

Building Resilient Regions

Final Report for the
Pamlico Peninsula Counties, North Carolina

April 2016



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Building Resilient Regions: Pamlico Peninsula Counties, North Carolina

Final Report

April 2016



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International Economic Development Council

The International Economic Development Council (IEDC) is a non-profit, non-partisan membership organization serving economic developers. With more than 4,500 members, IEDC is the largest organization of its kind. Economic developers promote economic well-being and quality of life for their communities, by creating, retaining and expanding jobs that facilitate growth, enhance wealth and provide a stable tax base. From public to private, rural to urban and local to international, IEDC’s members are engaged in the full range of economic development experience. Given the breadth of economic development work, our members are employed in a wide variety of settings including local, state, provincial and federal governments, public-private partnerships, chambers of commerce, universities and a variety of other institutions. When we succeed, our members create high-quality jobs, develop vibrant communities, and improve the quality of life in their regions. For more information about IEDC, please visit www.iedconline.org.

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Introduction

In the summer of 2015, the International Economic Development Council (IEDC) contracted to assist Beaufort County and nine other Pamlico Peninsula Counties (PPCs) in the NC East Alliance region of North Carolina with developing and implementing resiliency measures. IEDC will provide specific advice on how to strengthen existing programs and develop new programs or strategies so that county and region can be more resilient from an economic perspective to future crisis.

This assessment examined current and planned economic development strategies and initiatives and related fields. The proposed area for this regional technical assistance consists of Pitt, Martin, Washington, Tyrell, Dare, Hyde, Beaufort, Craven and Pamlico Counties serviced by the regional economic development organization, the NC East Alliance. IEDC closely examined the county’s capabilities and needs, current programs, interdependencies, and economic development challenges in an effort to promote economic recovery and resilience. This technical assistance project is funded through a grant from the U.S. Economic Development Administration (EDA) focused on economic recovery and resiliency of FY2011 disaster-impacted communities and regions in the EDA Atlanta region.

From October 26-29, 2015 an expert panel comprised of economic development professionals and two IEDC staff members visited the region for a three-day site visit. Prior to the visit, IEDC staff prepared a thorough background report on the area. This report was provided to the IEDC Team and covered demographic, socioeconomic, and the current economic development environment information. The background report provided the IEDC Team with a basic knowledge of the region and current policies. This ensured that more time during the site visit was spent asking deeper probing questions instead of basic information on the area.

During the site visit, the panel interviewed several stakeholders of the community. This included, but was not limited to:

- Economic development organizations, partners and allies;
- Local elected officials;
- Local, County, and regional economic development partners;
- Banking institutions;
- Real estate and development professionals;
- Local small and large businesses;
- Education institutions;
- Workforce organizations; and
- Planning staff.

Throughout the site visit, the IEDC Team toured the region to see areas of interest for reference. After all of the meetings and tours, the IEDC Team delivered a summary report of preliminary findings and recommendations. This report elaborates on those findings and recommendations and presents strategies and case examples to assist with implementation.

Strengths

Strengths are internal and external assets that give the region its competitive advantage and make the area an attractive place to be. Examples of internal strengths may be a qualified workforce, competitive business costs, pro-business policies, local sites, and available space. Examples of external strengths that have regional impact may be proximity to a major university in a nearby community, or connection into a regional transportation network. These factors provide competitive access to several major resources external to the region. The team identified the following advantages the region can promote:

- Distinct geographic identities and appeal
- Growth in highest employment sectors
- Presence of regional EDO
- Strong tourism
- Workforce development collaboration
- High quality of life, in some locations

Distinct geographic identities and appeal

The assets in the ten counties in the NC East region vary by geography.

Pitt County the further west county benefits from its relative proximity to the urban and technological hubs only 80 miles to the east in the Raleigh research triangle. Greenville in Pitt County, for instance has a strong healthcare economy. East Carolina University is an economic driver for Greenville, including bringing in an estimated \$10 million in local revenue on each local game. It is the most densely settled county in the region, and had population growth of 27 percent from 2000 to 2014.

Dare and Carteret Counties by contrast are the most eastern counties and experience large seasonal population fluctuations. The population in Dare County, for example, swells from about 35,000 in the winter, to between 225,000 and 300,000 during the summer tourist season. These counties have significant ocean economy assets. The great strength of the tourism economy dwarfs the remaining ocean economy, and thereby tends to minimize what are otherwise notable assets. Carteret County, for example, counted 26 boat-building companies, including four from Australia, according to local workforce development officials. The ocean economy has varied additional assets. A sampling of these were mentioned during the team visit:

- The University of North Carolina Coastal Studies Institute in Dare County;
- Outer Banks Catch, local seafood marketing ;
- MSEAs - a marine science education collaborative between NOAA, Duke, NC State, Cartaret Community College Aquaculture; and
- The Wanchese Industrial Seafood Park –state-owned & managed.

Several counties are low-lying coastal areas retaining a predominance of agricultural land. Some of these counties – Martin, Washington, and Tyrell along the Albemarle Sound to the north, and Beaufort and Hyde along the Pamlico River in the center of the region, have some manufacturing base. Several rural counties have a sole historic manufacturer that has traditionally provided significant jobs and revenue. For example, Martin County derives 24 percent of its revenue from Domtar Corporation, a paper company headquartered in Montreal, which

owns and operates a pulp operation in Martin County that has been the county's largest employer since 1937. Beaufort similarly has heavy reliance on Potash Corp, the world's largest fertilizer company.

Craven County, encircling the extensive southern shore of the Neuse River, is fueled by government employment. Government is the largest employer in Craven County. The County has over 21,000 jobs in this sector, as compared to less than 6,000 in the next largest sector, retail. The government jobs, in fact, likely support the next three largest sectors: retail trade, accommodation and food service, and real estate and rental leasing.

Growth in Highest Employment Sectors

The three industries that employ the most people in the region – government, retail trade, and accommodation and food services - have seen increases in employment. Government is by far the largest employment sector, comprising 24 percent of all jobs. Government jobs are concentrated in Craven and Pitt County, with 21,602 and 24,889 jobs respectively. Pitt County saw a 21 percent increase in these jobs from 2004 to 2014. Carteret and Dare County each had significant government employment as well, with 5,233 jobs and 3,217 jobs respectively.

In the government sector, employment increased at:
 Colleges, universities, and professional schools (15%),
 Local government hospitals (19%),
 Local government excluding education and hospitals (6%), and
 Military (7%).

These increases were offset by declines in:
 Federal government civilian (7%),
 Federal government postal service (13%), and
 Slight declines in local government education (1%) and state government (2%).

The 5 percent increase in retail trade employment exceeded industry trends, while the 12 percent increase in accommodation and food services was nonetheless below expected industry gain, showing a negative competitive effect. The region has location quotients above one for each of these three industries.

The industry data also show a significant increase in the small financial sector - firms like BB&T and Wachovia. According to some, these firms have been allowed to move into new markets, spurring the 44 percent increase in jobs over ten years to 8,761 in 2014. While only 3 percent of regional employment, it now exceeds employment in crop and animal production.

Presence of a Regional EDO

A regional Economic Development Organization is a great asset for this region. As a whole, the region is diverse, but separately, the counties are much less so, and more vulnerable to downturns in a specific economic sector. The regional EDO brings expertise that connects isolated counties to technical assistance and state resources,

and can also forge links between counties in ways that leverage strong industry sectors in one county for the benefit of adjacent counties and the benefit of all.

Strong Tourism

As previously mentioned, the tourism industry is exceptionally strong and profitable. This is an asset the region should not overlook when finding ways to leverage economic wellbeing in other counties.

Workforce Development Collaboration

The IEDC team heard many ways in which workforce development professionals are reaching out to employers, from successfully turning around high workforce turnover some years ago for the Potash Corporation, to a state program, NCWorks, that proactively redirected and leveraged its unemployment centers, making them employment centers and points of contact with 1000 counting 100. The region seems well aware of high growth opportunities, evidenced by K-12 programs in healthcare, agriscience and advanced manufacturing, to university collaborations such as the MSEAs program. Business supported workforce development in marine technology by donating have the equipment to a MarTech initiative in Carteret County.

Challenges

Weaknesses are factors or trends that are obstacles or constraints to economic development. They are conditions that place the region at a competitive disadvantage. Weaknesses can take on several forms; they can be social, physical, financial, regulatory, operational, and so forth. In the case of business, weaknesses make it difficult for a business to develop, operate profitably, or grow. Examples of internal weaknesses include limited access to capital, a poorly skilled labor force, inadequate infrastructure, high crime, etc. Examples of external weaknesses include location in a state with high tax rates or policies that place the community at a disadvantage for business; or prevalent adverse weather conditions in the area of the country in which the community is located.

- **Infrastructure, particularly broadband and cellular access, as well as transportation, water/sewer:** The lack of technology services is a well-known and frustrating problem for this 2000 square mile area. The IEDC team heard a well-informed local advocate state that “Technology may overcome the challenge faster than the political system.” Astonishingly, large areas have no cell phone service. Not only does this deficiency prevent effective on-line education or healthcare services, but one can imagine that few companies or their employees would consider moving to an area without any cellphone coverage.
- **Lack of a shared commitment to a regional economic strategy:** The counties have separate funding structures. The region seems to have not yet clarified the benefits of a shared, rather than competitive, economic development strategy. Economic development to some may be narrowly defined as company attraction, as opposed to an integrated strategy that understands the contributions that come from each county as well as pools their political weight for regional advocacy. The great disparities in the economic drivers of the different counties likely contribute to the lack of a shared strategy.

- **No clear Champion or advocate for the region.**
- **Lack of resounding brand(s), regionally and locally:** The IEDC team heard that despite some efforts to develop a local brand, the region had not yet found a fit. The “longer but prettier route to the coast,” was a potential advertisement for the rural counties on the way to the outer banks. The pretty name of from Albemarle Sound was suggested as a regional name: the Albemarle Region.
- **Industry specific challenges:**
 - Agriculture: consolidation in the industry has led to fewer, larger operations. There are fewer owners, fewer employees, and higher barriers to entry. While the industry is profitable according to local knowledge, employment declined 17 percent from 2004 to 2014.
 - Manufacturing: traditionally located in the region because of cheap labor. Some feel workers are less eager to take the low paying jobs and observe a difficulty in filling the very large square foot manufacturing buildings. The heavy reliance in certain counties on a single company is a recognized vulnerability. The manufacturing sector shed 2,500 jobs from 2004 to 2014 in the region, reflecting a negative national trend, but also showing a third of this loss was due to negative regional competitive effect.
- **Vacant or Underused Industrial Buildings:** The IEDC team heard that the counties are finding it difficult to repurpose and refill the very large manufacturing buildings that once housed companies that located in the region looking for cheap labor. In addition the team heard some site-specific examples of local challenges.

Martin County invested in building a 50,000 s.f. shell manufacturing building in their industrial park and have not yet attracted a purchaser or tenant.

Carteret County is hoping to repurpose an empty high school for senior housing. They are considering historic tax credits to support the cost.

The weaknesses listed above were identities by the team. However, like strengths, weaknesses should be categorized by degrees of impact. Ease of correction is often a convenient categorization.

- **Those that can be corrected immediately (low-hanging fruit):** There are factors which can be very quickly mitigated through a change in action and some minimal investment. For example, if the attractiveness of a business park is impacted by sanitation issues, the local government can redirect some attention and resources to the park. Such actions are typically under the discretion of a city manager or county manager.
- **Those that can be corrected in the short-term:** These are factors that can be addressed by public/private action in the short-term (6 months to 2 years). For example, a poor business

- climate due to a lack of concern and responsiveness of the government is correctable. The local response might be to take concrete steps to build cooperation between the two sectors and develop a track record of handling requests promptly.
- **Those that can be corrected in the long-term:** These are factors that will take comprehensive and consistent effort by public/private vehicles for the foreseeable future in order to address. For example, revitalizing highly distressed neighborhoods typically takes time.
 - **Those that cannot be corrected:** There are some factors beyond the region's ability to influence. For example, the weather is beyond a region's control, but could lead to business costs not prevalent everywhere. As an area prone to hurricanes, the region's leadership can prepare infrastructure to protect the area from hazardous weather, but cannot prevent the weather from happening.¹

¹ IEDC Strategic Planning Manual

Recommendations

The IEDC Advisory Team’s recommendations lay out paths for organizing regional economic development activities. The outline below is a blueprint for not only economic strategy, but also regional collaboration. The region must be vigilant in its collaborative pursuits to ensure success for all areas. It must have a clear vision that is validated by impacted communities, and a strategy that includes the elements below in ways that clearly support the regional vision. The plan should be written down, explained, understood, and accepted by the region and its leaders, executed by its staff and partners, and evaluated and reviewed and adjusted annually.

1. Develop a Unified Voice

All the citizens and business community served by the Alliance should be engaged to define the EDO’s widened role. To make initial contact with new stakeholders, the EDO could hold forums on economic development in Alliance sub-regions, attended by representatives from state economic development resources (such as the Rural Center) as well as business leaders who are already involved in the Alliance. A successful and cohesive approach to regional growth, development and attraction will require the Alliance to be proactive, inclusive, and responsive to both old and new jurisdictions.

1.1 Engage Stakeholders (especially the new ones)

While building relationships takes time, initiating engagement will communicate to stakeholders that the Alliance values their views and opinions. Stakeholder engagement must be done early on in order to influence public perception and set a positive tone. Engaging stakeholders is primarily about keeping the lines of communication open by sharing and receiving information consistently, over time. Sharing information and soliciting feedback garners trust and fosters a sense of inclusion. In order for the Alliance to gain the trust and buy in across the region, its leadership will also have to work to personalize relationships and take heed of grievances expressed.

There is no single approach to engaging stakeholders. The Alliance’s efforts will be largely based on how it can mobilize its current resources and the current state of engagement with its old and new stakeholders. By undertaking new jurisdictions, the Alliance is entering into a pre-existing and dynamic context where prior complex relations between groups can complicate the organization’s efforts. It will be that much more challenging to incorporate the priorities of the old and new regions **and** craft an agenda that resonates with the entire jurisdiction. The only way to overcome these pitfalls is to be proactive, systematic and consistent.

The following highlights some key approaches to engaging stakeholders:

Identify and cluster stakeholders by key groupings and sub-groupings such as workforce development, business intermediaries, etc. This will help the group prioritize and decipher the most appropriate ways to engage each.

Be transparent to prevent the spread of misinformation and facilitate informed dialogue. The key here is to being consistent is to first determine what information needs to be reported to whom, by what method and how frequently.

Solicit stakeholder feedback by consistently consulting the appropriate stakeholder sub- groups and providing platforms for them to share issues and their interests. Examples of engagement techniques follow in section 1.3.

Figure 1: Sample Stakeholder Engagement Process Model



Source: Stakeholder Engagement Tools For Action http://www.cssp.org/publications/general/WPIC_DCFE_Stakeholder_Engagement_Toolkit.pdf

1.2 Visioning and Building Consensus

The unifying force in successful economic development strategies is a shared vision that reflects the community will. It is worth reinforcing here that consensus means majority agreement. It does not mean unanimity but means that the end result of efforts meets the interests of all stakeholders.² Getting to consensus, however, requires all stakeholders to be involved and engaged (inclusion) in the visioning process. Only then will they be fully informed and more likely to feel empowered and inspired to participate.

In addition to generating vested interest, understanding, and support for economic activities, the visioning process helps to:

- Gather insights and perceptions of potentially overlooked strengths, weaknesses and opportunities;
- Engage and harness a broad array of expertise and talents;
- Build capacity, skills and knowledge;
- Gather additional resources to implement strategic plans; and
- Build legitimacy for the regional plan and its directives.³

Strategic visioning can be short or long-term. Short-term visioning is geared toward developing a broad community vision and action plan in a relatively short time period, like over a few days. On the other hand, long-term visioning focuses on specific topical areas such as land use, housing, etc. For this reason, it usually takes a much longer time period to complete.⁴

The publication *Building Our Future: A guide To Community Visioning* provides the following models of strategic visioning.

The **Oregon Model** has four basic steps:

- A community profile ("where are we now?")
- A trend statement ("where are we going?")
- A vision statement ("where do we want to be?")
- An action plan ("how do we get there?")

This model is applied to a target period of at least 10 but no more than 25 years in the future. A simplified version can be completed in 6 months and comprehensive version can take a year or more

The **Pennsylvania Model** was developed by the Center for Rural Pennsylvania. The central theme in this model is that quality of life is the object of visioning. Some questions that stimulate forming a vision include:

- What five things would really improve the community
- What are the community's principal values?
- What things in the community should be preserved?

² A Short Guide to Consensus Building, http://web.mit.edu/publicdisputes/practice/cbh_ch1.html

³ IEDC Strategic Planning Manual

⁴ <http://old.eurochambres.eu/academy/upload/42d52a94498be.pdf>

The process is then divided into the following tasks: 1) defining the community boundaries, 2) inventorying and analyzing community resources, 3) writing and adopting a vision statement, 4) developing an action plan, and 5) implementation.

The object of **The Missouri Model** is to focus on future possibilities rather than limits or past problems. As a result, the key activity in this model is an Action Planning Workshop that takes over the course of 3 to 5 hours, over 1 or 2 days. The workshop is strictly about formulating a vision and developing action plans to meet that vision, not discussing community strengths and weaknesses and relevant trends.

For more information, access the guide at:

<http://oconto.uwex.edu/files/2010/08/g3708-buildingourfuture-aguidetocommunityvisioning.pdf>

Conflict is a natural byproduct of bringing together people with different perceptions. It should neither be avoided nor left unresolved. One way to deal with conflict is by developing a framework for interaction that encourages a stakeholder's natural interest in wanting to help, taps into their creative capacity to generate ideas, and enables them to build upon each other's ideas in a productive manner.⁵¹

IEDC's Strategic Planning Manual offers the following steps to create this framework:

Step 1: Bring all stakeholders to the table to ensure every group with a vested interest in the future economic development of the community is represented. This includes local governments, economic development organizations, businesses, residents, utility providers, educational institutions, financial institutions, civic associations, human services organizations, etc. If stakeholder groups are too large, discussions can be arranged by breaking up into smaller groups.

Step 2: Create a purpose statement for the group to help focus efforts. The purpose does not need to be overly detailed but should communicate the reason for getting together in one concise statement.

Examples of purpose statements include:

- To develop a strategic plan focused on community redevelopment.
- To make the community a better place to do business in the knowledge-based economy.
- To create a strategic plan for economic development that supports business growth and employment opportunities for our citizens.

Step 3: Make sure all of the people are operating from the same knowledge base. Equipping people with information will enable them to be better participants, decision makers, and contributors to the community improvement effort. This can be done through meetings, symposia by outside experts, one-on-one or small group discussions, or through email, online, phone, and other forms of electronic

⁵¹ IEDC Strategic Planning Manual

communication. Conflicts generally arise from people having a different knowledge base or different points of reference.

Step 4: Seek to enable EVERYONE to have their say. To fully engage potential stakeholders at the table, care must be given toward structuring a discussion that will enable their participation while fostering interaction with each other.

Step 5: Identify next steps and plans to reconvene. Stakeholders should leave meetings with some understanding of how their input will be used, what the immediate next steps will be for the process, and when they can expect to reconvene as a group.

