



HOLLY CHILDS, PRESIDENT + CEO

CAPE FEAR RCA LUNCH N' LEARN
05.20.21

WDI MISSION + INITIATIVES

MISSION

- To promote the economic growth and development of downtown Wilmington.

NEW PROGRAMS + INITIATIVES

- Expansion of Existing Services:*

- MSD Program: Ambassadors, Clean & Safe

- Developing Partnerships:*

- DBA, Chamber, Genesis Block, UNCW-CIE and SBTDC, CVB, Cape Fear Realtors, etc.

- Initiating Projects and Programs:*

- Project Grace, Gateway Project, 10th Street Station
- Façade Improvement Grants/Alleyway Activation Grants, Microloan Program



NEW WDI STRATEGIES

Economic Development

WDI needs to be the lead agency in attracting, retaining and expanding businesses and stimulating residential development downtown.

Less Focus on Events

Freeing up staff/volunteer time and financial resources allocated to events will make a huge difference in WDI's ability to **transform itself into an economic development force.**

Attraction + Recruitment

More resources need to be allocated to recruitment initiatives. Time needs to be spent in research and executing **very targeted marketing campaigns.**

Growth Opportunities: Geography + Funding

Growth opportunities include **expanding the WDI footprint** through expanding the MSD, which builds WDI's profile, relevance, stakeholder reach, and budget through generating additional revenues.

WDI Role + Partnerships

WDI has a key role to play in the region: **growing the business and residential base of the City's core.** This is not the role of the Chamber, Downtown Business Alliance, or Wilmington Business Development – but these other organizations are **all valued partners with whom relationships should be strengthened.**



NEW WDI STRATEGIES

Identify + Inventory Existing Assets

- Identify City- or County-owned properties, areas of blight, vacant surface parking lots, infill areas, etc. for redevelopment potential and create a list of priority development projects that would have the greatest impacts. WDI could become the lead agency in economic development project initiatives for the City and/or the County (e.g., it would be of great value to the County for WDI to spearhead projects like Project Grace, or to assist the City in identifying redevelopment opportunities with sites like the Castle Street Wave Transit site more quickly).
- Identify existing, growing regional/national businesses that would benefit from a downtown Wilmington location, and serve as a matchmaker for connecting these businesses to a downtown inventory of potential locations (office, retail, restaurants, etc.)

Local Equity-Building

- Focus on building local equity: solidify relationships and partnerships with existing developers, financial institutions, other development/business organizations (Chamber, Downtown Business Alliance, Wilmington Business Development), universities/colleges (UNC-Wilmington, Cape Fear Community College), hospitals (New Hanover Regional Medical Center), churches, museums, historical societies, public utilities.
- Concentrate WDI's economic strategy on increasing the local circulation of goods and services through creating strong partnerships and removing barriers to economic development.

