

**One Eastern Kentucky:
Recommendations for the Development
of
a Regional Economic Development Organization**

*A technical assistance report submitted to
the Southeast Kentucky Chamber of Commerce*

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INTERNATIONAL
ECONOMIC DEVELOPMENT
COUNCIL

The Power of Knowledge and Leadership

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Table of Contents

I.	Project Overview	3
II.	What the Team Heard: Challenges and Opportunities	3
III.	Defining and Communicating About OEK	6
IV.	Recommended Focus of Work	7
V.	Organizational Structure Options	8
VI.	Leadership Council Membership and Structure	10
	a. Governance and Committee Structures	13
	b. Creating Bylaws	15
	c. Involving the Public Sector	15
VII.	President/CEO Qualifications	16
VIII.	The Selection Task Force	18
IX.	Fundraising	19
X.	Building a Regional Team	26
XI.	Involving Investors and Other Stakeholders	27
XII.	Final Thoughts/Best Practice Pointers	28
 <u>Appendices</u>		
A.	IEDC Team Biographies	30
B.	About IEDC	34
C.	List of Supplemental Materials	35

I. Project Overview

The International Economic Development Council (IEDC) was engaged by the Southeast Kentucky Chamber of Commerce in Pikeville, Ky., to review plans and make recommendations for the development of a regional economic development initiative, One Eastern Kentucky. One Eastern Kentucky is an initiative supported by five chambers of commerce in a nine-county region (Floyd, Johnson, Knott, Lawrence, Letcher, Magoffin, Martin, Perry and Pike counties).

A panel of experts from the IEDC membership, along with two IEDC staff, visited the region on May 12 – 14, 2014, to meet with Southeast Kentucky Chamber of Commerce staff and regional stakeholders. Expert panelists included:

- Howard Benson, Founder/CEO, National Community Development Services (NCDS)
- Austin Burke, former President, Scranton (Pa.) Chamber of Commerce
- Brett Doney, President/CEO, Great Falls (Mont.) Development Authority

The panel was accompanied by IEDC senior associates Dana Crater and Louise Anderson.

During the visit, the IEDC team focused on the potential organizational structure of One Eastern Kentucky, fundraising strategies to support the new organization and staff, the structure of the new organization's leadership, involvement of the public sector, and identifying qualifications for its first president/CEO.

The project was funded by a grant from the U.S. Economic Development Administration focused on helping regions prepare for and respond to the economic impacts of disasters. The IEDC team believes that forming an organization focused specifically on economic development will strengthen the region's economy and increase its resilience in responding to future disasters from an economic perspective. The following report discusses the findings from the site visit and recommendations to support the formation of One Eastern Kentucky.

II. What the Team Heard: Challenges and Opportunities

Over the course of the site visit, the IEDC team met with stakeholders from the nine-county region that One Eastern Kentucky would encompass. These stakeholder meetings, along with research conducted in advance, led the IEDC team to agree that the need for a regional economic development initiative in Eastern Kentucky is clear, and that the time is right for its formation.

Four key themes arose from the stakeholder meetings: the need for urgent action in response to the lagging regional economy; the lack of a basic structure for economic development services;

the need for a regional approach; and why the model of a regional economic development initiative – proven successful elsewhere – can be successful in Eastern Kentucky.

The need for urgent action. By all indicators, the Eastern Kentucky economy is drastically underperforming. For many years, the coal industry provided the region with ample, well-paying jobs, of which there are still a significant but declining number. This led few to see a need to focus on diversifying the region’s economy. Yet mining jobs have declined significantly in recent years, and many of the stakeholders with whom the team met believe that despite the industry’s historic boom-and-bust cycles, boom times for coal in the region are likely over for good.

The panel heard from many stakeholders who consider Eastern Kentucky a great place to live but for the lack of economic opportunities. Many people spoke of friends or relatives who wanted to stay in the region but were forced to move to find work; who commute for as much as two hours each way for a job that pays well; or who would like to move back if good jobs were available. Many young residents leave the region for college and don’t return because few job opportunities exist.

The loss of skilled workers and limited job opportunities for those who remain in the region has led to a general acknowledgement among stakeholders that a new economic strategy is necessary. Many believe that if the region keeps on as it has, its future is bleak. Without diversification and opportunity, the region will continue to lose population, and its economic prospects will decline further.

The lack of a basic structure for economic development services. Many stakeholders expressed concern that the region is not being sufficiently marketed, and that with better exposure, businesses would come.

Yet the IEDC team heard that state-level economic developers do not refer business expansion prospects to the region because no one point of contact exists there to fill out a request for information, provide data, or handle a prospect site visit. The team agrees that having a structure on the ground to service prospects with these tasks and other basic aspects of business attraction (e.g., identifying suitable properties, navigating permitting processes, facilitating state incentives and more) is critical to success.

Without a service structure in place for business attraction, any money spent on marketing the region is wasted. For example, as prospects often prefer to see multiple locations during a site visit, using a different contact county by county is not a practical or viable way to work a site location project. A seamless regional interface with potential new businesses – coordinated with and supported by local organizations and governments – is key to winning new employers.

Many economic development partners exist in the region, but none that perform this specific, critical function. A regional economic development initiative is needed to fill this role, as well as

the other critical, basic economic development function, business retention. No existing organization in the region is currently doing this or has the capacity to do so.

The need for a regional approach. In every stakeholder meeting, the IEDC panel heard about the historical unwillingness in the region – particularly among elected officials – to engage in regional cooperation. Yet the panel also heard, in almost equal proportion, how common it is for the region’s residents to drive one or more counties away for work, entertainment or shopping.

In most cases, residents and businesses don’t see city and county lines as consequential. Businesses expect customers to come from their regional market, whatever jurisdictions it encompasses. As well, a firm that locates in one county provides benefits for the residents of multiple counties who work or shop there.

Similarly, economic development is a regional activity. Particularly in a rural area, a single county rarely has all the assets and characteristics needed to support a diverse pipeline of business expansion leads. That is why a portfolio of communities and properties is needed to attract an array of prospects, and to increase the likelihood of landing investments. It is simply part of the game that some counties will win a particular investment and others won’t, but a new major employer benefits the entire region, not just the county where it chooses to locate.

While local pride is strong and borders will always define the region on some level, the IEDC panel heard support among existing business stakeholders for one new, regional voice to try a different approach, one in which success or failure is not defined by county borders.

The SOAR Summit started a regional conversation and may develop as an important venue for policy action. It may be a key economic development support mechanism in the region, but it plays a very different role from a geographically focused group that is devoted to business attraction and retention. The interest exists for One Eastern Kentucky as an action-oriented initiative led by the private sector and focused on the nine-county region.

Why a regional economic development initiative in Eastern Kentucky can be successful. The nine-county region has many assets, including natural beauty; good roads; industrial parks under improvement; and a population that is dedicated to place, to taking care its own, and that will work hard, given the opportunity for a good job. Many of the stakeholders the team met – including representatives from workforce development, a utility, institutes of higher education and healthcare, banks and others – expressed a true interest and willingness to work together to address regional business needs.

Currently, however, the region lacks the ability to pull all these assets together, strengthen them and market them to prospective businesses. These are the components of a basic economic development program that exist in most other areas of the country. A regional economic development initiative with strong leadership can bringing counties together in a way that has

not been tried before; support existing businesses and help them grow; put together a viable product to market, and create a positive brand.

The IEDC panel applauds the approach taken to date regarding the formation of One Eastern Kentucky. The region’s chamber partners have come together to support the initiative through a formal resolution, and both casual and formal meetings have been held with various stakeholders to discuss the idea. The process has been deliberate, incorporating careful analysis and input from across the region to ensure its success. Throughout the site visit, the IEDC team heard that key stakeholders are ready to support One Eastern Kentucky.

It is our hope that the recommendations outlined in this report will help the chambers move One Eastern Kentucky from an idea into an actionable initiative.

III. *Defining and Communicating About OEK*

While there are many organizations in Eastern Kentucky that focus on aspects of economic and community development, there is no one champion for attracting, retaining and expanding primary-sector employers¹ across multiple counties. That is why the need for One Eastern Kentucky (OEK) is critical.

