

# Economic Development Assessment Team Report for Harrison County, Mississippi

## Final Technical Assistance Report



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# Harrison County, Mississippi

**IEDC Economic Development Assessment Team**

**Report for**

**The Harrison County Development Commission**

September 2015



INTERNATIONAL  
ECONOMIC DEVELOPMENT  
COUNCIL

734 15th Street NW, Suite 900

Washington, DC 20005

202.223.7800

[www.iedconline.org](http://www.iedconline.org)

[www.RestoreYourEconomy.org](http://www.RestoreYourEconomy.org)

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### IEDC Leadership

JoAnn Crary, CEcD  
President  
Saginaw Future Inc.  
IEDC Board Chair

Jeffrey A. Finkle, CEcD  
President and CEO  
International Economic Development Council

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## Technical Assistance Team

IEDC greatly appreciates input and assistance received from its members and stakeholders who participated on this project, and would like to acknowledge and thank the project's advisory team (listed below) for its time and contributions.

**Ardyn Thriffiley, CEcD, MBA, EGc (MR)**

President

Ardyn M. Thriffiley & Associates

New Orleans, L.A.

**Benjamin Teague, EDFP**

Executive Director

Economic Development Coalition for Asheville-Buncombe County

Asheville, N.C.

## Project Staff

IEDC acknowledges the following staff and team members for their work on this background report and project.

**Lynn A. Knight, CEcD** | Vice -President, Knowledge, Management and Development, IEDC

**Sarah Garcia, AICP** | Economic Development Advisor, IEDC – Technical Assistance Lead

**Aaron Fellows**, Economic Development Intern, IEDC

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# Introduction

## Project Overview

The International Economic Development Council (IEDC) conducted this technical assistance project for the benefit of the Harrison County Development Commission (HCDC) on the Mississippi Gulf Coast. On March 24, 2015, IEDC staff met with Wade Jones, the Director of Economic Development for the HCDC and discussed the county's opportunities and challenges in implementing economic development plans. It was agreed that the HCDC Commission would like assistance with:

- Reviewing its vision and marketing plans;
- Evaluating its targeted industries;
- Developing a structure for lead generation; and
- Developing metrics to account for progress made by the economic development organization.

## Background

Harrison County is one of the three coastal counties in Mississippi located on the Gulf of Mexico. It is part of the Gulfport–Biloxi Metropolitan Statistical Area and as of the 2010 Census; the population was 187,105, making it the second-most populous county in Mississippi. Its county seats are Biloxi and Gulfport.

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### Vulnerability to Disasters

Harrison County has its population centers located along the Gulf Coast and has a history of being impacted by disasters. This Gulf Coast environment has been degraded over time due to altered hydrology, loss of barrier islands and coastal wetland habitat, and issues associated with low water quality and other human impacts and natural processes. Pre-existing environmental issues throughout the Gulf Coast have been affected and in some cases exacerbated by recent natural hazards and manmade catastrophes. Among other events, Hurricanes Katrina and Rita caused widespread damage to wetland and coastal areas along the Gulf<sup>1</sup>.

In 2005, Hurricane Katrina's highest confirmed storm surge occurred in Harrison County, home to the cities of Gulfport and Biloxi. Harrison County suffered the loss of 45 lives in homes during Katrina. That ranks the county among the top 2 percent in the nation in per-capita weather deaths in homes. FEMA collected and analyzed high-water marks from the devastated Mississippi Gulf Coast and found a maximum storm surge of 27.8 feet at Pass Christian. According to NOAA estimates, Harrison County incurred \$8.57 billion in damage from Katrina – about two-thirds of it from storm surge and one-third from the hurricane's winds.<sup>2</sup>

The Deepwater Horizon explosion on April 20, 2010, resulted in an unprecedented discharge of oil in U.S. waters, and eventually resulted in the oiling of over 1,100 miles of shoreline, which includes Harrison County.

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<sup>1</sup> <http://www.fl-counties.com/docs/default-source/restore/gulf-coast-restoration-restore-act-and-related-efforts.pdf?sfvrsn=0>

<sup>2</sup> <http://stories.weather.com/worstplacetoownhome>

The county had 1,255 claims for damage that averaged a payout for \$19,122.78 from the Kenneth Feinberg's Gulf Coast Claims Facility Between August 31<sup>st</sup> and December 31<sup>st</sup> 2011.<sup>3</sup>

Harrison County also has a significant wildfire risk as 70 percent of the county is covered by pine forest. The county also experiences occasions of high bacteria count in its coastal waters that cause water contact advisories that may hinder tourism. Harrison County received 16 water contact advisory notices for beaches from January 2011 to August 2011.<sup>4</sup> Despite its natural beauty along the coast, the county has ranked low among national studies in the U.S. to own a home based on natural factors such as weather, climate and natural risks and disasters.<sup>5</sup>

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<sup>3</sup> [http://www.nola.com/news/gulf-oil-spill/index.ssf/2011/01/gulf\\_oil\\_spill\\_creates\\_economi.html](http://www.nola.com/news/gulf-oil-spill/index.ssf/2011/01/gulf_oil_spill_creates_economi.html)

<sup>4</sup> [https://www.usm.edu/gcrl/msbeach/closehis\\_2011-2012.htm](https://www.usm.edu/gcrl/msbeach/closehis_2011-2012.htm)

<sup>5</sup> <https://www.disastersafety.org/blog/50-worst-counties-home/>



## Scope of Services

IEDC's process for providing technical assistance for the Harrison County Development Commission (HCDC) centered on a three-day site visit of IEDC staff and member experts with the Harrison County Development Authority. The full scope of services consisted of four steps: 1) background report, 2) site visit preparation, 3) site visit, and 4) this final report.

IEDC assembled a team of two member experts with expertise and experience in regional marketing and business attraction strategies supported by two IEDC staff economic development professionals. IEDC selected economic development practitioners with experience in marketing strategy and lead generation, management of economic development organizations, metrics, industrial parks, economic resiliency, and disaster recovery. Care was taken to include experts that had worked in similar sized communities, had experienced disaster recovery and had some experience in the types of industries and issues that were of interest to Harrison County.

The panel toured the county, its new industrial park, several small cities within the county, and met with local stakeholders during a three-day site visit in August, 2015.<sup>6</sup> The discussions centered on the county's targeted marketing strategies and initiatives. The meetings were also used to quickly gather experienced local stakeholder views about the region's economic development assets and challenges, available tools, resources and programs, and the current state of economic development in the area.

The team also discussed resiliency and disaster preparedness measures during the meetings, and made recommendations as well on ways to strengthen that resiliency, providing the county with the publication, "Leadership in Times of Crisis: A Toolkit for Economic Resiliency and Recovery." At the end of the visit, the panel presented preliminary recommendations. These recommendations are expanded upon in this report.

At the end of the visit, the IEDC team presented findings and preliminary recommendations. The panel shared some lessons learned from experiences in their communities. Based on the findings and recommendations of the project team, IEDC drafted this written report. To supplement the recommendations, IEDC has included examples and detailed case studies that demonstrate how other cities and organizations have implemented similar successful development activities in comparable communities and neighborhoods.

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<sup>6</sup> A copy of the site visit schedule can be found in the Appendix to this report.

# Demographic & Economic Analysis

## History

In 1699, the King of France sent Pierre LeMoyne D'Iberville to this region to establish a colony. France claimed the land, then inhabited by the Biloxi Indians. The Europeans were expanding into the new world. The Mississippi Valley area provided the primary strategic Indian trade route from Natchez MS to Nashville TN, and was of interest to English, Spanish and French crowns. The Mississippi coastal areas linked western Florida to New Orleans and Baton Rouge, and thence northward along the Natchez Trace. (The National Park Service commemorates some of this history with the Natchez Trace National Parkway.) Under the Treaty of Paris, France ceded New Orleans (including the coastal Mississippi area to the east) to Spain in 1763. Spain relinquished control to the United States in 1798.<sup>7</sup> Mississippi was a territory until adopted as a state in 1817.<sup>8</sup>

Until the Civil War, Mississippi's fertile agricultural land supported cotton and sugar plantations. In the mid-1800s, southern plantation owners built antebellum homes along the coastal route, many of which remain today as visitor attractions along Beach Boulevard, Highway 90. The last home of Jefferson Davis, the first and only President of the Confederacy, is preserved in Biloxi.<sup>9</sup>



*Beauvoir, the Jefferson Davis home, Biloxi MS*

## Harrison County

Harrison County is located in southern Mississippi along the Gulf Coast. It has a land area of 574 square miles and had a population of 190,756 as of 2013. Its population density is 326 persons per square mile, with the densest populations in Biloxi, D'Iberville, Gulfport, and Long Beach. Biloxi is the county seat.

Harrison County's economy, originally based on commercial seafood and the U.S. military presence, grew following the legalization of gaming in 1990.<sup>10</sup> However, disaster events have significantly slowed county growth over the past decade. It saw a nearly 20% decline in population immediately following Hurricane Katrina in 2005, only regaining population and increasing the number of residents by 2013. Casino hotels shed 4,700 jobs between 2004 and 2014.



<sup>7</sup> The National Park Service, "The Spanish-Franco-Anglo Struggle for Control of the Mississippi Valley," [www.nps.gov](http://www.nps.gov).

<sup>8</sup> [www.tngenweb.org](http://www.tngenweb.org), Territory of Mississippi 1798-1817.

<sup>9</sup> Harrison County, Gulf Coast History, [www.ms1stop.com](http://www.ms1stop.com).

<sup>10</sup> 2030 Harrison County Comprehensive Plan, July 2008.

The incorporated areas in Harrison County are aligned along the coast, extending from D'Iberville, Biloxi and Gulfport on the east side, to the smaller cities of Long Beach and Pass Christian to the west, and along Highway 40 bisecting the county with Lyman and Saucier cities to the north. Harrison County is the central county in the Gulfport-Biloxi-Pascagoula Metropolitan Statistical Area, a three-county MSA that includes Jackson County to the east and Hancock County to the west.

### City of Long Beach

Incorporated as a village of 900 in 1905, the City of Long Beach was a farming community known for its local long red radishes shipped north weekly, called "Long Beach Reds." Encompassing 10 square miles of land area with a population of 15,102 persons in 2013, it has primarily been a bedroom community for the cities to the east. The city is bordered by the US Naval Reservation and the City of Gulfport to the east, and the City of Pass Christian and the unincorporated area of Pineville to the west.

Aptly named for its long, manmade white sand beach, the city is geographically part of the Gulf Coast Flatwoods, coastal lowland ranging from sea level to 50-foot elevation. Drainage canals crisscross the coastal area, draining from the rail line south to the bay, and from the rail line north to east-west drainage canals. Long Beach and its neighbor, Pass Christian, share the protection of a barrier island. Their coastlines feature residential beaches and marinas, and are quieter than the commercial maritime economies of the Gulfport/Biloxi area.<sup>11</sup>

Long Beach has also been a college town. The Gulf Park College for Women operated from 1919 until 1971 when damage from Hurricane Camille and an economic downturn caused it to close. In 1972, the school reopened as the Gulf Park campus for the University of Southern Mississippi. In 2002 the university became a full dual campus university.

The City of Long Beach was called out for special consideration in this technical assistance project at the request of Mayor Billie Skellie, who participated in an initial scan of the area's needs by IEDC. The Mayor's Office generally provides for the city's services and the Mayor personally oversees the city's economic development function, steering both planning and revitalization efforts.



Hurricane Katrina in 2005 caused six deaths and extensive damage along the Flatwoods, with an estimated loss of 500 buildings and 10,000 jobs in the region.<sup>12</sup> Damage from the hurricane relocated the university's campus for two years, and it only fully reopened in 2013.<sup>13</sup>

Despite significant losses of some 500 buildings that were not restored after the hurricane, today Long Beach is the most densely settled location in Harrison County, with 1,479 persons per square mile.<sup>14</sup> Hurricane Katrina caused a 17% decline in population from 2000 to 2010.

<sup>11</sup> Ellis, Dan, "Long Beach, MS, A City on the Go," 1994, [longbeach.passchristian.net](http://longbeach.passchristian.net), & *Visit Mississippi Gulf Coast 2015*, [www.gulfcoast.org](http://www.gulfcoast.org).

<sup>12</sup> *City of Long Beach Local Hazard Mitigation Plan*, AMEC, February 2013.

<sup>13</sup> *The University of Southern Mississippi Gulf Coast, "Gulf Park History,"* [www.usm.edu](http://www.usm.edu).

<sup>14</sup> *2010 US Census, 2013 ACS 5-Yr Estimates*

The city is today is experiencing modest growth, regaining 310 residents for a population growth of two percent from 2000 to 2013. However, too many lots all along the beach front and throughout the main center of town still remain vacant and the economy is struggling to regain viability since the storm.

