are available. If needed, please provide a 24-hour notice by calling 996-3100 (voice) or 996-3107 (TDD).

**A. MEETING CALLED TO ORDER BY THE MAYOR**

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**Subject**                      **1. Wake Transit Bus Implementation Study & Major Investment Corridors Study**

**Meeting**                      May 8, 2018 - REGULAR MEETING - SECOND TUESDAY - WORK SESSION

**Category**                      A. MEETING CALLED TO ORDER BY THE MAYOR

**Type**                          Information

David Eatman, Transportation

Transit staff will provide an update of the status of the Wake Transit Bus Implementation Study and the Major Investment Corridors Study. Nelson\Nygaard, the prime consultant performing both studies, will review with Council the materials released for public comment on April 27. In addition, the consultant will provide an update on the timelines for implementation.

**Subject**                      **2. U.S. Department of Treasury Potential Opportunity Zone Designation**

**Meeting**                      May 8, 2018 - REGULAR MEETING - SECOND TUESDAY - WORK SESSION

**Category**                      A. MEETING CALLED TO ORDER BY THE MAYOR

**Type**                          Information

Jennifer Bosser, City Manager's Office

Recently passed federal legislation, known as The Tax Cuts and Jobs Act (H.R.1), created the Opportunity Zone program led by the U.S. Department of the Treasury. The legislation authorizes each state to designate up to 25 percent of its total low-income census tracts as qualified Opportunity Zones. Low-income census tracts are defined as areas where the poverty rate is 20 percent or greater and/or family income is less than 80% of the area median income.

The legislation creates a tax break for qualified investors that desire to re-invest unrealized capital gains, avoiding standard capital gain tax obligations. The City, in partnership with Wake County, identified and recommended ten census tracts to the North Carolina Department of Commerce (NCDOC) that fit the guiding principles and criteria as outlined by the federal government. Overall, the state of North Carolina has more than 1,000 census tracts that qualify; the NCDOC submitted a final list of 252 candidate zones with at least one low-income census tract in all 100 counties.

Each of the ten sites identified and submitted to the NCDoc by are included in the April 20 recommendation to the U.S. Department of the Treasury. The U.S. Department of the Treasury will review the final recommendations from each state and provide final certification later this year, along with more specific guidelines and processes for the program as well as a projected timeline for the availability of funding.

**File Attachments**

[20180508OEDLowIncomeCensusTractsInAll100CountiesSelectedAsPotentialNorthCarolinaOpportunityZonesApril23,2018.pdf \(331 KB\)](#)

[20180508OEDOpportunityZoneTractNominationsWakeCounty.pdf \(1,068 KB\)](#)

**Subject 3. Innovation Fund**

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Category A. MEETING CALLED TO ORDER BY THE MAYOR

Type Discussion

Derrick Minor, City Manager's Office

In 2014 City Council authorized the creation of the Innovation Fund, a program to be used to help entrepreneurial startup companies and small businesses by providing resources necessary to develop into thriving businesses. The Innovation Fund was allocated \$100,000 annually for five years (FY15-FY19) and to date has been used to create strategic partnerships between the City and multiple private organizations. The strategic partnerships are intended to support the types of businesses we are actively seeking to grow, retain and recruit. These include, but are not limited to, high-growth startups and small businesses focused on technology, consumer products, social innovation, life sciences, and traditional main street industries.

To date, appropriations to the fund have been allocated to Launch Raleigh; the NC State Technology Incubator; The Innovators Program; and Innovate Raleigh. In addition funding was utilized to support the creation of the JobsRaleigh small business grant program. During the work session staff will be recommending administrative changes to the Innovation Fund to better enhance the ability of the funding to create more strategic and equitable partnerships that align with the adopted Strategic Plan and assist with enlarging the impact on to the local small business community.

**Subject 4. Building Up-fit and jobsRaleigh Grant Programs**

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Category A. MEETING CALLED TO ORDER BY THE MAYOR

Type Discussion

Tiffany McNeill, City Manager's Office

The Office of Economic Development & Innovation administers two financial grant programs; the Building Up-fit Grant and the jobsRaleigh Grant each of which are beneficial to small businesses.

In 2016, the Council authorized creation of the Building Up-fit Grant, a program that provides assistance to business property owners and small businesses in making improvements, renovation, and/or additions to interior spaces. The fund has been allocated \$500,000 annually for the past two years (FY17 and FY18). To date Building Up-fit funds have been awarded in 22 grant awards; demand continues to outpace available funding. During the work session staff will be recommending administrative changes to the grant policy to more clearly describe project timelines; revise the existing scoring matrix; and adjust the number of grants allowed per location.

In 2017, the City Council adopted the jobsRaleigh Grant program to assist small businesses. The program provides grants to companies based upon the creation of new jobs within the City; initial funding was a reallocation Innovation Fund appropriations in the amount of \$100,000. To date two (2) applicants have been offered the jobsRaleigh grant. During the work session staff will be recommending policy revisions that will adjust requirements for the net worth of individual owner(s), raising the maximum net worth criteria from \$250,000 to \$500,000 for jobsRaleigh grant applicants.