To counter the misperception that other organizations currently exist in the region that are doing what OEK is proposed to do, the IEDC panel suggests framing the concept of OEK not as an economic development organization, but more specifically as *a regional partnership focused on creating high-wage, primary-sector jobs and diversifying the region’s economy*. Driven by the private sector and led by the five chambers of commerce in the region, OEK will focus on filling gaps in the region’s economic development services. The most important service gaps that OEK will fill include executing a formal business retention and expansion program, providing a single point of contact for business relocation prospects, and actively marketing the region.

Primary-sector employment includes industries such as manufacturing, mining, agriculture, and back office functions, for example, and typically pay higher wages than service industries. By contrast, the chambers should continue to focus on serving their membership of businesses focused on local services – e.g., restaurants, retailers, hospitality and tourism, and other local service providers. Regularly reinforcing this distinction will help clarify that OEK will not duplicate the work of the chambers but complement it. In fact, the chambers and their members will benefit from a larger base of primary-sector jobs – which pay higher wages – in the region.

¹ Also called “economic base” employers, these are firms that export goods or services from the region, bringing wealth in from outside.

When explaining the concept of OEK to others, it is important to be able to communicate what it will do clearly, succinctly and consistently. Developing an “elevator speech;” a one-page handout of frequently asked questions; and possibly an image (e.g., a puzzle or flowchart) depicting the region’s economic development partners, functions and OEK’s place all will be helpful tools to clearly explain what OEK is and isn’t.

It may be difficult to convince some stakeholders that OEK is truly a regional partnership, so it will be important to constantly reiterate that OEK is a joint initiative of the five chambers of commerce and not “owned” by any one county or organization. The distinct but complementary roles of the chambers and OEK should be reflected and reinforced in any printed materials and other collateral.

IV. Recommended Focus of Work

In economic development, the three-legged stool is an image commonly used to represent the profession’s three primary focus area—business attraction, business retention and expansion, and entrepreneurship. The IEDC team recommends that One Eastern Kentucky focus on these core economic development functions over its first five years of existence.

Business retention and expansion (BRE) is the foundation of any economic development program. Staying informed on the challenges and opportunities existing businesses face in regard to doing business in the region provides the opening to address any issues that might result in job losses, as well as the ability to facilitate expansions that bring new jobs.

A strong BRE program includes visits to the corporate headquarters of branch operations located in the region in order to cultivate the higher-level relationships critical to retaining a company or helping it expand. In addition, an analysis of individual business retention and expansion interviews in the aggregate will yield critical intelligence (positive and negative) about the region’s business climate, and sometimes reveal potential new OEK investors and ambassadors for the region.

Setting up a solid BRE program also involves securing commitments from partners in the region (e.g., SBDC, WIB, Innovation Network, etc.) to support and meet the identified needs of existing businesses. (This would follow a determination of the resources each would need to service the nine-county region.)

A strong BRE program also is an asset for attracting new businesses. According to site selector Janet Ady, business retention and expansion work can benefit business attraction efforts by helping identify the places where target industries compete, or the challenges threatening an industry and how that affects your targets or sales pitch. And if you need an industrial park improved, for example, or a second entrance built, or more streamlined permitting, she writes,

chances are your BRE team can document and quantify the need from companies that are already located in the area.

Information gleaned through BRE efforts, coupled with a target industry analysis, will form the basis of the region's business attraction program. From this, a business attraction strategy can be developed that encompasses product development, marketing, relationship-building and lead generation efforts.

The business attraction program also should identify ways that regional partners will work together to promote the region and to help turn prospects into projects. For example, workforce development partners, banks, industrial park contacts, AEP and many others will play important roles in providing information and supporting OEK's work with prospects in other ways. They will need to be trained in how to do this and common questions they should be prepared to answer.

Entrepreneurship is the third leg of the region's economic development stool. In the past, entrepreneurship typically received the least attention or effort of the three foundational economic development strategies. That has changed in recent years as communities put more effort into "growing their own," recognizing that this is both an important source of new jobs and also more likely to yield investments that stay in the region (as opposed to companies that expand from elsewhere).

With opening of the Kentucky Innovation Network office at the University of Pikeville, OEK should be a partner in supporting the region's entrepreneurs – along with the SBDC, MACED and others – rather than taking the lead on entrepreneurship. In addition to not duplicating the efforts of existing entrepreneurial development entities in the region, OEK will have its hands full with product development, BRE and business attraction efforts.

V. Organizational Structure Options

During stakeholders meetings, the IEDC team heard that for the One Eastern Kentucky initiative to be successful, it must:

- Be seen as a regional entity, not specific to Pike County;
- Be a collaboration of all five chambers of commerce, not an extension of the Southeast Kentucky Chamber;
- Offer specific, measurable benefits to investors; and
- Not require investors to hold a chamber membership.

In regard to the structure of One Eastern Kentucky, the IEDC panel presented three options during its presentation at the close of the site visit:

1. A special initiative of the five chambers of commerce administered via fee-for-service contract by the Southeast Kentucky Chamber of Commerce (SEKCC);
2. A new legal entity (501(c)(3)) staffed on contract SEKCC; or
3. A new, freestanding legal entity (501(c)(3)) unaffiliated with any existing organization in the region.

Each of the three organizational structures would meet the needs of OEK. Below is an examination of the potential advantages and drawbacks of each option.

1. A special initiative of the five chambers of commerce, administered via fee-for-service contract

Potential advantages	Potential drawbacks
<ul style="list-style-type: none"> • Capitalizes on existing capacity, contacts, and economies of scale offered by SEKCC and other chambers • Avoids spending time, money, and effort to gain 501(c)3 designation from the IRS • Funds can be devoted towards programs and projects instead of start-up costs • Greater speed to market 	<ul style="list-style-type: none"> • Cannot accept grants without 501(c)(3) designation (however, a ‘paper’ 501(c)(3) can be created for this purpose) • May appear less reassuring to investors that approach will be truly regional due to affiliation with the SEKCC

The IEDC team recommends this structure above the other two. It would allow One Eastern Kentucky to get up and running quickly, to save on administrative costs (e.g., employee benefits administration, office expenses, etc.), to be an initiative truly owned by the region’s chambers, and to avoid the time and effort required to form a new legal entity. All chambers should be treated as equal partners in the initiative with a signed agreement specifically outlining their roles. This should be accomplished with regular (i.e. monthly or bi-monthly) management committee meetings until a leadership council is elected.

In this option, a fee-for-service contract would specify the administrative support functions that SEKCC would be responsible for providing to OEK. The contract should clearly outline that the initiative is one of all five chambers and that SEKCC is not responsible for management of the initiative. All five chambers should sign the contract and hold the SEKCC accountable for upholding the terms. The contract term can vary in length and be renegotiated following the first term.

The team recommends contracting with SEKCC for these services because it has the greatest staff and organizational capacity of the five chambers and can immediately step into this role. It will be important to have an attorney review the agreement to ensure that it meets all county, state and federal laws. The agreement can be used to set up a financial infrastructure for the initiative.

2. New 501(c)(3) staffed on contract by SEKCC

Potential advantages	Potential drawbacks
<ul style="list-style-type: none"> Capitalizes on existing capacity, contacts, and economies of scale offered by SEKCC 501(c)(3) designation may be more assuring to investors that the entity is not an extension of the SEKCC 501(c)(3) can apply for and accept grants Limited start-up and administrative costs 	<ul style="list-style-type: none"> Time, money, and effort involved in gaining and maintaining designation from the IRS May appear less reassuring to investors that approach will be truly regional due to affiliation with the SEKCC Other chambers may feel like “lesser” partners

This organizational structure is the second option recommended by the IEDC team, as it still takes advantages of the capacity, contacts and economies of scale afforded through administration by SEKCC. However, that same administrative advantage also carries the same potential drawbacks as the first option, that of being perceived as owned by the Southeast Kentucky Chamber of Commerce rather than all five chambers, or specific to Pike County (even though it has its own 501(c)(3) designation). This option also requires time, funds and effort to obtain and maintain nonprofit designation from the IRS.