By comparison, Harrison County showed the effects from Hurricane Katrina with a one percent decline in population during the 2000 to 2010 decade, as versus four percent growth statewide and nine percent national population growth. By 2013, Harrison County regained and slightly exceeded its 2000 population level. Growth in Mississippi statewide has been less than one percent from 2010 to 2013, slightly less than national growth.

### Comparison of Population Trends

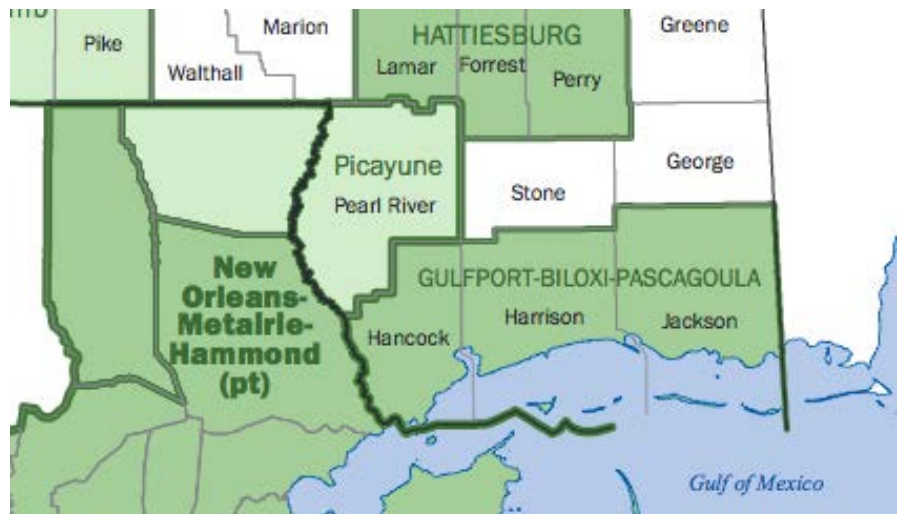
	2000	2010	Population Growth since 2000	2013	Growth since 2010
Long Beach City	17,320	14,792	-17%	15,102	2%
Harrison County	189,601	187,105	-1%	190,756	2%
Mississippi	2,844,658	2,967,297	4%	2,976,872	0%
United States	281,421,906	308,745,538	9%	311,536,594	1%

US Census and American Community Survey 5 yr Estimates

### The Gulfport-Biloxi-Pascagoula MSA

The Gulfport-Biloxi-Pascagoula MSA stretches across the entire southern Mississippi coast. In 2013, the US Census combined the separate MSAs of Gulfport-Biloxi and Pascagoula into one.

The most densely populated areas along the coast are part of the Gulf Coast Flatwoods, and include a coastal lowland ranging from sea level to 50-foot elevation. The primary commercial areas are Gulfport, Biloxi and D'Iberville on the east side of Harrison County, and Pascagoula in Jackson County.



Population growth over the past 25 years in the Gulfport-Biloxi-Pascagoula MSA was 26.5%, slightly lower than the national average, but 20% growth in Harrison County and 16% growth in Mississippi lagged behind the national average of 28%.



## Comparison of Population Trends in the Region

	Harrison County, MS	Gulfport- Biloxi- Pascagoula, MSA	Mississippi	United States
Population (2014)	199,058	262,882	2,994,079	318,857,056
Growth (%) Since 2000	5.00%	6.80%	5.30%	13.30%
Growth (%) Since 1990	20.40%	26.50%	16.30%	28.20%
Land Area (in sq. miles)	574	1,493.20	46,923.30	3,531,905.40
Population Density (2014)	346.8	176.1	63.8	90.3

Source: US Census, 2013 American Community Survey Estimates

Growth has slowed since 2000, and is considered attributable to the loss of jobs, businesses and homes due to Hurricane Katrina and the recession. Effects from Hurricane Katrina were most severe in some of the county's coastal incorporated areas.

## Transportation & Infrastructure

Transportation plays a major role in industry in Harrison County. Transportation and logistics constituted the seventh-largest industry cluster in the county in 2012, with 115 establishments in categories including transportation equipment manufacturing, air, rail, and water transport, and warehousing.<sup>15</sup>

**Highways and Bus Transportation.** A significant advantage for the region in terms of sharing its workforce is the state of roadways and presence of bus transportation. State Route 90 is the primary east-west highway connecting four of the five major incorporated areas of Harrison County. In addition, Interstate 10 connects D'Iberville (the only major city not connected to Route 90) with Biloxi and Gulfport. Three major north-south highways run from the northern end of the county to the incorporated coastal areas: Highway 49, which terminates in Gulfport, Highway 67, which terminates in D'Iberville, and Highway 15, which terminates in Biloxi.

Primarily serving commuters, the Coast Transit Authority operates bus lines, which run throughout D'Iberville, Biloxi, Gulfport, and Long Beach. For long-distance travel, Greyhound buses serve Gulfport and Biloxi.

**Freight and Passenger Rail.** The CSX Railway serves Gulfport on its freight route between New Orleans and Mobile, and is the primary east-west railroad in the area. From Mobile, the CSX railway connects to the rest of its network throughout the southeast United States. Coming from the north, the Kansas City Southern Railway connects The Port of Gulfport with Hattiesburg, MS, and Jackson, MS. From this point it connects to the rest of the KCS railway network, which covers much of the south central United States and Mexico.

Prior to 2005, Amtrak's passenger train *Sunset Limited* train ran between Los Angeles and Orlando. The train stopped at a station in Gulfport and a covered stop in Biloxi. However, since Hurricane Katrina, the line's service has been suspended east of New Orleans. Today, the station in Gulfport operates the Gulfport Centennial Museum, while the stop in Biloxi is totally unstaffed.

In 2008, the passage of the Passenger Rail Investment and Improvement Act (PRIIA) required Amtrak to develop a plan for restoring passenger service between New Orleans and Sanford, FL (just north of Orlando). On July 16, 2009, Amtrak released its Gulf Coast Service Plan Report, which outlined three options for the restoration of this

<sup>15</sup> U.S. Commerce Department's Economic Administration, "[Innovation in American Regions—Industry Clusters](#)." Accessed June 16, 2015  
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service (a tri-weekly extension of *Sunset Limited*; an overnight extension of the *City of New Orleans* line, which runs between New Orleans and Chicago; or a standalone overnight line between New Orleans and Orlando).<sup>16</sup> Though the line has not yet been reopened, barriers to doing so are currently more political than they are infrastructural, as CSX (the owner of the tracks) has finished rebuilding most of the railway along the coast. Nonetheless, a number of advocacy groups are pushing for service restoration, and groups such as the Southern Rail Commission continue to study its feasibility.

**Airports.** The major regional airport is the Gulfport-Biloxi International Airport. Though it suffered heavy damage due to Hurricane Katrina, it has been rebuilt. It is served by five airlines, and connects to eight major national airports. There is, additionally, one other private airport (Shade Tree Field Airport, in Gulfport), as well as the Keesler Air Force Base in Biloxi.

**Seaports.** The Port of Gulfport is the only state-run port in Mississippi. It is the 17th busiest container port in the United States and the 3rd busiest container port on the Gulf of Mexico. The major products it handles include tropical fruit, limonite ore, aluminum, steel, paper, forest products and heavy lift cargoes.<sup>17</sup>

The Port of Gulfport Restoration Project (PGRP) has been ongoing since 2007, when it was set up to aid recovery following Hurricane Katrina, although the Deepwater Horizon oil spill is the most recent event that has required recovery efforts. The \$570 million dollar project is intended to double the footprint of the port, while building in a way such as to mitigate future storm damage. It will also “upgrade and reinforce the bulkhead to support larger ships and improve efficiency through better utilization of space, buildings, and transportation assets.”<sup>18</sup> There is currently an Environmental Impact Study underway as an element of this project, which will, among other things, assess the possibility of deepening the channel. There are four construction projects underway, and eight more planned for the next 12 months as the project advances toward a 2016 completion date.

## Utilities

**Electric and Gas.** Electricity is provided by Coast Electric Power Association, headquartered in Kiln, MS (in neighboring Hancock County) and by Mississippi Power, headquartered in Gulfport. CenterPoint Energy, headquartered in Houston, Texas, provides gas.

**Water & Sewage.** The incorporated areas in the county have their own municipal water and sewage services for residential, commercial and industrial users. D’Iberville is served by the D’Iberville Water and Sewer Department; Biloxi is served by the Biloxi Water Department; Gulfport is served by the Gulfport Water and Sewer Department; Long Beach is served by the Long Beach Water Department; and Pass Christian is served by the Pass Christian Utilities Department. Southwest Water Company, Westwick Utilities, and Orange Grove Utilities serve the remainder of the county.

**Telecommunications.** BellSouth Communications, a subsidiary of AT&T, operates out of Gulfport in Harrison County. All major national cellular providers service the Gulf Coast, including AT&T, Verizon, Sprint, and T-Mobile. Cable One is the primary provider of cable and broadband service.

<sup>16</sup> Amtrak, “PRIIA Section 226 Gulf Coast Service Plan Report,” July 2009.

<sup>17</sup> Harrison County Emergency Management Agency, “[Section 3—Community Profile](#)” in *Multi-Jurisdictional Hazard Mitigation Plan*. Accessed June 15, 2015.

<sup>18</sup> Mississippi Development Authority, “Status Report on the Port of Gulfport Restoration Project,” September 2014.



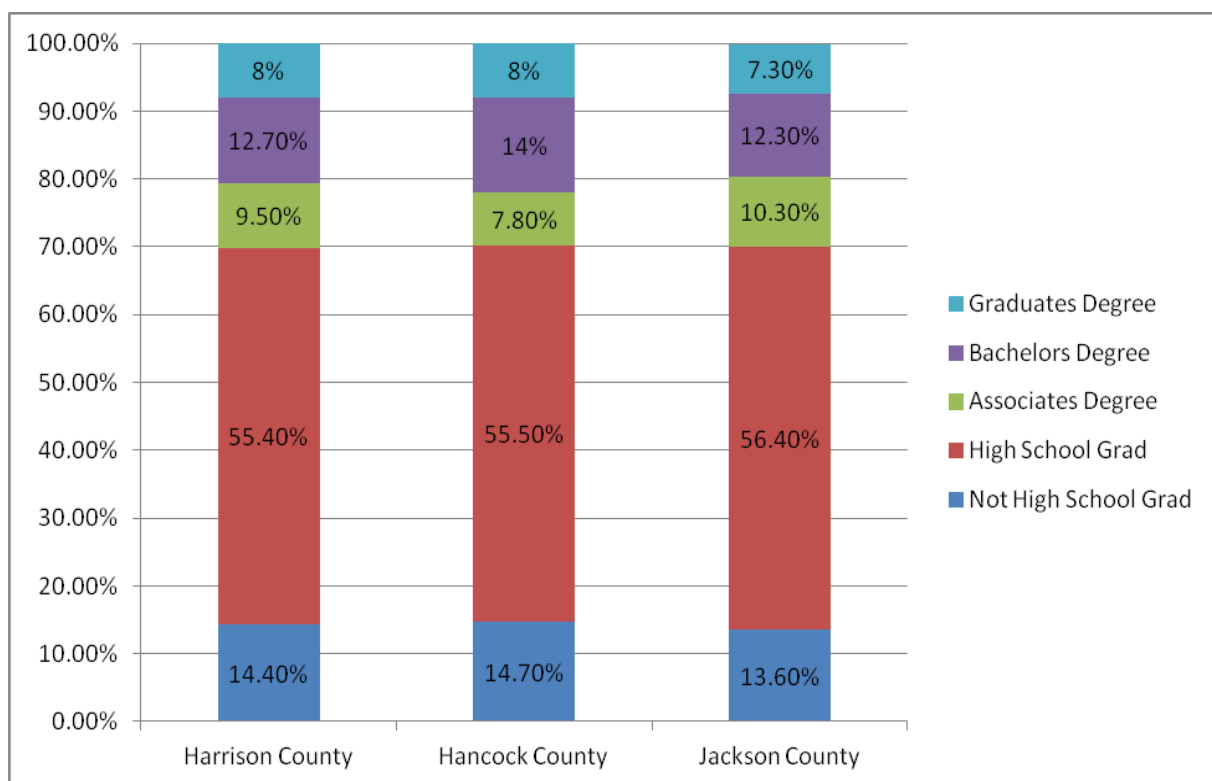
## Workforce Development

Workforce development is a key area for economic development, which begins not only with a good work ethic but also educational opportunity and attainment for people who wish to pursue careers and technical skills. Businesses within the county relayed that they have experienced a good work ethic among the local population

**Educational Attainment.** Harrison County has as many high school graduates as the state and national levels, but fewer of them go on to get a bachelor's degrees or higher. Twenty percent of the population in Harrison County has a bachelor's degree or higher, considerably lower than 25.6% in Mississippi, and 28.8% in the U.S. More residents get an associate's degree than state and national levels.