1.3 Develop a Plan for Sustained Inclusion

Consider stakeholder engagement as a business function that has to be managed in a systematic rather than ad-hoc way. One way to do this is by creating a stakeholder engagement plan. Developing a stakeholder

Figure 2: International Association for Public Participation spectrum



Source: Source: Graphic adapted from International Association for Public Participation (IAP2) spectrum www.iap2.org (2007)

engagement plan provides a systematic way to organize, and publicize, your efforts toward inclusiveness. While

the scope and level of detail of the plan will vary based on available resources, the typical levels of participation in stakeholder engagement are to inform, consult, involve, collaborate and empower (see chart above).⁶

The stakeholder engagement plan should: identify and prioritize key stakeholder groups, provide a strategy and timetable for sharing information and consulting with each of these groups; describe resources and responsibilities for implementing stakeholder engagement activities; describe how stakeholder engagement activities align with the strategy (i.e. the purpose of engagement).^{7,8} The stakeholder engagement process model shared in section 1.1 can also be referenced to help build out the plan.

Atlanta Regional Commission’s (ARC) Engagement Techniques, Atlanta, GA

The ARC employs the following engagement techniques for each of its constituent groups:

ARC Board Mini-retreats: These half-day to full-day retreats will be held to engage the ARC Board at various milestones in the planning process.

Poverty, Equity and Opportunity Workshops: ARC hosts four equity-oriented workshops to provide information about the planning process to participating stakeholders and to solicit specific input on plans and policy recommendations related to ARC’s planning emphasis areas. The aim here is to communicate with traditionally under-engaged groups and to gather their input through the New Voices: Global Atlanta project, the Equitable Transit Oriented Development Collaborative and the Millennials Task Force.

Pop-Up Open Houses: This series of meetings is held in various locations meeting and are planned in partnership with local governments. The information included at the open houses includes draft-planning documents, information on proposed projects and plans as well as opportunities to engage in open dialogue.

Online Surveys: A series of three online surveys is used to get solicit feedback. The results are used to guide discussions in a series of open houses held in sub-corridors of the region.

Telephone Poll: ARC conducts Metro Atlanta Speaks, an annual telephone survey, to gauge public perception regarding regional quality of life.

Student Programs: ARC engages youth in ongoing programs such as the Clark Atlanta Transportation Summer Institute, the Model ARC program (MARC) and the Millennials Task Force.

⁶ <http://www.education.vic.gov.au/Documents/about/programs/partnerships/stakeholderengagement11.pdf>

⁷ http://www.ifc.org/wps/wcm/connect/938f1a0048855805beacfe6a6515bb18/IFC_StakeholderEngagement.pdf?MOD=AJPERES

⁸ <http://www.education.vic.gov.au/Documents/about/programs/partnerships/stakeholderengagement11.pdf>

Speakers Bureau: Leadership within the ARC's standing committees provides the community with online updates and discussion of planning products.

The ARC example above shows the broad range of methods that can be used to align a diverse set of people and interests. What is central to all these techniques is the platforms they create to establish two-way dialogue on issues and potential solutions. ARC'S engagement strategy incorporates a complementary mix of small, community-based forums, large-scale public forums and online opportunities for engagement, as appropriate.

For more information, view the Atlanta Regional Commission's Stakeholder Engagement Program at:

<http://www.atlantaregional.com/File%20Library/The%20Regional%20Plan/Stakeholder-Engagement-Plan.pdf>

1.4 Encourage Collaboration among Relevant Organizations or Stakeholder Sub-Groups

NC East should establish regular meetings of allied organizations that face shared challenges so that they may be able to develop synergies. Partners can convene based on the extrinsic issue or opportunities that arise from intrinsic complementary interests or activities.⁹ For example, a conference might explore opportunities for that tourism, agriculture, and ocean science sectors could more actively support brewery, farm to table, and eat local movements.

A great example of this in action within the region, is the ongoing collaboration between economic and workforce development. Though we do not suggest establishing a new formal organization, rules might be drawn up to govern the roles and responsibilities in these partnerships. The most important part is here is for like groups to develop a common vision, define objectives and develop action plans how to achieve the objectives, and (intended) roles and contributions. The different stakeholder interests can be grouped in terms of the:

Intersection of the stakeholders' interests;

Quantity and types of resources they can mobilize; and

Issues that the stakeholder could impact or resolve.

Additional Resources

A Short Guide to Consensus Building

http://web.mit.edu/publicdisputes/practice/cbh_ch1.html

Stakeholder Engagement Framework

<http://www.education.vic.gov.au/Documents/about/programs/partnerships/stakeholderengagement11.pdf>

⁹ https://www.rsm.nl/fileadmin/Images_NEW/Faculty_Research/Partnership_Resource_Centre/Key_publications/cross-sector_partnership_formation.pdf

Engaging Stakeholders For Project Success (Project Management Institute)

<https://www.pmi.org/~media/PDF/learning/engaging-stakeholders-project-success.ashx>

2. Inventory assets

The Alliance should spearhead a comprehensive inventory of community and business assets in the region. This exercise should catalog the human capital assets of the region (i.e. education, skills, labor force characteristics); organizations involved in economic development; community leaders; and cultural and recreational amenities. In addition, the inventory should detail assets outside the region that contribute to its economic development and quality of life. By undertaking this rigorous inventory process, NC East may uncover unconsidered resources that can be used to help it serve its broadened jurisdiction.

John McKnight and John Kretzmann of Northwestern University’s Institute developed the concept of asset mapping for Policy Research. McKnight and Kretzmann’s approach to community development created a significant shift from a needs-based approach to a strengths-based to development work. The idea behind the asset-based approach is that it fosters a sense of empowerment rather than defeat because it is positively focused. The asset-based approach does not remove the need for outside resources, but it harnesses the problem-solving capacity of the residents. Furthermore, asset mapping fosters participation from different community stakeholders. The process itself is an organizing tool that motivates leadership participation in implementation.^{10,11,12}

“The appeal of asset-based development lies in its premise that communities can drive the development process themselves by identifying and mobilizing existing, but often unrecognized assets, and thereby responding to and creating local economic opportunity.”

Source:
http://www.neighborhoodtransformation.net/pdfs/What_%20is_Asset_Based_Community_Development.pdf

The process starts with what is present in the community, and then leverages indigenous assets within the community using the aggregate knowledge of participants.¹³ The visual aspect of mapping allows people to **see** the regional network of resources, common interests and organizational links. Visualization is powerful because it can highlight key systems, connections, duplications, and synergies that may have been overlooked. Mapping can help highlight areas to create, build or strengthen linkages.

According to the Council on Competitiveness, additional benefits of asset mapping include:

1. **Increased awareness about existing community assets and resources:** The asset mapping process require that regions identify the resources that can be utilized to support economic development initiatives.
2. **A stronger foundation for strategic planning, implementation and evaluation:** The information gathered from the asset mapping process can be used as the basis for developing a new strategic plan, facilitating the adjustment of existing efforts and creating a baseline to measure progress over time.

¹⁰ <http://www.abcdinstitute.org/about/founders/index.html>

¹¹ http://pages.uoregon.edu/schlossb/articles/gis_uw.pdf

¹² http://www.labor.idaho.gov/wia1/WIOA/Asset_mappingroadmap1.pdf

¹³ <https://www.awcnet.org/portals/0/documents/training/materials/CommEvonDevelopAssetNeedsWebinarPPT.pdf>

3. **Increased motivation and collaboration among stakeholders:** When leaders can see common interests and organizational links, they may be inspired to strengthen or form partnerships. Furthermore, engaging stakeholders helps to create a sense of ownership that helps encourage engagement in the implementation phase.¹⁴

Figure 3: Asset-based vs. Needs-based Approaches

| Strategic Categories | Needs-based | Asset-based |
|------------------------|---|---|
| Focus → | Has a negative focus on problems; requires external resources | Provides positive orientation; mobilizes unique community characteristics |
| Leadership → | Hands off control of design and implementation to external resources & agencies | Retains control of your economy (by local leaders) |
| Capacity → | Relies on others knowledge & expertise, believing the cavalry is coming! | Strengthens confidence and CED knowledge and inspires local action |
| Collaboration → | Reinforces competitiveness, fragmentation and protectionism | Connects existing resources & assets at a grassroots level increasing participation |
| Resources → | Relies on shifting outside resources, policies and decisions | Identifies, leverages and sustains indigenous assets in the community's control |
| Growth → | Highlights liabilities and weakness that limits growth and investment | Leverages existing resources first; speeds growth and investment attraction |
| Measurement → | Is at the mercy of shifts in state and federal policy, timeframes and reporting not linked to the local economy | Benchmarks the economy, establishes goals and evaluates progress regularly |

Source: <https://www.awcnet.org/portals/0/documents/training/materials/CommEvonDevelopAssetNeedsWebinarPPT.pdf>

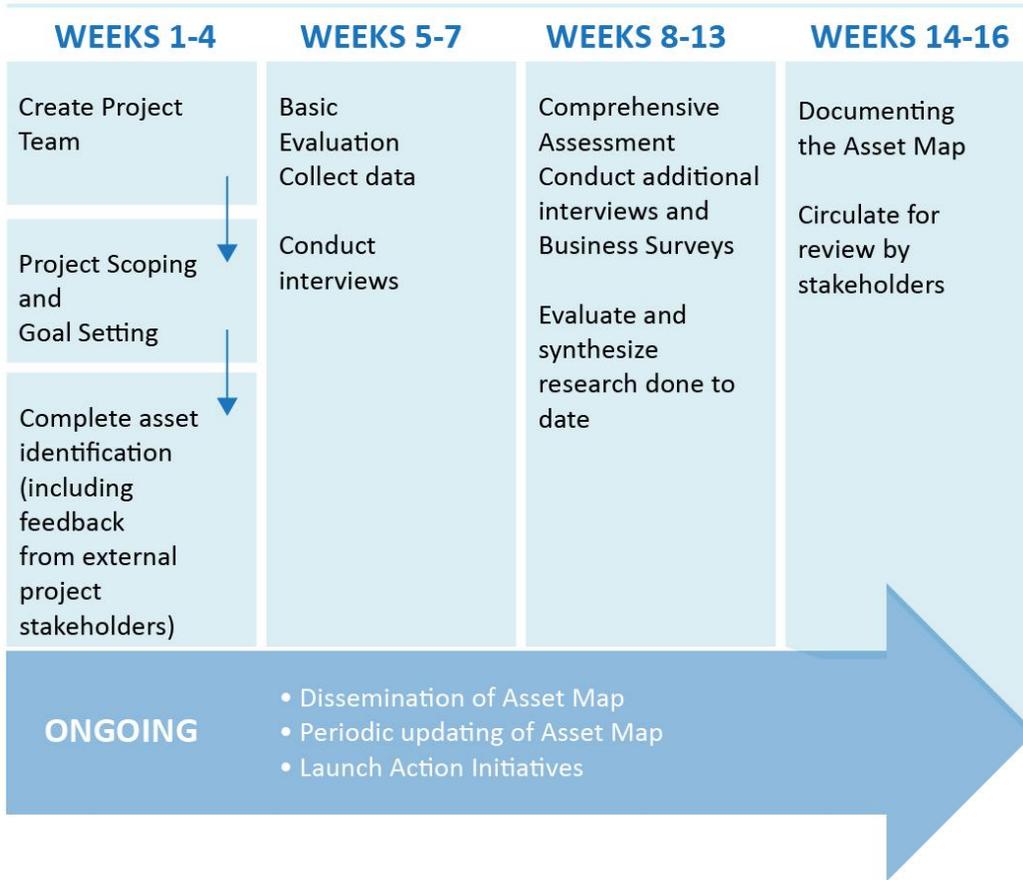
There is no single routine for asset mapping. The process will vary based on the depth of the assessment and where the region is in its economic development strategy. However, the process usually entails defining the boundaries of the assessment area, identifying partners and stakeholders, creating a scope for the project, listing the assets of groups and individuals then documenting and depicting these assets on a map. The timeline below provides some typical activities and the possible duration for each.

The [Asset Mapping Roadmap: A Guide to Assessing Regional Development Resources](#) created by the Council on Competitiveness provides numerous helpful resources on the asset mapping process including example of maps, interview templates and information sources. The guide can be accessed at:

http://www.labor.idaho.gov/wia1/WIOA/Asset_mappingroadmap1.pdf

¹⁴ http://www.labor.idaho.gov/wia1/WIOA/Asset_mappingroadmap1.pdf

SAMPLE TIMELINE FOR ASSET MAPPING



Source: Graphic adapted from http://www.labor.idaho.gov/wia1/WIOA/Asset_mappingroadmap1.pdf

Additional Resources

Discovering Community Power: A Guide to Mobilizing Local Assets and Your Organization’s Capacity published by the Asset-Based Community Development Institute School of Education and Social Policy
<http://www.abcdinstitute.org/docs/kelloggabcd.pdf>

An Asset-Based Community Development Approach to Skills-Banking and Capacity-Building in Toberona, Dundalk
http://www.combatpoverty.ie/publications/workingpapers/2009-03_WP_AssetBasedApproachToSkillsBankingWithinRespondCommunities.pdf

Mobilize Maine: Asset-Based Regional Economic Development
http://www.nado.org/wp-content/uploads/2011/09/NADO_MM_FINALlores.pdf

Community & Economic Development Enlightenment: Asset-based vs. Needs-based by the Vital Economy Alliance

<https://www.awcnet.org/portals/0/documents/training/materials/CommEconDevelopAssetNeedsWebinarPPT.pdf>

3. Create a Distinct Regional Brand

During the visit to the Eastern region, the team noted that the region as a whole didn't have a distinct identity or a resounding brand. Taken separately, some places had very unique identities with little to no branding. On the other hand, the Outer Banks and Greenville had strong identity and branding. During focus group meetings various stakeholders expressed the need and desire to develop an inclusive brand and identity for the entire Eastern region. Since branding is complex and time consuming, hiring a professional and experienced place branding design firm can increase the likelihood of a successful branding initiative.

Again, crafting a strong regional brand is difficult. However, a new brand should be created to promote a unified identity for the multitude of assets across the region—or the *24 Flavors of Eastern North Carolina*. The brand must be broad enough to include all the different flavors of the region, but distinctive enough to set it apart from other coastal regions in the US.

Communicating the place brand so much so that it shapes personal impressions will require collective orientation. "It takes a village to build and own a brand - everyone must be on the same page and pulling in the same direction."¹⁵ The result will be a single voice and a cohesive brand image.

"The place brand gives a distinctive, memorable voice to become noticed, build a reputation and sustain loyalty. It replaces unfair, inaccurate, outdated or cliché-ridden imagery with a true, full and contemporary picture of a place."

Caroll Taiji, president of Taiji Brand Group

Every community has an image. The image of a community is typically defined a set of beliefs, ideas, or impressions that individuals have about a community. Individuals develop images based on the following four place elements:

- Spatial qualities such as location, landscape infrastructure, communication and architecture;
- Characteristics of the residents such as demographics, values and customs;
- Social and economic conditions and relations between residents; and
- Culture and history that unifies and connects residents to traditions.¹⁶

Because perceptions are so subjective, the main challenge for the region is to integrate and exclude identities.

Systematically crafting an identity for region is beneficial in several ways. It creates a unifying focus that increases sense of ownership, belonging, and investment for residents and businesses. Having a strong identity is also directive and subjective. It guides decision-making¹⁷ and establishes the value proposition of a community that attracts new residents, visitors and the right types of businesses.¹⁸

¹⁵ <http://www.rogerbrooksinternational.com/2011/06/02/10-things-you-need-to-know-about-branding/>

¹⁶ Place Identity, Participation and Planning by Cliff Hague, Paul Jenkins

¹⁷ <http://www.governing.com/topics/economic-dev/gov-municipal-branding-campaigns-worth-price.html>

¹⁸ http://www.placebrand.ca/sites/default/files/PDF-versions/PB_EconomicDevelopment.pdf

Well-branded places:

- Foster civic pride and advocacy;
- Build respect, recognition and, ultimately, loyalty;
- Correct out of date, inaccurate or unbalanced perceptions;
- Stimulate demand for local products and services;
- Strengthen tourism, by creating preferred destination status;
- Increase the ability to attract, recruit and retain talent;
- Creates greater opportunities for greater cluster development;
- Contribute to targeted economic diversification; and
- Facilitate faster recovery from crisis or downturn.^{19, 20, 21}

“If a community has done a particularly good job at identifying and understanding its brand, it won’t just serve as a marketing tool. Rather, it will actually be used to guide decision-making, almost like a citywide mission statement.”

Source: <http://www.governing.com/topics/economic-dev/gov-municipal-branding-campaigns-worth-price.html>

The following five steps are the key facets of the place branding process: 1) develop the branding goals in terms of vision, mission and objectives, 2) analyze current brand including the perceived identity and image, and projected image, 3) design the desired brand, 4) implement new brand, and 5) monitor the brand.²²

3.1 Develop Your Branding Goals

As suggested in previous sections, stakeholder engagement is also central to branding success. The key here is to agree on a core image targeting businesses, talent and visitors. As a result, creating and implementing a consistent brand will require stakeholder buy in. It will be challenging to create a unified voice from the region if stakeholders do not have shared vision and consensus on the region’s value proposition. Once stakeholders are able to agree on a single overarching and unifying brand, it can then be tailored to suit the needs of areas and organizations.

Recruiting a diverse group ensures that the greatest variety of viewpoints from across the region is represented. If stakeholders are involved in the early phases of the identity-building exercises, they will be more likely to assist in implementing the branding objectives.

When developing regional branding goals, include representation from:

¹⁹ http://www.placebrand.ca/sites/default/files/PDF-versions/PB_EconomicDevelopment.pdf

²⁰ <https://www.uwlax.edu/urc/JUR-online/PDF/2006/kau.pdf>

²¹ <http://abclusters.org/wp-content/uploads/2013/12/Cluster-marketing-and-branding.pdf>

²² Adapted from Govers & Go (2009) Place Branding, Basingstoke, Palgrave Macmillan, Fig. 16.1, p. 255

- Chambers of Commerce;
- Contractors, real estate developers, architects and engineers;
- Convention and Visitor Bureaus;
- Educational institutions;
- Media partners;
- Neighborhood associations;
- Labor representatives;
- Bankers; and
- Utilities.

3.2 Analyze Current Perceived Identities and Projected Images

Branding places should start by seeking insight into three major perspectives: current identity, perceived image and projected image.²³ Identity is assessed by looking at strengths, weaknesses, opportunities, and threats—or, in marketing terms, ‘knowing your product.’ A SWOT analysis helps to identify and prioritize the main issues facing the community and what the strategic marketing and identity building plan should address. Perceived and projected images are understood by seeking feedback from stakeholders. Without this insight, it is difficult to bring facts and perceptions about a community into congruence.

Surveys are a key tool in getting to held perceptions. Potential survey respondents should include: company representatives; site selection specialists or consultants; and residents. Surveys or interviews should be tailored to the audience and can be conducted by telephone, email, web, or in person. The following sample survey questions could help further refine the region’s image:

- Why have they stayed in the community?
- What is their perception of the community’s image?
- What local factors led the company to locate in the community?
- What local factors have been instrumental or beneficial to their operations?
- What local factors have been impediments to their operations?
- What is their perception of the local quality of life?
- Have any of the above changed during the last two years?

“For site selectors and businesses outside the community, the survey should first determine familiarity with the community. This can be done on a sliding scale from: — “never heard of” to —“know very well.” The results will indicate the targeted audience’s awareness of the community and help determine whether marketing activities should enhance or reinforce a positive image or neutralize or change an unfavorable image.”

IEDC Marketing and Attraction Manual

EDOs can work with local community colleges and universities to help design and test the survey before it is deployed. Survey results, however, should be collected and professionally analyzed. If the resources are available, consider hiring an external, unbiased source to conduct the survey. A couple other tips for brand surveys: try to keep them short and offer people an incentive to take the survey.