3. New, unaffiliated 501(c)(3)

Potential advantages	Potential drawbacks
<ul style="list-style-type: none"> Could locate anywhere in the region May gain greater buy-in from potential investors by not being <i>perceived</i> as a Pike County entity 501(c)(3) can apply for and accept grants Provides a formal structure for the initiative 	<ul style="list-style-type: none"> Time, money, and effort involved in gaining and maintain designation from the IRS Does not capitalize on existing capacity, contacts, or economies of scale by being affiliated with an existing organization Start-up and administrative funds would need to be raised above and beyond funds needed for programs and projects

The primary advantage of the third option is that it may be the one most likely to alleviate any stakeholder concerns that OEK is focused on Pike County or is merely an extension of SEKCC. It also would allow OEK to possibly locate outside of Pike County. (However, because Pikeville is the region’s center in terms of finance, education, healthcare and population, as well as other aspects, the IEDC panel believes it is clearly the location of choice for OEK.)

Drawbacks of this option include the significant additional resources that would be required to administer an entirely new organization (in terms of equipment, personnel, services, etc.), in addition to the effort required to gain and maintain a 501(c)(3) designation. However, if OEK

proves to be a successful initiative toward the end of its initial five years, it may want to consider pursuing this structure at that point.

Included in the supplemental materials to this report are several resources on setting up a nonprofit organization.

VI. Leadership Council Membership and Structure

The IEDC panel recommends an investor-based model for membership in One Eastern Kentucky's leadership council (the "board of directors" for the initiative). This model is sometimes referred to as "pay-to-play." The investor-based model attracts members by presenting a business case for their involvement – a return on their investment in the initiative. This common model among private economic development organizations encourages ownership of the initiative's plan, guidance and direction during implementation, and accountability for results among those who have put significant sums behind it.

One Eastern Kentucky, envisioned (at least initially) as an entirely privately funded initiative, will need its private-sector leadership council members to bring business acumen, strategic insight and financial discipline to the organization.

The One Eastern Kentucky leadership council should be large enough to provide strategy and direction, but not allow one group to hold control; and comprise the region's most influential leaders, but also those who are willing to do the necessary work.

Determining investment levels required for council membership, the duration of terms, and benefits of membership should be strategic and take into consideration regional context and the needs of the initiative. For example, some organizations require at least a five-year commitment or a certain level of investment for investors to be eligible for a council (or board) seat. Lower levels of investment may earn council membership but not include voting rights. However, caution must be used when determining these levels to ensure that they are not so high as to discourage the decision to invest. At the same time, there may be some investors in the initiative who are prepared to fund it but unwilling or unable to commit to serving on the council.

OEK's bylaws (discussed more below) can be created in a way to assure diverse representation on the leadership council – e.g., that each participating county have one representative, or that a number of competitive seats be available for smaller businesses that are unable to invest large sums in the initiative.

Members of the leadership council should have an understanding that their status on the council brings no guarantee of business, but that all investors in One Eastern Kentucky will be

recommended by the organization as the first choice to meet needs for goods and services to prospects and other businesses, partners and stakeholders, providing a competitive edge.

The text box below contains four examples showing how organizations around the country use an investor-based model for their boards of directors.

White County (Ind.) Economic Development

White County, Indiana, has a population of 25,000, spread across nine small towns. White County Economic Development Organization, Inc. (WCED) leads the rural county's development efforts. WCED has 19 board members representing the public and private sectors and actively seeks funding from both sectors. WCED's Communications and Sponsorship Committee developed five levels of annual sponsorship for investors. Sponsorships fund activities such as educational opportunities offered to members, the development of legislative positions relating to the county's economic development and issue advocacy. The highest level of investment—\$8,000 or more—secures an investor a voting position on WCED's board of directors. (An investment of \$5,000 or higher secures a hyperlinked company logo on the front page of the White County Economic Development website, and prominent mentions in the quarterly newsletter and the annual meeting program.)

White County's five levels of sponsorship include: \$8,000 and up – Board and Voting Membership; \$5,000 - \$7,999 – Platinum; \$2,000 - \$4,999 – Gold; \$1,000 - \$1,999 – Silver; up to \$999 – Bronze.

Anchorage (Alaska) Economic Development Council

Anchorage is a consolidated county-city with an estimated 300,000 residents in 2012. For over 25 years, the Anchorage Economic Development Corporation (AEDC) has been leading efforts to grow a prosperous, sustainable and diverse economy for Anchorage and south-central Alaska. AEDC has over 30 voting members from the private sector on its board and eight ex-officio members from public sector (e.g., the Alaska legislature and local government).

AEDC receives 75 percent of its funding from the private sector. The five investment levels for AEDC—bronze, silver, gold, platinum, diamond—range from \$500 to over \$20,000.

Contributions at and above the silver level (\$2,500 - \$4,999) earn an investor a seat on AEDC board of directors.

Bay Economic Development Alliance

Bay County is located in northwest Florida between Pensacola and Tallahassee. The county's population of 170,000 is spread in seven municipalities, including Panama City Beach. The Bay Economic Development Alliance partners with these municipalities, plus 16 counties across the Florida Panhandle, the state of Florida and private companies in its public-private approach to economic development.

Bay County’s economic development efforts are supported by public and private investors who are categorized into two groups: community and corporate investors that contribute at least \$5,000 per year, and Economic Development Investors, which contribute \$20,000 per year and receive one seat on the Bay EDA Executive Committee. The Bay EDA is a 501(c)(6) organization, which allows companies a business write-off for membership.

Nashville Chamber’s Partnership 2020

The Nashville region spans 10 counties in middle Tennessee and has a population of 1.8 million. Using a regional approach to economic development, the region has built a strong market based on a diverse set of industries. The Nashville Area Chamber of Commerce developed the Partnership 2020 initiative (P2020) to create new jobs and generate capital investments. Funding and leadership for the partnership is provided by the public and private sectors, totaling over 280 corporate, association and government entities.

Lead investors in P2020—those that contribute a minimum of \$20,000 per year for five years—receive a higher level of benefits than investors that contribute less. Some of the additional benefits for lead investors include:

- Top corporate officer seat on the Lead Investor Council
- Priority placement for company profile on nashvilleareainfo.com
- Priority placement of company profile within each relocation and expansion marketing package and RFP
- Invitations to VIP events, including special announcements involving major business relocations and expansions
- Top corporate officer testimonials about doing business in the region featured on nashvilleareainfo.com

Governance and committee structures

A board of directors or leadership council can have an advisory role, a management role, a fundraising role, a participant role, and a policy-making role. Some boards or councils focus primarily on one area, whereas others focus on a combination or all of these roles. For One Eastern Kentucky, the IEDC panel advises that the leadership council take on all of these roles, using smaller committees to support each function.

Many boards have four or five leadership positions or officers – e.g., chairman, past chairman, vice-chair, secretary and treasurer. In some organizations, the secretary and treasurer position are combined. (See p. 182 of IEDC’s “Managing Economic Development Organizations” manual, included in the supplemental materials, for a description of the responsibilities of each leadership position).

Commonly, a governance committee (comprising the officer positions described above) provides nuts-and-bolts oversight for the initiative. (A representative from each of OEK's participating chambers may also be included in the governance committee as ex-officio members.) OEK's president of economic development would report to this governance committee. It is important that this committee stay relatively small.

A set of advisory committees should be created to advise the leadership council. These committees allow for council members to actively participate in the organization through hands-on strategy and policy roles. Advisory committees can make recommendations for new policies and actions, which the full council votes on prior to enacting.

Doug Eadie, a frequent speaker and writer on board governance models, commonly advises using the following governance task force model, which could be adapted to meet the needs of One Eastern Kentucky. Each council member is assigned to one of four committees: the governance committee (focused on management issues, as discussed above); the planning and budget development committee; the external and stakeholder relations committee; and the performance and oversight committee.