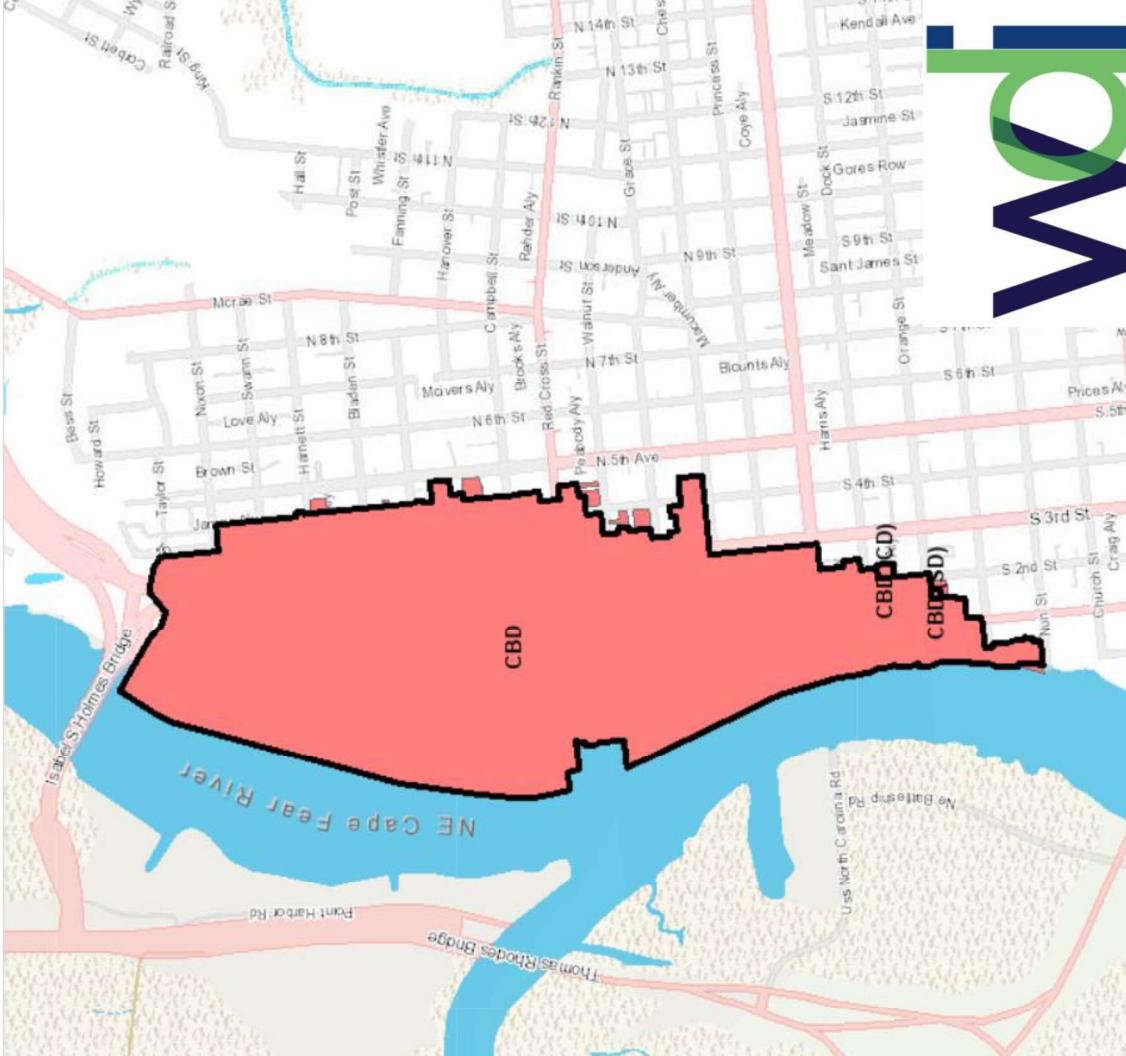




WDI MICROLOAN

PROGRAM SUMMARY

As an organization uniquely positioned to assist small businesses in downtown Wilmington in their recovery from the detrimental effects of COVID-19, Wilmington Downtown, Inc. (WDI) is proud to make available a new source of funding through its Microloan program. This program is designed to both attract and retain our businesses and jobs within our vibrant downtown through providing attractive, below-market financing to support our business community and help them to mitigate their operating cost challenges.