²³ <http://placebrandobserver.com/place-branding-approach-3/>

What's Your Brand?

Take the following quiz to determine how your brand compares to standards set by leaders in the field. Does your current brand:

- Build on a vision for the future that is shared by everyone?
- Take into account your target audiences and their motivations?
- Embody a clear promise that leaders use as a decision-making lens?
- Identify your distinctiveness and competitive advantages?
- Resonate with insiders — do local citizens feel a part of it?
- Resonate with outsiders — are newcomers and visitors drawn to it?
- Convey strong, relevant and memorable emotional benefits?
- Define the core experiences essential to the delivery of brand promise?
- Feature distinctive visual identity and brand language?
- Have a documented brand strategy and user-friendly toolkit?
- Have adequate resources to become fully operational, to expand and grow?
- Have the support of trained staff and community champions?
- Get used consistently and professionally by all stakeholders of the brand?
- Take into account the needs and objectives of partner organizations
- Enjoy widespread adoption by stakeholders and the public (do they know it exists?)

To see how the region measures up, visit <http://www.placebrand.ca//do-you-have-brand-or-just-logo>

3.3 Design a New Identity

The input from research and analysis will guide the next step of designing the regional brand. Here you determine the regional brand objective (what will you do?), identify unique differentiators to highlight (what are you best at?), establish credibility (why should the audience believe it?), and craft personality (who are you?).²⁴ Answering these questions will allow you to develop authentic and consistent core values that create a sense of authenticity, which is central to branding. Some branding experts suggest to go a step further and translate these core values into a brand positioning statement that deciphers the “for whom and why.”

Pittsburg, PA

As with many other locations, Pittsburgh was wrought with a "myriad of different fragmented perceptions." The region's leadership did not think decades-old ideas about area constituted a unified brand. Furthermore, they believed this resulted in a place that was "relatively unknown" outside of its immediate region.

²⁴ <http://www.brandfixer.ca/index.cfm?id=15584>

When Pittsburgh sought to rebrand itself, a 50-person stakeholder group took over three months to nail down two experimental sentences that they believed best defined the region and its appeal to potential tourists, companies and workers. These sentences were meant to depict the Pittsburgh “brand essence” or what they believed the region is and what others should perceive them to be.

The resulting collective essence was described as follows:

"Just as the steel from which it draws its roots, Pittsburgh has an authenticity and durability that provides a strong foundation, yielding new opportunities to grow and succeed. The amalgamation of our resources draws people together to a place where ideas are invented and transformed."

Source: <http://old.post-gazette.com/localnews/20021219imagerp2.asp>

In addition to crafting the new brand and positioning statement, this stage entails developing the images and narrative that best support that brand. As place branding experts Robert Govers, Erik van’t Klooster and Gerard Van Keken put it, “brand values should subsequently be translated in brand guidelines, which might encompass directions on the use of pictures, colors, shapes or symbols, language or slogans, icons, sound (and smell), service, traditions and rituals.”²⁵ In choosing a method of identity communication and promotion, the region must consider:

- The characteristics of the target audience;
- The purpose of promotion (e.g. increasing awareness, persuading, or educating); and
- The desired response of the audience (e.g. request further information, visit the community, visit a particular site).

Once the region’s brand and images are defined, develop strategies to ensure internal stakeholders buy into it, believe in it, and are willing to represent it. Internal stakeholder adoption is key before initiating external promotion efforts.

3.4 Promote the New Identity

The promotion of the new brand does not rest on communication alone. Rather, various avenues or touchpoints should to be developed. As mentioned above, these avenues will be largely determined by the characteristics of the target audience, purpose of promotion and desired response of the audience. A number of tools can be used to communicate the region’s brand identity. These include:

- Physical aspects such as beautification projects, signage, standard architectural standards, creation of public spaces;
- Improved amenities or experiences such as pedestrian amenities, community events; and
- Marketing communication tools such as web and social media; billboards (e.g. Along i-64), slogans and logos.

²⁵ <http://placebrandobserver.com/design-new-brand-essence/>

Developing Plans of Action

The next step of the process is to convene stakeholders to establish a branding action plan. Central to the plans of action are the goals and objectives established in previous steps. Objectives are the specific targets to be achieved in realizing the goal. Objectives should be measurable and have a target completion date. Some possible objectives for the promotion of the region’s identity might be, generating recognition of the region, particularly among site or facility selectors or advisors who are interested in a preliminary examination of a community.

It is important to set specific and measurable goals and objectives so that identity-building activities can be evaluated for effectiveness. Demonstrating the effectiveness of such a program is crucial to justifying its expense and effort. Representatives should monitor goals, objectives, and strategies on an on-going basis. However, the time between evaluations should be long enough to generate a realistic and helpful evaluation.

The next step is developing strategies that describe how to achieve the identified goals and objectives. Each strategy answers questions about what programs and activities will help reach the goals. Both short-term and long-term strategies should be developed. Short-term strategies include activities that take up to one year. Short-term strategies optimize the community’s existing resources—for example, by developing an advertising campaign or participating in a trade show. Long-term strategies are those that will take two or more years to execute. Examples of long-term strategies include developing a new public space or developing a downtown.

After the strategies are developed, spell out the sequence of events and resources necessary to achieve them. This should include staff, information, financial capital, and other resources available. For each proposed strategy, an action plan should indicate:

- Who will be responsible for each activity;
- Identification of potential partners;
- Public and private-sector groups within the community;
- How the activity will be implemented; Personnel requirements; and
- Cost estimates.

What a successful branding campaign requires

Consistency – repetition of a clear story over multiple years

Dissemination – delivering the right message to the right markets

Organization – an entity responsible for sustaining the message (and the quality of the experience) over a long term

Continuous dialogue of economic development practitioners, politicians, public authorities, education organizations and intermediates creates broad acceptance for the project.

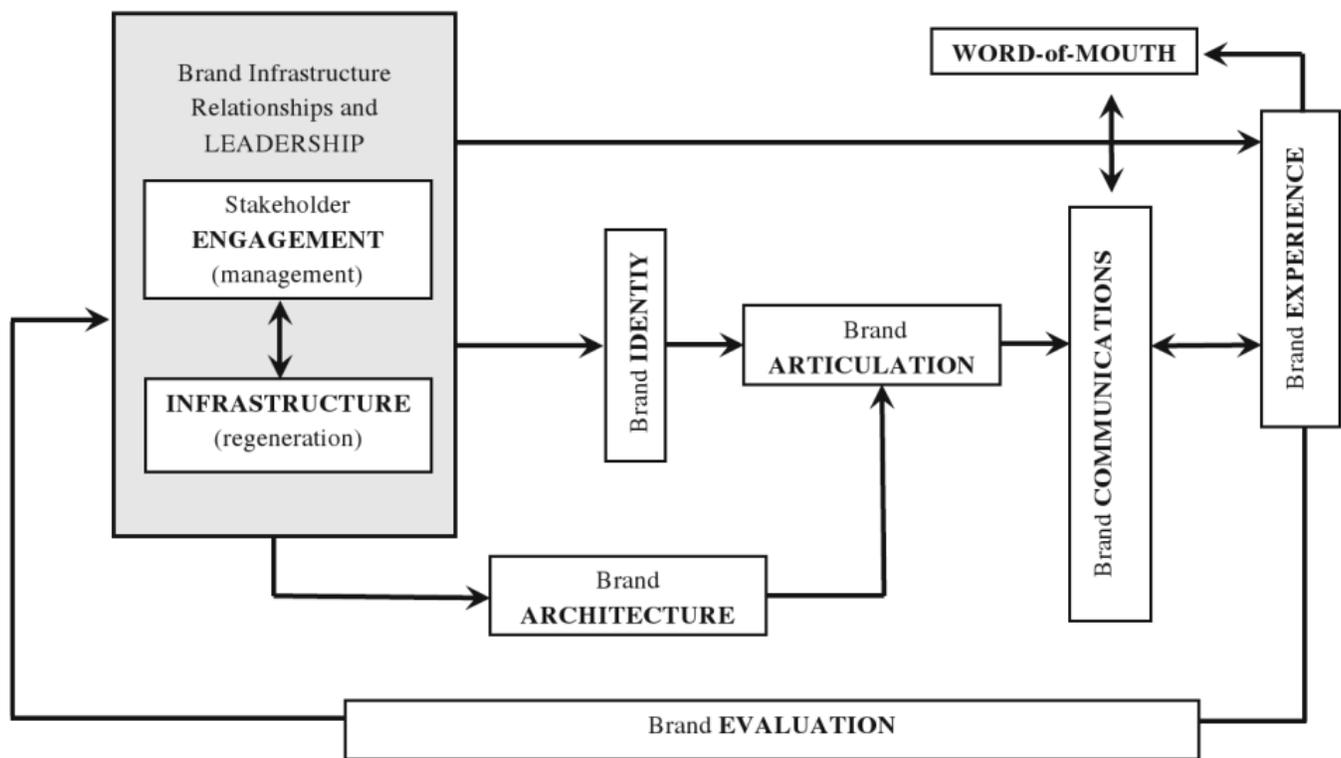
Source: <http://abclusters.org/wp-content/uploads/2013/12/Cluster-marketing-and-branding.pdf>

Once the plans of action are established and implemented, periodic measurement of the brand’s equity or brand value should be conducted. This will allow the region to evaluate the impacts of their efforts and if need be, make adjustments. Some areas for evaluation include:

- Awareness among target groups;
- Perceived Image / Loyalty pre- and post visit; and
- Projected Image or what are people saying about you.

The chart below provides some insight into this process and how evaluation of the region’s brand should feedback into how the brand is articulated and communicated.

Figure 4: Strategic Place Brand Management Model



Source: Rethinking Place Branding: Comprehensive Brand Development for Cities and ...edited by Mihalios Kavaratzis, Gary Warnaby, Gregory Ashworth

The following are case studies of EDO’s who have award winning identity and branding strategies.

Logan on the Edge: Logan, UT

Logan on the Edge is the new brand of Logan, Utah, a city of 49,000 near the border with Idaho. The brand is intended to convey that the town a fertile ecosystem for successful businesses coupled with a high quality of life. The brand was created by the Cache Chamber of Commerce located in Logan, Utah to create a unified, regional brand message that spoke to expanding businesses; and second, to dispel myths, half-truths and slanted perceptions about the area and inverting these negatives into positives. “Too far out of the way”

became “we’re away just a bit from the noise and congestion...as far away as you choose, close to all that matters.” “You’re just about cows and cheese” was leveraged with a reference to a Milken study that had Logan, Utah rated as a top small city for business. The Logan on the Edge campaign was made possible by a regional partnership with the City of Logan and Utah State University. “Logan on the Edge” was the recipient of a 2014 Gold Award for General Purpose Brochure and Silver Award for Video/Multimedia promotion ²⁶

Village Voices & Choices: Hinsdale, IL

“Village Voices and Choices” was a sixth-month long print advertising campaign designed to encourage residents of the historic Village of Hinsdale in west suburban Chicago to consider shopping and eating in the community. “Village Voices and Choices” was designed to reinterpret the ubiquitous “shop local” message by highlighting the Village’s retail establishments in such a manner so as to develop personal connections with residents; reminding residents of the full range of options at home, from meeting daily needs to finding special gifts to enjoying special nights out; educate citizens and business owners on the direct linkage of local spending to municipal projects and services; and, generating additional sales- and food and beverage-tax revenue. An initiative of Hinsdale’s Economic Development Commission, “Village Voices and Choices” was integral to Distinctly Hinsdale, a multi-media branding effort that strives to promote economic health and celebrate the community’s unique sense of place. “Village Voices and Choices” was the recipient of IEDC’s 2014 Bronze Award for a Paid Advertising Campaign. ²⁷

The Village of Hinsdale's "H-H" (Historic Hinsdale) print and online advertising campaign was designed to encourage visits by residents of Chicago to the historic village--integral for a jurisdiction that collects more than half of its sales tax receipts from non-residents. The "H-H" campaign was designed to generate awareness of the community and complement the "Village Values" campaign.

Rose District Revitalization: Broken Arrow, OK

In Broken Arrow, Oklahoma, leaders from the Chamber of Commerce, Economic Development Corporation, schools, city and business sector collaborated on a vision for the declining downtown district. The result of those efforts was a re-branding of the downtown as “The Rose District.” The district received \$4 million in streetscape renovations such as sidewalks widening, new mid-block crossings, planters, and outdoor dining areas to create a pedestrian-friendly atmosphere. These improvements were funded through a tax increment financing (TIF) district. A comprehensive marketing and branding initiative was also utilized to build the image of the Rose District as a thriving arts and entertainment area, and to promote the businesses within it. The Rose District witnessed over \$10 million in private investment in less than two years, and new sales and ad valorem tax collection have doubled.

As officials in Broken Arrow say, “Our downtown core is vital to the identity and the success of our city. As such, it is important that we ensure that the general public can easily interact with and learn about happenings in the district.” Officials launched “new media” campaign to engage residents of Broken Arrow and those in

²⁶2014 IEDC Economic Development Awards

²⁷2014 IEDC Economic Development Awards

surrounding communities, using the social media hash-tag #RoseDistrict, a monthly e-newsletter, a dedicated website, and digital way-finding application that allows smart phone users to access an interactive map of all district businesses, providing them real time interaction with the district and its merchants.²⁸

We Are All Tampa Bay Tampa Bay Partnership: Tampa, FL

The Tampa Bay Partnership’s Regional Snapshot: We are ALL Tampa Bay is a 33-page book outlining the business attributes of the eight-county region. Filled with testimonials from the businessmen and women who live in the area, along with robust facts and figures, the snapshot gives a first-hand account of the economic climate of the Tampa Bay region.²⁹

Free Chief Stahl from City Hall: Maricopa, AZ

Most residents of Maricopa, AZ, a city of 46,000 in Greater Phoenix, do much of their shopping outside of the city; retail leakage from Maricopa is estimated at more than \$270 million per year. In October 2013, the City launched a Shop Local campaign. The goal of this multi-year initiative was to stem retail leakage by raising awareness of the many benefits of shopping locally. The campaign featured the “Free Chief Stahl from City Hall” event. During a City Council meeting, it was announced that Chief of Police Steve Stahl had violated his commitment to shop locally. For his “crime,” the Mayor and City Council agreed he would be detained at City Hall and tasked residents with freeing him by raising more than \$100,000 in local purchase receipts. Businesses were encouraged to help spread the word and participate. More than \$295,000 in local receipts were raised, freeing Chief Stahl and far exceeding the City’s goal.³⁰

WDC Rebranding Project: Watertown, SD

Through an extensive re-branding project undertaken in 2012, the Watertown Development Company uncovered the need to create a strong, unifying identity for a community that was largely unknown outside the state. The need to produce marketing materials that supported the key message that came from this branding project resulted in a brochure that sold the area with hard data to potential new and expanding companies. Watertown is a rural community with abundant natural resources and a rich history that could greatly appeal to tourists. The WDC previously did not have any economic development recruitment materials to distribute to potential companies; potential new businesses had been unaware of what the area had to offer. The Watertown Development Company worked with the marketing firm Lawrence and Schiller of Sioux Falls, SD to create a brochure for Watertown that showcases the area’s scenic outdoors, amenities, transportation, and business incentives and climate. The brochure uses demographic and quality of life information to promote the area’s economic development and quality of life strengths. The purpose of this printed piece is to help the WDC recruit major employers in target market categories such as manufacturing, life sciences research, and professional services.³¹

²⁸ 2015 IEDC Economic Development Awards

²⁹ 2015 IEDC Economic Development Awards

³⁰ 2015 IEDC Economic Development Awards

³¹ 2013 IEDC Economic Development Awards

Additional Resources

Talent Attraction Management Handbook

http://citystudiovancouver.com/wp-content/uploads/2014/03/TalentAttractionManagement_Handbook_Tendensor.pdf

Branding, Development and Marketing Action Plan League City, Texas

<http://www.leaguecity.com/DocumentCenter/Home/View/4578>

Branding, Development and Marketing Action Plan, Chautauqua County, New York

<http://www.tourchautauqua.com/userfiles/file/1-38%20ChautauquaPlan.pdf>

IEDC's Economic Development Marketing and Attraction courses, offered next:

March 22-23, 2016 in Toronto, ON

July 14-15, 2016 in Orlando, FL

November 3-4, 2016 in Phoenix, AZ

IEDC's Marketing Award winners.

4. Seek Alternatives for Broadband

The lack of access to broadband was a recurring concern expressed among focus groups. This poses an economic challenge as broadband is fast becoming a “prerequisite to economic opportunity for individuals, small businesses and communities.”³² While North Carolina’s current broadband laws make it difficult for local public government to get involved in providing service, local governments should continue to advocate for favorable Internet policy. Key areas for broadband advocacy include infrastructure deployment, public outreach, skills development, and affordability programs.³³

Broadband is important to local and regional economic development as it:

- Helps make current companies more profitable and recruits or generating new ones;
- Transforms how medical services and healthcare are delivered;
- Increases the efficiency and lowers the costs of local government operations;
- Opens up e-services between citizens and government agencies;
- Improves communications during crises; and
- Supports training and workforce development and increases telework jobs.^{34, 35,36}

“Those without broadband and the skills to use broadband-enabled technologies are becoming more isolated from the modern American economy.”

Source: Connecting America: The National Broadband Plan (2010)

4.1 Local Government Roles

According to the National Broadband Plan, Internet service providers are unlikely to earn enough revenue to cover the costs of deploying and operating broadband networks in un-served areas. For this reason, it is unlikely that private investment alone will bring service to these areas.³⁷ However, local governments can provide providers with guarantees that they will serve as anchor tenants, which would increase the likelihood of profitability. Local governments can also offer reduced deployment costs to providers by providing easier access to rights-of-way, public facilities, and conduits that are deployed for other communication and power uses.³⁸ One way to leverage public infrastructure is to allow providers to install cellular antennas on public water towers or thread fiber into existing conduit to reduce construction costs.³⁹

4.2 Seek alternative broadband project sponsors

³² Source: Connecting America: The National Broadband Plan

³³ <http://www.brookings.edu/research/reports2/2015/12/07-broadband-adoption-rates-metropolitan-areas-tomer-kane>

³⁴ <http://cjspeaks.com/wp/wp-content/uploads/2015/01/Snapshot-1-15.pdf>

³⁵ Darrell M. West, Vice President and Director, Governance at the Brookings Institute. In testimony at the U.S. House Subcommittee on Healthcare and Technology hearing on “Broadband: A Catalyst for Small Business Growth,” Accessible at <http://www.brookings.edu/research/testimony/2012/02/15-business-west>

³⁶ <http://www.brookings.edu/blogs/health360/posts/2015/04/01-rural-health-connectivity-broadband-kaushal>

³⁷ Connecting America: The National Broadband Plan

³⁸ http://www.brookings.edu/~media/Research/Files/Papers/2008/7/broadband-peha/07_broadband_peha.PDF

³⁹ Connecting America: The National Broadband Plan

The GAO report titled *Telecommunications: Projects and Policies Related to Deploying Broadband in Unserved and Underserved Areas* explores four primary types of alternative broadband project sponsors:

- **Non-traditional private providers** that fund, build, and operate networks to provide broadband access to communities. Some companies use federal funds, contribute capital, and take out loans to fund the construction of broadband networks. Others used municipal resources, such as fiber-optic infrastructure or took construction loans backed by the federal government.
- **Consortiums of sponsors** may focus on building middle-mile infrastructure and providing broadband services to community anchor institutions such as schools, medical providers, and public safety agencies in a region.
- **Rural electric cooperative networks** target areas that have lower customer-per-mile density levels than those of privately owned or municipal utilities. Low-density areas are not desirable make return on investment projections for broadband deployment is unfavorably low.
- **Municipalities** that support broadband deployment by funding, building, and operating networks to provide broadband access, similar to offering city utilities such as water and electricity. Depending on the final broadband legislation, this may become a viable option.