The planning and budget committee would:

- Create the initiative's strategic vision and present strategies to meet the vision
- Identify and address opportunities and challenges facing the region
- Develop the initiative's annual budget and operational plan

The external and stakeholder relations committee is responsible for:

- Promotion and oversight of the initiative's image to external audiences
- Communications to and involvement of stakeholders and investors
- Incorporating the public sector into the initiative and addressing any concerns brought forth

The performance and oversight committee would:

- Identify the metrics used to evaluate the initiative to ensure it meets its goal
- Assess the initiative and determine the content and frequency of reports
- Evaluate the policies and update as necessary

Each of the committee chairs would be part of the governance committee, along with the officers. The governance committee is responsible for ensuring the leadership council maintains a high level of oversight, addresses management issues as needed and ensures the initiative operates effectively without micromanaging. Governance committee members are tasked with ensuring that committees and advisory taskforces complete tasks and meet goals for the initiative.

The frequency of meetings for the leadership council as a whole and each committee can vary. It is recommended that a minimum number of meetings per year or quarter be outlined in the bylaws.

A presentation and case study on the board structure of the Charlotte Regional Partnership, a 16-county regional economic development organization with counties in North Carolina and South Carolina, is included in the supplemental materials.

Creating the Bylaws

Upon determining the structure of One Eastern Kentucky and its leadership council, it is important to formalize the initiative by drafting a set of bylaws. The bylaws will provide an operational structure that clarifies the roles and responsibilities of OEK's chamber partners, the leadership council, committees and staff members. Generally, bylaws state:

- the purpose and scope of the organization's efforts;
- investor qualifications, restrictions and privileges;
- the size and membership of the leadership council;
- how council members are elected and terms of board service;
- the rights and powers of council members;
- limitations on personal liability of council members;
- types of committees within the organization;
- how committee members are elected;
- conflict of interest policy;
- how the bylaws may be amended in the future; and
- meeting requirements.

Bylaws are a legal document. While the chamber of commerce partners and leadership council should have input on the initial draft, a legal advisor should advise the drafting the final document. A process for reviewing and amending the bylaws should be included to accommodate new realities as the initiative develops and grows. As One Eastern Kentucky is an initiative of five chambers of commerce, the by-laws should address what happens should one chamber no longer wish to be part of the initiative.

Included in the supplemental materials are sample bylaws from three Accredited Economic Development Organizations (an IEDC designation). As part of the accreditation process, a panel of economic developers reviews these bylaws to ensure they address the needs of the organization and cover the items listed above.

Involving the Public Sector

From permitting and infrastructure development to providing data or participating in prospect visits, local and state governments have a major role in economic development. Though One Eastern Kentucky is envisioned as an initiative driven by the private sector, OEK will need county and state buy-in and support to be effective.

For example, costing out the improvements at the region’s industrial parks (recommended by Insite Consulting) and explicit commitments to fund them will be needed (regional and national partners such as the Appalachian Regional Commission and the U.S. Economic Development Administration also may be tapped for funding). One or more representatives from the Kentucky Cabinet for Economic Development will need to have up-to-date, intimate knowledge of the product available in the region and participate in fact tours, perhaps with newly elected officials.

Beyond the persistent, deliberate efforts that will be needed to cultivate collaborative working relationships with these public partners, their participation in OEK should be formally incorporated into its governance structure. The text box below includes examples of ways that other communities have involved the public sector, which could be replicated or adapted by One Eastern Kentucky.

A Public Advisory Committee with One Representative on the Board of Directors

Chesterfield County, S.C., is a rural county with a population of 46,000 and eight towns. The towns had chambers of commerce and several tourism groups, but no economic development organizations, leading the city councils to compete against each other on economic development issues.

Understanding that cooperation would better serve the area, the county created and funded an economic development alliance. One of the alliance’s goals was to keep local politics out of economic development initiatives. The alliance is staffed by the county and advised by a board of directors. To keep the municipalities involved, each town designates one person to participate on a “mayors’ committee.” One representative from that committee is chosen to participate on the board of directors.

Using the Chesterfield County model, One Eastern Kentucky could create a public advisory committee to which each county judge-executive would appoint a representative. The committee could then nominate a representative to OEK’s leadership council as an active, voting member.

Ex-Officio Members of the Board of Directors

Dallas County (pop. 42,000) is located in central Alabama, with Selma (pop. 19,900) as the county seat. In 1985, city and county officials decided to consolidate economic development efforts by incorporating the Selma and Dallas County Economic Development Authority

(SDCEDA) as a 501(c)6 non-profit organization. SDCEDA engages the public sector by appointing five ex-officio board members from the public sector to work alongside the 20-member board of directors from the private sector. Ex-officio members of SDCEDA board have the right to participate in discussions as advisors, but do not have voting rights.

OEK can specify the participation rights of ex-officio leadership council members in its bylaws. Ex-officio members may be afforded the same rights as other members – e.g., debate, making formal motions, and voting – or may be non-voting. Consideration of the region’s political climate will be crucial in deciding these participation rights.

VII. President/CEO qualifications

During stakeholder meetings, there was discussion about the importance of hiring a candidate who has roots in or is otherwise familiar with the region. The IEDC panel believes that while this characteristic would undoubtedly be helpful, it should not be a make-or-break criterion for the position.

Most important is ensuring that the first president of OEK has the skills and experience needed to fulfill the initiative’s program of work. Therefore, the panel recommends conducting a national search for a candidate. If a local applicant eventually is chosen, that person will have the credibility of having competed for the position with a wide pool of qualified candidates.

The candidate should possess several years of experience as a professional economic developer, with proficiency in a range of specific economic development activities – most importantly, business retention and expansion, marketing and recruitment. Candidates who have earned IEDC’s Certified Economic Developer (CEcD) designation have demonstrated their experience and skills in these and other key areas of economic development; therefore, the selection task force may want to consider stating a preference for CEcDs when advertising the position.

An ideal candidate will have experience working with (and contacts among) corporate real estate executives, site selectors, and other key connections who will be helpful in bringing jobs to the region. At the same time, it will be critical that the candidate have the ability to work effectively within the region’s self-described “clannish” culture. Typically, a person in this position will have excellent leadership and communication skills, be highly motivated, and prepared to travel outside the region regularly in order to make important connections and serve as an ambassador.

Depending on the results of the fundraising feasibility analysis (discussed below in the fundraising section), OEK may be able to hire additional staff, diversifying the mix of skills,

personalities and contacts for the initiative. For example, if the president of OEK is hired from outside of the region, it may be possible to find a qualified candidate with ties to the region to serve as a business retention manager. Such a person would have important regional knowledge and contacts to help the initiative succeed. However, it is important that the person focused on promoting the region externally have the senior title and be responsible for the leadership of the organization.

In 2011-2012, IEDC commissioned a study on the core competencies needed for economic development leaders and their professional staff to succeed. From that study came a guidebook to help economic development organizations evaluate and expand the skills of existing staff and to aid in the recruitment of new executives. This guide (included in supporting materials) may be a helpful tool in the staffing of OEK to ensure that candidates have the required competencies to lead the initiative successfully.

In addition, from IEDC's "Managing Economic Development Organizations" manual is a list of qualifications to consider when hiring a CEO, president or director. In relation to the development of One Eastern Kentucky, five items to strongly consider include:

1. Demonstrated experience managing strategic relationships and partnerships
2. Experience in designing or implementing an economic development program as a chief executive officer or top deputy
3. Demonstrated experience with and knowledge of various aspects of economic development
4. Demonstrated capability in communicating and working with elected officials and with leaders and staff of government agencies, private-sector organizations and individual companies
5. Experience in developing cooperative working relationships between local and state government and private organizations, and in brokering between various public, private, and academic sources to develop economic development programs

Information from the "Managing Economic Development Organizations" manual, as well job descriptions for economic development executive positions that have been posted through IEDC, are included in the supporting materials. These will show what other initiatives and organizations have used to attract quality candidates.