Educational attainment has been growing in Harrison County. The county has five percent fewer persons with less than a high school diploma, two percent more with an associate's degree, and 2.5% more with a bachelor's degree or higher in 2013 as versus 2000.

**Comparison of Educational Attainment – Residents of MS Gulf Counties**



National and State Comparison of Educational Attainment					
		2013		2000	2000-2013
2013 Educational Attainment (%)	Harrison County, MS	Mississippi	US	Harrison County	Change
Less than high school diploma	14.4	14.6	13.9	19.7	-5.3
High school graduate, incl. equivalency	55.4	53.2	49.3	54.4	1
Associate's degree	9.5	6.6	7.8	7.6	1.9
Bachelor's degree or higher	20.7	25.6	28.8	18.3	2.4

Source: 2009-2013 American Community Survey estimates

## Higher Education and Training Resources

**The University of Southern Mississippi Gulf Park** is a public research institution located in Long Beach. It is the smaller of two campuses, the larger of which is located in Hattiesburg, MS. The university (known as Southern Miss) offers a number of undergraduate programs, but has more extensive offerings in master's and doctoral programs. In 2015, the U.S. News & World Report ranked the Southern Miss graduate nursing program as the best in Mississippi (No. 102 overall in the nation). The Gulf Park campus is non-residential.

**Mississippi Gulf Coast Community College** is a two-year community college offering university parallel programs, career and technical programs, and healthcare programs. MGCCC also works with businesses to tailor its workforce development programs. The college's Jefferson Davis Campus is located in Gulfport, although its original and largest campus is located in the neighboring Stone County (to the north). At the time of the college's founding (then as Harrison Agricultural High School), Stone County was not yet separate from Harrison County. Within Harrison County, it also operates the Advanced Manufacturing and Technology Center in Gulfport, the West Harrison County Center in Long Beach, the Keesler Center at the Keesler Air Force Base in Biloxi, and the Naval Construction Battalion Center in Gulfport. Outside of Harrison County, it also operates a third campus in neighboring Jackson County, as well as its George County Center in Lucedale, MS.

**Tulane University School of Continuing Studies** operates a Mississippi Coast Campus in Biloxi, with 45 faculty teaching 50 courses, and an average enrollment of 570 students. Programs include Business Management, Media Arts, and Health and Wellness.

**William Carey University** is a private Christian liberal arts college with its primary campus in Hattiesburg and its Tradition campus north of Biloxi (Tradition is a planned community in Harrison County). The college offers undergraduate degrees from its colleges of arts and letters, education, natural and behavioral sciences, business, religion, music, and nursing. The university also offers M.B.A, M.Ed., and M.S. in psychology, M.S. in Health Information Systems, and an M.S.N. degree, as well as a specialist degree in elementary education and a Ph.D. in education administration.

**Blue Cliff College** is a private technical school with a campus in Gulfport. Programs offered include Continuing Education, Cosmetology, Massage Therapy (including an Associate in Occupational Studies Degree in Massage

Therapy), Dialysis Technician, and Clinical Medical Assisting. The college has six other campuses, one in Arkansas and the other five in Louisiana.

**Virginia College Biloxi** is a part of a chain of private colleges throughout the southeast United States. They operate a campus in Biloxi, as well as many online courses. They offer diploma and certificate programs in cosmetology, pharmacy technician, the sales professional, as well as associate’s degree programs including Business Administration, Healthcare Reimbursement, and Medical Office Administration.

**Miller-Motte Technical College Gulfport** is part of a chain of private technical colleges throughout the southeast United States, with a campus in Gulfport. They offer certificate programs in Medical Assisting, Medical Billing and Coding, and Medical Office Administration, as well as a Commercial Driver’s License program in Class A Tractor Trailer. Miller-Motte (which is headquartered in Wilmington, NC) also offers online Bachelor’s of Science Programs in Business Administration, Allied Health Management, Nursing, and Criminal Justice.

**Keesler Air Force Base** is home of the Second Air Force (2 AF) and the 81st Training Wing (81 TW) of the Air Education and Training Command (AETC). It is responsible for basic training and is one of five major technical specialist training centers for the Air Force.

Population Diversity

Harrison County and the Gulfport MSA have 23% and 20% African American populations as compared to 37% statewide, and 13% nationally. Harrison County and the MSA have double the percentage of Hispanic residents than in the state, but only a third of the national average.

	Harrison County, MS	Gulfport-Biloxi- Pascagoula, MS	Mississippi	United States
% Reporting One Race Only	99.40%	99.50%	99.30%	98.40%
% Reporting Only African American	23.10%	20.10%	37.30%	12.70%
% Reporting Hispanic (of any race)	5.40%	4.80%	2.70%	16.80%

Source: 2013 American Community Survey Estimates

Regional Military Workforce

In 2008, the HCDC commissioned a report that features the partnerships and community benefits that the region has with its military installations. Taken from the publication, the “Harrison County Multi-jurisdictional Hazard Mitigation Plan, August 2008 Salute to the Military: Our Education Partnership,” the map below shows the locations of the military sites, four of which are in Harrison County.

The report highlights each of the sites, and what they do. For example, the Keesler Air Force Base returns educational benefits to the community that include the 81<sup>st</sup> Training Wing, part of Air Education and Training Command, the Air Force medical center that provides residency programs for medical specialties and training programs for nurses and technicians, a cyber training program, and a DOD weather school, that is a joint training center for the Air Force,



Air National Guard, Navy, Marines and Coast Guard.

The report documents the importance of the military to the region's economy, including close to 15,000 military personnel, over 4,000 civilian personnel, and economic impacts of over \$1 billion. The report also makes the connection between the military personnel transitioning out of the military, the significant opportunity ex-military personnel present as potential private sector employees within the region, utilizing the technical skills they learned.

Harrison County Personnel Fiscal Year 2012			
Installation/Activity	Military Personnel	Civilian	Annual Student Load
Keesler Air Force Base (Plus Training Annex)	8,038	4,042	28,000
Naval Construction Battalion Center	6,023**	NA <sup>1</sup>	9,973
Trent Lott Training Complex (Air Guard)	367	97	NA <sup>1</sup>
Trent Lott Training Complex (Army Guard)	157	84	NA <sup>1</sup>
U.S. Coast Guard Station Gulfport	110*	0	NA <sup>1</sup>

\*\* active/auxiliary/reservists

## Employment & Income

Per capita income growth in Harrison County and the Gulfport MSA stopped mirroring the national growth averages in the most recent decade, 2003 to 2013. The marked slowdown shows real growth of 2.7% and 3.9% in the county and MSA as compared to 11.6% growth in the state and 8.2% growth nationally. Prior to 2003, the county and MSA had greater growth in per capita income than either the state or nation. Per capita income has consistently been higher in the county and MSA than in the state, but markedly lower than the national average.

### Gulfport-Biloxi-Pascagoula MSA: Industry Summary for 21 Industries

201,677	-0.1%	\$45,175
Jobs (2014)	% Change (2004-2014)	Avg. Earnings Per Job (2014)
0% above National average	Nation: 11.2%	Nation: \$53,571

Source: EMSI Analyst, Economic Modeling Specialists International, Q1 2015 Data Set

Per Capita Personal Income*	Harrison County, MS	Gulfport-Biloxi-Pascagoula, MSA	Mississippi	United States
2013	\$35,688	\$34,874	\$33,913	\$44,765
2003	\$34,741	\$33,559	\$30,400	\$41,371
1993	\$27,330	\$26,618	\$24,649	\$34,413
1983	\$22,595	\$22,316	\$20,059	\$29,512
10-year % change	2.70%	3.90%	11.60%	8.20%
20-year % change	30.60%	31.00%	37.60%	30.10%
30-year % change	57.90%	56.30%	69.10%	51.70%

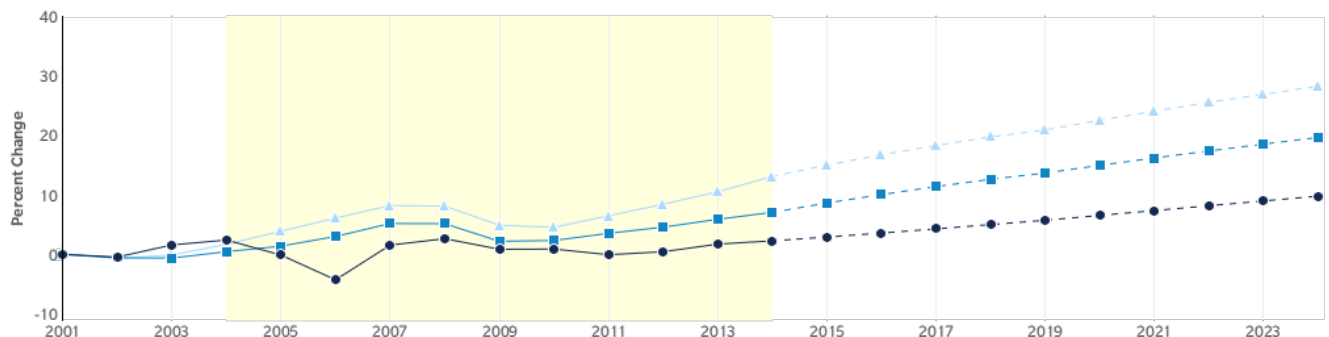
\* adjusted for inflation

Source: US Bureau of Economic Analysis, Stats America County Metro Side by Side

## Employment Growth

Job growth in the region was minimal previous to Hurricane Katrina, and dropped further in 2005 and 2006 in the immediate aftermath. Although the job loss stabilized in 2007, the region has recovered more slowly from the 2009 recession than either the state or the nation. From 2004 to 2014 the region shows a net job loss of 0.1%, while the state had 6.6% job growth and the nation had 11.2% job growth.

### Comparison of Job Growth

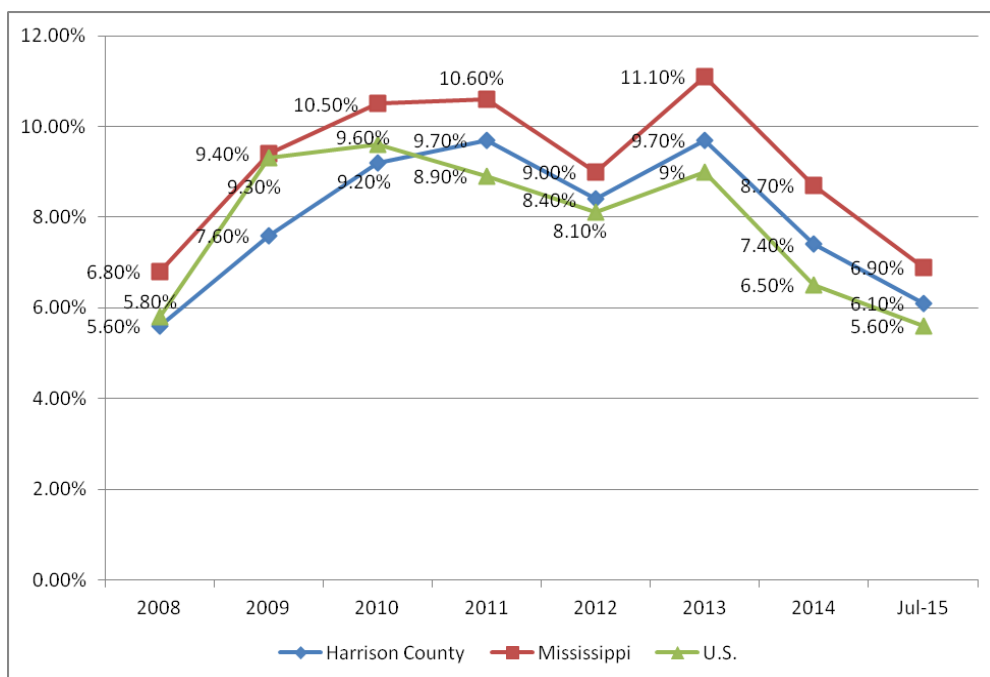


Region	2004 Jobs	2014 Jobs	% Change
● Region	201,940	201,677	-0.1%
● State	1,459,030	1,555,186	6.6%
● Nation	168,247,193	187,132,062	11.2%