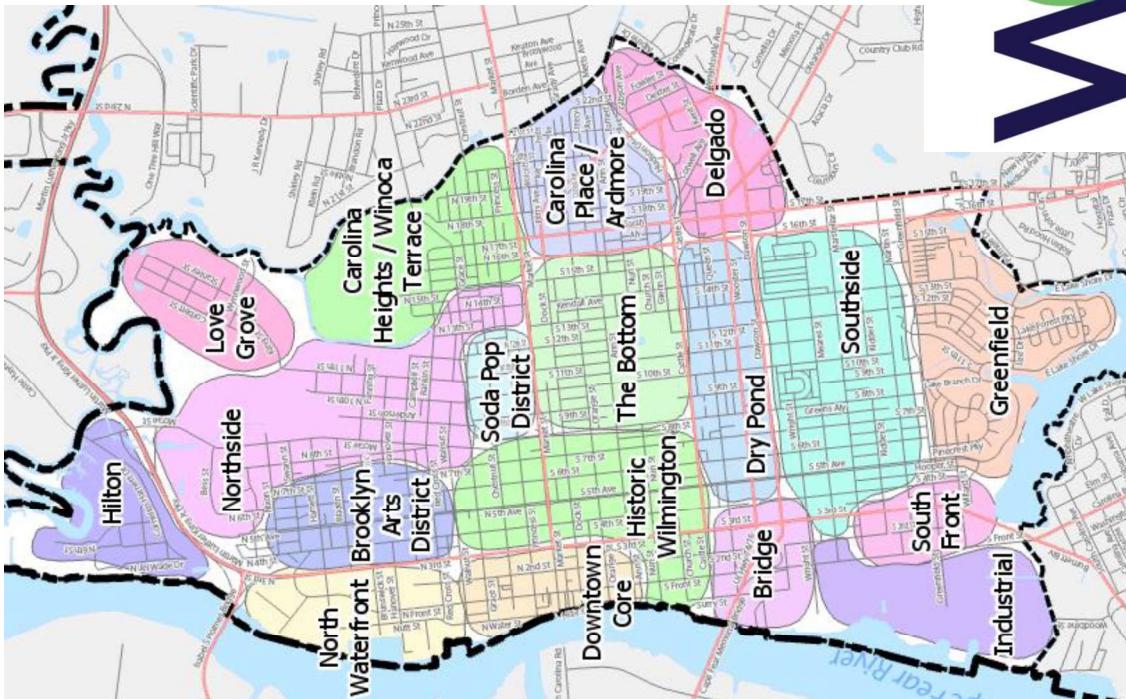


EXISTING WDI/MSD SERVICE AREA

Current Central Business District (CBD) as defined by the Municipal Services District (MSD) that went into effect in July 2017.

Under the MSD service plan, the funds raised within the MSD provide additional services only within that area and are managed by WDI, including:

- Ambassadors for additional safety and security
- Supplemental cleaning
- Amenities for enhanced beautification
- Enhanced economic development
- Targeted marketing and branding



POTENTIAL EXPANSION OF WDI/MSD SERVICE AREA

While the current area served by WDI includes the Downtown Core, Historic Wilmington, and parts of the North Waterfront and Brooklyn Arts District, given the exciting current and planned development in areas that are adjacent to or nearby the established MSD, it makes sense to consider adding all or parts of the following neighborhoods:

- Balance of the Brooklyn Arts District
- All of Northside
- All of the Soda Pop District
- The following “in between” neighborhoods: The Bottom, Bridge, Dry Pond, and Southside
- The South Front (SoFro) District



NEW MSD STRATEGIES

- Continue to focus on Safe and Clean as two primary services.
- Work with the City police, social service organizations and others to strategize on outreach to homeless folks and/or panhandlers.
- Work with the City on implementation of additional lighting and enhanced cleaning on Riverwalk.
- Design and conduct a hospitality training program for Ambassadors in conjunction with the CVB.
- Increased focus on alley activation to provide clean and safe pedestrian spaces.
- Work to keep the Ambassador program flexible to meet changing MSD needs and priorities in terms of hours and special projects.
- Increase marketing efforts for MSD Services with focus on outreach to ALL businesses within the MSD.
- Develop partnerships through special initiatives like the hand sanitizer program and our new WDI Microloan Program.

