



Legislation Text

File #: [18-0900], Version: 1

Consider Approving Launch Accelerator and Co-Working Support Renewal and Increased Funding.

Staff:

Dwight Bassett, Economic Development Officer

Department:

Manager/Economic Development

Overview: The Town of Chapel Hill, Orange County and UNC Chapel Hill jointly agreed to establish and fund the Launch Accelerator in 2012 to provide co-working space and resources for start-up businesses in Orange County. As a part of the initial agreement and as an incentive to 3 Birds marketing to remain in Chapel Hill, we entered into an agreement to allow use of downtown parking spaces for 3 Birds and in exchange they agreed to contribute \$10,000 annually to Launch.

While the Town and Orange County have previously funded the organization through the Chapel Hill Downtown Partnership, Launch is now becoming a stand-alone non-profit. The non-profit will allow for broader programming to meet the needs of clientele and help in bringing in private dollars for financial support.

The current agreement expires on December 31, 2018. Orange County has the funding budgeted for the current fiscal year and they plan to agree to continue funding Launch through an InterLocal Agreement with the Town. This item renews our funding commitment and authorizes the Town Manager to enter into an agreement to fund the new organization, Launch, Inc. The non-profit's Executive Board can report back to Council in the next year on steps toward a strategic plan for the new Launch, Inc.



Recommendation(s):

That the Council adopt the resolution renewing and increasing funding for this economic development work and redirect the funds to the new non-profit.

Decision Points:

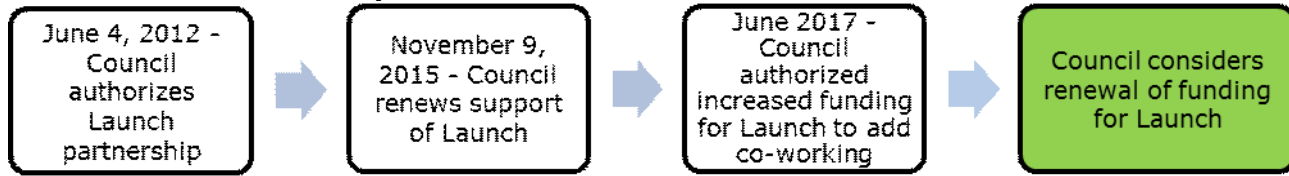
- Renew the Town's current funding for the organization (\$63,500)
- Consider increasing the Town's funding by \$10,000 annually (\$5,000 in the FY2018-2019 budget year) to replace the loss of contributions from 3 Birds Marketing, LLC (3 Birds) and to make a total annual funding commitment equal to the current County level of funding.

Key Issues:







- To continue our work to encourage entrepreneurship in Chapel Hill for job growth
- To offer a facility that nurtures and trains businesses to find success in their given field
- To make up for the loss of 3 Birds' \$10,000 annual contribution to Launch, previously provided as a condition of an economic development agreement between 3 Birds and the Town

Fiscal Impact/Resources: \$73,500 annually (\$30,000 previous support plus \$10,000 annually to replace 3 Birds support, and \$33,500 co-working expansion support) for three years.

Where is this item in its process?



Council Goals:

<input checked="" type="checkbox"/>		Create a Place for Everyone	<input checked="" type="checkbox"/>		Develop Good Places, New Spaces
<input checked="" type="checkbox"/>		Support Community Prosperity	<input checked="" type="checkbox"/>		Nurture Our Community
<input type="checkbox"/>		Facilitate Getting Around	<input checked="" type="checkbox"/>		Grow Town and Gown Collaboration



Attachments:

- Resolution
- Draft Staff Presentation

**A RESOLUTION AUTHORIZING THE RENEWAL AND INCREASE IN FUNDING FOR LAUNCH INC.
(2018-11-07/R-7)**

WHEREAS, Launch accelerator has become a strong contributor of economic development in Chapel Hill;
and

WHEREAS, the Town, Orange County and UNC Chapel Hill have a great partnership in helping to grow and nurture companies; and

WHEREAS, the Council of the Town of Chapel Hill desires to support and encourage this type of business growth; and

WHEREAS, Launch accelerator has seen 1124 Jobs created, 75 companies served \$12.7 million raised by Launch companies.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council agrees to renew and replace funding to support Launch Inc.

BE IT FURTHER RESOLVED that Town Council authorizes the Town Manager to enter into agreement with Launch, Inc. for a period of three years and to renew an InterLocal agreement with Orange County for the same period to continue this work.

This the 7th day of November, 2018.

The Agenda will reflect the text below and/or the motion text will be used during the meeting.

PRESENTER: Dwight Bassett, Economic Development Officer
Amy Linnane, Interim Director, Launch, Inc.

RECOMMENDATION: That the Council adopt the resolution renewing and increasing funding for this economic development work and redirect the funds to the new non-profit.