Some examples of each type are provided below.

Project category: Cooperative

Project name and operating status: Rappahannock Electric Cooperative; Marketing relationship with third-party **satellite broadband provider:** Planned

Project description and infrastructure scope: Rappahannock Electric Cooperative is considering a partnership with the National Rural Telecommunications Cooperative (NRTC) to offer its mostly residential customers in 22 Virginia counties third-party satellite broadband Internet service, which it will market to its members, with NRTC responsible for installation, customer service, and billing. No new Rappahannock Electric Cooperative infrastructure.

Project construction costs and federal funding: No cost to Rappahannock Electric Cooperative, all costs borne by NRTC. No federal funding.

Project category: Municipal

Project name and operating status: Powellink; Operational

Project description and infrastructure scope: Fiber-optic Internet, telephone, and video service for businesses, residences, schools, a hospital, a junior college, and municipal government entities in the 6,000 person town of Powell, Wyoming New infrastructure using existing city-owned utility lines initially for one exclusive private Internet service provider to offer last-mile service, with other providers able to offer service in the future

Project construction costs and federal funding: \$5 million No federal funding

Project category: Private company

Project name and operating status: Lit San Leandro Original network: Operational Network expansion operational by the end of 2014: Planned

Project description and infrastructure scope: Fiber-optic network Internet service over 150 businesses and some community institutions including schools, hospitals, and a library, in San Leandro, California Original and expansion: new and existing infrastructure using city-owned conduit to install fiber-optic lines for last-mile service.

Project construction costs and federal funding: \$4-5 million (estimated) \$2.1 million grant from Economic Development Administration.

Project category: Regional consortium

Project name and operating status: MassBroadband 123; Operational

Project description and infrastructure scope: Fiber-optic, open-access network serving 122 towns in western and central Massachusetts over a middle-mile backbone that connects more than 1,200 community institutions, including schools, libraries, and hospitals New middle-mile infrastructure for multiple private Internet service providers to offer Internet, telephone, and video services.

Project construction costs and federal funding: \$90 million (estimated). \$45.5 NTIA BTOP grant.

Access additional case studies in the GAO's full report found at <http://www.gao.gov/assets/670/662711.pdf>

Additional Resources

Community Initiatives: Rural Communities Meeting their Broadband Needs

http://www.ncruralcenter.org/images/Community_Initiatives.pdf

Minnesota Intelligent Rural Communities initiative

http://blandinfoundation.org/uls/resources/MIRC_Backgrounder_Oct_2011_0_26.pdf

MuniNetworks.org created by Community Broadband Networks Initiative of the Institute for Local Self-Reliance. The site provides resources community-owned broadband networks. Resources include case studies, fact sheets, and video are some of the media we offer to help leaders make decisions about. <http://www.muninetworks.org/content/resources>

Restore Your Economy Webinar Recording: Broadband Technology Has Arrived...Now What?

<http://restoreyoureconomy.org/webinar-broadband-arrived-now-what/>

Federal Support

The Federal agencies that provide grants and loans for telecommunications infrastructure and planning include:

- The Federal Communications Commission, through its Connect America Fund;

- The U.S. Department of Agriculture, through its Telecommunications Infrastructure Loan Program and Farm Bill Broadband Loan Program, Substantially Underserved Trust Areas (SUTA) and Community Connect Grant Program;
- The Economic Development Administration, through its Public Works and Economic Adjustment Assistance; and
- The U.S. Department of Housing and Urban Development, through its Community Development Block Grants.⁴⁰

For a more comprehensive, and state-specific, list see the North Carolina Rural Center's list of major sources for broadband funding at http://www.ncruralcenter.org/images/Broadband_Funding_Sources.docx

⁴⁰ Doug Kinkoph, *BroadbandUSA: Guide to Federal Funding of Broadband Projects*, (Washington, DC: National Telecommunications and Information Administration), 2015.

5. Grow From Within

Strengthen businesses that are already in the region with services such as mentorship, troubleshooting, regulatory counseling, education, information sharing, and financing. In NC East, practitioners should help forge stronger connections between local farmers and food processors, and hospitality and food distributors in Greenville and on the coast. The regional, and local, EDOs should help to promote the value of buying local, which can help local consumers overcome the barrier of higher prices. ECU’s School of Entrepreneurship should become a key partner in identifying and promoting entrepreneurial opportunities in agriculture, craft brewery, hospitality, and home healthcare for older populations.

“Instead of trying to lure big companies with tax incentives, more and more places are trying to increase the number of local businesses to boost their economies.”⁴¹ This approach will help rural communities within the region build the necessary foundation and create an environment that supports business start up and growth. The key to supporting entrepreneurs and small business is reducing disincentives and barriers to entrepreneurship.

The Organization for Economic Cooperation and Development (OECD) provides the following key determinants for a healthy climate for small and start-up business.

- Administrative burdens (entry and growth)
 - Burden of government regulation
 - Costs, minimum capital and procedures required for starting a business
- Product & labor market regulations
 - Difficulty of hiring and firing
 - Extent of incentive compensation
- Court & legal framework
- Social and health security
- Income taxes and wealth taxes⁴²

The Alliance cannot and should not be all things to all businesses. This would tax its available resources. Rather, partners within the region must assess the roles that are most appropriate and viable for them to each assume. These roles should be considered in the areas that promote entrepreneurship and encourage small business development, such as:

- Providing technical assistance, education, and training to entrepreneurs and small business owners;
- Assisting with strategic business operations such marketing, including gauging new or existing markets;
- Facilitating technology transfer;
- Improving access to capital and develop financial alternatives;
- Reducing regulatory disincentives and barriers to entrepreneurship;
- Investing in basic infrastructure systems, including broadband

⁴¹ <http://www.governing.com/topics/finance/gov-how-to-grow-businesses-that-grow-the-economy.html>

⁴² <http://www.oecd.org/std/business-stats/48129925.pdf>

- Recognizing and creating awareness of successful entrepreneurial ventures and success stories;
- Providing a central information provider on legal information, permits, zoning laws, etc.

5.1 Raise Awareness of Existing Resources

There are a number of organizations already providing technical assistance and financing to entrepreneurs and small business owners in the region. Instead of duplicating existing resources, the region’s practitioners should familiarize themselves with existing services, and strengthen relationships with existing entrepreneurship service providers in the region. These existing service providers represent potential partners and sources of technical assistance. Additionally, as ECU’s School of Entrepreneurship grows it should develop into a primary point of reference and also assist in building up the entrepreneurship ecosystem of the region.

Small Business Administration Network

While there is no Small Business Administration (SBA) District Office in the region, there are a few SCORE offices and Small Business & Technology Development Centers (SBTDCs). This network assists entrepreneurs and small business owners with SBA loans products and other technical assistance. These offices are located at the East Carolina University SBTDC, Neuse River Development Authority, Coastal Carolina SCORE, Outer Banks SCORE and Elizabeth City State University SBTDC.

5.2 Provide Entrepreneurship Financing and Microfinancing

If it has not already been done, the region must conduct an in-depth assessment of existing sources of local financing for entrepreneurs and small business owners. This will best help service providers best improve access to capital and develop financial alternatives. This assessment should address the following issues:

- How are local businesses accessing capital at present?
- At what point are growing start-ups able to tap additional resources to expand?
- Who provides development capital to hire more employees, move out of an incubator, or renovate a local storefront?
- How can business owners encourage investment at every stage of company growth in a way that grows jobs, wealth, and investor confidence?

Financing Options to Consider

Revolving Loan Funds: A Revolving Loan Fund (RLF) is a loan fund designed to make loans in perpetuity. As borrowers make payments on the initial round of loans, they are used to recapitalize the fund, which then issues subsequent loans. Ideally, accrued interest from the loans actually increases the fund with each generation of borrowers.

Microlending: Microenterprise development programs provide credit to help micro-entrepreneurs start microenterprises. Microlending programs may be complemented by associated technical assistance.

Self-sufficiency programs, which target low-income individuals with few formal entrepreneurial skills, provide small loans (\$500 to \$5,000) to provide working capital for a microbusiness. Self-employment programs target more entrepreneurially skilled individuals, encouraging both the start-up and the expansion of existing

businesses. Self-employment loans are larger in size than self-sufficiency loans (\$5,000 to \$15,000) and are used to finance both working capital and fixed assets purchases. Program operators or a loan review committee determine whether to fund the loan request and establish loan conditions.

Other characteristics of microloans:

- Microloan terms typically range from six months to five years;
- Collateral may include personal assets;
- Typically use “character-based” rather than credit or asset-based underwriting criteria

NC Office of Science and Technology Grant programs

- One North Carolina SBIR/STTR Phase I Incentive Program
- One North Carolina SBIR/STTR Phase I
- SBTDC’s six Inception Micro-Angel Funds (IMAF)
- The N.C. Rural Economic Development Center runs the Microenterprise Loan Program and the N.C. Capital Access Program
- Golden LEAF Foundation
- N.C. Community Development Initiative
- Tobacco Communities Reinvestment Fund

5.3 Consider Taking an Entrepreneurial Development Systems Approach

The idea of entrepreneurial development systems (EDS) stemmed from Brian Dabson, former vice president of the Rural Policy Research Institute (RUPRI) and Tom Lyons of Entrepreneurial League fame. EDS provide comprehensive, customized and program support for entrepreneurs. As a result, they yield stronger and more consistent outcomes. The rationale behind these systems is that entrepreneurial and small business needs are complex thereby requiring a multifaceted system to meet these needs.⁴³

EDS targets two types of entrepreneurs: growth and attraction entrepreneurs. Growth entrepreneurs refers to business owners who desire to expand their existing businesses through better business models, new products, services, or new markets and pursue markets outside of the immediate local economy. By contrast, attraction entrepreneurs wish to either locate or establish a business in a suitable area.⁴⁴

According to the Center for Rural Entrepreneurship, EDS are created to provide a robust network that effectively connects specific needs and opportunities to an optimal set of resources. As a result, the key elements of the EDS include:

- Strategic working relationships with community leaders and organizations such as the Chamber of Commerce;
- An Area Resource Team comprised of local resources such as bankers, attorneys, CPAs, the community or technical college, Chamber of Commerce, city, county and other relevant resource providers;

⁴³ <http://www.nado.org/wp-content/uploads/2013/04/Entrepreneurial-Development-Systems.pdf>

⁴⁴ Center for Rural Entrepreneurship Entrepreneur Coaching for Community Success: A Training Guide

- An External Resource Network that links entrepreneurs and outside resources (e.g., state, federal, regional, higher education);
- A portfolio of entrepreneurs;
- A strategic identification, outreach and assistance program that results in relationship-based customized assistance; and
- Community commitment to developing the private and public infrastructure for entrepreneurs.⁴⁵

Entrepreneurship Development Systems for Rural America

In 2005, the W. K. Kellogg Foundation awarded \$12 million to six collaborative efforts designed to stimulate rural entrepreneurship. The grantees included:

The **Advantage Valley Entrepreneurship Development System**, which targeted a 12-county region spanning West Virginia, Kentucky and Ohio. The tri-state economic development organization, Advantage Valley, Inc., led efforts and offered a coaching and networking program as well as a collaborative of institutions focused on entrepreneurship education, policy and the development of additional services.

CORE (Connecting Oregon for Rural Entrepreneurship) that created or expanded statewide services for rural entrepreneurs across five districts. The lead group, Rural Development Initiatives, organized five target area teams and in statewide support committees that offered resources to each sites and worked on state level policy issues.

The **North Carolina Rural Outreach Collaborative** was led by the North Carolina Rural Economic Development Center. The Rural Center convened twenty-five partners on a management team and in working groups to develop statewide tools and supported emerging regional activities in six areas of the state.

For more information, read *Entrepreneurship Development Systems: The W. K. Kellogg Foundation Demonstration*, accessible at http://fieldus.org/Projects/pdf/EDSspeech_11_08.pdf

5.4 Additional Strategies to Build Entrepreneurship

Creating a climate for technology development can help the region to build from within. This can be accomplished by assessing the specialized skills that already exist within the workforce and finding new channels for their development. For example, rural areas with large populations of artists have had success providing workforce training in graphic arts and design that produced quality (and sometimes Internet-based) jobs. For areas with strong agricultural industries, technology can be focused on Increasing farmer profitability, productivity, and efficiency or developing more environmentally friendly processes. If the skills that directly

⁴⁵ Center for Rural Entrepreneurship Entrepreneur Coaching for Community Success: A Training Guide

apply to technology development are not available, the region can explore routes for acting in a supplying or supporting role to technology firms.

Entrepreneurial peer networks are a strategy to provide peer support to small business owners and entrepreneurs have taken a number of different forms over the years. Peer networks can be established to:

- Set-up and facilitate continuous dialogue between entrepreneurs;
- Classify entrepreneurs by experience and business type for inclusion in a network;
- Organize meetings and off-site visits; and
- Gather mentors to participate in peer groups.

Some communities have regular meeting times (e.g., breakfast roundtables, lunch series, or monthly happy hours); other communities are turning to the web to facilitate network building (e.g., USSourceLink and www.myentre.net).

Technical assistance is typically provided through business counseling, business plan development or assisting with accessing financial opportunities. Technical assistance programs can also serve as a gateway to other business assistance groups. The technical assistance needs of each business and community will vary. However, training assistance to small businesses is valuable at all stages of development. In an effort to determine what the specific needs of future businesses will be in a given area, it is best to survey existing local businesses. Survey results will highlight how to improve the environment for both existing and future growth initiatives as well as ascertain, specifically, what programs best fit the needs of both the community and firms.

Assistance can be provided directly to individual businesses or to groups of businesses that share similar needs. Local and regional practitioners can either provide assistance directly or program the existing programs that provide technical assistance to small firms. Technical assistance generally includes, but is not limited to:

- Business plan development;
- Assistance with grant and loan applications;
- Training and managing staff;
- Strategy development and implementation;
- Technology development & commercialization;
- Financial management; and
- Market research.

Where capacity to deliver technical assistance is lacking, the SBA’s SBDC, WBC, and SCORE programs offer valuable management and technical assistance training programs.

Economic Gardening is another strategy worth considering. Economic gardening programs provide tools that use competitive business intelligence to help entrepreneurs expand their businesses. If entrepreneurs have access to information pertaining to markets, customers, and competitors that is comparable to resources typically only available to larger firms, they can make strategic decisions about

product development and delivery. The key difference between economic gardening and other types of entrepreneurial support efforts pertain to its “sophisticated business intelligence aspect.”

The Edward Lowe Foundation asserts that gardening efforts are focused on: core strategy, market dynamics, qualified sales leads, innovation and temperament. The Edward Lowe Foundation’s economic gardening training program teaches practitioners how to use to databases, geographic information systems, SEO and Web marketing tools to:

- Highlight market trends, potential competitors and unknown resources;
- Map geographic areas for targeted marketing;
- Increase visibility in search engine results and increase web traffic;
- Track websites, blogs and online communities to better understand competitors as well as current and potential customers; and
- Hone core business strategies and sustainable competitive advantage.⁴⁶

For more information on the Edward Lowe Foundation’s training and certification, visit <http://edwardlowe.org/entrepreneurship-programs/economic-gardening/>

While the Lowe foundation’s training program targets second stage companies, economic gardening programs can be based on any of the stages of entrepreneurial and small business development growth. Each stage of business growth requires different types of support and access to resources. The role for the region’s practitioners is to act as a facilitator, leveraging public and private sector resources available in and outside of the region.

Economic gardening is promising but it is not suitable for all communities. The International City/County Management Association suggests considering the following before embarking on a gardening program:

- Understand that economic gardening is not a quick fix but a continuous process;
- Effective implementation of our economic gardening program may require challenging new models for staff; and
- Ongoing buy-in from your elected officials is crucial to success.

“Gardening is not about connecting entrepreneurs with support institutions or helping them with their operations, workforce development or tax credits. It is about leveraging research using sophisticated business intelligence tools and databases that growth companies either aren’t aware of or cannot afford.”

Source: <http://edwardlowe.org/tools-programs/economic-gardening/>

Additional Resources

N.C. Rural Center: Fueling Your Business in North Carolina: A Guide to Financing for Small Businesses

⁴⁶ <http://edwardlowe.org/entrepreneurship-programs/economic-gardening/>

<http://www.thrivenc.com/node/965/fueling-your-business>

Small Business & Technology Development Center: Capital Opportunities for Small Business

<http://www.sbtdc.org/resources/publications/capital-opportunities/>

The Center for Rural Entrepreneurship

Opportunity Assessment Guide: Understanding Your Starting Point:

http://www.energizingentrepreneurs.org/file_download/6cc4f286-72c6-4fa4-924f-cc48ac7b0d2f

Entrepreneur Coaching for Community Success:

http://www.energizingentrepreneurs.org/file_download/b79a5182-7871-4668-91f1-3592b887f4a9

Seven Steps to Developing an Economic Gardening Implementation Strategy

[http://icma.org/en/Article/100633/Seven Steps to Developing an Economic Gardening Implementation Strategy](http://icma.org/en/Article/100633/Seven%20Steps%20to%20Developing%20an%20Economic%20Gardening%20Implementation%20Strategy)

6. Improve land use planning

NC East should help to market industrial sites, especially small lots and rural sites. Where possible, sites should be branded with the North Carolina Certified Sites program. Pre-certified sites provide a valuable incentive for companies: saved time. Additionally, some areas of the region have vacant buildings, giving the impression of disinvestment. Officials should consider selling publicly owned vacant properties at a reduced price, on the condition that buyers create jobs on site within a certain period of time.

6.1 Addressing Vacancy and Blight

Some of the Downtowns in the area have vacant and declining buildings that bring down the value of surrounding properties. The advisory team heard that vacancies were due to property owners holding on to properties without using them. Regardless of the reason, vacancies detract from the perception of success and a quality of life component, discouraging public foot traffic that is critical to the success of retail activity in downtowns.

The IEDC publication, *Case Studies in Addressing Neighborhood Vacancy and Blight*, provides examples of tools that communities have successfully used to combat vacancy and blight. These tools include:

- **Data and technology** can be used to help identify vacant properties and track progress. Data provides an objective view, helps decision-makers understand of the scope of the problem, and provides validation for funding and policy change requests. New Orleans's BlightSTAT and Baltimore OPEN data initiatives are good examples.
- **Local and State Policy** can be used to hold property owners accountable for ordinance violations or to facilitate sale or demolition of blighted property. Washington, DC implemented a blight tax in the late 1990s to address perpetually vacant and dilapidated buildings that landlords were ignoring or postponing redevelopment in light of potential speculative windfalls.
- **Land Banks** can be established to stabilize property values by removing excess properties from the market. Land banks also assist partners to aggregate land where it can have the greatest impact on neighborhood stabilization.
- **Neighborhood Commerce** – Establishing commercial uses for vacant property helps to reclaim the area and plant seeds for future local economic growth.
- **Temporary Tenants and Merchandising** in vacant buildings can help to improve visual appeal. Vacant storefronts are often made available to local businesses and nonprofits for marketing – which helps to marginalize the impact. In San Antonio, Texas, the City Development and Operations Department works with property owners and retailers offer local entrepreneurs a no-cost short-term leases in vacant downtown properties

- **Enforcing Zoning** – Proper and consistent enforcement of building codes and zoning regulations can effectively combat blight.⁴⁷

Improving Neighborhood Commerce: REVOLVE DETROIT– Detroit, Michigan

REVOLVE is a collaborative program of the Detroit Economic Growth Corporation (DEGC) that partners with local leaders, building owners, entrepreneurs, and artists to activate vacant storefronts with transformational businesses and art installations. The goal of the program is to foster the evolution and vibrancy of Detroit's neighborhood business districts.

