



CITY OF BENTON

Community Development

PO Box 607

Benton, Arkansas 72018

Memo

To: Mayor Holland
Benton City Council

From: Marsha Guffey

Date: January 28, 2009

Re: 2008 Economic Development Report

The **mission** of the Community Development Department with regards to Economic Development is:

To provide a framework within which public and private sector resources can be used to promote economic development. The Community Development Department will facilitate forums for effective collaboration between various entities to meet the needs and identify issues affecting Benton. The Community Development Department will provide leadership in making strategic use of available resources to achieve short and long-term economic development. In addition, the Community Development Department will serve as a focal point for identifying and addressing interdepartmental barriers to implementing economic development strategies.

Mayor Holland and the Council, particularly the Economic Development Committee, are integral to this process. Other partners include the Benton Chamber of Commerce, the Saline County Economic Development Corporation, Downtown Benton, the Advertising and Promotions Commission, and Metro Little Rock Alliance.

The template we have been working under was established when at the 2006 Vision for Economic Development meeting held at the Events Center. This meeting was facilitated by Jerry Smith of Arkansas State University. At that time, those present selected the six economic development strategies listed below for Benton. Under each strategy is a listing of the actions taken/being taken to implement each strategy.

1. Leverage scenic and quality of place amenities to attract knowledge workers (30%)

- Young Professionals/Business After Hours

The Benton and Bryant Chambers of Commerce teamed up to host several Business After Hours events, that were geared primarily to young professionals in Saline County, but also to others who might work out of town during the day, but wish to

network with other Saline County residents at night. These events have been well attended and future such events are anticipated for 2009.

- Downtown Historic District

In 2008, the Downtown Benton Historic District was nominated to the National Register, a historic district commission was established, and a locally protected historic district was established 2009 to preserve Benton's heritage. The historic downtown area is a great asset to Benton, and is an important draw for heritage tourism.

- Events Center

This project, if it comes to pass, will greatly enhance the scenic and quality of place amenities.

- South Street

Work on plans for the South Street Streetscape is underway with Sally Horsey of Carter-Burgess (now Jacobs). Mayor Holland is working with Metroplan on potential funding of this project.

- Sign Ordinance

Alderman Moore, Jim Towe, and a committee of realtors and people in the sign business have worked on a new ordinance for more than a year. Two presentations have been made at various Chamber of Commerce functions. This ordinance should enhance the visual appeal of Benton once it is implemented.

2. Cooperating with neighbors (28%)

- Young Professionals/Business After Hours--see above

- SCEDC--We continue to work with Saline County and the City of Bryant to attract industry and other jobs to Saline County. Two SCEDC sites have been finalists in major site selection decisions, and our SCEDC representatives continue to build relationships with influential sites locators. They have also developed a supersite in East Saline County, with the potential to bring major employment to this area. SCEDC also played a major role in the negotiations over the Benton/Bryant/Bauxite island annexation, helping to bring several hundred acres of Alcoa property into the City.

3. Commercial and retail development (16%)

- Buxton Study--the Buxton study has given us hard data about the Benton area retail market. Initial contacts were made with all 20 of our "matches." We have had more in-depth conversations and sent follow-up information to 4 of our matches.
- ICSC--The trip to the ICSC convention helped build relationships with key developers and realtors in the business. Attendance at the regional ICSC conference in Rogers gave another opportunity to network with key developers and realtors, as well as make more intimate contacts with businesses on our match list/wish list.
- Website--We do have an economic development link now on the City website. Some key retail sites have been identified, photographed, and listed on the website.
- Hotels--Several different groups have expressed interest in hotels. We have been hampered in getting a new hotel for a number of reasons including inadequate

sites with good east and west interstate access, and territory protection for hotels located in Bryant and other Central Arkansas cities being key ones. Additionally, some people believe that Benton does not have enough overnight stay generators (other than interstate traffic, for which Bryant's hotels meet the need). If the Events Center/Fairplex is constructed, we will then have an excellent overnight stay generator. Jill Jones has had contacts with other hotel possibilities and she is reporting a lot of interest around Exit 116 when the Events Center/Fairplex is constructed.

- Road development--The City is moving forward with plans for Sharon Road, which will help with access to the Hickory Square Shopping Center. The road planned to connect the service road with the Military Road red light at the Post Office ("Goody's Road" also known as Timberlane) will also help with retail and commercial development when it is built. This project, like Kenwood and Winchester Roads, is an excellent public/private partnership that will facilitate economic development.
- Relationships with Real Estate people--Contacts have been made with several commercial realtors in Central Arkansas, including Irwin Partners, Colliers International, Professional Realty Company, and Flakey and Kelley to explain to them that the Buxton study is available for their use. Because of their far-reaching contacts, Flake and Kelley has been engaged by the Benton City Council to assist with marketing Benton for retail development. We have also involved local realtors like Crye-Leike, and Phillips-Moudy-Duke in the Buxton study process, and specific information from the Buxton report will be made available to all realtors as the need arises.
- Contacts with retailers--Initial contacts were made twice with all retailers identified as matches from the Buxton Study. A promising conversation was had with Village Inn. Other non-Buxton companies contacted through ICSC's Arkansas/Oklahoma conference or other efforts include:

- Hobby Lobby
- Paul Michaels
- Cambria Suites and other hotel chains
- Firehouse
- Marketplace Grill
- EM Jeans from Conway
- Factory Connection
- Hungry Howie's Pizza
- Sam's Club

- Incentives

The Benton City Council passed two resolutions for economic development incentives for retail and manufacturing businesses. A retail incentive was given to Harp's grocery store to help facilitate its location in Benton.

- Zoning changes

The zoning ordinance has been amended several times to facilitate economic development, namely by removing height restrictions, removing lot size restrictions, and regulating more carefully where truck stops can be located.

- Key infrastructure

Key road projects have been mentioned above. Benton Utilities has worked diligently to provide water and sewer where needed, particularly to the Exit 114 properties, but also other needed areas in town. Adoption of the long-range water plan has enabled us to eliminate some problems with inadequate fireflow, thereby ensuring the ability to develop more parts of town.

4. Business & industry retention and expansion (12%)

- Alcoa voluntary annexation

Thanks to efforts of SCEDC, a deal was negotiated with Alcoa/Almatis/St. Gobain to allow them to remain out of the Benton city limits, while protecting areas key to Benton's growth. These 3 industries will be able to function more economically, and thereby keep their operations in Saline County.

- Survey of top employers

A survey of key employers was done in 2007, which led to several meetings with area employers and educators regarding workforce training in 2007/2008.

- Incentives

A resolution providing incentives for industrial/manufacturing employers was passed by the Council in 2008.

5. Attraction of retirement industry (7%)

- Advertisement in *Living in Arkansas*
- Work with State Retirement Attraction Coalition

6. Tourism development (7%)

- Events Center--see above
- Downtown Historic District--see above
- South Street improvements--see above

Mayor's Business Summit (2008)

Additional direction on economic development was provided by key business leaders at the Mayor's Business Summit in Spring 2008, much of which is incorporated in above actions.

IMPORTANT NEW BUSINESS OPENINGS

- Harp's
- Best Buy
- Petco
- Re-opening of Backyard Burgers
- Firestone