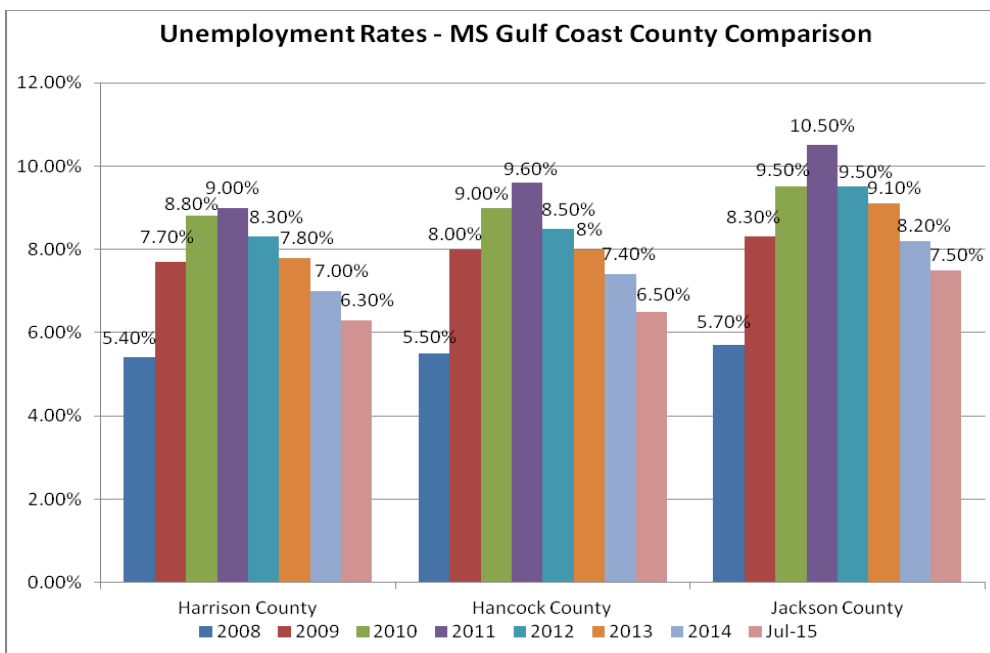
## Unemployment Trends

Since 2008, the unemployment rate in Harrison County has been less than the state and has mirrored the state fluctuations. Both the county and the state continued to see unemployment increase in 2011, despite the national rate dropping. Since a peak in 2013, unemployment has dropped, which is consistent with the reduction in national unemployment.

**Comparison of Unemployment Rates – County / State / Nation**



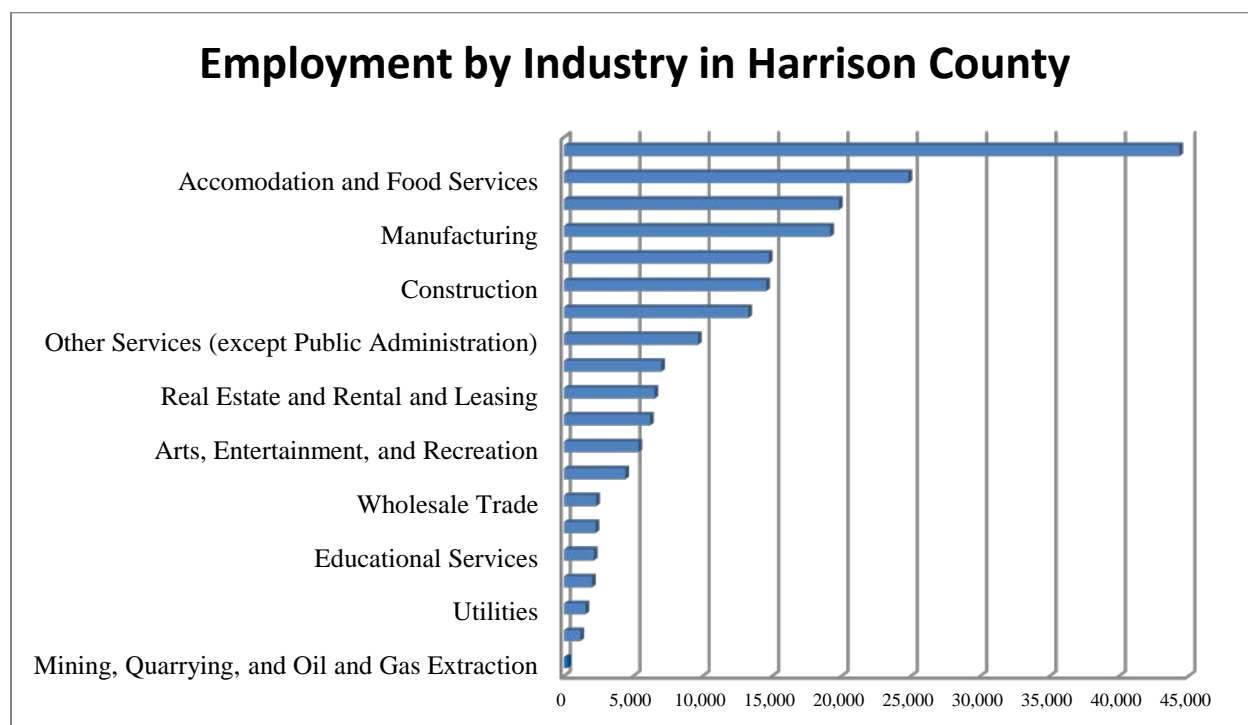
**Unemployment Rates - MS Gulf Coast County Comparison**





## Employment Sectors

The largest employment sector in the metropolitan statistical area is government, followed by accommodation and food services, retail trade, and manufacturing.



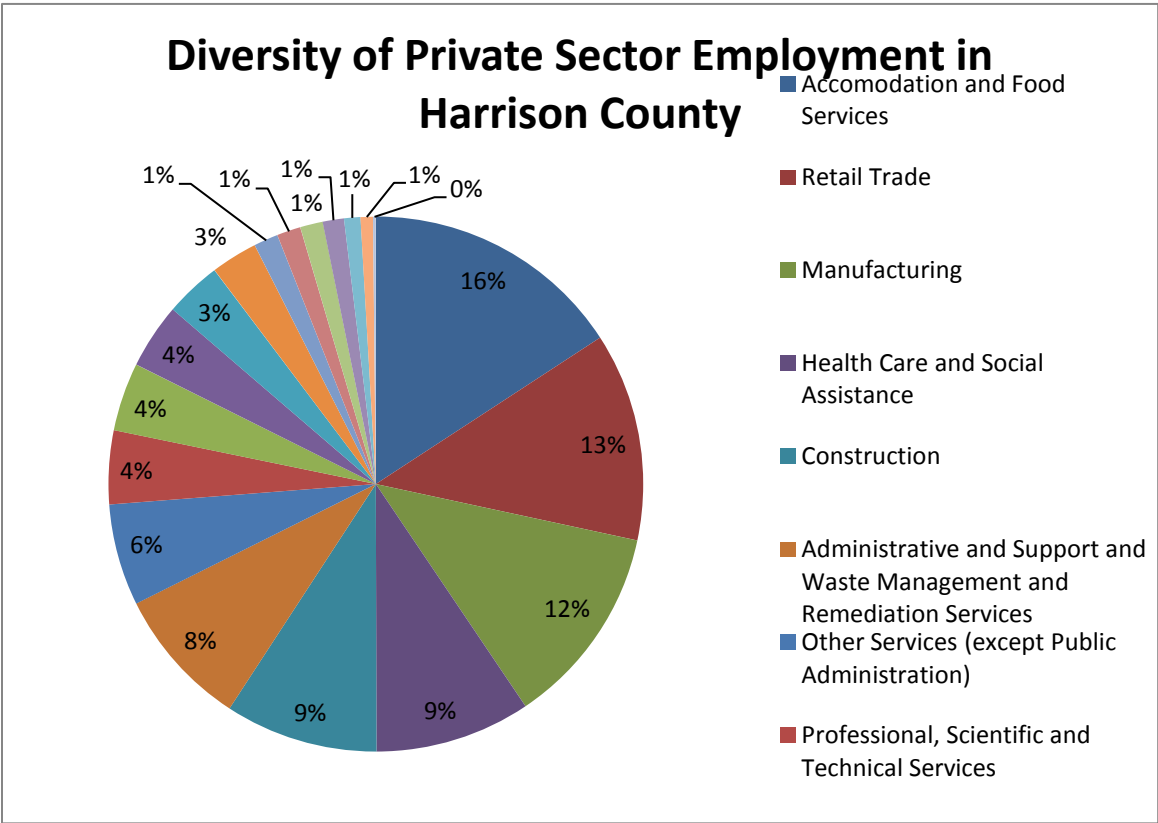
### Workforce Data by Private Sector Industry - Gulfport-Biloxi-Pascagoula MSA

Industry	2014 Jobs	Avg. Earnings (2014)	Unemployed (2/2015)	% of Regional Unemployment
Accommodation and Food Services	24,829	\$24,356	2,302	20%
Retail Trade	19,810	\$27,056	1,214	11%
Manufacturing	19,181	\$85,309	1,318	12%
Health Care and Social Assistance	14,754	\$43,595	461	4%
Construction	14,569	\$46,179	1,058	9%
Administrative and Support and Waste Management	13,281	\$28,698	697	6%
Other Services (except Public Administration)	9,653	\$22,126	247	2%
Professional, Scientific, and Technical Services	7,007	\$53,832	287	3%
Real Estate and Rental and Leasing	6,520	\$29,067	122	1%
Finance and Insurance	6,196	\$43,698	119	1%
Arts, Entertainment, and Recreation	5,361	\$25,362	450	4%
Transportation and Warehousing	4,423	\$44,485	147	1%
Wholesale Trade	2,324	\$56,478	39	0%
Crop and Animal Production	2,272	\$21,283	5	0%
Educational Services	2,149	\$34,566	131	1%
Information	2,018	\$45,844	47	0%
Utilities	1,544	\$111,547	31	0%
Management of Companies and Enterprises	1,173	\$77,354	13	0%

EMSI Analyst, Economic Modeling Specialists International, Q1 2015 Data Set

Industry Trends

Declining industries dominate the 10 year job trends, with a decline of 3,640 in federal government military jobs and a loss of 4,700 jobs in casino hotels. Job growth came from industrial building construction, temporary help services, and janitorial services.



Growing and Declining Industry Sectors	
Industry	Change in Jobs (2004-2014)
Industrial Building Construction	1,923
Temporary Help Services	1,448
Janitorial Services	1,272
Ship Building and Repair	(941)
Federal Government, Military	(3,640)
Casino Hotels	(4,700)

### Growing and Declining Occupations

Occupation	Change in Jobs (2004-2014)
Childcare Workers	952
Unclassified Occupation	846
Real Estate Sales Agents	716
Waiters and Waitresses	(532)
Gaming Dealers	(751)
Military occupations	(3,640)

The region's strongest location quotient (a measure of how concentrated an industry is compared to the national average) is in utilities, but the industry employed less than one percent of the workforce. Other industries with positive location quotients are government, accommodation and food services, construction, manufacturing, and arts, entertainment and recreation. Many of these industries make up the tourism sector. Construction showed strong job growth, possibly reflecting the rebuilding that took place following Hurricane Katrina.

### Employment by Industry with Location Quotients - Gulfport-Biloxi-Pascagoula MSA

Description	2004 Jobs	2014 Jobs	2004 - 2014 Change	2004 - 2014 % Change	2014 Estab	2014 Location Quotient
Utilities	1,799	1,544	(255)	(14%)	44	2.49
Government	47,442	44,345	(3,097)	(7%)	326	1.70
Accommodation and Food Services	28,931	24,829	(4,102)	(14%)	809	1.70
Construction	11,491	14,569	3,078	27%	733	1.42
Manufacturing	21,544	19,181	(2,363)	(11%)	245	1.38
Arts, Entertainment, and Recreation	5,761	5,361	(400)	(7%)	94	1.18
Administrative and Support and Waste Management and Remediation Services	9,105	13,281	4,176	46%	398	1.05
Retail Trade	21,068	19,810	(1,258)	(6%)	1,317	0.99
Other Services (except Public Administration)	9,116	9,653	537	6%	559	0.86
Real Estate and Rental and Leasing	5,182	6,520	1,338	26%	424	0.69
Transportation and Warehousing	4,699	4,423	(276)	(6%)	207	0.66
Health Care and Social Assistance	12,643	14,754	2,111	17%	769	0.65
Crop and Animal Production	2,272	2,272	0	0%	10	0.60
Information	2,707	2,018	(689)	(25%)	83	0.56
Finance and Insurance	4,941	6,196	1,255	25%	499	0.54
Professional, Scientific, and Technical Services	7,851	7,007	(844)	(11%)	782	0.51
Management of Companies and Enterprises	1,168	1,173	5	0%	48	0.47
Educational Services	1,571	2,149	578	37%	80	0.44
Wholesale Trade	2,523	2,324	(199)	(8%)	240	0.33
Mining, Quarrying, and Oil and Gas Extraction	126	267	141	112%	15	0.18
	<b>201,940</b>	<b>201,677</b>	<b>(263)</b>	<b>(0%)</b>	<b>7,679</b>	

## Analysis of Target Industries

As stated in the Harrison County Development Commission's economic development strategic plan, targeted industries for Harrison County have been

**Shipbuilding and Metal trades**  
**Aerospace**  
**Advanced Materials and Chemicals**  
**Geospatial Computing**  
**Marine Science**

Once a business has made the decision to move or expand its facilities, it will search for the community that best suits its needs. The success of a community in attracting those investments will depend on how that community matches those needs. Limited marketing resources force economic development organizations to target the most attractive industries or group of companies where they have a competitive advantage. The questions that one must answer are which industries are the best prospects and which best fit the skills of the workforce and economic assets of Harrison County?

