



Leadership North Carolina Class 33
Duke Energy Economic Development Session

Case Study Exercise Scenario #1: Bringing Food to the Desert

Learning Team Assignments

Learning Teams 1 - 3

- Invisible Strings
- Metro Merge 85
- Common Threads

The Goal

To provide participants with real world (or close to real world) examples of the public discourse, execution, & impact of economic development projects of various types. Participants will gain a greater understanding of how they as stakeholders and/or private residents can become engaged in the evaluation of the projects through their ability to ask the right questions or state viable concerns. They will also learn about metrics used to define success for communities – both traditional metrics and those that may be non-traditional but emerging as important factors in how economic developments are viewed.

The Situation

A building on a busy corner for vehicular & pedestrian traffic sat vacant for over 25 years. It had been a grocery store – a great resource for a low to moderate income community whose gradual decay soon followed the demise of the grocery store. The building had become an eyesore, on an important corridor up the street from a local university and just a few blocks from downtown. As with many communities, not much separated the hustle & bustle of downtown from some of the most extreme poverty and blight in the community.

A new possibility emerged. An out of state grocery store chain that specialized in building stores in low to moderate income communities in either ultra rural or ultra urban areas had taken an interest in the neighborhood to create a new location. They had approached the

Town about how it may help them secure land to build a new store that would be similar in size to its typical store – 12,000 to 15,000 square feet, and the Chain was interested in the Town providing them a grant too from one of the City’s established grant programs.

Here was the problem. With all of the development in the town, available land needed to build a new store was hard to come by. And, there were those within Town administration that believed that City grants for this type of activity should be for the full benefit of the community, not just for the company. Put differently, in the words of the City Manager, “if they want taxpayers’ money, they need to commit to things that would help the community. We have a dilapidated building in an area where they want to locate. It was a grocery store at one time. Why can’t they renovate that?”

The Town’s Economic Development Office had its charge and marching orders. Convince the chain to renovate the building and land, mostly broken-up asphalt that could be resurfaced into a parking lot. And in order to strengthen the potential for economic development & growth, the department also negotiated a clause in an incentive agreement that stipulated that the company would use the local Career Center system (NC Works) to post jobs and try to recruit local talent for the 20-person workforce.

The deal was struck. Now, time to secure approval (or be rejected) by City Council.

The Assignment

1. During the Economic Development session, have each member of your learning team pick from one of the roles below:

The Actors

- **Economic Development Director** – thought that finding a company willing to rehabilitate a property was a huge win for the community and should be an easy sell to the neighborhood residents and Council
- **Local grocery store owner** – limited inventory; but staple of the community, good customer base from within the community
- **Community resident 1** – dissatisfied with the community option for fresh produce, typically travels outside the community to buy groceries, never traveling less than 5 miles and less than 25-30 minutes.
- **Community resident 2** – doesn’t like proposal for a “discount” chain, wants any tax dollars to support a higher-level grocery store
- **Local church with a non-profit and 501c3 designation** – the owner of the property where the vacant grocery store was. The property was long considered an eyesore in the community and was adjacent to their church.

- **Political Action Committee 1 Leader** – They and fellow members did not like the pattern of “corporate welfare” and governments “over-subsidizing” activities that should happen naturally in the market.
 - **Political Action Committee 2 Leader** - They and fellow members want jobs for the community and want them to be held by local residents
2. A script will be provided onsite for each role. You are strongly encouraged to ad lib and expand on that content, bringing in additional points and even outside research as long as they support your assigned perspective. During session your group will deliberate in a mock Public Hearing at your Learning Team table, to be convened by the Mayor (to be played by a planning committee member or external resource person) and perhaps 1 City Council member, with each class member having up to 4 minutes to speak from the perspective of their defined role.
 3. At the conclusion of the Public Hearing, the Mayor and Council member (if applicable) will cast a vote on whether to approve incentives from the local government for the project.
 4. In the large group session, you will report out on what you learned through the deliberation (the nature of the various perspectives presented, how they might be familiar or unfamiliar to you based upon what happens in your community, etc.). You will also be able to ask questions about how this process works in real life.