PROJECT GRACE

TIMELINE

- 2016 – Board of Commissioners and NHC staff began working with WDI on a Market & Site Analysis
- 2017 – Space Needs Analysis
- 2018 – RFP created, Zimmer development team engaged
- 2019 – Cape Fear Museum review
- 2020 – Historic and structural reviews, continued public input
- 2021 – Feb 23 WDI hosts Virtual Community Roundtable; Mar 15 NHC BOC Public Hearing + unanimous vote; Children's Museum as part of project; ~6 months to DA (revisiting space planning, design, construction plans, final estimates)
- Spring 2022 – Estimated construction start
- Late 2023 – Estimated completion



WDI MICROLOAN

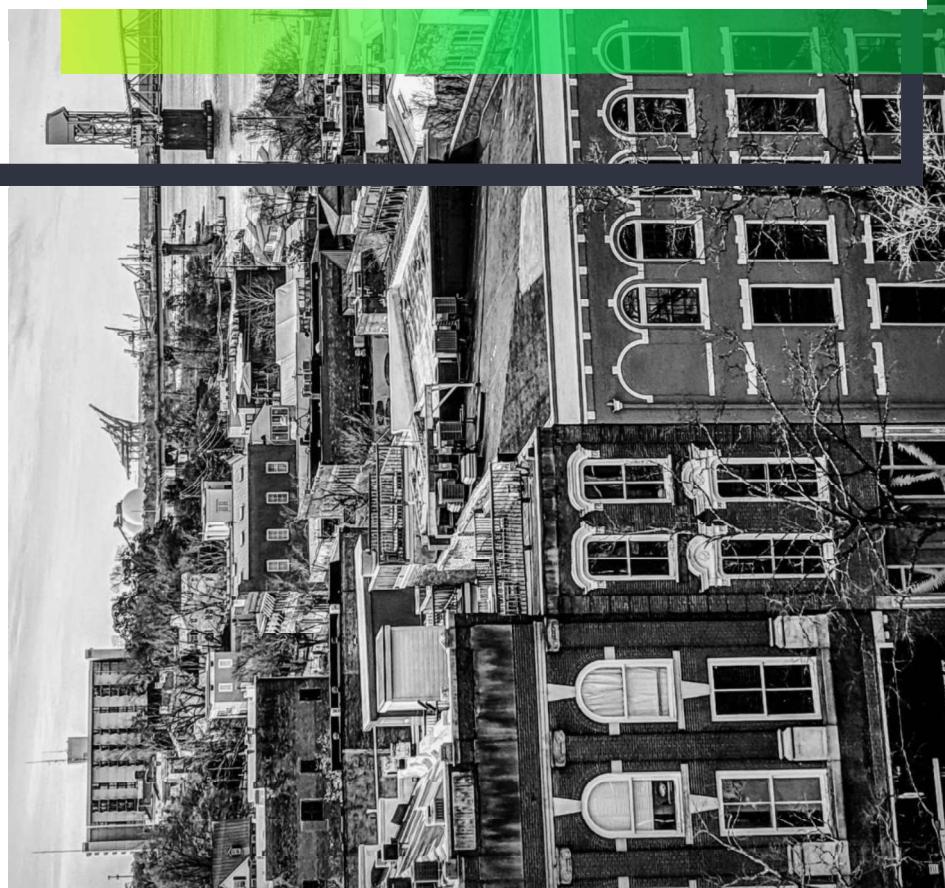
LOAN TERMS

- Only **commercial business owners** within the Central Business District, established commercial districts, and emerging districts (Soda Pop District, Cargo District, South Front District, Northside) are eligible applicants. Tax exempt entities such as religious or nonprofit groups are ineligible for loan funds.

- **Maximum loan amount** = \$20,000

- **Maximum term** = 5 years

- **Loan rate** = $\frac{3}{4}$ of the New York Prime rate as of the date of the application approval (2.44% as of May 19, 2021)



WDI MICROLOAN

LOAN TERMS

Payment deferral = Closed loans allow for loan payments to be deferred for the first 6 months. Interest on the loan will accrue during the deferral period.

Eligible expenditures include: inventory; furniture, fixtures and equipment; up to 3 months of rent or mortgage payments; equipment and equipment repairs; equipment to provide a safe/healthy environment for employees or customers; and adding or expanding e-commerce capabilities.

Ineligible expenditures include: personnel expenses/salaries; interior or exterior building renovations (unless the applicant owns the building); moving expenses; and vehicles.

In addition, applicants may not use funds to relocate from one building to another within downtown, unless this is the result of business expansion that creates new jobs.