The first step in answering this question is to have a strong understanding of the local community and its ability to build/provide local resources for specific industries. Studying the performance and commitment of existing industries offers strong clues. In general, understanding the needs and preferences of specific industries is also important to understanding which industries are compatible with the local economy and how to make the community more attractive to those prospects. By matching a community's capabilities with industries that requires those capabilities, economic development organization can focus their efforts on a few high-potential firms or industries that are likely candidates. Once targets have been established, economic developers should look to which communities represent the competition and what factors have enabled them to attract the industries in question.

A crucial second step is to talk to and market to existing businesses in order to retain them and assist them in expansion. Similar to the customer loyalty programs used by private businesses, great success can be achieved by communicating with existing employers. Local companies are an important source of information on what industries a community is likely to attract. Examining local companies for their characteristics, needs, preferences, and stage of development provides insight into the needs and preferences of their industry sectors. It also reveals complementary industries, such as suppliers and buyers that the community could attract to support the existing economic base.

Clusters are concentrations of firms that are related through various business activities. A managed cluster should lead to future economic growth by reinforcing regional strengths and innovation. Generally, industries grow more rapidly when there are linked clusters in the region and/or similar clusters in neighboring regions. Factors that businesses may weigh in decisions about investing in a location include the following:

- Access to markets, specialized local demand
- Access to transportation – ease and accessibility to export
- Availability of raw materials
- Availability of suppliers to provide intermediate goods and services
- Availability and cost of skilled labor and training resources
- Availability of adequate utilities
- Availability of business locations – either shovel-ready or move-in ready within 6 months
- Business friendly climate – is the local community and government friendly towards business or bogged down with development regulations?

- Are incentives available to assist in minimizing business risk?
- Are taxes reasonable compared to other locations?
- Quality of life factors

Top export industries for the Gulfport-Biloxi-Pascagoula MSA are petroleum and civilian jobs in the federal government, both of which bring over \$10 billion into the local economy. The next highest exports are the federal government military, and ship building and repair, which bring in \$3.8 and \$2.7 billion respectively. The casino hotel industry generates close to one billion dollars annually.

Top Exports for the Gulfport-Biloxi-Pascagoula MSA

NAICS	Industry	Exports
324110	Petroleum Refineries	\$10,944,616,038
901199	Federal Government, Civilian, Excluding Postal Service	\$10,259,958,483
901200	Federal Government, Military	\$3,893,776,327
336611	Ship Building and Repairing	\$2,790,238,789
721120	Casino Hotels	\$965,443,801
903622	Hospitals (Local Government)	\$782,726,334
221122	Electric Power Distribution	\$502,817,241
325211	Plastics Material and Resin Manufacturing	\$444,548,932
236210	Industrial Building Construction	\$435,282,651
713210	Casinos (except Casino Hotels)	\$427,568,434
325130	Synthetic Dye and Pigment Manufacturing	\$277,169,660
902999	State Government, Excluding Education and Hospitals	\$275,903,382
325110	Petrochemical Manufacturing	\$265,358,253
325312	Phosphate Fertilizer Manufacturing	\$209,692,445
517210	Wireless Telecommunications Carriers (except Satellite)	\$171,595,887

EMSI Analyst, Economic Modeling Specialists International, Q1 2015 Data Set

To help understand the motivations and concerns of existing businesses, the HCDC and the IEDC team met with representatives of several of the county’s existing industries. These discussions and the challenges and opportunities of businesses are detailed below.

Shipbuilding

Because of its prime location on the Gulf Coast, the Gulfport-Biloxi-Pascagoula MSA has developed as a center of shipbuilding activity. It currently has a location quotient of 93 – inducing that this is a substantial export industry -- in shipbuilding and repair activity<sup>19</sup>. As the graph below shows, the industry suffered sharp declines

<sup>19</sup> Source: QCEW Employees – EMSI 2015.2 Class of Worker  
IEDC Report for Harrison County MS

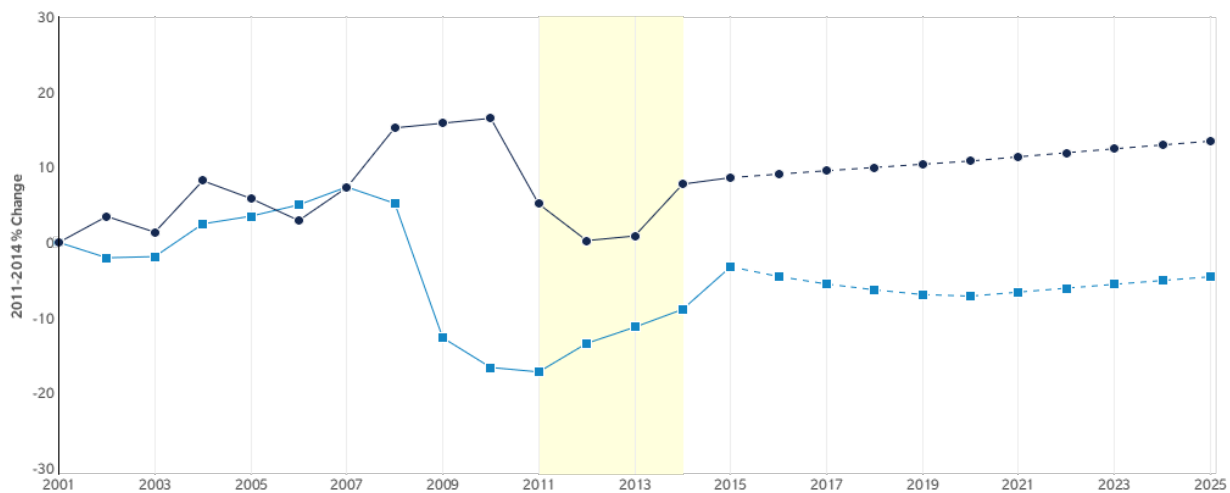
in employment from 2007 to 2012, but showed recovery in 2014. The Gulfport region had less of a decline than the nation, and regained the 2001 employment level in 2013, and showed a 5% increase from that in 2014. Small regional growth is expected for the industry, while national growth has a negative outlook.

### Industry Summary for Ship and Boat Building

13,145  
Jobs (2015)  
8,778% above National average

2.5%  
% Change (2011-2014)  
Nation: 10.1%

\$81,523  
Avg. Earnings Per Job (2015)  
Nation: \$77,110



Region	2011 Jobs	2014 Jobs	Change	% Change	2015 Average Earnings	2015 Establishments
Gulfport-Biloxi-Pascagoula, MS	12,723	13,041	318	2%	\$81,523	18
United States	122,718	135,055	12,337	10%	\$77,110	1,785

Source: EMSI Analyst, Economic Modeling Specialists International, Q1 2015 Data Set The MS Gulf Coast accounts for more than half of U.S. Industry sales in ship building and repair. The established companies are:

- Gulf Ship, LLC located in Gulfport, builds proprietary hull designs for Edison Chouest Offshore.
- Northrop Grumman, locations in Gulfport and Pascagoula, designs, engineers, constructs and maintains major ships for the Navy and the Coast Guard.
- Trinity Yachts, located in Gulfport builds custom yachts.
- U.S. Marine, Inc., located in Gulfport builds composite and aluminum high-performance craft.
- VT Halter Marine Inc.
- Ingalls Shipbuilding
- Moss Point Marine
- Signet Maritime Corp.

Source: Infogroup Business Data, via EMSI Analyst, Economic Modeling Specialists International, 2015  
IEDC Report for Harrison County MS



Although the companies that were represented in meetings with IEDC were well established and have clearly made a commitment to the region, they noted several developments which are currently challenging the long-term growth of the industry:

- The height of a new bridge that connects Biloxi with the mainland provides a significant limitation on the height limit of ships that can be built. This is a deterring factor for at least one company that must assemble parts in a different location after being moved from the original fabrication site within the county. The firm has other ship building sites in other parts of the country that are receiving business in larger, more technically-advanced ships that could have been built within the county.
- The relatively shallow depth of the 18-mile channel leading into the seaports within the county must continuously be maintained at an adequate depth to accommodate large ships. This is a costly operation that requires U.S. Army Corps of Engineers permitting and strict environmental regulations.
- A significant share of the shipbuilding activity relies on business from the petroleum industry, which is greatly impacted by reduced prices. As a result of this, the shipbuilders are not operating at full capacity and have reduced staff or working hours temporarily. Oil prices are beyond local control and may impact the industry for a few more years as worldwide inventories have grown and changes in the U.S. energy landscape towards more renewable and electric vehicles increases. Representatives of the industry remain optimistic that prices will return, but indicated that they needed a \$50 per barrel level to return to strong shipbuilding sales.

On the positive side, other than the location and momentum that has been built by the existing industry, several key factors are helping to keep the shipbuilding industry alive and operating profitably in this location:

- The availability of a skilled workforce within a reasonable commuting distance is a significant advantage. A number of key industries lend themselves to engineering backgrounds and the local higher education providers are focusing on these careers as well. A key factor in site location, the IEDC team heard virtually no concerns regarding the lack of workers or skills, and in fact, the local higher education providers were complimented for their flexibility in working closely with local employers on programs to meet their needs. Pipefitters was the only category of worker that businesses mentioned having difficulty hiring. It was also mentioned that Mississippi is a “right to work” state which helps contribute to keeping costs down. It was stated that within a 50-mile radius of the port there are 80,000 people ready to work.
- The region is known for good intermodal logistics capability and facilities. Significant assets are the Intra-coastal Waterway and intermodal capabilities to carry in parts and raw materials.
- The MSA is seen as a low-cost, business-friendly location within the larger Gulf Coast region. Real estate has been available for this particular industry. Two of the firms currently operating took over former shipyards. There are no hurdles with operating in the area from a regulatory standpoint. A significant factor is lower operating costs due to good priced labor, housing, taxes and general cost of living and taxes.
- The availability of space and the \$600 million restoration and expansions being made to the Gulfport Seaport presents new opportunities for cargo operations with a Free Trade Zone program.

## Aerospace

### Strengths

Recognizing the presence of numerous regional assets covering a four-country region, Harrison County's pursuit of the aerospace industry is consistent with state's economic development targeting.<sup>20</sup> Two identified core assets in Harrison County include:

- Keesler Air Force Base is a training center for Air Force pilots.
- Stennis Space Flight Center is primarily a rocket testing facility.

Many of the other assets come from the region's shipbuilding industry, and therefore it is recommended that HCDC work closely with existing companies that have capability as aerospace suppliers:

- Seemann Composites, Inc. located in Gulfport, is the composites operation of Northrop Grumman, US Marine Inc., and Gulf Ship and Trinity Yachts. The firm specializes in advanced materials.
- Northrop Grumman, VT Halter Marine, Rolls-Royce Naval Marine and Signal International, LLC are major shipbuilders in Pascagoula. Some of their ships have the capacity to carry aircraft.
- Northrop Grumman also builds unmanned aircraft at Moss Point. (These UAVs are often used over the ocean to gather data and intelligence.)

At the regional airport, a strength is the fact that the airport has the only food irradiating facility to treat perishable foods. This extends the life of products by killing bacteria. Flower and fruit shipping should be a target. The airport also has intermodal capabilities.

Another strength working in the HCDC's favor is the Gulf State Aerospace Consortium that is engaged in a marketing-communications campaign at trade shows, media events, has a regional brochure and is meeting with site consultants and corporate site locators. HCDC has had a presence at aerospace events to promote sites, but must overcome the outdated image of Mississippi internationally (please see more about this in the Recommendations section of this report).