REVOLVE uses “pop-ups” as a catalyst to accomplish three main objectives: 1) recruit and grow full-time tenants, 2) spark public and private investment, and 3) change the image and experience of neighborhood business districts. REVOLVE combines pop-up with other tools, such as incentives to support building restoration and technical assistance for entrepreneurs.

According to REVOLVE pop-ups are the temporary use of an under-utilized space. Pop-ups allow an entrepreneur to test their business in a location for a month instead of a year (or more) that is usually required by a lease. It also creates the opportunity to make money, make adjustments, and prove to financiers and landlords that a business can succeed. Building owners benefit from getting a prospective long-term tenant and unprecedented marketing.

The organization works with building owners, entrepreneurs, and artists by connecting the two parties to transform a vacant space. When a property owner is identified or approaches REVOLVE they work to market the space and can place a call for pop-ups to fill the space. After recruiting applications they review the applications and work with the property owner to pick a good fit.

Another resource REVOLVE offers to simplify the process is the [REVOLVE Guidebook](#). The guidebook is designed for various stakeholders and is a one-stop shop for practical how-to information on working to revitalize Detroit neighborhoods. Information covers permits, sample agreements, checklists, financial resources, and much more. To learn more about the REVOLVE model visit the [Overview Chapter](#) of their Guidebook.

Access the full IEDC report, *Case Studies in Addressing Neighborhood Vacancy and Blight* at <http://restoreyoureconomy.org/wp-content/uploads/2014/08/Addressing-Vacancy-and-Blight.pdf>

6.2 Repurposing a public building

Vacant municipal buildings, no longer required for their original purpose yet retaining historic and cultural meaning, often require multiple sources of grants and subsidies for redevelopment that serves another public interest. In Carteret County, the IEDC team heard that officials are looking into repurposing a former high school building for affordable senior housing.

⁴⁷ <http://restoreyoureconomy.org/wp-content/uploads/2014/08/Addressing-Vacancy-and-Blight.pdf>

Central Grammar Apartments, Gloucester MA

In the early 1970s, a group formed in the city of Gloucester to pursue redevelopment of the Central Grammar School into affordable age-restricted housing. The local Gloucester Development Team partnered with The Community Builders, Inc., a national non-profit “mission-driven” real estate development corporation to develop a strategy to assemble funding and support for the project. Sources of funding included historic tax credits and low-income housing credits. The project had complex financing and legal requirements, and required a diverse team that included these technical skills in addition to architectural and building abilities and a deep understanding of the community. When the project required substantial upgrades and energy efficiency retrofits in the early 2000s, the original project team reconvened, with the addition of Epsilon Associates for historic tax credit consulting services. More than \$3.6 million in state and federal historic tax credits and a new \$3 million mortgage supported by rental income funded the renovation. In addition, the team secured partnerships for smaller sources of funding, including with the city, which granted \$50,000 from its Affordable Housing Trust.^{48,49,50}

⁴⁸ “Central Grammar Apartments, Gloucester MA,” Projects, Davis Square Architects, www.davissquarearchitects.com, Accessed March 9, 2016.

⁴⁹ “Grand Re-Opening of Central Grammar Apartments, News Archives, Epsilon Associates, Inc., May 3, 2013, www.epsilonassociates.com, Accessed March 9, 2016.

⁵⁰ The Community Builders, www.tcbinc.org, Accessed March 9, 2016.

7. Other Recommendations

7.1 Attract industries that complement recreational activities.

Some counties rely very heavily on a single industry, or even company. By diversifying, counties will be more stable in the event they lose a major employer. Given the strong tourism draw in the region, the less visited counties have looked to diversify their economic base with increased appeal to this nearby market. Another approach that would capitalize on the recreational assets of the region would be to market to industries that provide recreational products. Counties could market their recreational assets to complementary industries. For example, the many hunting and fishing activities available in the region could help to attract sporting equipment manufacturers and retailers. Sometimes these kinds of company grow from within the existing community with exceptional success.

L.L. Bean Company, Freeport ME

The outdoor apparel and gear store, L.L. Bean, started in the tiny town of Freeport ME, on the invention of the L.L. Bean boot. The founder was an avid outdoorsman, and thus saw the need for his new product. He grew the company by obtaining the mailing list of all nonresident Maine hunting license holders, and sending his promotional material to them for his new boot. The customers could buy mail order, or when they came to Maine on their fishing trips, they could come to the store. Legend has it that he guaranteed the boots, and the first year 90 percent were returned when the leather separated from the rubber soles, which nearly put him out of business. L.L. Bean Inc. now has annual sales of \$1.61 billion.⁵¹

Industry Nine Componentry, Asheville, NC

“It was only a matter of time before a competitive cyclist who was raised in a machine shop started creating his own bicycle components. Like so many here in Asheville, the combination of passion and talent have inspired greatness. Industry Nine, a small team of bicycling zealots, makes performance grade bicycle wheels and hubs with a focus on strength, lightweight, and aesthetics.

“A passion for bikes is the one thing we all carry in our job description, and always will. These wheels are lovingly handmade, by the eight of us,” said Clint Spiegel co-founder of Industry Nine.

Industry Nine’s wheels are 100 percent made in their Asheville, NC facility. Design, manufacturing, quality control, sales, assembly, truing and tensioning are all done in house where they can closely monitor the quality of craftsmanship. In a time where many industries, including bicycle manufacturers, are constantly moving production overseas to increase margins, Industry Nine firmly believe in keeping production in house.

⁵¹ L.L. Bean, Beginnings: 1911 to 1959, www.llbean.com/customerService/aboutLLBean, Accessed March 9, 2016.

“There is no better place in the country to put our products to the test than in the mountains that surround us here in Asheville. In a matter of minutes we can be riding our road bikes on the Blue Ridge Parkway or testing our mountain bike products in the Pisgah National Forest.” ⁵²

7.2 Diversify funding and resources.

It goes without saying, the loss of funding for economic development in the region is challenging. Many regional EDOs have to adjust to this new reality. Funding from private sources represents a growing trend in financing for EDOs. In summer 2012, IEDC conducted a survey of sources of funding for EDOs utilize and how these funding streams have changed over time. Sixty percent of the survey respondents reported receiving private funds, a reversal of the traditional ratio of public-to-private funding for economic development activities.⁵³ The survey respondents reported the following private funding sources:

- In-Kind Contributions
- Membership Dues
- Foundations Grants
- Charitable Donations
- Fee-for-Service Contracts and Management Fees
- Real Estate
- Interest on Investments
- Other sources of revenue
 - Application fees for programs such as a facade improvement programs.
 - Special events like fundraising campaigns for economic development efforts.
 - Workshops, classes, and training programs.

For more information on alternative funding options for EDOs, read *New Realities for Funding Economic Development Organizations* at:

http://www.iedconline.org/clientuploads/directory/docs/EDRP_Financing_EDOs.pdf

In addition to funding EDOs, the lack of funding for infrastructure was also expressed during focus group meetings. Where possible, local government should take advantage of the funding programs available through the NC Rural Infrastructure Authority such as the Economic Infrastructure Program.

Case Study Excerpts from *New Realities for Funding Economic Development Organizations* **Crowdfunding for Economic Development**

Neighbor.ly, a Kansas City company, is a civic crowdfunding platform for municipal, county, and metro-conglomerate governments; public-private partnerships; institutes; and private and nonprofit organizations that are civically focused. Public projects can be listed on their website for raising funds. Neighbor.ly engages actively

⁵² “Industry Nine Componentry,” Success Stories and Testimonials, Asheville-Buncombe County Economic Development Coalition, www.ashevillechamber.org, Accessed March 9, 2016.

⁵³ IEDC, *New Realities for Funding Economic Development Organizations*

in the fundraising campaigns and assures investors that the contributions made through its platform will be used for the intended projects. It has been successful in funding a number of projects to date and has several others open for investment on its website. For more information, please visit www.neighbor.ly.

Another example of crowdfunding for economic development projects is Rally St. Louis. In December 2011, an article from Forbes magazine, entitled “St. Louis Doesn’t Suck,” went viral. The attention and feedback eventually led to a grassroots campaign called Rally St. Louis. The campaign is building momentum locally by gathering or “crowdsourcing” ideas from local citizens on what will improve the quality of life in the region and then crowdfunding the top ideas for implementation. First, the public submits ideas and then has the opportunity to vote on the ideas submitted. Each month, the three ideas with the most votes will be evaluated and the next steps for implementation will be determined. These ideas will then move to a crowdfunding platform, where the public can provide donations to help fund the projects. Projects that reach funding goals will be implemented in the community with the funds raised. Local and regional economic development organizations are participating on the board of directors. The campaign is fairly young – the first call for ideas opened on November 14, 2012 and voting commenced on December 1, 2012. For more information on Rally St. Louis, visit <http://www.rallystl.org/>.

The U.S. Rural Infrastructure Opportunity Fund is a promising new source of capital for rural infrastructure projects. The public-private partnership between the U.S. Department of Agriculture, CoBank and Capitol Peak Asset Management (CPAM) was created to complement existing rural government loan and grant programs. According to the USDA, activities supported by the fund will include:

- Recruiting new sources of private capital to support rural infrastructure projects;
- Serving as a co-lender for borrowers financing projects where the government’s program limits or resource constraints warrant the fund’s involvement; and,
- Private lending in support of projects capable of meeting market terms.⁵⁴

7.3 Capitalize on the abilities of transplant residents, including retirees, military and students.

Transplants are an underappreciated resource. Retirees can provide mentoring to business; veterans can adapt their skills to meet civilian industrial needs; and students may be able to provide basic medical services in rural counties.

The region is the now home to new residents from large cities seeking better quality of life. Many of these residents moved for the range of recreational activities, more laid back lifestyle and the greater sense of community available in the Eastern region. While many of these individuals seek a slower pace of life, they often still yearn for the comforts of city life. They can provide valuable insight into improving the region, without losing its essence.

⁵⁴ <http://www.usda.gov/documents/Rural-Infrastructure-Opportunity-Fund-FAQ.pdf>

In addition to providing valuable non-native perspective, they also bring with them skills that can contribute to economic growth. Veteran residents, for example, typically have advanced skills that can be translated in to civilian jobs. The region's efforts to train veterans and help them transition into civilian careers should be continued. The training should also be expanded to promote entrepreneurship.

Bunker labs

The mission of Bunker labs is to “catalyze the entrepreneurial potential of military experience to lead the American economy.” The Bunker Labs program serves existing veteran owned tech startups and aspiring entrepreneurs by providing a workspace, access to a peer network, mentorship and professional development, as well as access to capital. Currently, Bunker labs is located in Washington D.C., Nashville, and Jacksonville.

To learn more about Bunker Labs, visit <http://bunkerlabs.org/>

7.4 The Potential Raleigh-Norfolk Corridor

During the site visit, the IEDC team heard about state planning for a new interstate between Raleigh, NC and Norfolk, VA. The proposed route would travel west into the eastern region, then turn northwards along existing Route 17, providing the eastern region with excellent access to both Raleigh and to Norfolk. The Route was tentatively designated as I-44 in 2012. However, in 2013, a portion of this route from Raleigh to Rocky Mount NC was instead proposed as I-495.

NC East should assist the eastern region stakeholders in determining if they want to advocate for the I-44 plan. As a preliminary step, NC East should first find out what the current thinking is at the state level for the route. Following that, NC East may wish to convene interested stakeholders, and explore the likely impacts of the route. If the benefits seem clear, then an economic impact study could help quantify the economic benefits to the region. Stakeholder engagement and collaboration, with supportive data, are powerful tools for engaging and supporting regional and state leadership in the pursuit of this investment.

Blog Excerpt: C-LINK: Kyndle Connects to the Region

Chamber Leadership Initiatives for Northwestern Kentucky (C-LINK) includes 12 chambers of commerce for 10 counties in Western Kentucky. At the top of C-LINK's current agenda is maintaining the momentum toward the total completion of Interstate 69 from a new Ohio River bridge in Henderson County to where the interstate leaves the commonwealth in far southwestern Kentucky.

For more information about C-LINK, visit www.buildI69-ky.com. For more on Interstate 69, visit www.interstate-guide.com/i-069.html

In a related venture, Kyndle and the Chamber of Commerce of Southwest Indiana have linked arms across the Ohio River to create BridgeLink, a non-profit group whose sole focus is to advocate for building the new Interstate 69 bridge between Henderson and Evansville, Ind. BridgeLink envisions the new tolled I-69 bridge to be complete and open to traffic by 2020. The bi-state group also supports preserving a non-tolled route across the Ohio River for local commuters.

The new Interstate 69 bridge, along with work already completed or underway in Kentucky and Indiana, will create a seamless, safe international trade corridor through the heart of the nation eventually connecting Canada, the United States and Mexico.

Source: <http://www.kyndle.us/what-is-kyndle/c-link-kyndle-connects-to-the-region.html>

Appendix A Background Data

Regional Economic Trends

Overview

Economic activity is concentrated in the counties on the western side of the region, closest to the metropolitan centers to the west (Raleigh) and also to Jacksonville to the south. Dare County furthest to the east is also a concentrated economic center.

| | |
|--------------------------------|------------------------|
| Population (2014) | 498,192 |
| Jobs (2014) | 261,800 |
| Average Earnings (2015) | \$40,976 |
| Unemployed (4/2015) | 12,953 |
| GRP (2013) | \$19.91 billion |
| Exports (2013) | \$30.34 billion |
| Imports (2013) | \$27.95 billion |

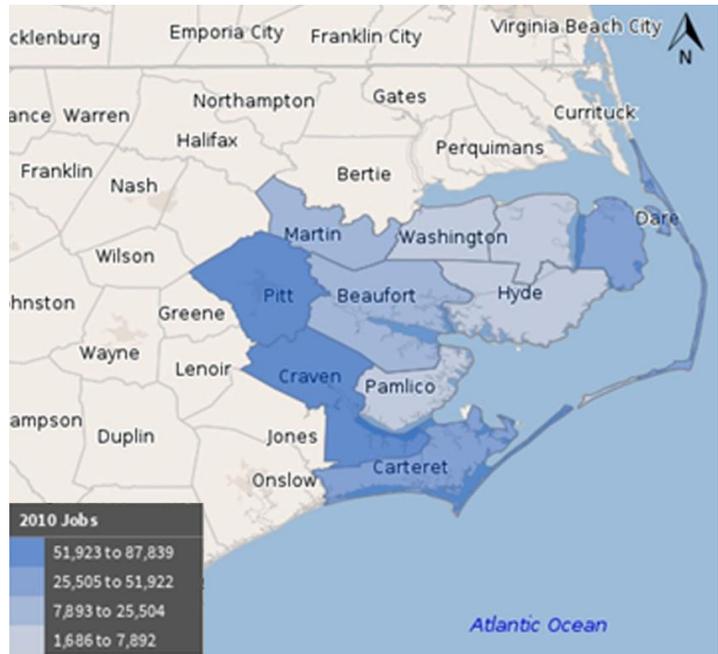


Figure 5: 2010 Jobs by County Map

Source: Economic Modeling Specialists, Inc. (EMSI), 2015.2 – QCEW Employees, Self-Employed, and Extended Proprietors

Gross Regional Product

In 2013, the region had a total demand of goods and services of \$39.06 billion in 2013. Of this demand, \$10.93 billion was locally produced and consumed and \$27.95 billion was imported. The county exported \$30.34 billion worth of goods and services in 2013. The manufacturing and government sectors exported the most goods and services at 6.73 billion and \$14.79 billion, respectively. The region had a trade surplus of \$2.39 billion (exports-imports).

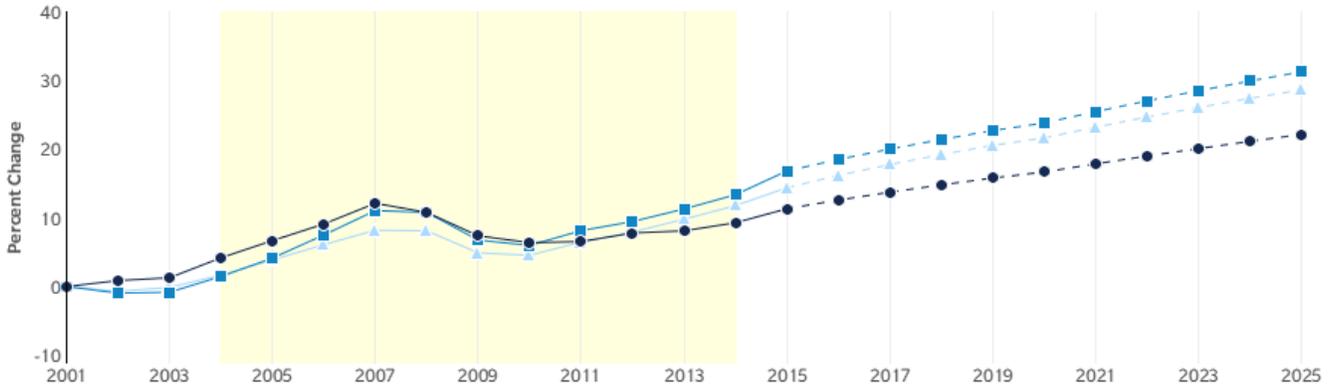
The gross regional product (GRP) measures the final market value of all goods and services produced in a region. In 2013, the gross regional product for the region was \$19.91 billion, which included \$1.3 billion in taxes on production, \$8.3 billion in property income, and \$10.7 billion in earnings. Government accounted for 26 percent of GRP, 18 percent and real estate and rental and leasing accounted for 10 percent. For more on the region’s GRP, see the resource appendix.⁵⁵

Industry and Employment

⁵⁵ EMSI Analyst, Economic Modeling Specialists International. Accessed June 2015.

Employment Trends

Employment in the region peaked most recently in 2007 and has lagged in recovery as compared to the state and the nation. While the region shows 4.8 percent growth from 2004 to 2014, it has not regained employment levels of 2007, while the state and the nation have had that recovery.



| | Region | 2004 Jobs | 2014 Jobs | % Change |
|-----|----------------|-------------|-------------|----------|
| ● | Region | 249,535 | 261,775 | 4.9% |
| ● ■ | North Carolina | 4,945,151 | 5,526,026 | 11.7% |
| ● ▲ | United States | 168,241,625 | 184,988,767 | 10.0% |

Industry Trends

The three industries that employ the most people in the region – government, retail trade, and accommodation and food services - have seen increases in employment. Government is by far the largest employment sector, comprising 24 percent of all jobs. Government jobs are concentrated in Craven and Pitt County, with 21,602 and 24,889 jobs respectively. Pitt County saw a 21percent increase in these jobs from 2004 to 2014. Carteret and Dare County each had significant government employment as well, with 5,233 jobs and 3,217 jobs respectively.

In the government sector, employment increased at:

- Colleges, universities, and professional schools (15 percent),
- Local government hospitals (19 percent),
- Local government excluding education and hospitals (6 percent), and
- Military (7 percent).