VIII. The Selection Taskforce

The first president or director of One Eastern Kentucky will have a big job. He or she will be responsible for starting and carrying out the initial program of work and gaining as many short-

term successes as possible to keep momentum up for the initiative. It is important to identify the right candidate for the position.

Forming a selection task force is a good way to share the tasks and the responsibility involved with interviewing and hiring for the job. The task force should comprise a representative from the five partner chambers, as well as a subset of OEK's board of directors/investors. Ideally, the task force should be diverse in terms of regional geography, company size, industry, and demographics. The selection taskforce should be limited to four to six people to avoid becoming unwieldy; however, candidates may meet with several different groups of stakeholders during the interview process.

The role of the selection task force should be to:

1. Determine the salary, benefits and qualifications necessary for the position
2. Create the job description
3. Decide on strategies for marketing the position both locally and nationally
4. Identify a set of metrics to evaluate candidates
5. Design and coordinate the interview process
6. Obtain feedback from others who meet with the candidates
7. Select the first president of economic development and negotiate the terms of employment.

The salary range for the position should be identified in the initial program planning (before the fundraising feasibility analysis). As a tool to aid in establishing the salary range for the president of OEK, an excerpt from IEDC's "2012 Salary Survey of Economic Development Professionals" is included in the supplemental materials. This document allows organizations and communities to compare the salaries for economic developers based on location, title, organization budget, community size, education, experience and other statistics. The tables in the supplemental materials will help identify a salary range that will match candidates' qualifications.

IX. Fundraising for One Eastern Kentucky

A successful model to fund an economic development initiative is to focus on *achievable outcomes* that will result from implementing a *well-rounded strategy*, within a *reasonable timeframe*, with a *credible budget*. Such plans are always anchored in urgent community needs (usually economic), are based on a comprehensive strategy, and have strong private-sector leadership. The strategy focuses on creating jobs and expanding payrolls and the municipal tax base, rather than developing and maintaining an economic development organization.

While a chamber may rely on annual dues, special events and other diverse income sources, an economic development initiative will succeed best when it offers its underwriters an

“investment opportunity.” This investment will increase underwriters’ business and improve their bottom lines in measurable ways; therefore, it ideally should come from their marketing budgets, instead of their community or charitable budgets.

Such investors will strongly support a multi-year strategic initiative that is designed to deliver a clear benefit and economic impact. Few corporate supporters are interested in funding a “business as usual” approach when their marketplace is stagnant or declining. In Eastern Kentucky, there is ample evidence that market conditions for regional business of all sizes and types need to be improved. Implementing a bold, aggressive economic growth initiative backed by those with a clear stake in its success is the best way forward for One Eastern Kentucky.

A startup regional development initiative is feasible in an economically challenged area like Eastern Kentucky. The region’s long-struggling economy provides an undeniable sense of urgency for stepping up growth and development efforts. However, scarce financial resources among potential investors will require a well-conceived plan that demonstrates that it meshes with other similar endeavors (that may or may not need funding). Also, the caliber of volunteer leaders who convene to launch and oversee such an initiative will be of immense importance.

In most cases, the initiatives are given a strong identity of their own in order to emphasize the difference between the special program and the sponsoring organization. Such titles as *“Forward Together,” “Priority One,” “The Momentum Initiative,”* or *“The New Millennium Program”* are useful in demonstrating the arm’s-length distinction the initiative must have from the organization that houses it, especially if the initiative is regional and not linked to only one community or organization.

Properly organized and developed, a strategic initiative for Southeastern Kentucky’s economic future will be viewed by community leaders as a top priority on the civic agenda because *they* are the initiators and they will be participating in its oversight and governance. The initiative should be able to avoid becoming politicized and still gain funding from both the public and private sectors. With some existing development organizations, cities or counties may even elect to “contract” with the strategic initiative to provide economic development services to their jurisdiction. This usually promotes cooperation, assures accountability, avoids overlap, and prevents duplication of effort.

The IEDC team recommends that the region’s chamber partners launch and fund a five-year strategic initiative. This would involve the following steps.

Make the case/articulate the need. As the IEDC team learned from preliminary research and in stakeholder meetings, the need to grow high-quality jobs in the region is clear. However, the staff professionals who are on the front lines of community and economic development will need to assemble data and create information to further strengthen the case.

This is sometimes called “documenting the distress,” and it should include the statistical as well as the human rationale for better solutions and stronger action to grow the economy. The use of graphic images and other tools (as discussed by the IEDC team during the final presentation), such as a matrix showing all the economic development partners in the region and their functions; a puzzle image with OEK as a missing puzzle piece; an elevator speech describing the initiative and what it aims to accomplish; and a one-page fact sheet explaining how economic growth and diversification will help the region’s existing businesses are examples.

Develop a draft plan with an accompanying budget. Investors will need to know how the problems will be addressed and what it will cost. This requires the chamber partners to put together a broad action plan for One Eastern Kentucky’s proposed core functions, accompanied by a budget showing the funding allocated to each component. According to NCDS,

Even broad strategies and estimated financial needs are acceptable at this stage. Sooner than later, everyone will want to know the preliminary cost of implementing the plan, so be bold. A feasibility analysis later on will reveal how much can actually be raised, but at this stage, think big. Put a plan together that will get the job done, not a timid, anemic program that fails to inspire anyone about results that could be achieved with proper funding.²

A specific plan with a realistic budget based on benchmarking against competing regions will provide investors more confidence than pulling a number out of a hat or passing the collection plate when it’s time to underwrite the strategy.

Identify the top 10-15 regional private-sector leaders/potential investors who will, ultimately, take ownership of the plan. The goal is to assemble this group as a “strategy review task force” to scrutinize, amend and approve the draft five-year plan (e.g., “The Accelerate Strategy”). As this group helps to refine and strengthen the plan, its members develop a stronger interest in seeing it funded and implemented. This step is usually accomplished in two or three work sessions, with electronic copies of drafts being sent for advance review.

As noted in the IEDC panel’s presentation,

Capacity + Stake + Interest = \$\$\$\$s

Implement a stakeholder investment analysis. The next step is to hold approximately 50- 60 individual listening sessions with a wide range of top prospects and influencers to ask for their feedback on the plan and gain some sense of their likely financial support. This step is often called the “feasibility study” and it is best outsourced to a skilled, objective third party, since confidential interviews are needed and staff or volunteers may get polite conversation instead of direct, sometimes critical input.

² NCDS ProViews: “The Perfect Time to Raise Money”

Interviewees discuss the plan's strengths and weaknesses, recommend any changes they'd like to see, and suggest likely leadership candidates for the fundraising campaign, along with their own likelihood of assisting. From these interviews a campaign can be judged as either a "go" or a "no-go," and an achievable goal can be projected if a campaign is shown to be feasible. A professionally implemented funding feasibility study typically requires about 8 weeks to complete.

Following the funding feasibility study, if a "go" is determined, the strategic initiative would be refined to reflect not only the feedback from interviewees, but the amount of money recommended as a viable goal. For example, if \$4 million had been the tested goal and the recommended goal is now \$2.5 million, the committee would revise the strategies to fit the funding recommended. It is sometimes the case that funding potential is greater than initially envisioned, and a bolder plan can be envisioned. In either case, the plan must conform to a realistic assessment of available funding.