Core assets are in neighboring states include:

- The Michoud Assembly Facility on 832 acres in eastern New Orleans is managed by Marshall Space Flight Center in Huntsville, AL. Tenants are:
  - The USDA and USCG are tenants at Michoud for agency back office support such as personnel and facilities management.
  - The National Center for Advanced Manufacturing is at Michoud, a joint venture between NASA, State of LA, LSU, and University of New Orleans. Lockheed Martin had a 40-year contract for the space shuttle program's External Tank (a giant fuel tank) and once employed over 2,000 people. The program ended in 2010. Lockheed is now manufacturing the structure for the Orion Multi-Purpose Crew Vehicle at Michoud.
  - Boeing is a tenant at Michoud and is working on the next-generation rocket.
  - Blade Dynamics is a U.K. tenant that moved to Michoud in 2011 to develop wind turbine blades, supported by the State of Louisiana's movement into renewable energy and green manufacturing. Blade Dynamics was created in 2007, out of University of Southampton's Science Park in Southampton, England. The company received a contract from the Energy

<sup>20</sup> Tortorano Commissioned Publications, for the Mississippi Gulf Coast Alliance, "Mississippi Gulf Coast Aerospace 2011-2012, 6<sup>th</sup> Annual," p.4, [http://www.mscoastalliance.com/news-publications/files/msaerospace\\_inside\\_061311.pdf](http://www.mscoastalliance.com/news-publications/files/msaerospace_inside_061311.pdf)

- Technology Institute to develop and prototype offshore wind turbine blades for larger, higher performance turbines.
  - B-K Manufacturing came to Michoud in 2011 and is a precision machining and testing company home-based in Arab, AL. B-K is a large defense department contractor.
- Within easy driving distance, the Mobile Aeroplex at Brookley is an industrial center in Mobile, Alabama located at a general aviation airport targeting manufacturing and distribution, aviation and aerospace tenants. Mobile Aeroplex hosts the Airbus assembly line. They currently have 82 partners that include about a dozen aerospace/aviation companies, several trucking and environmental firms and retail and support offices.
  - 12 parcels of land are listed available on their [website](#).
  - 18 industrial building spaces are listed available.

### Current Performance of the Aerospace Industry in Harrison County

The aerospace industry currently employs 86 persons in the Gulfport-Biloxi-Pascagoula MSA. The industry has experienced a 38% decline regionally, as compared to a 1% national contraction. The top employers are Pratt & Whitney (13 employees), M7 Aerospace (8 employees), and Lockheed Martin Aeronautics (7 employees). One sector of the industry is supported 99.2% from within the region by Guided Missile and Space Vehicle Propulsion Unit and Parts Manufacturing. The sector has 85 jobs, and is experiencing the same contraction as aerospace.

Industry Summary for Guided Missile and Space Vehicle Propulsion Unit and Propulsion Unit Parts Manufacturing		
85 Jobs (2015) 752% above National average	(36.1%) % Change (2011-2014) Nation: -10.7%	\$101,686 Avg. Earnings Per Job (2015) Nation: \$115,713

Source: EMSI Analyst, Economic Modeling Specialists International, Q1 2015 Data Set

### Challenges

Industry analysts see the commercial and the defense sectors of aerospace as contending with divergent market forces. Defense spending is under downward pressure in the United States, while a rebounding economy should spur the commercial market. Defense contractors will be under pressure to make their products more cost-competitive, and to expand their market. Commercial suppliers may see shortages in the supply chains, and may be challenged by significant demands for increased production capacity.<sup>21</sup>

The large manufacturers, such as Rolls Royce which has a jet engine testing facility at Stennis Space Flight Center, are analyzing the global market and planning on global distribution to smooth out national variations. For example, the most recent *Rolls-Royce Market Outlook* predicts revenue per kilometer to grow 29% to 40% from Asia, while shrinking 27% to 20% in North America.<sup>22</sup> This may sound as if there is not much opportunity.

<sup>21</sup> Starr, Anderson, and Adams, "2015 Aerospace and Defense Trends," *Strategy and Business* magazine, [www.strategyand.pwc.com](http://www.strategyand.pwc.com)

<sup>22</sup> Aerospace Industries Association, "Aerospace Market Forecasts, Rolls-Royce's Civil Aerospace Market Outlook, 2012-2031," [http://www.aia-aerospace.org/assets/Rolls-Royce\\_Civil\\_Market\\_Outlook\\_2012-2031.pdf](http://www.aia-aerospace.org/assets/Rolls-Royce_Civil_Market_Outlook_2012-2031.pdf)

However, there is future potential from the Mobil Airbus operation which can be developed. In its first year, component parts may come from outside the country or have set up support services within its own Brookley Complex. This situation should be monitored for future opportunities to move to local sourcing.

From a marketing standpoint, HCDC and the region's economic development organizations need more compelling marketing materials to entice suppliers and grow the aerospace cluster. Original equipment manufacturers are not present in the market, but are close enough to work with multiple markets in the region. Requirements for available buildings and properties dictate that locations must be available faster than ever. Currently there is no hangar space available at the airport.

HCDC and its training providers should also give attention to long-term aerospace workforce needs – i.e. the availability of skilled workers at various levels and competitive wages. Good technical skills and “soft skills” such as work ethics are needed. For this reason, education should start early at high school technical programs and the community colleges.

## Geospatial Industries

Complimentary to aerospace, the MS Gulf Coast Geospatial Corridor is identified in a 2007-2008 report commissioned by the MS Gulf Coast Alliance for Economic Development.<sup>23</sup> The HCDC website cites 25 geospatial companies located in the vicinity of Stennis Space Flight Center, and another dozen elsewhere in the state. Remote sensing and geospatial analysis are key components of marine, as well as space observations.

The Gulfport MSA has 583 civilian jobs in the geospatial industries, excluding space research and technology that was not available in the database. While employment declined 21% in the region, it increased within Harrison County. The occupations with the most employment (10%) in this grouping are software developers, followed by computer programmers and user support specialists at five percent each. Industry requirements that are primarily located within the region are temporary help services (84%), offices of lawyers (35%) and office administrative services (30%).

**Civilian Employment in Geospatial Industries**

County Name	2011 Jobs	2014 Jobs	2011 - 2014 Change	2011 - 2014 % Change	2014 Location Quotient	Ind. Mix Effect	Nat'l Growth Effect	Expected Change	Competitive Effect
Jackson	249	188	(61)	(24%)	0.37	10	12	22	(82)
Hancock	208	124	(84)	(40%)	0.92	8	10	18	(102)
Harrison	127	149	22	17%	0.17	5	6	11	11
	583	461	(122)	(21%)		23	29	52	(174)

<sup>23</sup> Tortorano Commissioned Publications, for the Mississippi Gulf Coast Alliance, “Mississippi Gulf Coast Geospatial Corridor 2007-2008,” [http://www.mscoastalliance.com/news-publications/files/geospatial\\_corridor\\_081007UPDATE.pdf](http://www.mscoastalliance.com/news-publications/files/geospatial_corridor_081007UPDATE.pdf)

### Regional Trends

Region	2011 Jobs	2014 Jobs	% Change
Region	583	461	(20.9%)
Harrison County, MS	127	149	17.3%
United States	1,286,275	1,400,830	8.9%

Source: EMSI Analyst, Economic Modeling Specialists International, Q1 2015 Data Set. QCEW employees

### Top Regional Businesses

Business Name	Industry Name	Employees
Northrop Grumman Electronic Systems	Search, Detection, Navigation, Guidance, Aeronautical, and Nautical System and Instrument Manufacturing (334511)	400
Pratt & Whitney	Search, Detection, Navigation, Guidance, Aeronautical, and Nautical System and Instrument Manufacturing (334511)	217
Lockheed Martin	Search, Detection, Navigation, Guidance, Aeronautical, and Nautical System and Instrument Manufacturing (334511)	100
Qineti Q North America Inc.	Custom Computer Programming Services (541511)	72
Delta Computer Systems Inc.	Custom Computer Programming Services (541511)	20

## Chemicals and Advanced Materials

### Chemicals

The Gulfport MSA has a strong concentration of chemical manufacturing, with a high location quotient of 4.45, indicating that this is a significant export industry in Harrison County. Growth in the industry has been positive, with the majority of the increase in employment coming from the competitive effect of the region. Employment rose 14% in the region, from 763 jobs in 2011 to 868 jobs in 2014. Employment in the industry was in a trough in 2011, however, regionally 40% below 2001 levels, and in the county 12% below. By 2015 the county saw 10% growth from the 2001 level; the region remained just over 20% below 2001 levels. Flat growth is predicted to 2025.

### Chemical Manufacturing and Prep (NAICS 3251, 3259) in the Gulfport-Biloxi-Pascagoula MSA

County Name	2011 Jobs	2014 Jobs	2011 - 2014 Change	2011 - 2014 % Change	2014 Location Quotient	Ind. Mix Effect	Nat'l Growth Effect	Expected Change	Competitive Effect
Harrison	539	616	77	14%	4.45	(29)	27	(2)	79
Jackson	148	171	23	16%	2.06	(8)	7	(1)	23
Hancock	76	82	6	8%	3.76	(4)	4	0	6
	763	868	105	14%		(41)	38	(3)	108

Source: EMSI Analyst, Economic Modeling Specialists International, Q1 2015 Data Set

The primary employment occupation is chemical plant and system operators, making up 27% of the industry employed. Average earnings per job are \$98,348. Industries within the region that are requirements for the chemical industry are Petrochemical Manufacturing (82% within region) and Petroleum Refineries (72% within region.) Nine percent of corporate, subsidiary, and regional managing offices are within the region.

Top regional businesses in chemicals include:

- Dupont (510 employees)
- Calgon Carbon Corp (56 employees)
- Channel Chemical Corp. (22 employees)
- Hydro Processing Association – other basic inorganic chemical manufacturing (under 10 employees)

Source: Infogroup Business Data, via EMSI Analyst, Economic Modeling Specialists International, 2015

### Other Advanced Materials

The Bernard Bayou Industrial District (BBID) is 1,695 acres located in Gulfport adjacent to the Industrial Seaway. It is served by the Kansas City southern railroad, and is a half mile from the Biloxi-Gulfport International Airport. It is a foreign trade zone. The Harrison County Development Commission supplies water and sewer service.

The advanced materials companies identified as located in the BBID are:

- Northrop Grumman's Center for Composite Excellence – manufacturing marine composite structures. Parts created at the Center for Excellence are used at the Northrop Grumman Shipbuilding facility in Jackson County.
- Seemann Composites, Inc., identified above under Aerospace.
- Soprema, Inc., that develops roofing and waterproofing materials.
- U.S. Marine, Inc. that uses performance composites in the building of military boats.

The composite industry grew by 1.7% to reach \$7 billion in value in 2014. Demand in the U.S. market is expected to reach \$10.3 billion by 2019. The industries expected to support the growth of the sector are transportation, aerospace and construction.<sup>24</sup> The Gulf Coast is squarely in those markets, with both shipbuilding and aerospace. The new wind blade and turbine industry, such as Blade Dynamics at the Michoud Assembly Facility seem likely to support composite suppliers as well.

### Marine Science

The Gulfport-Biloxi-Pascagoula MSA has 125 jobs in marine science, over half of which are in Jackson County, which has a location quotient of 1.72.

County Name	2011 Jobs	2014 Jobs	2011 - 2014 Change	2011 - 2014 % Change	2014 Location Quotient	Ind. Mix Effect	Nat'l Growth Effect	Expected Change	Competitive Effect
Jackson	61	74	13	21%	1.72	10	3	13	(1)
Harrison	38	46	8	21%	0.64	6	2	8	0
Hancock	11	<10	Insf.	Insf.	0.46	2	1	3	(8)
	110	125	15	14%		19	5	24	(9)

—Source: EMSI Analyst, Economic Modeling Specialists International, Q1 2015 Data Set. QCEW employees

<sup>24</sup> Gardner Business Media, Inc., "Composites Industry Outlook: Positive," *CompositesWorld*, March 26, 2014, [www.compositesworld.com](http://www.compositesworld.com)



Top regional organizations and businesses in this sector include:

- NASA Shared Service Center (150 employees)
- Rudd Development Ministries (37 employees)
- Bosarge Diving Inc. (26 employees)
- Holliday & Associates (under 10 employees)

Source: Infogroup, via EMSI Analyst, Economic Modeling Specialists International, 2015

Ocean observing and prediction is an important component of both the shipping and fishery industries of the coast. The fisheries of the Gulf Coast are shrimp, crabs, oysters and fish. The organizations involved in marine science are typically governmental, educational, and nonprofit. Organizations identified on the HCDC website are:

- MS Department of Marine Resources
- U.S. Naval Meteorology and Oceanography Professional Development Center
- U.S. Environmental Protection Agency
- NOAA
- U.S. Navy
- MS State University Coastal Research and Extension Center
- University of Southern Mississippi's J.L. Scott Marine Education Center and Gulf Coast Research Lab
- Local offices of the Gulf of Mexico Program,
- Mississippi-Alabama Sea Grant Consortium,
- Mississippi Laboratory Southeast Fisheries Science Center,
- National Estuarine Research Reserve System,
- Northern Gulf Institute and the Institute for Marine Mammal Studies (IMMS).<sup>25</sup>

## Military Employment

The U.S. armed forces currently make up 3.9% of the labor force in Harrison County, much greater than the average half percent statewide and nationwide. However, the net gain of 2,890 persons in the county's labor force between 2000 and 2013 came from a 10,000-person increase in the civilian labor force offsetting a decline of 1,800 persons in the armed forces, reducing the percentage of the workforce in armed services.