These increases were offset by declines in:

- Federal government civilian (7 percent),
- Federal government postal service (13 percent), and slight declines in local government education (1 percent) and state government (2 percent).

The 5 percent increase in retail trade employment exceeded industry trends, while the 12 percent increase in accommodation and food services was nonetheless below expected industry gain, showing a negative competitive effect. The region has location quotients above one for each of these three industries. Manufacturing and Healthcare offered the next most jobs in the region in 2004, but declines in manufacturing and gains in the health sector have greatly widened that gap. Manufacturing experienced a 19 percent decline from 2004 to 2014. The industry declined more than would be expected from industry trends and national growth, resulting in a loss of 824 jobs due to competitive effect. Construction jobs dropped precipitously, by 32 percent during this time period.

Smaller employment concentrations in administrative support services, real estate, and in finance and insurance showed 16 percent, 31 percent and 44 percent gains, and a positive competitive effect. Management of companies and enterprises is a small sector that nonetheless grew by 41 percent.

Table 1: Regional Industry Trends, 2004 to 2014

| NAICS | Description | 2004 Jobs | 2014 Jobs | 2004 - 2014 % Change | 2014 Location Quotient | Competitive Effect |
|-------|--|-----------|-----------|----------------------|------------------------|--------------------|
| 90 | Government | 59,205 | 62,666 | 6% | 1.84 | 2,591 |
| 44 | Retail Trade | 29,115 | 30,508 | 5% | 1.17 | 1,028 |
| 72 | Accommodation and Food Services | 21,612 | 24,286 | 12% | 1.29 | (1,274) |
| 62 | Health Care and Social Assistance | 20,643 | 24,131 | 17% | 0.82 | (2,087) |
| 31 | Manufacturing | 20,619 | 17,040 | (17%) | 0.94 | (856) |
| 23 | Construction | 17,542 | 13,340 | (24%) | 1.00 | (2,634) |
| 56 | Administrative and Support and Waste Management and Remediation Services | 12,665 | 14,704 | 16% | 0.90 | 337 |
| 81 | Other Services (except Public Administration) | 12,499 | 14,247 | 14% | 0.97 | 360 |
| 53 | Real Estate and Rental and Leasing | 11,713 | 15,301 | 31% | 1.29 | 275 |
| 54 | Professional, Scientific, and Technical Services | 8,968 | 8,876 | (1%) | 0.49 | (1,819) |
| 11 | Crop and Animal Production | 7,841 | 6,531 | (17%) | 1.31 | (1,482) |
| 52 | Finance and Insurance | 6,064 | 8,761 | 44% | 0.60 | 986 |
| 42 | Wholesale Trade | 5,324 | 4,919 | (8%) | 0.54 | (619) |
| 48 | Transportation and Warehousing | 4,307 | 4,199 | (3%) | 0.48 | (749) |
| 71 | Arts, Entertainment, and Recreation | 4,260 | 4,724 | 11% | 0.80 | (571) |
| 51 | Information | 3,111 | 2,489 | (20%) | 0.53 | (403) |
| 61 | Educational Services | 2,040 | 2,610 | 28% | 0.41 | 12 |
| 55 | Management of Companies and Enterprises | 903 | 1,277 | 41% | 0.39 | 96 |
| 22 | Utilities | 521 | 545 | 5% | 0.67 | 31 |
| 99 | Unclassified Industry | 397 | 0 | (100%) | 0.00 | (338) |
| 21 | Mining, Quarrying, and Oil and Gas Extraction | 185 | 621 | 236% | 0.27 | 233 |
| | | 249,535 | 261,775 | 5% | | (6,881) |

Source: Economic Modeling Specialists, Inc., QCEW, non-QCEW, self-employed and extended proprietors.

Crop and Animal Production Analysis

Crop and Animal Production employment dropped 17 percent, and showed a negative competitive effect, despite a location quotient⁵⁶ of 1.52. The largest employment sectors in the crop and animal production category are crop production, followed by finfish and shellfish fishing, animal production and aquaculture, and logging. The sharpest declines in employment were in finfish fishing (51 percent) and shellfish fishing (24 percent). The most notable gain in employment in the “other” category was an increase from 25 to 112 of those employed in farm management services in seven establishments, a 348 percent increase.

Figure 6:2010 Employment by County: Crop and Animal Production

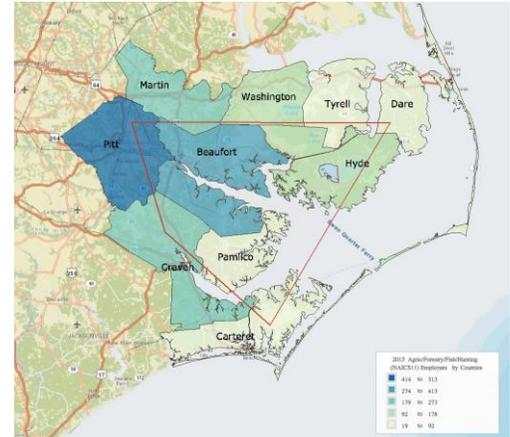


Table 2: Trends 2004-2014 in Regional Crop and Animal Production

| NAICS | Description | 2004 Jobs | 2014 Jobs | 2004 - 2014 % Change | 2014 Location Quotient | Competitive Effect | 2014 Establishments |
|--------|-----------------------------------|-----------|-----------|----------------------|------------------------|--------------------|---------------------|
| 111000 | Crop Production | 2,592 | 2,238 | (14%) | 1.10 | (254) | 182 |
| 112000 | Animal Production and Aquaculture | 1,066 | 933 | (12%) | 0.60 | (162) | 34 |
| 113310 | Logging | 781 | 693 | (11%) | 4.16 | (63) | 61 |
| 114111 | Finfish Fishing | 1,324 | 648 | (51%) | 11.78 | (483) | 8 |
| 114112 | Shellfish Fishing | 1,055 | 797 | (24%) | 17.79 | (18) | 4 |
| | All Other | 680 | 822 | 21% | | | 50 |
| | Total | 7,841 | 6,531 | (17%) | 1.52 | | 339 |

Source: EMSI Analyst, Economic Modeling Specialists International. Accessed June 2015.

Table 3: Region’s Crop and Animal Production Concentrations

| NAICS | Description | 2014 Location Quotient | 2014 Establishments | 2014 Jobs | 2013 - 2014 % Change | 2014 Wages, Salaries, & Proprietor Earnings |
|-------|-------------|------------------------|---------------------|-----------|----------------------|---|
| 1141 | Fishing | 12.99 | 11 | 1,320 | (3%) | \$51,049 |
| 1133 | Logging | 4.11 | 61 | 617 | 2% | \$41,714 |

⁵⁶ **Location quotient (LQ)** is a way of quantifying how concentrated a particular industry, cluster, occupation, or demographic group is in a region as compared to the nation. It can reveal what makes a particular region unique in comparison to the national average. Location quotients above 1 indicate a greater than average regional concentration of employment.

| | | | | | | |
|------|---|------|-----|-------|------------|------------|
| 1131 | Timber Tract Operations | 3.30 | 5 | 33 | (11%) | \$57,097 |
| 1153 | Support Activities for Forestry | 3.01 | 7 | 153 | 24% | \$35,964 |
| 1142 | Hunting and Trapping | 2.71 | 2 | 58 | (2%) | \$25,577 |
| 1132 | Forest Nurseries and Gathering of Forest Products | 1.48 | 2 | <10 | Insf. Data | Insf. Data |
| 1151 | Support Activities for Crop Production | 1.32 | 27 | 1,011 | 2% | \$25,590 |
| 1110 | Crop Production | 1.05 | 180 | 2,247 | (0%) | \$28,069 |
| 1120 | Animal Production | 0.57 | 34 | 940 | 0% | \$22,161 |
| 1152 | Support Activities for Animal Production | 0.43 | 6 | 64 | 0% | \$27,593 |

Source: EMSI Analyst, Economic Modeling Specialists International. Accessed June 2015.

Major Employers

As described above, the government sector provides 24 percent of employment in the region and is the largest sector. The top nine employers in the region are in this sector, providing education and health services in addition to defense employment. The private sector employer that employs the most people is Wal-Mart Associates Inc. and is the tenth largest employer in the region.

Table 4: Top Regional Employers

| Rank | Company Name | Industry | County | Employment Range |
|------|-------------------------------------|-----------------------------------|----------|------------------|
| 1 | Beaufort County Schools | Education & Health Services | Beaufort | 1000+ |
| 2 | Carteret County Board Of Education | Education & Health Services | Carteret | 1000+ |
| 3 | Defense Ex Army Navy & Air Force | Public Administration | Craven | 1000+ |
| 4 | Department Of Defense | Public Administration | Craven | 1000+ |
| 5 | Craven County Schools | Education & Health Services | Craven | 1000+ |
| 6 | Craven Regional Medical Center | Education & Health Services | Craven | 1000+ |
| 7 | Pitt County Memorial Hospital | Education & Health Services | Pitt | 1000+ |
| 8 | East Carolina University | Education & Health Services | Pitt | 1000+ |
| 9 | Pitt County Board Of Education | Education & Health Services | Pitt | 1000+ |
| 10 | Wal-Mart Associates Inc. | Trade, Transportation & Utilities | Pitt | 1000+ |
| 11 | Pitt Community College | Education & Health Services | Pitt | 1000+ |
| 12 | University Health Systems | Education & Health Services | Pitt | 1000+ |
| 13 | Nacco Materials Handling Group Inc. | Manufacturing | Pitt | 1000+ |
| 14 | Pcs Phosphate Company Inc. | Manufacturing | Beaufort | 500-999 |
| 15 | Carteret County General | Education & Health Services | Carteret | 500-999 |
| 16 | County Of Carteret | Public Administration | Carteret | 500-999 |
| 17 | Bsh Home Appliances Corporation | Manufacturing | Craven | 500-999 |
| 18 | Wal-Mart Associates Inc | Trade, Transportation & Utilities | Craven | 500-999 |
| 19 | Moen Incorporated | Manufacturing | Craven | 500-999 |
| 20 | Marine Corps Community Services | Trade, Transportation & Utilities | Craven | 500-999 |

Utilities

Source: North Carolina Department of Commerce, 2015

Unemployment Trends

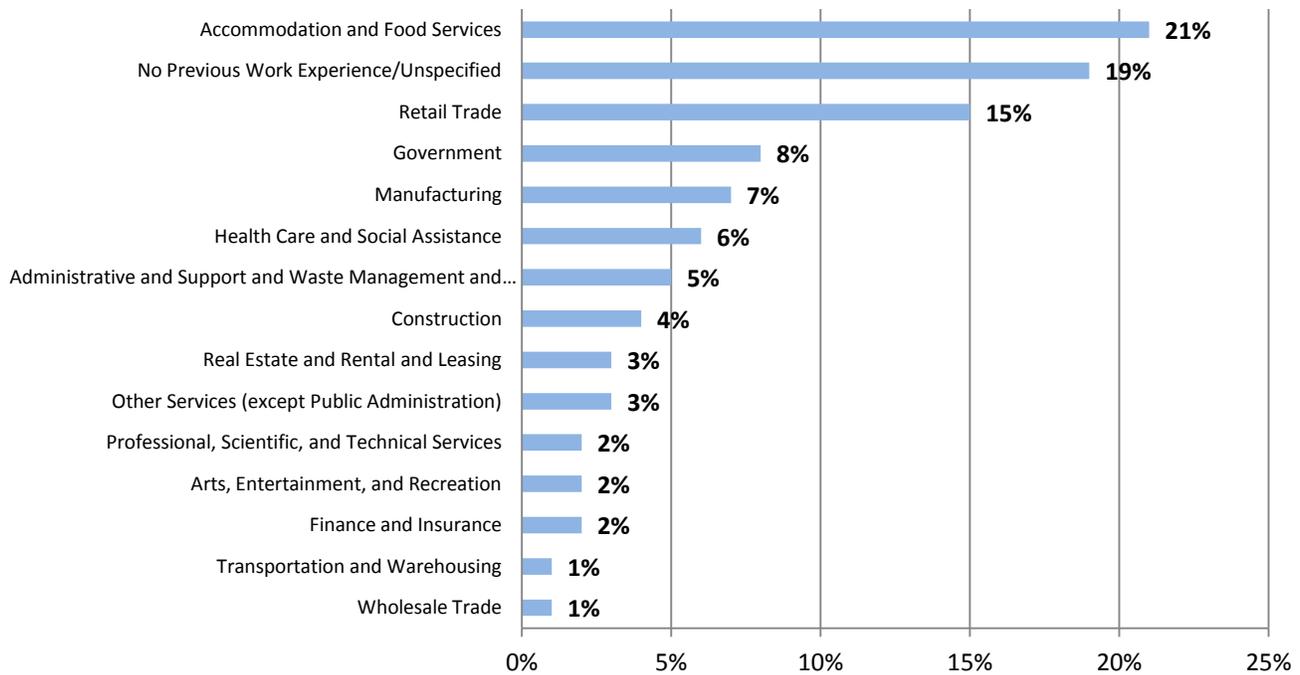
The 2013 unemployment rate in the region is 11 percent, compared to a national rate of nine percent. Unemployment was particularly high in Accommodation and Food Services and Retail trades (21 percent) and retail (15 percent), as well as for those with no previous work experience (19 percent.) The declines in crop and animal production employment are not reflected in these numbers, as most of the workforce in this industry is non-QCEW employment or self-employed.

Table 5: 2013 Employment and Unemployment (20 to 64 years) for Pamlico Counties and North Carolina

| | Population 20 to 64 | Percent In labor force | Employment Rate | Unemployment rate |
|-----------------------|---------------------|------------------------|-----------------|-------------------|
| Pamlico Region | 289,629 | 75.92% | 65.44% | 11.01% |
| North Carolina | 5,796,231 | 76.82% | 67.55% | 10.36% |
| United States | 186,836,697 | 77.43% | 69.93% | 9.02% |

Source: American Community Survey, 2009-2013 5-Year Estimates

Figure 7: Unemployment by Industry



Source: EMSI Analyst, Economic Modeling Specialists International. Accessed June 2015.

Workforce Flow

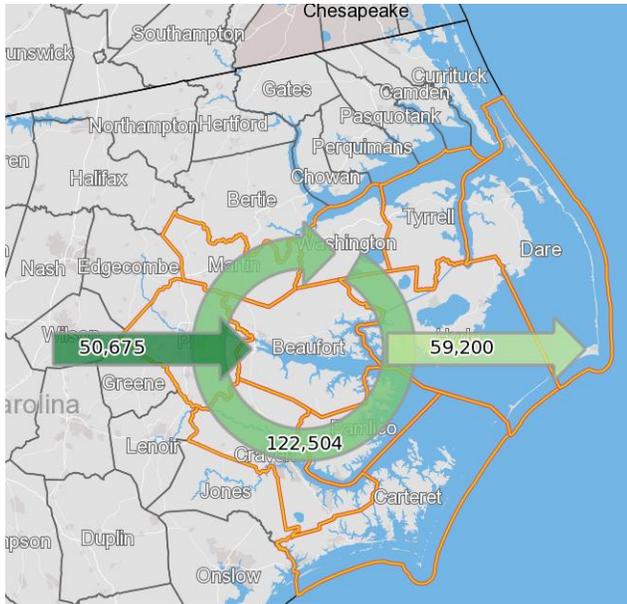
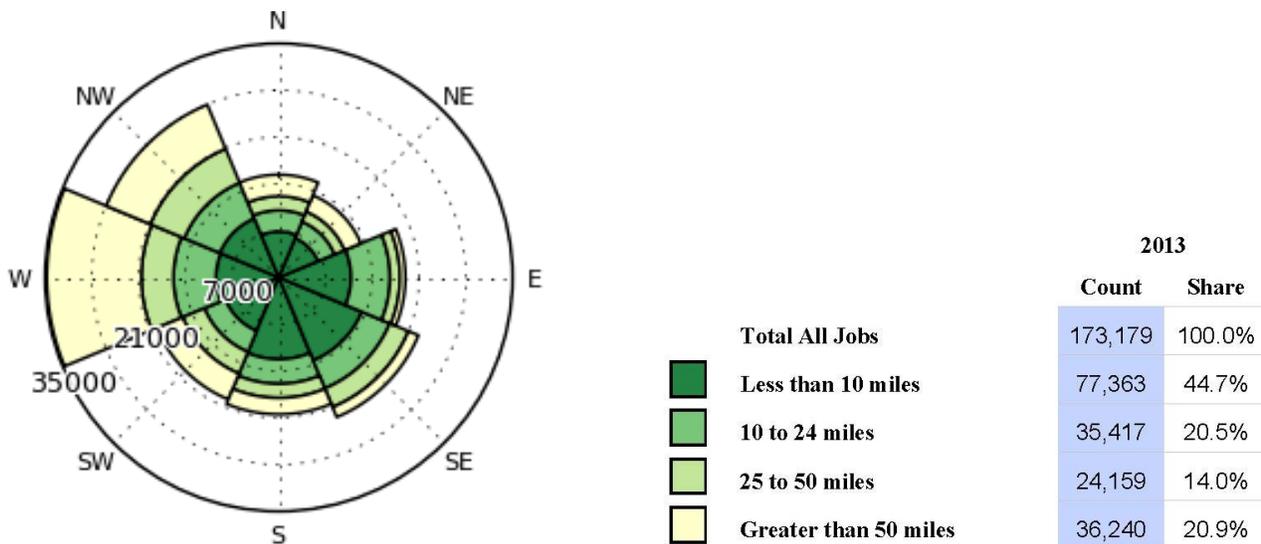


Figure 8: 2013 Workforce Flow.

As seen above, slightly more people leave the region to work than those who enter. 50,675 people who live outside the region enter the region to work, while 59,200 people live in the region and work outside the region. The majority, 122,504 persons, live and work within the 10-county region.

Figure 9: Job Counts by Distance/Direction in 2013, All Workers



Economic Trends by County
Beaufort County

Industry Overview

Employment in Beaufort County spans several industries. Local government employs two-thirds of the persons in the government sector. Manufacturing jobs in the county primarily relate to agriculture chemical, HVAC equipment, and motor vehicle part manufacturing. Within retail, general merchandise stores, grocery stores, health and personal care stores, building material, and supplies dealers employ the most persons—at 480, 429,292 and 227 jobs respectively. Employment in crop and Animal Production is also concentrated, with a 2014 location quotient of 2.42. Primary jobs in crop and animal production include crop production, support activities for crop production, logging and animal production and aquaculture.

Table 6: Beaufort County- Industries employing more than 500 persons

| NAICS | Description | 2004 Jobs | 2014 Jobs | 2004 - 2014 % Change | 2014 Location Quotient |
|-------|--|-----------|-----------|----------------------|------------------------|
| 90 | Government | 3,268 | 2,935 | (10%) | 1.03 |
| 31 | Manufacturing | 3,295 | 2,854 | (13%) | 1.88 |
| 44 | Retail Trade | 2,703 | 2,599 | (4%) | 1.20 |
| 62 | Health Care and Social Assistance | 2,687 | 2,240 | (17%) | 0.91 |
| 56 | Administrative and Support and Waste Management and Remediation Services | 1,171 | 1,608 | 37% | 1.17 |
| 81 | Other Services (except Public Administration) | 1,330 | 1,453 | 9% | 1.19 |
| 72 | Accommodation and Food Services | 1,343 | 1,383 | 3% | 0.88 |
| 23 | Construction | 1,415 | 1,237 | (13%) | 1.11 |
| 53 | Real Estate and Rental and Leasing | 636 | 1,048 | 65% | 1.06 |
| 11 | Crop and Animal Production | 1,132 | 1,006 | (11%) | 2.42 |
| 52 | Finance and Insurance | 586 | 756 | 29% | 0.62 |
| 54 | Professional, Scientific, and Technical Services | 653 | 696 | 7% | 0.46 |
| 42 | Wholesale Trade | 580 | 607 | 5% | 0.80 |
| 48 | Transportation and Warehousing | 713 | 592 | (17%) | 0.81 |
| | Employment all industries | 22,311 | 21,829 | (2%) | |

Source: Economic Modeling Specialists, Inc., 2015.2 dataset.