WDI MICROLOAN

5 STEP LOAN PROCESS

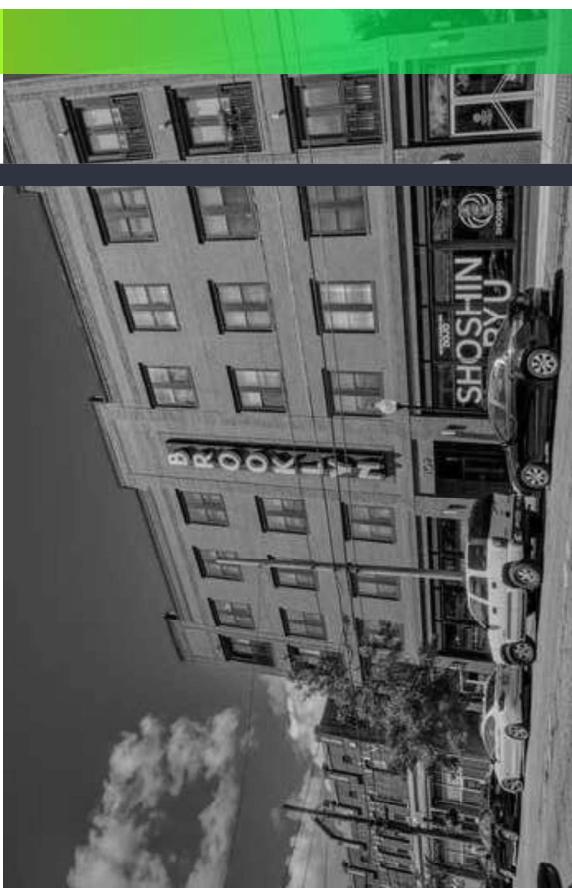
- **Step 1:** WDI accepts applications from small businesses that fit the parameters as outlined in the Terms. Marketing program heavily to women-, minority- and veteran-owned businesses.
- **Step 2:** After WDI Microloan Committee prequalification, WDI will forward the application to our lending partner, Civic Federal Credit Union (CFCU), who will instruct the applicant to fill out an online full application and document upload for underwriting.
- **Step 3:** CFCU will communicate with WDI regarding the credit determination. CFCU and WDI will provide the applicant with the outcome of this underwriting whether approved or declined.



WDI MICROLOAN

5 STEP LOAN PROCESS

- **Step 4:** CFCU will communicate with the applicant and WDI to set a closing and funding date for the loan and the repayment process.
- **Step 5:** CFCU will administer the loan once closed, sending out monthly billing and payment collection. CFCU will also work with WDI on creating reporting standards to generate loan program usage information.



WDI MICROLOAN

PROGRAM TABLE

WDI Intake and Microloan Committee Review = 5 - 7 business days for application intake, meeting with applicant and committee review.

Application received from WDI = CFCU will communicate with the applicant to start filling out the online application and gather documentation within 1 business day.

Underwriting = Upon receiving a completed application and all necessary documentation, CFCU will begin the underwriting process. Within 1 business day of receipt, a credit decision will be made and then forwarded to WDI for final review.

Closing = WDI will review the final application and document, and within 2 business days, loan documents will be ready for closing and we will coordinate with the applicant on a closing date – which can be done electronically at a time and place convenient for the business owner. Our loans can go from application to closing in two weeks!



WDI MICROLOAN

BOTTOM LINE

- WDI wants to invest in our downtown (GREATER downtown, not just CBD) small businesses and help them through this difficult time.
- Restructuring our underutilized larger loan program as a microloan program allows us to put ~\$568,000 to work helping 25 – 30+ small businesses, rather than just a few.
- We have worked hard to be able to partner with CFCU and offer a loan program that has an interest rate currently below 2.5%, and will allow businesses to defer payments for the first 6 months, giving them time to get back on their feet after COVID-19.
- WDI received approval from City Council on March 2, sent out first applications on March 29 – have closed 4 loans in first 45 days!





THANK YOU!

holly@wilmingtondowntowm.com