	2013				2000			
	Labor Force	Civilian Employed	Armed Forces	% of labor force	Labor Force	Civilian Employed	Armed Forces	% of labor force
Harrison County	97,737	91,887	5,850	3.9%	94,847	81,944	7,610	5.2%
Mississippi	1,355,687	1,194,436	12,103	0.5%	1,282,757	1,173,314	15,665	0.7%
United States				0.4%				0.5%

Source: U.S. Census Bureau, 2013 5-Year American Community Survey

<sup>25</sup> <http://mscoast.org/target-industries/marine-science/>  
IEDC Report for Harrison County MS

## Other Major Employers in the Gulfport-Biloxi-Pascagoula MSA

The top private sector employers in the region are casinos, RPM Pizza LLC and Memorial Hospital. Their names and approximate number of employees are listed below:

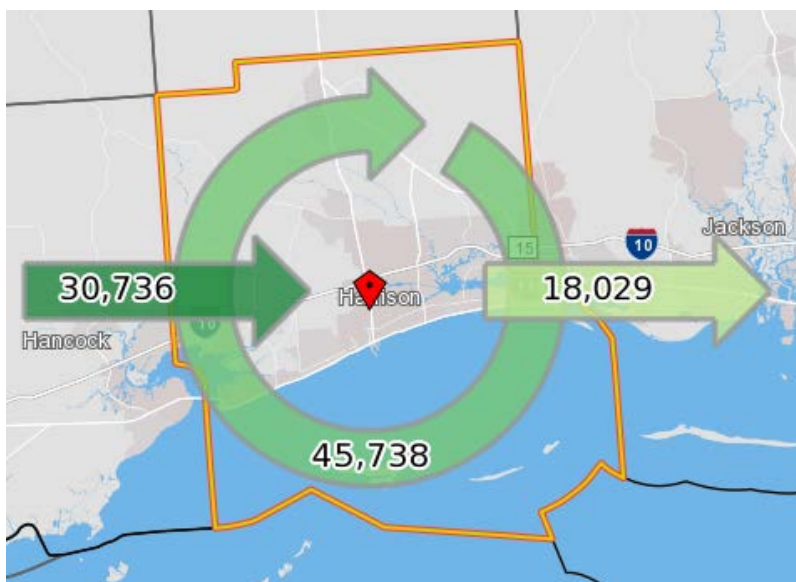
Beau Rivage Resort & Casino	4,000
RPM Pizza LLC	3,500
Memorial Hospital	3,000
Harrah's Casino	3,000
Harrah's Operating Co Inc.	3,000

Source: EMSI Analyst, Economic Modeling Specialists International, Q1 2015 Data Set

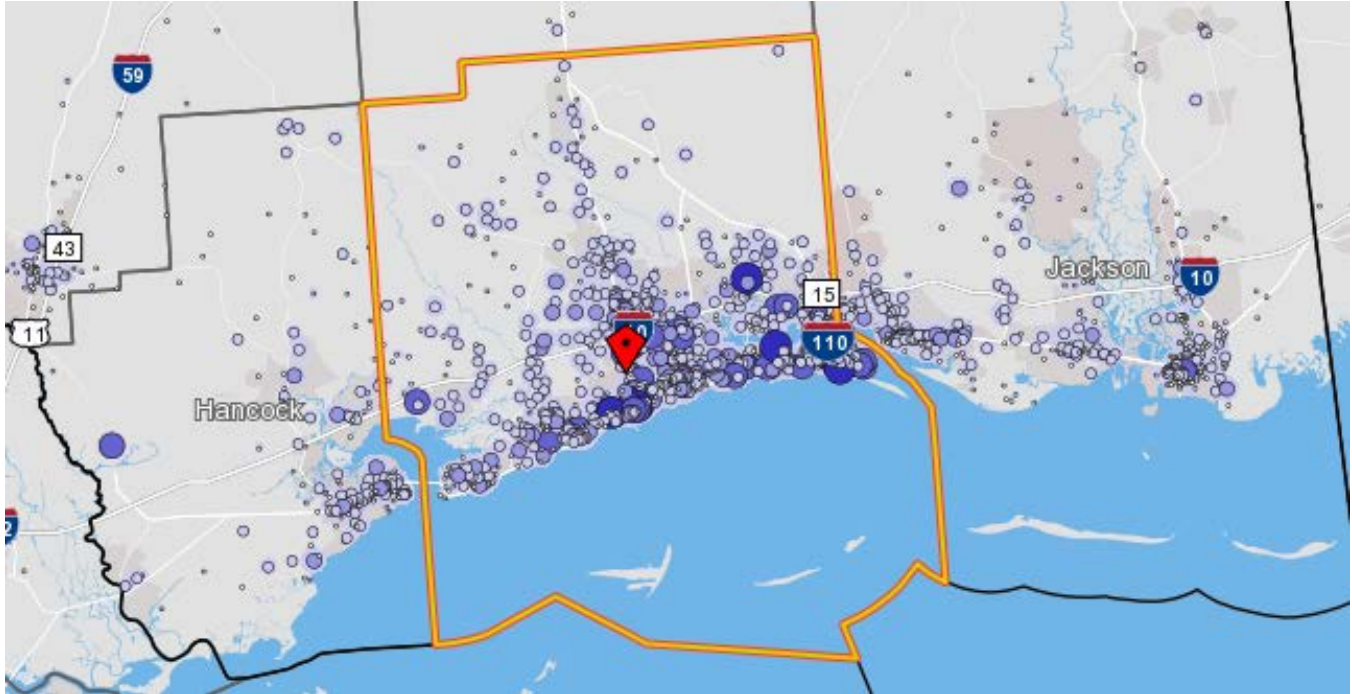
## Commuting

Understanding the strength of the local workforce from the employer perspective also requires an understanding commuting within the region along modern highways that transect the area. Harrison County has 76,474 person county. Some 40 percent of workers, or 30,736 persons, commute into the county to work. Sixty percent live and Twenty-eight percent, 18,029 residents, commute to jobs outside of the county.

Note that the direction of the arrows does not indicate the direction of the commute.



Most Harrison County residents who commute out of the county go to Jackson County, concentrated around the port. Sixteen thousand residents commute easterly out of the county to work. Another 9,600 workers commute to Hancock County. As shown in the illustration below, the strongest employment centers are along the coast.



## Economic Development Programs & Marketing Activities

One significant advantage that Harrison County has in promoting its economy is the availability of land and buildings for businesses to locate. These can be found at the seaport and airport, along the coast in the City of Long Beach, as well as inland. The HCDC has recently invested in the construction of a new industrial park, which is currently under development.

**The North Harrison County Industrial Complex** (formerly known as the Global Axis Industrial Park) is located in Saucier MS, completed in 2010, and has 490 acres of developable land in seven parcels just off Route 49, a four-lane highway. The site is just north of Gulfport MS, 12 miles from the Route 10 Interstate.

In a 2011 article announcing the “project ready” certification, the Harrison County economic development director said the county was marketing the park for general manufacturing.<sup>26</sup>

### Port of Gulfport Restoration Project

In 2007, the Mississippi State Port Authority embarked on the Port of Gulfport Restoration Project, a \$570 million project to:

- Double the effective footprint of the port
- Upgrade bulkheads to support larger ships
- Improve efficiency
- Rebuild in ways to mitigate future storm damage.

The seaport is expecting a 2016 construction completion date. Connecting infrastructure of the KCS railroad for efficiency and modernization to improve the competitive position of the port in the Northern Gulf of Mexico market was reported in 2014 as complete.<sup>27</sup>

### PROJECT READY - INDUSTRIAL PARK

#### NORTH HARRISON INDUSTRIAL COMPLEX GULFPORT, MS 39574 • HARRISON COUNTY

North Harrison Industrial Complex is the newest property in the inventory of the Harrison County Development Commission. The park's 490 acres are ideally situated to transportation infrastructure, adjacent to railroad, four-lane highway and <20 miles from commercial air service, deepwater port and interstate access. Other infrastructure is either on-site or has been planned and budgeted.

The Mississippi Gulf Coast offers many attractions for visitors and residents alike; from ice hockey to museums, Ohr-O'Keefe Museum and casino attractions, numerous golf courses and abundant natural resources.

Join the many business enterprises and government entities in South Mississippi by locating your manufacturing, warehousing and distribution facilities at the North Harrison Industrial Complex - Project Ready!



TOTAL PARK ACREAGE	523 ACRES
DEVELOPABLE ACREAGE	490 ACRES
LARGEST PARCEL AVAILABLE	490 ACRES
PHASE 1 ENVIRONMENTAL AUDIT COMPLETED	NO REC'S FOUND
WETLANDS DELINEATION	21% (133.5 ACRES) OF SITE; PENDING ACE JD
ENDANGERED SPECIES	RELOCATION PLANNED
PERCENT OF SITE IN 100 YEAR FLOOD PLAIN	NONE
ARCHEOLOGICAL	NOTHING OF HISTORICAL SIGNIFICANCE FOUND
SUBSURFACE GEOTECH INVESTIGATION	COMPLETED JANUARY 2010

<sup>26</sup> Phillips, Steve, “Harrison County industrial park gets boost,” WLOX, Mar 23, 2011.

<sup>27</sup> Mississippi Development Authority, “Status Report on the Port of Gulfport Restoration Project,” September 2014.



# Economic Development Resources

## County & Region

[The Harrison County Development Commission](#). The client for this study, the HCDC was created in 1958, as the lead economic development agency for Harrison County. The HCDC promotes the county to attract, retain, and expand businesses and develop quality jobs for residents. The following guidance for the HCDC outlines its strategic economic development marketing plan. It is included verbatim in its entirety. The plan is both a guidance document and an implementation plan in so far as metrics are built into the plan.

### Strategic Goals & Objectives

**Vision:** The Harrison County Development Commission's (HCDC) will be a leading regional partner, providing growth opportunities for new companies, expanding companies, and entrepreneurs by delivering high quality services, sites and talent to local, regional, national and international businesses.

**Mission:** The Harrison County Development Commission's mission is to support the business retention and expansion efforts of existing businesses as well as attract new business to increase the economic prosperity in Harrison County.

### Business Development Budget

Goal: To establish and follow a budget specific to Business Development

- Develop Annual Budget
- Achieve Monthly Cost Variance Goals

### Marketing Strategy

Goal: To implement a marketing strategy to generate more project inquiries, jobs and capital investment. There will be a focused recruitment activities on targeted industries:

- *Shipbuilding*
  - *Metal Trades*
  - *Chemicals*
  - *Advanced Materials*
  - *Aerospace*
- 
- Create an awareness of state and local financial incentives for new industry
  - Develop HCDC Marketing Strategy with help of IEDC
  - Attend Targeted Industry Events
  - Participate in Harrison County Community Events
  - Tailor HCDC Presentation to audience interest
  - Design and implement marketing strategies for targeted industries
  - Interact with Mississippi Development Authority (MDA) Staff
  - Schedule Consultant Visits
  - Update Website and Social Media Outlets Weekly
  - Develop 3 Minute Video on Harrison County

- Maintain communications with qualified prospects
- Increase Number of Project Queries  
*Current inquiries are received from:*  
 Mississippi Development Authority (MDA) – 80%  
 Mississippi Power Company (MPCO)  
 Consultants (Self-Generated)
- Maintain a catalog of available industrial properties in Harrison County

### Branding HCDC

Goal: Ensure a positive image among HCDC Stakeholders through branding

- Schedule and carry out 4 visits a year with MDA
- Participate in Harrison County Community Events
- Increase Media Awareness
- Increase Participation in MEDC
- Maintain close working relationships with select stakeholders

*Port of Gulfport*

*Gulfport-Biloxi International Airport*

*Railroads (CSX and KCS)*

### Existing Industry

Goal: Engage with 260 existing industries to promote business retention and expansion in Harrison County.

- Compile List of Companies in HCDC Parks
- Compile List of Harrison County Companies and Contacts into existing industry database
- Prioritize and Schedule Visits with Existing Industry
- Create and awareness of state and local incentives available for expanding industry
- Conduct Annual Visits with Companies with over 20 Employees
- Minimum of 2 Fall and Spring Existing Industry Socials
- Conduct Monthly Plant Manager Meetings
- Strategically maintain relationships with military installations

### Job Creation/ Workforce Development

Goal: Work with Mississippi Gulf Coast Community College to generate skill sets necessary to support new and existing industries.

- Create 350 jobs with an average hourly wage of \$16.00
- Assess Availability of skilled workforce with MGCCC and participate in their Workforce Council Quarterly Meetings
- Work with MGCCC and the public school district to develop workforce initiatives to ensure the delivery of needed skill sets to industry
- Build relationship with military transition offices



## Regional Economic Development Organizations

The HCDC has a number of key partners in the region and state that contribute to the economic development effort.