One Eastern Kentucky will get one opportunity to envision and launch a successful campaign to pay for a fresh, aggressive strategy. Wishful thinking about the dollars available will not compensate for a hard-nosed assessment of realistic financial support. A final document, complete with all pertinent detail on the program, should be prepared after the feasibility report is presented and a decision made relative to a funding goal.³

Launching a campaign. A successful campaign will have region-wide support and likely encompass an investor base of about 150. Typically, a campaign would find its investors committing to the program according to the figures below:

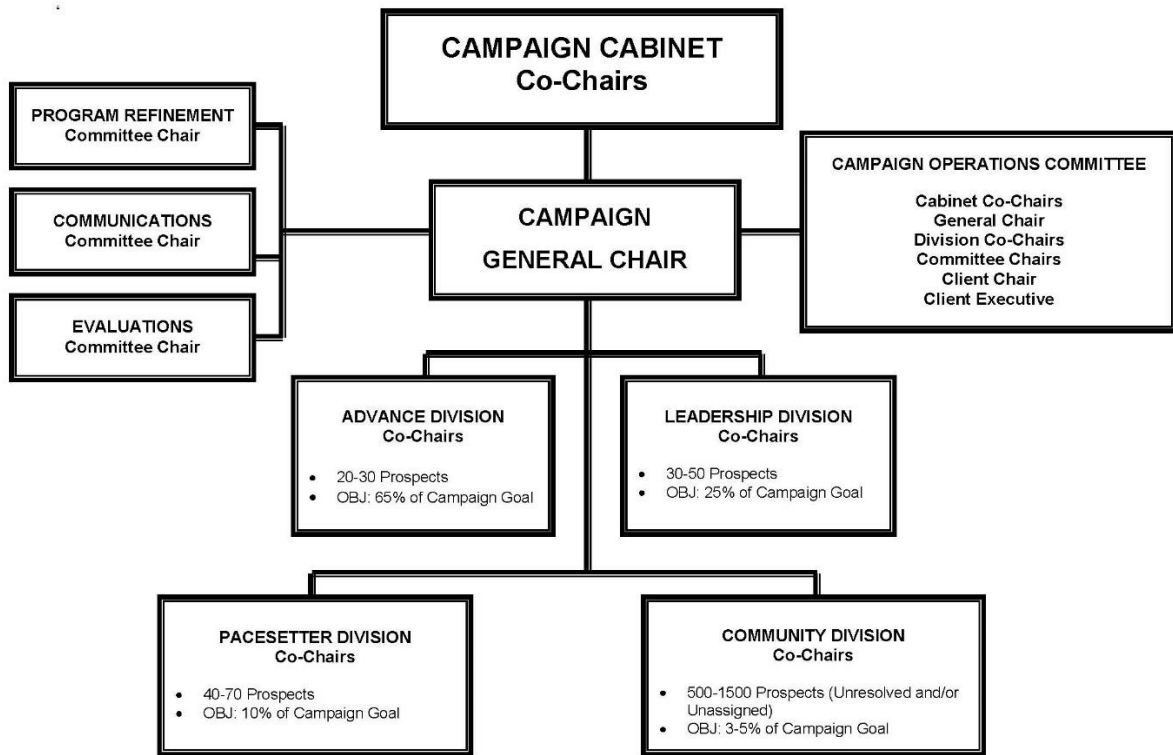
- Top 25 = 65 percent of your goal
- Next 30 = 25 percent of goal
- Next 100 = 10 percent of goal

Below is a tool known to fundraisers as an "Investment Range Table," based on a funding need of \$5 million. This is not necessarily the amount needed to implement an OEK-sponsored initiative, but whatever the goal, the required giving levels would be proportionately aligned with whatever amount of money is to be raised.

³ NCDS ProViews: "Large-scale Funding for Community Development"

Optimum Investment Levels Necessary to Guarantee				
A Campaign Goal of \$5 Million				
<-----Cumulative----->				
Pledge Amount	No. of Pledges	\$ Amount	No. of Pledges	Pledge Total
	at this Level	this Level		
\$750,000	1	\$750,000	1	\$750,000
\$500,000	2	\$1,000,000	3	\$1,750,000
\$250,000	4	\$1,000,000	7	\$2,750,000
\$100,000	8	\$800,000	15	\$3,550,000
\$50,000	10	\$500,000	25	\$4,050,000
\$25,000	12	\$300,000	37	\$4,350,000
\$15,000	15	\$225,000	52	\$4,575,000
\$10,000	20	\$200,000	72	\$4,775,000
\$5,000	25	\$125,000	97	\$4,900,000
Under \$5,000	50+	\$100,000	150+	\$5,000,000

Illustrated below is a typical campaign organization structure.



A typical campaign requires roughly 8 to 12 months to reach or exceed its goal. The first phase of activity – enlisting campaign leaders and soliciting them – usually requires approximately four months, and is sometimes called the “quiet phase.” When approximately 50%–65% of the goal has been committed, the campaign usually “goes public” with a well-publicized and attended event demonstrating to all that substantial funding has already been raised, and top leaders are strongly engaged. At this point, broader solicitation activity commences throughout the region until the goal is reached.

After the campaign

- Form a steering group comprised of major investors (15-25) who will oversee the program for the five-year implementation period.
- Hire any professional staff called for in the strategic plan.
- Implement the program as specified.
- Plan and execute a strong “investor relations” plan aimed at keeping every investor informed and engaged.

- Perform periodic *return-on-investment analysis* and report to investors the tangible impact their dollars are making on the economy.
- Track performance against goal and prepare a regular Economic Impact Scorecard for regional dissemination.

Secrets of Asking for Big Dollars

Get Them In on It and Up on It

Major investors must be well “cultivated” before solicitation. Get them involved on a task force devising the new program, reviewing its goals and funding needs. Interview them as part of the goal assessment/feasibility process.

Listen to the Prospect

During initial rapport-building, listen and fact-find. Respond to what you’ve learned about the prospect’s interests in order to tailor the remarks to follow. For example, you’ll present different information to a retailer than you present to a realtor or manufacturer. And, while a bank or utility may share certain interests in your project, they will expect specific ROI data. (By the way, always talk about “investment,” not “contributions.”)

Get to the Point... FAST

Keep the presentation focused and brief. The major points should be given orally and on a single page. Your visit should not last more than 30 minutes unless the prospect extends it.

Ask for a Challenging Amount

Always ask for a specific dollar amount which is based on a thoughtful peer group evaluation of the prospect’s stake and ROI in the program. Know how the prospect’s investment compares with firms of similar size and type. Back your request with a strong rationale and ask for an amount that challenges the prospect to consider this request of major importance.

No Doesn’t Always Mean No!

An initial turndown may not mean the prospect will not invest. Take time to understand the prospect's reasons and don't confuse questions with objections. Often, the prospect needs to "ventilate" before seriously considering your request. Work with him or her and you can usually find a way to gain a major commitment.

Experience shows that the work done before the campaign begins makes it possible to raise big money for a bold new economic development initiative.

-Excerpted from NCDS ProViews

Investor Benefits

Beyond sharing the vision and five-year strategy, the IEDC panel recommends outlining various levels of benefits that investors can receive for their participation. In addition to being eligible for a seat on the board of directors, other benefits that economic development organizations commonly offer investors include:

- Company logo and link on the initiative’s website and promotional materials
- Connections with new customers, markets and supply chains
- Investor roundtable opportunities (e.g., grouping investors to explore a particular subject or industry issue)
- Local speaker series and other events with discounts
- Monthly or quarterly investor meetings and updates
- Networking opportunities
- Tax deductions or writeoffs

Included in the report’s supplemental materials are samples of investor brochures, benefits sheets and applications used by other economic development organizations, which One Eastern Kentucky can use to generate ideas for its own investor outreach materials.

X. Building a Regional Team

Building regional teamwork among partner organizations and stakeholders (e.g., city, county and state governments; workforce and tourism organizations; regional planning groups; entrepreneurship support organizations, and many others) to support One Eastern Kentucky will be a critical element in ensuring OEK’s success. The IEDC panel recommends a number of ways to build effective regional partnerships:

- Actively engage partners for feedback on OEK’s program as it is being developed. Ask for their input. Invite them to be part of it.
- Meet with and talk to them regularly about the important work that OEK will do and their role in it. Share with them the image that shows how all the partners and OEK are part of a greater whole for economic development. Share with them printed/electronic versions of frequently asked questions about OEK and ask them to share it with others (boards, partners, contacts, and friends).
- Communicate constantly and in a way that is as detailed and transparent as possible about what is happening with OEK. This builds trust and forestalls any complaints that “we weren’t involved” or “we never hear anything.”
- Combat pessimism, negative stereotypes and naysayers and work to improve the region’s self-image by sharing any and all good news possible. In addition to sharing

developments of OEK and other positive news about the region, publicize your partners' good news. Strategies can include email updates, social media, special events and even happy hours.