Between 2004 and 2014, the county had the most significant losses in health care and social assistance (17 percent) and transportation and warehousing (17 percent). The loss of a health care employment was primarily residential care facilities. Some of the health care loss was tied to the general medical and surgical hospitals, with a 27 percent reduction in employment—from 743 to 545. Losses in transportation and warehousing were concentrated in general freight trucking. However, this loss was offset by a 98 percent increase in specialized freight trucking.

Carteret County

Industry Overview

Employment in Carteret County is not concentrated in any one industry. Government employment is the largest sector, but includes a variety of employment, including local, state and federal employees, 954 healthcare workers, 423 persons employed in the military, and 481 employed by state-run colleges, universities and professional schools. Tourism is an economic driver, with the county showing location quotients of between 1.3 and 2.0 in accommodation and food services, real estate and rental and leasing, and arts, entertainment and recreation.

Table 7: Carteret County- Industries employing more than 500 persons

| NAICS | Description | 2004 Jobs | 2014 Jobs | 2004 – 2014 % Change | 2014 Location Quotient |
|-------|--|---------------|---------------|----------------------|------------------------|
| 90 | Government | 4,968 | 5,233 | 5% | 1.16 |
| 44 | Retail Trade | 4,698 | 5,179 | 10% | 1.50 |
| 72 | Accommodation and Food Services | 3,718 | 3,971 | 7% | 1.58 |
| 53 | Real Estate and Rental and Leasing | 2,538 | 3,139 | 24% | 2.00 |
| 62 | Health Care and Social Assistance | 2,139 | 2,687 | 26% | 0.69 |
| 23 | Construction | 3,399 | 2,545 | (25%) | 1.43 |
| 81 | Other Services (except Public Administration) | 1,866 | 2,294 | 23% | 1.18 |
| 56 | Administrative and Support and Waste Management and Remediation Services | 1,866 | 1,840 | (1%) | 0.84 |
| 54 | Professional, Scientific, and Technical Services | 1,554 | 1,458 | (6%) | 0.61 |
| 52 | Finance and Insurance | 792 | 1,258 | 59% | 0.65 |
| 31 | Manufacturing | 1,803 | 1,197 | (34%) | 0.50 |
| 71 | Arts, Entertainment, and Recreation | 1,065 | 1,037 | (3%) | 1.32 |
| 42 | Wholesale Trade | 722 | 716 | (1%) | 0.60 |
| 11 | Crop and Animal Production | 1,031 | 652 | (37%) | 0.98 |
| 48 | Transportation and Warehousing | 617 | 621 | 1% | 0.54 |
| | Employment all industries | 33,677 | 34,778 | 3% | |

Source: Economic Modeling Specialists, Inc., 2015.2 dataset.

Between 2004 and 2014, the county had significant losses in manufacturing (34 percent) and crop and animal production (37 percent.) The loss of agricultural employment was primarily finfish fishing, in which employment dropped from 516 persons to 148. Some of the manufacturing loss was tied to the marine economy, with a loss of 16 jobs in seafood product and prep and a loss of 150 jobs in boat building. Other manufacturing losses were scattered, but the largest was in hardwood veneer and plywood manufacturing, dropping from 453 to 331 employees.

Craven County

Industry Overview

Craven County jobs are highly concentrated in the government sector. The government sector accounts for just over 35 percent of jobs in the county and federal government jobs represent 70 percent of total government employment. In 2014, the county employed 9,423 military and 5,279 civilian federal government employees. While government jobs overall decreased by 2 percent between 2004 and 2014, military jobs increased by 8 percent from 8,757 to 9,423 and exhibited a 2014 location quotient of 14.64.

Between 2004 and 2014, the county had the most significant losses in construction (31 percent) and crop and animal production (27 percent.) The loss of employment in construction occurred among building contractors and residential building construction. The loss in crop and animal production is primarily tied to the marine economy, with a loss of 72 percent of fishing and 43 percent of animal production and aquaculture jobs.

The highest growing industries for the County include: Real Estate and Rental and Leasing (28 percent); Finance and Insurance (21 percent); and Arts, Entertainment, and Recreation (21 percent).

Table 8: Craven County- Industries employing more than 500 persons

| NAICS | Description | 2004 Jobs | 2014 Jobs | 2004 - 2014 % Change | 2014 Location Quotient |
|----------------------------------|--|-----------|-----------|----------------------|------------------------|
| 90 | Government | 21,946 | 21,602 | (2%) | 2.85 |
| 44 | Retail Trade | 5,302 | 5,578 | 5% | 0.96 |
| 62 | Health Care and Social Assistance | 4,639 | 5,239 | 13% | 0.80 |
| 72 | Accommodation and Food Services | 3,351 | 3,826 | 14% | 0.91 |
| 31 | Manufacturing | 4,511 | 3,459 | (23%) | 0.86 |
| 56 | Administrative and Support and Waste Management and Remediation Services | 2,798 | 2,872 | 3% | 0.79 |
| 81 | Other Services (except Public Administration) | 2,641 | 2,481 | (6%) | 0.76 |
| 54 | Professional, Scientific, and Technical Services | 2,498 | 2,382 | (5%) | 0.60 |
| 53 | Real Estate and Rental and Leasing | 1,710 | 2,189 | 28% | 0.83 |
| 23 | Construction | 3,108 | 2,146 | (31%) | 0.72 |
| 52 | Finance and Insurance | 1,238 | 1,495 | 21% | 0.46 |
| 48 | Transportation and Warehousing | 1,343 | 1,060 | (21%) | 0.55 |
| 71 | Arts, Entertainment, and Recreation | 729 | 880 | 21% | 0.67 |
| 42 | Wholesale Trade | 971 | 858 | (12%) | 0.43 |
| 11 | Crop and Animal Production | 869 | 633 | (27%) | 0.57 |
| Employment all industries | | | | | |

Source: Economic Modeling Specialists, Inc., 2015.2 dataset.

Dare County

Industry Overview

Tourism, and its supporting industries, drives the economy in Dare County. As a result, the top three employment sectors for Dare County are accommodation & food services, real estate rental & leasing, and retail trade. The average earnings per job in 2014 for Dare County’s top three industries are \$22,858, \$28,420, and \$29,549, respectively. Within accommodation and food services, restaurants and other eating places employed 3,479 persons in 2014, followed by the traveler accommodation sector hiring 995 persons.

Although the construction sector is the fifth largest sector in the county, it shows the greatest decrease in jobs (30 percent) between 2004 and 2014. Other notable decreases in employment pertain to manufacturing, with losses of 18 percent. Conversely, Health Care and Social Assistance increased by 23 percent.

Table 9: Dare County- Industries employing more than 500 persons

| NAICS | Description | 2004 Jobs | 2014 Jobs | 2004 - 2014 % Change | 2014 Location Quotient |
|-------|--|-----------|-----------|----------------------|------------------------|
| 72 | Accommodation and Food Services | 4,576 | 4,836 | 6% | 2.37 |
| 53 | Real Estate and Rental and Leasing | 3,986 | 4,769 | 20% | 3.72 |
| 44 | Retail Trade | 4,096 | 4,135 | 1% | 1.47 |
| 90 | Government | 2,971 | 3,217 | 8% | 0.87 |
| 23 | Construction | 3,331 | 2,338 | (30%) | 1.62 |
| 81 | Other Services (except Public Administration) | 1,232 | 1,467 | 19% | 0.92 |
| 56 | Administrative and Support and Waste Management and Remediation Services | 1,555 | 1,286 | (17%) | 0.72 |
| 62 | Health Care and Social Assistance | 938 | 1,156 | 23% | 0.36 |
| 54 | Professional, Scientific, and Technical Services | 1,177 | 1,070 | (9%) | 0.55 |
| 71 | Arts, Entertainment, and Recreation | 933 | 782 | (16%) | 1.23 |
| 52 | Finance and Insurance | 698 | 778 | 11% | 0.49 |
| 31 | Manufacturing | 787 | 643 | (18%) | 0.33 |
| 11 | Crop and Animal Production | 680 | 616 | (9%) | 1.14 |
| | Employment all industries | 28,336 | 28,341 | 0% | |

Source: Economic Modeling Specialists, Inc., 2015.2 dataset.

Hyde County

Industry Overview

The crop and animal production and government sectors employ the most persons in Hyde County—790 and 705, respectively. Jobs in crop and animal production increased by 36 percent. In 2014, these jobs had a location quotient of 11.73. The primary jobs in this sector involve Animal Production and Aquaculture, crop production and fin fishing. The next top industries in Hyde County include accommodation and food services, construction, and retail trade which hired 320, 273 and 254 persons in 2014.

From 2004 to 2014, jobs in Real Estate and Rental and Leasing increased the most (241 percent) and jobs in Management of Companies and Enterprises decreased the most with a loss of 46 percent.

Table 10: Hyde County- Industries employing more than 500 persons

| NAICS | Description | 2004 Jobs | 2014 Jobs | 2004 - 2014 % Change | 2014 Location Quotient |
|-------|----------------------------|-----------|-----------|----------------------|------------------------|
| 11 | Crop and Animal Production | 581 | 790 | 36% | 11.73 |
| 90 | Government | 825 | 705 | (15%) | 1.53 |
| | Employment all industries | 3,042 | 3,533 | 16% | |

Source: Economic Modeling Specialists, Inc., 2015.2 dataset.

Martin County

Industry Overview

Employment in Martin County is not concentrated in a single industry. The government sector is the largest employer, and includes a variety of local and state employment in education and hospitals.

Between 2004 and 2014, the county had more job losses and gains by sector. The most significant losses were in manufacturing (55 percent), other services (30 percent), and government (17 percent). The following subsectors lost all jobs from 2004-2014: basic chemical manufacturing, pulp, paper, and paperboard mills, cut and sew apparel manufacturing, fabric mills, and grain and oilseed milling. Other manufacturing losses were scattered, but the largest were in animal slaughtering and processing and agriculture, construction, and mining machinery manufacturing where 10-year job losses totaled 71 percent and 49 percent, respectively.

Table 11: Martin County- Industries employing more than 500 persons

| NAICS | Description | 2004 Jobs | 2014 Jobs | 2004 - 2014 % Change | 2014 Location Quotient |
|-------|-----------------------------------|-----------|-----------|----------------------|------------------------|
| 90 | Government | 1,936 | 1,614 | (17%) | 1.28 |
| 44 | Retail Trade | 1,369 | 1,301 | (5%) | 1.35 |
| 62 | Health Care and Social Assistance | 1,519 | 1,283 | (16%) | 1.17 |
| 31 | Manufacturing | 2,266 | 1,015 | (55%) | 1.51 |
| 72 | Accommodation and Food Services | 765 | 817 | 7% | 1.17 |
| 11 | Crop and Animal Production | 654 | 605 | (7%) | 3.27 |

| | | | | | |
|----------------------------------|---|---------------|--------------|--------------|------|
| 52 | Finance and Insurance | 271 | 558 | 106% | 1.03 |
| 81 | Other Services (except Public Administration) | 732 | 511 | (30%) | 0.94 |
| Employment all industries | | 11,627 | 9,714 | (16%) | |

Source: Economic Modeling Specialists, Inc., 2015.2 dataset.

Pamlico County

Industry Overview

In 2014, the top three employment sectors for Pamlico County were government, health care and social assistance, and retail trade. The most notable change for Pamlico County is the 165 percent increase in health care and social assistance jobs from 2004 to 2014. Within this sector, the highest employing subsectors are home health care services (176 jobs), continuing care retirement communities and assisted living facilities for the elderly employed (107 jobs), and general medical and surgical hospitals (90 jobs). The continuing care retirement communities and assisted living facilities for the elderly subsector experienced the most growth, increasing 245 percent from 2004 to 2014.

The industries that contracted the most from 2004 to 2014 are educational services, wholesale trade, and information at 64, 63, and 48 percent, respectively.

Table 12: Pamlico County- Industries employing more than 500 persons

| NAICS | Description | 2004 Jobs | 2014 Jobs | 2004 - 2014 % Change | 2014 Location Quotient |
|----------------------------------|-----------------------------------|-----------|-----------|----------------------|------------------------|
| 90 | Government | 990 | 952 | (4%) | 1.43 |
| 62 | Health Care and Social Assistance | 253 | 671 | 165% | 1.16 |
| 44 | Retail Trade | 561 | 669 | 19% | 1.31 |
| Employment all industries | | | | | |

Source: Economic Modeling Specialists, Inc., 2015.2 dataset.

Pitt County

Industry Overview

Employment in Pitt County is diverse with the government, health care and retail industries employing the most individuals. Government sector is the largest employer and employment is concentrated in local and state-run education and hospitals.

Table 13: Pitt County: Industries employing more than 500 persons

| NAICS | Description | 2004 Jobs | 2014 Jobs | 2004 - 2014 % Change | 2014 Location Quotient |
|-------|-------------|-----------|-----------|----------------------|------------------------|
|-------|-------------|-----------|-----------|----------------------|------------------------|

| | | | | | |
|----|--|---------------|---------------|------------|------|
| 90 | Government | 20,606 | 24,889 | 21% | 2.05 |
| 62 | Health Care and Social Assistance | 7,787 | 10,188 | 31% | 0.97 |
| 44 | Retail Trade | 9,425 | 10,080 | 7% | 1.09 |
| 72 | Accommodation and Food Services | 6,929 | 8,454 | 22% | 1.26 |
| 31 | Manufacturing | 7,410 | 6,706 | (10%) | 1.04 |
| 56 | Administrative and Support and Waste Management and Remediation Services | 4,578 | 6,205 | 36% | 1.06 |
| 81 | Other Services (except Public Administration) | 3,740 | 4,873 | 30% | 0.93 |
| 23 | Construction | 4,609 | 3,634 | (21%) | 0.76 |
| 52 | Finance and Insurance | 2,257 | 3,472 | 54% | 0.67 |
| 53 | Real Estate and Rental and Leasing | 2,296 | 3,079 | 34% | 0.73 |
| 54 | Professional, Scientific, and Technical Services | 2,611 | 2,664 | 2% | 0.42 |
| 42 | Wholesale Trade | 1,960 | 1,853 | (5%) | 0.58 |
| 48 | Transportation and Warehousing | 932 | 1,238 | 33% | 0.40 |
| 71 | Arts, Entertainment, and Recreation | 1,033 | 1,215 | 18% | 0.58 |
| 61 | Educational Services | 930 | 1,178 | 27% | 0.52 |
| 11 | Crop and Animal Production | 1,640 | 1,157 | (29%) | 0.65 |
| 51 | Information | 1,213 | 1,100 | (9%) | 0.65 |
| 55 | Management of Companies and Enterprises | 631 | 961 | 52% | 0.82 |
| | Employment all industries | 80,741 | 93,172 | 15% | |

Source: Economic Modeling Specialists, Inc., 2015.2 dataset.

Between 2004 and 2014, the county had the most significant losses in crop and animal production (29 percent.) The loss of agricultural employment was primarily crop production, in which employment dropped from 805 persons to 389. Some of the agricultural loss was also tied to animal production and aquaculture, with a loss of 141 jobs in animal production and aquaculture and a loss of 11 jobs in support activities for animal production.

Tyrrell County

Industry Overview

Much of the industry information for Tyrrell County is so small that most sources do not have sufficient data to draw reliable trends. However, it is worth noting that employment in Tyrrell County is spread across government, agriculture and retail. Government employment is the largest sector, and employment is concentrated in state government, followed by local government (education and hospital) jobs.

Table 14: Tyrrell County- Industries employing more than 100 persons

| NAICS | Description | 2004 Jobs | 2014 Jobs | 2004 - 2014 % | 2014 Location |
|-------|-------------|-----------|-----------|---------------|---------------|
|-------|-------------|-----------|-----------|---------------|---------------|

| | | | | Change | Quotient |
|----|---|--------------|--------------|------------|----------|
| 90 | Government | 453 | 488 | 8% | 1.92 |
| 11 | Crop and Animal Production | 296 | 364 | 23% | 9.76 |
| 81 | Other Services (except Public Administration) | 119 | 255 | 114% | 2.32 |
| 44 | Retail Trade | 151 | 197 | 30% | 1.01 |
| 23 | Construction | 106 | 129 | 22% | 1.29 |
| | Employment all industries | 1,549 | 1,954 | 26% | |

Source: Economic Modeling Specialists, Inc., 2015.2 dataset.

Washington County

Industry Overview

Government is the largest employment sector in Washington County, followed by manufacturing. The vast majority of these jobs are within local government— including education and hospital jobs. The loss of government jobs exhibited in the table below includes a 40 percent loss in both federal civilian, and state government jobs.

Table 15: Washington County- Industries employing more than 500 persons

| NAICS | Description | 2004 Jobs | 2014 Jobs | 2004 - 2014 % Change | 2014 Location Quotient |
|-------|-----------------------------------|--------------|--------------|----------------------|------------------------|
| 90 | Government | 1,243 | 1,054 | (15%) | 1.55 |
| 31 | Manufacturing | 179 | 865 | 383% | 2.38 |
| 44 | Retail Trade | 575 | 526 | (9%) | 1.01 |
| 62 | Health Care and Social Assistance | 505 | 504 | (0%) | 0.85 |
| | Employment all industries | 4,666 | 5,271 | 13% | |

Source: Economic Modeling Specialists, Inc., 2015.2 dataset.

Conversely, the county experienced significant gains in manufacturing from 2004 to 2014. The gain of manufacturing employment relates to the pulp, paper, and paperboard mills subsector which added 579 jobs over 10 years. Other manufacturing gains relate to the other wood product manufacturing subsector, which grew by 131 percent.

Appendix B- Beaufort County’s Rural Manufacturing Findings & Resources

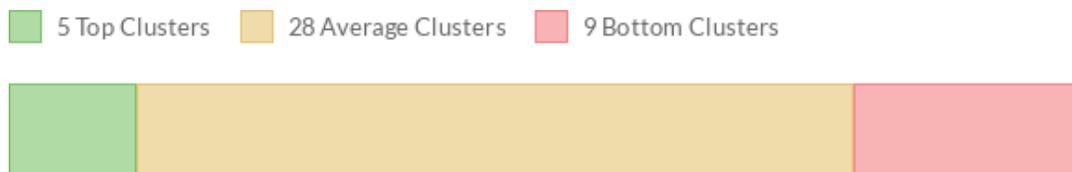
Cluster Identification for Beaufort County

Source: NC EMSI Q1 2016 Data Set

Beaufort County’s highest ranked cluster is Production Technology and Heavy Machinery, with a score of 100 (out of 100) points.

The average cluster score is 53 (out of 100) points. This is not a benchmark against other regions; it only compares the relative performance of your clusters to each other. Clusters ranked higher than 53 are above average for your region, while clusters ranked lower than 53 are below average.

Top clusters must have a score of at least 59, while bottom clusters must have a score of 47 or less. These thresholds are determined by applying the average deviation (plus or minus 6) to the average cluster score 53.