- It will be important to hold periodic meetings to keep partners updated on OEK's progress, to discuss subjects that impact the entire region, and to get partners' feedback. Rotate the location of the meetings throughout the region. Ask a different regional partner to host each meeting so that each feels invested in the partnership.
- Ask partners to participate in specific tasks or action groups to help develop and support OEK. Through participation, they will become more invested in the initiative and become advocates if they were not already. When creating marketing materials, have extras produced to share with the partners, who will be important ambassadors for the region. The greater number of people who are enthusiastic about the potential of OEK, the stronger the initiative will become.

Apart from these general suggestions, OEK will benefit if subsets of its partners who address a common issue are regularly communicating with each other – for example, if those who work on entrepreneurship know each other and are familiar with one another's resources, initiatives and capabilities.

Another area in which regional teamwork is critical is the region's industrial parks. Leaders of all the industrial parks in the region should be familiar with what each other park in the region offers and, ideally, work to complement each other and refer businesses among themselves when one isn't able to meet a particular firm's needs.

Finally, the IEDC recommends that OEK consider the Appalachian Regional Commission and the U.S. Economic Development Administration as key partners and stakeholders. The ARC regional representative can support intra-regional communication and economic development education among OEK investors and partners. ARC also can feature the OEK program in the region's comprehensive plan. Both ARC and EDA may be key funding sources for OEK projects.

XI. Involving Investors and Other Stakeholders

For every investor who does not want to commit time in addition to financial support, there will be others who want to actively participate in the initiative. It will be important to identify meaningful opportunities for investors and other stakeholders to be involved. With many of the projects and programs of One Eastern Kentucky, it should be possible to create a menu of options that can keep investors, partners, the public sector and individuals active (apart from the board of directors and advisory committees discussed above). Examples of potential ways to involve stakeholders include:

1. An industrial park authority alliance: As noted previously, a partnership among directors of the industrial parks in the region would be useful to work together on joint marketing pieces for all the parks, ensuring the industrial parks are on the national databases, and staying current on what's happening or available at other parks in the region.
2. Industry-specific alliances: This would offer the opportunity to bring investors and interested public-sector members together on a regular basis to discuss opportunities and challenges facing an industry. They can also take on other projects, such as creating industry awareness programs across the region and in the schools.
3. Workforce alliances: Stakeholders interested in workforce development can work together to understand and respond to workforce needs identified through BRE visits and prospect leads.
4. Young professional retention alliance: This group could implement a campaign to encourage young professionals to move back to the region and make returnees feel welcome. It could network with (or help create) other young professionals organizations in the region to keep those who have returned connected and active. It could help organize a summer internship program for college or high school students that will encourage them to stay or return to the region after graduation by showing them the job opportunities that exist.
5. Project-specific task forces: These task forces provide the opportunity for those who have limited time to get involved on a project and then be finished. Examples of projects may include helping with a branding initiative or attending an industry trade show.
6. Response/visit teams: Many regions run drills with partners involved in business attraction to prepare for when prospects visit the region.

A strong program that keeps investors informed and involved will be critical to OEK's success. While this may seem like a "soft" activity, its importance cannot be overstated, and OEK's first president should be prepared to dedicate time and effort to it.

XII. Final Thoughts

It's important to remember that economic development is a marathon, not a sprint. It takes considerable time and effort to achieve early successes, but those small victories will build on themselves and eventually create the momentum that leads to bigger wins.

Because of this, an important role of the five chambers will be to help manage expectations. It may be some time before One Eastern Kentucky spearheads a major success, so the chambers will need to continually cheerlead the effort and remind stakeholders that OEK is a long-term initiative. Doing the homework and taking the time to establish a solid foundation for OEK (in terms of stakeholder relations, funding, decisions about structure, etc.) is another critical element of success.

Over-promising on the first five years and under-delivering is a sure path to failure. The five-year plan will need to include a clear set of success metrics that will hold OEK accountable for results, rather than activity. Yet the metrics should reflect goals that are reasonable and achievable, rather than a wish list that goes beyond the capacity of the initiative. Communicating progress on the metrics and highlighting successes on a regular basis will be key to establishing and maintaining trust and transparency.

The initiative is called One Eastern Kentucky, not One Lawrence County or One Letcher County. It is important for the region to strengthen its ability to cooperate and work as a team. Care should be taken to ensure that stakeholders from across the entire geographic area are involved, and that one or more counties don't end up either pulling all the weight or being inactive participants.

Having an economic development structure in place on the ground, with viable product to sell, is critical for One Eastern Kentucky to be successful in marketing the region. The shortcomings at the industrial parks will have to be addressed and before they can be promoted as available industrial space, and the IEDC panel was encouraged to see that this issue is the focus of assistance from Insite Consulting.

Education is key to building support for the initiative and its goals. There is no one, accepted definition of economic development, and therefore diverse understandings of its meaning. This makes it especially important not to assume that everyone is operating from the same definition. Because no formal economic development program previously has existed in the region, there will be a learning curve. Some strategies to support this education in the region include:

- Starting a blog, newspaper column or newsletter that discusses various aspects of economic development (best practices, current issues, news stories or resources) and how they impact or apply to the region.
- Organizing events – e.g., with a guest speaker or webinar, and following it up with a discussion on how to apply the takeaways to the region.
- Encouraging investors and partners to share the message with their connections – providing them with talking points or other ways to invite their contacts to learn more about or to support OEK. Educating stakeholders can lead to new champions for economic development in the region.

Eastern Kentucky has many assets to offer to businesses from both inside and outside of the region, but it will need to work proactively to change negative stereotypes held both internally and externally. Data, images and stories all will be tools for showing the best of the region's assets and helping OEK succeed.

Appendix A: IEDC Team Biographies

Expert Panel Members

Howard Benson **Founder & Chief Executive Officer, NCDS**

As Chief Executive Officer of NCDS, Howard's corporate role is to assure that "team NCDS" provides excellent service to every client. He leads a 21-person group of highly motivated fundraising and community development professionals working with some of the nation's most respected nonprofit organizations. The firm has worked in 700 communities and raised in excess of \$1.7 billion for community and economic development initiatives.

Before founding NCDS in 1977, Howard served for five years as a senior executive of the Atlanta Chamber of Commerce where he directed the funding of the groundbreaking Forward Atlanta economic development program. Prior to that, Howard was for four years a staff executive of the Jacksonville, Florida Chamber in a similar capacity. He began his community development career in 1967 as executive director of a Chamber of Commerce in Northeast Florida in a community of 15,000 population.

He is a graduate of Brevard College and the University of Georgia Institute for Organization Management and the Academy of Organization Management at Notre Dame.

Always an innovator in the field of economic development fundraising, Howard established the Economic Strategy Center as an affiliate of NCDS in 1993 to provide certifiable return on investment data to donor/investors in NCDS clients' campaigns. He raised the bar in solicitation strategy by making *MaxFund*® the firm's standard campaign strategy, wherein NCDS professionals take the lead in prospect solicitations. Another of the firm's pioneering hallmarks is leading clients to adopt regional programs that engage a wider range of investors, from both the public and private sectors.

Howard is a former board member of the International Economic Development Council and has authored many articles for professional journals dealing with regional development and fundraising. An avid horseman and foxhunter, he and his wife, Sheila, live in Atlanta where they actively enjoy the diverse cultural and community amenities of their region.

Austin J. Burke

Austin J. Burke has worked in community development in Northeastern Pennsylvania since 1972. In 1981, he was named President of the Greater Scranton Chamber of Commerce. The

Chamber and its development arms have been recognized nationally for their sustained responses to a wide range of community needs. Lackawanna Industrial Fund Enterprises (LIFE) and Scranton Lackawanna Industrial Building Company (SLIBCO) have reclaimed thousands of acres of mine-scarred land for productive reuse as industrial, office and technology parks. LIFE and SLIBCO have financed and constructed over 350 buildings that employ thousands in Scranton and throughout Lackawanna County.

Austin has worked with the area's leaders to craft responses to community needs: Skills in Scranton; The Great Valley Technology Alliance; MetroAction, Inc. Microloans; Leadership Lackawanna; and The Scranton Plan. He was an incorporator of Montage Mountain, Inc. and worked to bring the Steamtown National Historic Site to Scranton.

He served in Pennsylvania Governor Ed Rendell's cabinet as Secretary for Community & Economic Development. The success of Scranton's programs for transforming its former industrial economy has prompted Austin's participation in national convocations including the White House Roundtable, the U.S. Chamber Business Civic Leadership Conference and The American Assembly: Retooling for Growth.

In Pennsylvania he currently serves on the Commonwealth Financing Authority, the Ben Franklin Technology Development Authority, the Penn State Research Foundation and the Wells Fargo Regional Foundation. Mr. Burke currently chairs the Lackawanna County Workforce Investment Board and serves on the Moses Taylor Hospital Board.

A United States Air Force veteran, Mr. Burke received his Bachelor of Arts Degree in Economics from Dickinson College, Carlisle, PA, where he was elected to Phi Beta Kappa. He earned an Associate's Degree from Keystone College and is a graduate of the U. S. Chamber of Commerce Institute for Organization Management.

Brett Doney
President & CEO, Great Falls Montana Development Authority

Brett Doney leads the Great Falls Development Authority, a public/private economic development partnership serving the 13 county Great Falls, Montana trade area. GFDA's mission is to grow and diversify the Great Falls economy and support the creation of high wage jobs. GFDA is active in business retention and expansion, entrepreneurship, business attraction, workforce development, and downtown, commercial and riverfront revitalization. In 2012, GFDA became the first economic development organization in the Rocky Mountain West to be accredited by IEDC.

GFDA is a Community Development Financial Institution with \$21 million under management, and hosts a Small Business Development Center and a Procurement Technical Assistance Center.

Doney also leads High Plains Financial, a SBA Certified Development Corporation that is affiliated with GFDA, and the Great Falls AgriTech Park LLC, developer of a 1,300 acre rail-served heavy industrial park.

Doney has 30 years of experience in urban and rural community economic development from the various perspectives of the non-profit, public and private sectors. His prior positions include President/CEO of Enterprise Maine, a family of community economic development organizations dedicated to creating economic opportunity and enhancing the quality of life in rural western Maine; Director of the Ft. Devens Reuse Center, a 9,600 acre army base redevelopment effort in Massachusetts; and President of Doney Associates, a Boston-based consulting firm focused on urban revitalization, real estate development and innovative economic development.

Doney's efforts have won awards from the U.S. Small Business Administration, the American Economic Development Council, the International Economic Development Council, the National Association of Development Organizations and the Finance Authority of Maine. His professional certifications include Certified Economic Developer (CEdD), Master of Corporate Real Estate (MCR), Senior Leader of Corporate Real Estate (SLCR), American Institute of Certified Planners (AICP), RMA Credit Risk Certification, LEED Accredited Professional, Federal Grants Management and Economic Development Finance Professional (EDFP). He is a graduate of the Economic Development Institute of the University of Oklahoma. Doney earned a Bachelor of Arts from the University of California at Santa Barbara and a Masters in Public Policy from the Kennedy School of Government at Harvard University.

Doney serves on the boards of the Montana Economic Development Association, NeighborWorks Great Falls (Treasurer), the Downtown Great Falls Partnership (Treasurer) and Montana Ambassadors (Great Falls Chapter Chair). He is a past Director of IEDC and currently serves on its AEDO and Public Policy Advisory Committees. He is an active Rotarian, past President of the Great Falls Rotary Club and incoming Assistant Governor of the Montana District. He also serves on the McLaughlin Research Institute's National Development Council and the Montana Two-Year College Workforce Advisory Committee.

IEDC Staff Members

Dana Crater

Dana Crater is a Senior Economic Development Associate at IEDC. She works on a variety of research and technical assistance projects in the Knowledge Management and Development (KMD) department. Currently, Dana serves as the grant administrator of an Economic Development Administration's (EDA) Atlanta office grant titled "Technical Assistance in Post-Disaster Economic Recovery for FY 2011 Impacted Communities in the Southeast",

which addresses the needs of communities and regions impacted by a non-Federally declared disaster between October 1, 2010 and September 30, 2011. In addition, she serves as the project manager of IEDC's web seminar programs.

Over her eight years at IEDC, Dana has worked on a broad range of economic development topics including tourism, organization development, economic recovery and transformation, entrepreneurship, marketing, finance and real estate development. Recently, she has been the primary or contributing author of *Case Studies in Small Business Finance Following a Disaster*, *Recreating Destinations: Rebuilding the Tourism Industry after Disaster*, *Rebuilding the Fisheries Industry* (webpage), and *New Realities for Funding Economic Development Organizations*. In 2009, Dana was a part of team that consulted on a redevelopment of a 27 hector development in St. Petersburg, Russia.

Dana 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.

Louise Anderson

Louise Anderson is a Senior Associate and Managing Editor at IEDC. Louise has undertaken a range of activities since she joined IEDC in 2001. For local governments and economic development organizations, she has consulted on projects related to strategic planning and assessment, downtown revitalization, entrepreneurship, brownfield redevelopment and disaster recovery. She also has conducted research on a range of economic development and organizational issues, ranging from the economic developer's role in site selection and fostering high-growth companies to the use of incentives, quality job creation and more.

Louise also edits IEDC's bimonthly newsletter and blog, *Economic Development Now*. For four years, she edited a quarterly magazine, *Economic Development America*, for the U.S. Economic Development Administration, which featured innovative programs and best practices in the field.

Prior to joining IEDC, Louise gained experience in historic preservation, environmental planning, public relations, nonprofit management and growth management issues. She provided research and planning assistance for Wake County, North Carolina, working primarily on the county's Open Space Program and Growth Management Task Force. She also served as the executive director of a small nonprofit organization and the communications director for the United Way in Research Triangle Park.

She obtained master's degrees in regional planning (with a focus on economic development) and public administration from the University of North Carolina at Chapel Hill. She also holds bachelor of arts degrees in journalism and English literature from Indiana University at Bloomington.

Appendix B: About IEDC

The International Economic Development Council (IEDC) is a non-profit membership organization dedicated to helping economic developers do their job more effectively and raising the profile of the profession. When we succeed, our members create more high-quality jobs, develop more vibrant communities, and generally improve the quality of life in their regions.

IEDC is the world's largest membership organization serving the economic development profession. From public to private, rural to urban, and local to international, our members represent the entire range of economic development experience, including:

- Regional, state, county, and city economic development organizations
- Chambers of commerce and other business support agencies
- Community and neighborhood development organizations
- Technology development agencies
- Utility companies
- Educational institutions
- Consultants
- Redevelopment authorities

The strength of our organization comes directly from the expertise and influence of our members. This expertise includes:

- Real estate development and commercial revitalization
- Workforce development
- Infrastructure and business finance
- Business marketing, attraction, expansion, and retention
- Community development
- Industrial rehabilitation and location
- International trade
- Tourism development

Our services and programs include conferences; training courses; certification for individuals and organizations; networking opportunities; publications; public policy action, advisory services and research. For more information, visit www.iedconline.org.

Appendix C: List of Supplemental Materials

Organizational development resources

- Presentation and case study: Board structure of the Charlotte Regional Partnership
- Sample bylaws

Fundraising resources

- Samples of investor brochures, benefits sheets and applications
- Request for Proposals for Fundraising Consultant Services (Great Falls Development Authority)
- “New Realities for Funding Economic Development Organizations”
- Presentation: Fundraising for Smaller Markets

Program-related resources

- *ED Now* article: BRE: Why It Matters
- *ED Now* article: In Southern Idaho, Business Attraction Wins Aren’t “Just About the Deal”

CEO selection resources

- CEO job ads
- “Economic Development Leadership Competency Models”
- IEDC Salary Survey – Selected Results
- *ED Now* article: Why It Matters to Hire a Certified Economic Developer