Cluster Rankings

Production Technology and Heavy Machinery 100

You have 1 industry in this cluster:

| NAICS | Industry | Jobs | Score |
|--------|---|------|-------|
| 333413 | Industrial and Commercial Fan and Blower and Air Purification Equipment Manufacturing | 783 | 100 |

Upstream Chemical Products 100

You have 1 industry in this cluster:

| NAICS | Industry | Jobs | Score |
|--------|-------------------------------------|------|-------|
| 325312 | Phosphatic Fertilizer Manufacturing | 730 | 100 |

 Local Commercial Services

64

You have 8 industries in this cluster:

| NAICS | Industry | Jobs | Score |
|--------|---|------|-------|
| 453210 | Office Supplies and Stationery Stores | 17 | 48 |
| 541110 | Offices of Lawyers | 63 | 51 |
| 541211 | Offices of Certified Public Accountants | 47 | 51 |
| 561320 | Temporary Help Services | 109 | 20 |
| 561710 | Exterminating and Pest Control Services | 18 | 57 |
| 561720 | Janitorial Services | 393 | 85 |
| 811310 | Commercial and Industrial Machinery and Equipment (except Automotive and Electronic) Repair and Maintenance | 133 | 53 |
| 812320 | Drycleaning and Laundry Services (except Coin-Operated) | 21 | 46 |

 Downstream Chemical Products

60

You have 1 industry in this cluster:

| NAICS | Industry | Jobs | Score |
|--------|--|------|-------|
| 325998 | All Other Miscellaneous Chemical Product and Preparation Manufacturing | 149 | 60 |

Please refer to attached report for more information on manufacturing cluster identification.

Beaufort County Manufacturing Industry Table

| NAICS | Description | 2010 Jobs | 2015 Jobs | 2010 – 2015 Change | 2010 – 2015 % Change | 2015 Location Quotient |
|-------|--|-----------|-----------|--------------------|----------------------|------------------------|
| 3253 | Pesticide, Fertilizer, and Other Agricultural Chemical Manufacturing | 1,076 | 730 | (346) | (32%) | 173.55 |
| 3334 | Ventilation, Heating, Air-Conditioning, and Commercial Refrigeration Equipment Manufacturing | 442 | 786 | 344 | 78% | 54.38 |
| 3131 | Fiber, Yarn, and Thread Mills | 154 | 145 | (9) | (6%) | 43.60 |
| 3117 | Seafood Product Preparation and Packaging | 61 | 68 | 7 | 11% | 15.73 |
| 3259 | Other Chemical Product and Preparation Manufacturing | 162 | 149 | (13) | (8%) | 15.73 |
| 3372 | Office Furniture (including Fixtures) Manufacturing | 130 | 87 | (43) | (33%) | 6.91 |
| 3362 | Motor Vehicle Body and Trailer Manufacturing | 162 | 115 | (47) | (29%) | 6.62 |
| 3366 | Ship and Boat Building | 127 | 99 | (28) | (22%) | 6.17 |
| 3363 | Motor Vehicle Parts Manufacturing | 217 | 285 | 68 | 31% | 4.38 |

| | | | | | | |
|------|---|-----|----|------|-------|------|
| 3262 | Rubber Product Manufacturing | 30 | 38 | 8 | 27% | 2.50 |
| 3353 | Electrical Equipment Manufacturing | 74 | 33 | (41) | (55%) | 1.98 |
| 3371 | Household and Institutional Furniture and Kitchen Cabinet Manufacturing | 43 | 56 | 13 | 30% | 1.85 |
| 3391 | Medical Equipment and Supplies Manufacturing | 115 | 65 | (50) | (43%) | 1.76 |
| 3323 | Architectural and Structural Metals Manufacturing | 50 | 56 | 6 | 12% | 1.34 |
| 3327 | Machine Shops; Turned Product; and Screw, Nut, and Bolt Manufacturing | 57 | 55 | (2) | (4%) | 1.27 |

Supply Chain Insights: Industry Purchases

| NAICS | Industry | Amount | In-Region | Out of Region |
|-------|--|---------------|-----------|---------------|
| 311 | Food Manufacturing | \$3,319,412 | 29.6% | 70.4% |
| 312 | Beverage and Tobacco Product Manufacturing | \$270,731 | 5.4% | 94.6% |
| 313 | Textile Mills | \$3,775,648 | 38.2% | 61.8% |
| 314 | Textile Product Mills | \$221,401 | 7.3% | 92.7% |
| 315 | Apparel Manufacturing | \$82,867 | 0.0% | 100.0% |
| 316 | Leather and Allied Product Manufacturing | \$33,191 | 0.0% | 100.0% |
| 321 | Wood Product Manufacturing | \$2,796,418 | 5.0% | 95.0% |
| 322 | Paper Manufacturing | \$8,766,830 | 0.0% | 100.0% |
| 323 | Printing and Related Support Activities | \$395,345 | 0.9% | 99.1% |
| 324 | Petroleum and Coal Products Manufacturing | \$39,587,000 | 0.0% | 100.0% |
| 325 | Chemical Manufacturing | \$196,491,141 | 26.8% | 73.2% |
| 326 | Plastics and Rubber Products Manufacturing | \$8,946,127 | 1.3% | 98.7% |
| 327 | Nonmetallic Mineral Product Manufacturing | \$15,271,765 | 0.5% | 99.5% |
| 331 | Primary Metal Manufacturing | \$24,353,028 | 0.0% | 100.0% |
| 332 | Fabricated Metal Product Manufacturing | \$29,994,368 | 5.5% | 94.5% |
| 333 | Machinery Manufacturing | \$12,946,063 | 11.2% | 88.8% |
| 334 | Computer and Electronic Product Manufacturing | \$5,981,494 | 0.0% | 100.0% |
| 335 | Electrical Equipment, Appliance, and Component Manufacturing | \$4,478,611 | 2.1% | 97.9% |
| 336 | Transportation Equipment Manufacturing | \$12,330,650 | 10.0% | 90.0% |
| 337 | Furniture and Related Product Manufacturing | \$490,548 | 19.0% | 81.0% |
| 339 | Miscellaneous Manufacturing | \$3,759,983 | 4.2% | 95.8% |

Manufacturing Sales and Exports

| NAICS | Industry | Sales | Exports |
|-------|--|---------------|---------------|
| 3253 | Pesticide, Fertilizer, and Other Agricultural Chemical Manufacturing | \$967,265,236 | \$914,068,718 |
| 3363 | Motor Vehicle Parts Manufacturing | \$92,958,935 | \$91,430,690 |
| 3334 | Ventilation, Heating, Air-Conditioning, and Commercial Refrigeration Equipment Manufacturing | \$90,450,814 | \$88,705,693 |
| 3259 | Other Chemical Product and Preparation Manufacturing | \$63,092,025 | \$61,923,764 |
| 3391 | Medical Equipment and Supplies Manufacturing | \$38,512,138 | \$38,035,539 |
| 3362 | Motor Vehicle Body and Trailer Manufacturing | \$28,231,373 | \$26,512,943 |
| 3372 | Office Furniture (including Fixtures) Manufacturing | \$14,209,281 | \$13,943,405 |
| 3327 | Machine Shops; Turned Product; and Screw, Nut, and Bolt Manufacturing | \$9,780,966 | \$9,128,541 |
| 3323 | Architectural and Structural Metals Manufacturing | \$9,140,669 | \$8,475,888 |
| 3261 | Plastics Product Manufacturing | \$7,375,369 | \$7,224,715 |

| | | | |
|------|---|-------------|-------------|
| 3353 | Electrical Equipment Manufacturing | \$6,639,448 | \$6,524,250 |
| 3262 | Rubber Product Manufacturing | \$5,277,211 | \$5,159,546 |
| 3219 | Other Wood Product Manufacturing | \$4,940,423 | \$4,547,431 |
| 3371 | Household and Institutional Furniture and Kitchen Cabinet Manufacturing | \$4,215,920 | \$4,080,926 |
| 3399 | Other Miscellaneous Manufacturing | \$3,220,474 | \$3,081,641 |
| 3329 | Other Fabricated Metal Product Manufacturing | \$2,738,622 | \$1,708,001 |
| 3332 | Industrial Machinery Manufacturing | \$2,148,561 | \$2,086,402 |
| 3273 | Cement and Concrete Product Manufacturing | \$1,207,309 | \$1,015,290 |
| 3121 | Beverage Manufacturing | \$1,084,039 | \$527,085 |
| 3279 | Other Nonmetallic Mineral Product Manufacturing | \$630,941 | \$342,124 |
| 3118 | Bakeries and Tortilla Manufacturing | \$231,094 | \$172,597 |
| 3114 | Fruit and Vegetable Preserving and Specialty Food Manufacturing | \$185,370 | \$141,688 |
| 3343 | Audio and Video Equipment Manufacturing | \$88,537 | \$80,212 |
| 3119 | Other Food Manufacturing | \$73,152 | \$43,318 |
| 3335 | Metalworking Machinery Manufacturing | \$49,005 | \$28,140 |
| 3339 | Other General Purpose Machinery Manufacturing | \$44,347 | \$28,273 |
| 3359 | Other Electrical Equipment and Component Manufacturing | \$23,987 | \$15,081 |
| 3271 | Clay Product and Refractory Manufacturing | \$12,352 | \$2,688 |

Growing Manufacturing Sector: Industrial and Commercial Fan and Blower and Air Purification Equipment

Growing & Declining Industries

| Industry | Change in Jobs (2010-2015) |
|---|----------------------------|
| Industrial and Commercial Fan and Blower and Air Purification Equipment Manufacturing | 344 |
| Phosphatic Fertilizer Manufacturing | -347 |

Industrial and Commercial Fan and Blower and Air Purification Equipment Manufacturing (NAICS 333413): This U.S. industry comprises establishments primarily engaged in (1) manufacturing stationary air purification equipment, such as industrial dust and fume collection equipment, electrostatic precipitation equipment, warm air furnace filters, air washers, and other dust collection equipment and/or (2) manufacturing attic fans and industrial and commercial fans and blowers, such as commercial exhaust fans and commercial ventilating fans.

786
 Jobs (2015)
 23,518% above National average

+77.8%
 % Change (2010-2015)
 Nation: +9.7%

\$48,994
 Avg. Earnings Per Job (2015)
 Nation: \$61,586

Occupations Employed by this Industry

| Description | Employed in Industry (2015) | % of Total Jobs in Industry (2015) |
|---|-----------------------------|------------------------------------|
| Team Assemblers | 188 | 23.9% |
| Welders, Cutters, Solderers, and Brazers | 48 | 6.1% |
| Assemblers and Fabricators, All Other | 40 | 5.1% |
| Cutting, Punching, and Press Machine Setters, Operators, and Tenders, Metal and Plastic | 32 | 4.1% |
| First-Line Supervisors of Production and Operating Workers | 25 | 3.2% |

Industry Requirements

| Industry | Amount | In-Region | Out of Region |
|---|-------------|-----------|---------------|
| Copper Rolling, Drawing, Extruding, and Alloying | \$4,931,345 | 0.0% | 100.0% |
| Corporate, Subsidiary, and Regional Managing Offices | \$2,300,970 | 1.6% | 98.4% |
| Industrial and Commercial Fan and Blower and Air Purification Equipment Manufacturing | \$1,999,931 | 67.3% | 32.7% |
| Iron and Steel Mills and Ferroalloy Manufacturing | \$1,617,245 | 0.0% | 100.0% |
| Motor and Generator Manufacturing | \$1,404,972 | 0.0% | 100.0% |

Please note: All findings in this section were obtained from data sets provided by the Economic Modeling Specialists International (EMSI).

Resources

Bridging the Manufacturing Skills Gap in Rural America

A webinar series sponsored by the North Central Regional Center for Rural Development in collaboration with the Purdue Center for Regional Development:

[The Skills Problem in America's Industrial Heartland: Causal Factors and Local Strategies](#)

Presented by: Carolyn Hatch, Purdue Center for Regional Development

[Manufacturing Skills Certification: Attracting and Retaining Talented Workers in Rural America](#)

Presented by: Brent Weil, The Manufacturing Institute. Access the [PowerPoint here](#).

[Labor Pool vs. Talent Pool: Gathering Industrial Skill Requirements in Rural Areas](#)

Presented by: Myra Wilson & Frank Gibson (The Ohio State University Alber Enterprise Center). Click the links to access the [PowerPoint](#) and [Handout presentation](#).

Case Study via the Daily Yonder: [Artists Revitalize Rural Manufacturing](#)

Article Summary: “The manufacturing base in many rural towns of the U.S. has dwindled, but in North Carolina, combined public and private support has spurred an innovative approach: combining the creative talents of seasoned artists with the skills of local workers.”

Appendix C - The Team Bios

Mary Ann Moon, CEcD

VP Economic Development and Marketing, TICE Engineering, Inc.

Mary Ann Moon, CEcD is VP of Economic Development and Marketing for Tice Engineering, Inc., Wiggins and Ridgeland, MS and Slidell, LA. She is responsible for developing new business opportunities for TEI, Inc. and promoting the company's unique and specialized engineering and surveying services. Moon also facilitates various economic and community development projects in which TEI is a partner or principal. TEI works with a multitude of public and private entities ranging from State DOTs and US Military Installations to Architectural Firms International Engineering Firms.

Mary Ann recently served as Vice President and Partner of MSED, LLC, a multidisciplinary engineering and economic and community development firm and certified as a Disadvantaged Business Enterprise (DBE). Moon provided Community/Economic Development strategies, Workforce and SWOT analyses, facilitation and planning of public meetings, Marketing plans and Identification of Project Funding opportunities.

Mary Ann was the Economic Developer Specialist-Business and Economic Expansion-for Entergy Louisiana. Moon was responsible for Project Management and the development of Louisiana Economic Development Certified Sites-a partnership between LED and EntergyLA. She also worked with community groups, establishing networks and assisting with economic development in regions across Northeast Louisiana.

Moon served as the President of the West Monroe-West Ouachita Chamber of Commerce, West Monroe, LA for five years. During that time, she served as a board member of Louisiana's Next Horizon - a state wide organization dedicated to quality education practices and opportunities for all children, focusing on the socio and economically disadvantaged. Also, during her tenure, Moon authored the Pre-K program for West Ouachita Parish, Louisiana. A public-private partnership, the program was recognized by the International Economic Development Council and Coordinating and Development Council for 'Excellence in Education.' She was also responsible for the implementation of the area's summer reading program for third grade students.

Additionally, Moon facilitated West Monroe-West Ouachita's Vision 20/20 Strategic Plan. She has extensive experience in Community Development including facilitation, public meeting organization, outreach, education and program creation and implementation for issues concerning and affecting communities and their residents. Mary Ann was President/Owner of Dixie Bonded Warehouse of Ouachita, Inc. and Dixie Transportation, Inc., (DBWO) West Monroe, LA from 1993 - 2007. DBWO was the largest bonded warehouse and distribution facility for component materials in a tri-state area. Moon possesses extensive experience in and knowledge of the Transportation, Logistics and Distribution industries. She served as a Board Member of the Louisiana Motor Transport Association, Louisiana's Inter-modal Planning Committee and as a Transportation Committee Member

of the Louisiana Association of Business and Industry. Moon also served as President of the Transportation and Traffic Council. She currently serves as a presenter and facilitator at conferences and work shops addressing the role of Transportation in Economic Development and growth.

She is a graduate of the University of Louisiana at Monroe and the University of Oklahoma Economic Development Institute (OU-EDI) and is a Certified Economic Developer. Moon is a member of the International Economic Development Council Board of Directors. She is a Board Member, Instructor, Mentor and was recently appointed as Assistant Dean for the University of Oklahoma’s Economic Development Institute. Mary Ann teaches the Certified Economic Developer Exam Prep Course and developed OU-EDI's "Introduction to Transportation and Logistics" course in which she also serves as topic instructor. She is a guest instructor at the University of Southern Mississippi's True South Economic Development program and Louisiana State University's Basic Economic Development Program. She teaches Introduction to Transportation and Professional Economic Development Ethics.

Mary Ann is Chairman of the University of Southern Mississippi’s Center for Trade, Transportation and Logistics Advisory Council and President Elect of the Mississippi Transportation Institute. Selected as a representative of Louisiana, by Congressman Rodney Alexander, she graduated from the Delta Regional Authority’s Leadership Institute, served on the Advisory Board and assisted in the development of the Delta Initiative-a program addressing economic development, health care, transportation and education issues. She served as facilitator of the Delta Regional Authority's Entrepreneur Jump Start program in the Louisiana Delta. MaryAnn is a graduate of Leadership Louisiana and Mississippi.

Kellie Boles

Agricultural Development Officer, Loudoun County, Virginia Economic Development

Kellie S. Boles currently serves as the Agricultural Development Officer for the Loudoun County Department of Economic Development. She manages the team responsible for promoting the sustainable economic growth and vitality of Loudoun's rural economy. Her professional career includes ten years of state and local experience in implementation and development of new and existing businesses and promotional programs assisting specialty food producers and agribusiness groups. She works with the Loudoun Winery Association, Blue Ridge Cattleman’s Association, Loudoun Christmas Tree Growers, Loudoun Sheep Producers and the newly organized Loudoun Equine Alliance. She is managing the implementation of Loudoun’s Rural Economy Business Development Strategy and organizes the annual Forum for Rural Innovation.

Sarah Garcia, AICP

Economic Development Advisor, TIA Products, LLC

Sarah Garcia is an Economic Development Advisor at the International Economic Development Council. She works on a variety of technical assistance projects for disaster and community economic resilience in the Knowledge Management and Development (KMD) department at IEDC.

Sarah is a project development specialist with more than 25 years of experience, specializing in economic development, project planning and development, maritime economies, and funding strategies. She previously served as the Director of Community Development for the City of Gloucester, MA, managing city planning, economic development, conservation, open space and recreation. During the economic collapse of the fishing industry, she led port redevelopment and diversification strategies that became national models of success. Sarah was appointed a Port Professional to the State of MA, and served on technical advisory committees to the MA Executive Office of Energy and Environmental Affairs. Sarah authored a four-course MBA concentration in Maritime Economy for the Van Loan School of Business at Endicott College. She has presented at national conferences across the country on maritime economic development.

Sarah earned her undergraduate degree in Government from Harvard University in 1982, and her Master in Public Policy from Tufts University in 2006.

Mishka Parkins

Economic Development Associate, IEDC

Ms. Parkins manages various research and technical assistance projects for IEDC's Knowledge Management and Development (KMD) department and provides research and writing support for IEDC's Economic Development Research Partners (EDRP) program. Mishka is also a contributing author to IEDC's ED Now blog, Economic Development Now, and provides content support for IEDC's professional development education courses. Her work experience prior to joining IEDC includes commercial real estate research and analysis, graphic design and marketing. Mishka recently earned a MA in Public Administration from Washington Adventist University. She holds a bachelors degree in marketing from the Robert H. Smith School of Business at the University of Maryland.

Dana Crater

Senior Economic Development Associate, IEDC

Dana works on a variety of research and advisory service projects in IEDC's knowledge management and development department. Additionally, she manages the content development of IEDC's conferences and web seminars. Her work experience prior to joining IEDC includes logistics management, market research, coordination of an international trade mission and youth programming. She holds a Masters of Community Planning specialization in economic development from the University of Maryland, College Park with coursework in real estate and entrepreneurial finance; economic development, environmental, and land use planning; and

planning law. Dana possesses a B.A. from the University of Maryland, College Park in Government and Politics with significant coursework international relations, development, French and economics.