[The Mississippi Power Company](http://economicdevelopment.mississippipower.com/services/?ehp=bb_row2_link2) is an active partner in economic development for the state and region. The organization provides for a range of services, a description of which can be found on the website at this address: [http://economicdevelopment.mississippipower.com/services/?ehp=bb\\_row2\\_link2](http://economicdevelopment.mississippipower.com/services/?ehp=bb_row2_link2)

The [Gulf Coast Business Council](#) provides a voice for the business community on public policy issues. It aims to promote economic vitality and quality of life in the region through leadership and collaboration on strategic issues.

The [Mississippi Gulf Coast Chamber of Commerce](#) works to improve the business climate by facilitating, advocating, and providing information on behalf of the region.

As its name implies, the [Mississippi Gulf Coast Regional Alliance](#) is a regional organization which incorporates in its service area the three large counties along the coast and Highway I-10 Corridor. This is a regional EDO that is funded and markets the area jointly. It is organized as a 501c4 organization. Each county pays dues and has voting rights. Marketing initiatives has included marketing materials, target industry trade show representation, site consultant visit coordination and response, and forums presented as one unified organization for the region. Each year a new program of work is developed by the membership.

[Southern Mississippi Planning and Development District \(SMPDD\)](#) serves the 15 counties in central and south Mississippi by providing direct loan programs to businesses to supplement conventional financing.

[The South Mississippi Contract Procurement Center](#) assists MS businesses in identifying and procuring government contracting opportunities.

[The Mississippi Gulf Coast Regional Convention and Visitors Bureau](#) represents Harrison, Hancock, and Jackson counties to promote regional tourism. Its home webpage is the tourism website, and produces the [Go Coast Visitors Guide](#).

Also supporting economic development in the region are additional supportive agencies such as the Innovation Center, the SBA, the Minority Enterprise Business Center, SCORE, the Small Business Development Center, and the WIN Job Center.

## State & Federal ED Organizations

The [Mississippi Development Authority](#) is the economic development organization for the state. The agency is highly active in promoting the MS advantages, providing web links to incentives, labor and data, workforce training options, target industry data, and a database of new sites and buildings. Approximately 80% of the HCDC's economic development leads are now generated from the MDA.

[Mississippi Business Finance Corporation](#) hosts the MS Development Bank and the Industrial Revenue Bond Program. It offers a loan guarantee program, a rural economic development assistance program,

and a small enterprise development finance program. It partners with financial institutions, local governments and economic development agencies, and the MS Development Authority.

[Mississippi Tourism Agency](#) sponsors the Visit Mississippi website, and promotes tourism for the state.

[Mississippi Economic Development Council](#) is a membership-based professional association for economic, community development, and chamber of commerce professionals in the state of Mississippi. MEDC fosters this network of statewide professionals, develops strategies for economic and community development, and advocates for the policies that support this agenda.

[Mississippi Economic Council](#) is the statewide Chamber of Commerce. MEC focuses on improving the business climate in the state, and sponsors events and meetings for its members.

## State Economic Development Plan

### GoCoast 2020, January 2013<sup>28</sup>

The Governor of Mississippi established GoCoast 2020 as an 18-member advisory board to guide the allocation of funding from penalties assessed due to the Deep Water Horizon oil spill in the Gulf of Mexico. The federal funding would be guided by the RESTORE Act, regulations for which were still under development during the GoCoast 2020 planning process. From the public process, the GoCoast 2020 Plan developed eight focus areas:

- Eco-restoration
- Economic development
- Seafood
- Infrastructure
- Tourism
- Workforce development
- Small business
- Research and education

Economic Development Priorities included:

- **Asset development and capacity**, recognizing the priority of job creation, but also the need for investment that may have longer-term return for job creation. Some specifics mentioned include:
  - Potential new rail lines
  - A technology industrial park near Stennis Space Center to aid in the recruitment of aerospace and technology companies.
  - Development of marketable sites
  - Marketing a business-friendly region
- **Broadband Infrastructure**: tap into existing high-speed broadband in the region, by bringing it specifically to a high-tech park or innovation complex with speeds of up to 10 gigabits per second.

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<sup>28</sup>Go Coast 2020 Final Report, Governor Phil Bryant and the GoCoast 2020 Commission, January 2013, [www.gocoast2020.com](http://www.gocoast2020.com)

- **Workforce development** – a focus on entrepreneurship programs for youth, building on the University of Southern Mississippi’s Center for Economic and Entrepreneurship Education which partners with Gulfport and Biloxi School Districts.
- **Business incubators and accelerators**, with a focus on making existing incubators more well-known, improving access in coastal counties lacking one, and capitalizing on opportunities to develop an accelerator through partnerships between Stennis Space Flight Center, high-tech aerospace and advanced manufacturing companies, and academic institutions.
- **Funding for entrepreneurial growth.**

Other components of the region’s economic strategy are:

- **Opportunities in healthcare**, a growing industry, supported by the MS Healthcare Industry Zone Act that provides incentives for new healthcare-related projects in the state. The plan saw opportunity for the coastal region especially due to large numbers of retirees and veterans.
- **The challenge of real and personal property insurance**, with efforts underway at state and federal levels to resolve the problem.
- **Enhance capacity at Gulfport-Biloxi International Airport**, needed to stimulate coast economy.

Finally the committee recommended criteria and ranking for projects, including leveraging of resources, return on investment, value relative to target sector, and feasibility.

## Harrison County Plans

### 2030 Harrison County Comprehensive Plan, July 2008

The Comprehensive Plan notes that Harrison County started to see significant growth following the legalization of gaming in 1990. While the county lost a portion of its population and businesses following Hurricane Katrina, by 2010 it was expected to regain its pre-Katrina levels. This in fact has happened. The plan notes that significant development is expected in the unincorporated areas of the county, with an expected 2030 population of 96,000 of the expected 275,000 total 2030 population. The plan calls for concentrating development into Intended Growth (G-3) and Controlled Growth (G-2) sectors, so that the county can expand while retaining significant rural areas that resident’s value. The G-1 sector is a restricted growth sector.

The plan calls for both expanding the roadway network and expanding public transit, especially in the Intended Growth sector. In addition the plan recommends bikeways, trail systems, and pedestrian amenities for a healthier community.

The plan also calls for improving safety in the communities on several fronts: through block watches, partnerships for emergency preparedness, and community cleanups. Safety for pedestrians is recommended with better crosswalks and sidewalks. The plan looks at safety broadly, seeking resilience for the community.

The plan expects the economy to further shift from the seafood, shipbuilding, and government sectors to tourism and service sectors. It predicts more than 87% of jobs created between 2008 and 2014 would be in the service sector. The plan promotes the growth of tourism, and recommends creating ways for people to have greater interaction with their natural surroundings, by expanding trail networks for example. The plan also states the need for providing a high quality experience – cleaning waterways,

providing docks and pavilions, and implementing a way finding system. Increased marketing for tourism is also recommended.

In 2009, the plan received the Vernon Deines Award for Outstanding Small Town or Rural Plan from the American Planning Association.

## Marketing Tools: Economic Development Incentives and Loan Programs

### Income Tax Exemptions

The state income tax rate is 3% on the first \$5,000, 4% on the second \$5,000, and 5% over \$10,000.

There is no county or municipal income tax. The available exemptions are the following:

- Broadband Technology Tax Credit
- Child/Dependent Care Income Tax Credit
- Equity Investment Tax Credit (new market tax credits)
- Existing manufacturer's Investment Tax Credit
- Jobs Tax Credit
- National or Regional Headquarters Jobs Tax Credit
- Rural ED Tax Credits on Industrial Revenue Bonds (IRBs)
- Skills Training Tax Credit
- Income Tax Exemption for Business Growth & Prosperity Areas (GAP)

### Property Tax Exemptions

The county has a 15% property tax for most property, 10% for residential. The county may grant exemptions to:

- Property taxes except school taxes for up to 10 years
- May levy fee in lieu of taxes on projects more than \$100 million
- Inventory shipped outside the state is exempt under "Free Port Warehouse"
- Property taxes for Business in Growth and Prosperity Areas (GAP)
- In-state inventory remaining in MS
- Property taxes for IRB financing

### Sales Tax Exemptions

The State levies a 7% Sales and Use Tax. Exemptions are the following:

- **Bond Finance Program:** full exemption to qualified businesses which finance building materials, machinery and equipment with bond proceeds
- **National or Regional Headquarters:** full exemption to qualified businesses transferring national or regional headquarters to MS and creating a minimum of 35 jobs
- **Tier 3 counties\***  
Full exemption to manufacturing & processors on purchase of building materials used in construction of a building and on qualified machinery & equipment
- **Tier 2 & 1 counties\***  
On-half exemption to manufacturing & processors on purchase of building materials used in construction of a building and on qualified machinery & equipment

\*Exemption does not apply to contractor's 3.5% tax

### Foreign Trade Zones

The Gulf Coast has over 5,000 acres that provide Foreign Trade Zone (FTZ) tax advantages to businesses. Authorized by U.S. Congress in 1934 (FTZ Act-19 USC 81a-81u), FTZs have an array of special regulations that lower costs to businesses engaged in importing and exporting goods.<sup>29</sup> In Harrison County, there are FTZs at the airport and seaport, which offer additional space and opportunity for businesses. By reducing costs of taxes, “FTZs level the playing field and improve competitiveness of U.S. firms in reducing production, transaction, and logistics-related costs by lowering effective duty rates, allowing special entry procedures, and encouraging production closer to market.”

## Findings & Recommendations

This technical assistance project and report is one in a series of dozens of such projects that IEDC has undertaken throughout the Southeast and Northeast over the past 10 years since Hurricane Katrina, the Gulf Oil Spill and later Hurricane Irene to support local economic recovery and resiliency in locations that are within or near areas vulnerable to natural disasters. Nearly 300 volunteers and IEDC staff members have participated in this program, donating thousands of hours to help local communities.

The design of this technical assistance and mentoring project was scheduled to take place within the March-August 2015 timeframe within a budget provided to IEDC by the U.S. Economic Development Administration-Atlanta Regional Office. This program, which involved two site visits, was additionally supported by a generous donation of air travel by Southwest Airlines and economic assessment software licensed to IEDC by ESRI, EMSI and StateBook.

The program offers technical assistance in the format of an “Economic Development Assessment Team” which features experienced economic developers working with the local economic development organization as a boost to support local efforts and expanded thinking about key challenges. The recommendations provided below are not a “plan” until such time as they are adopted by the HCDC. They may be used in whole or in part without restriction. They should not be taken as a definitive list of what can and should be done to market the county under a long-term detailed strategic plan and implementation plan that has been adopted by local officials.

The recommendations herein represent unbiased opinions of a team of four economic developers who have experience and professional certifications in the field of economic development, community planning and economic development finance. Brief bio data of each team member is presented in the Appendix.

### Initial Impressions

The IEDC team’s impressions of Harrison County and the Mississippi Gulf Coast as an investment destination after doing background study, touring sites and holding discussions with local stakeholders is that, “There is a lot to work with here!” In other words, there are considerable assets, sites and growth opportunities that the HCDC and its partner organizations can market.

While there are some current limitations with regards to available infrastructure and vulnerability to potential storms in the future, the county appears to be in better shape than many communities. Harrison County has substantially rebuilt its infrastructure and downtown areas from the devastation of

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<sup>29</sup> See [www.trade.gov/ftz](http://www.trade.gov/ftz)

past hurricanes. The new facilities are attractive and give a good first impression of a community that is on the way to a full recovery. Other assets include the region's available and skilled workforce, the availability of training in partnership with nearby educational institutions, and industry targets that well match the community's interests.

There is no shortage of things to promote about Harrison County and the region as a whole. Where the most significant work needs to be done, however, is in the strategic, focused marketing of the assets, attractions and reasons to invest. The IEDC team believes that within the organizational structure that HCDC has built – together with the support of other regional/state public and private sector partners – a more aggressive marketing program can make a positive difference.

## 1) Recommendations for New Business Attraction: Industry Targets

After reviewing the demographics of the region, considering commuting patterns and existing industries, as well as meeting with numerous representatives of long-standing local businesses together with management and staff of the HCDC, the IEDC team agreed that the existing targets are logical choices that match the assets and workforce of the region. However, these industries have certain limitations that were noted earlier in this report.

The team also took into consideration vulnerabilities in the economy including the lack of economic diversification and resiliency – i.e. the fact that significant portions of the economy are controlled by national politics and the U.S. federal budget, as well as the cost of oil. These factors are beyond local control. Therefore, the best ways to counter vulnerability is to find other ways to strengthen and support local industries and diversify the targets further.

**Shipbuilding & Repair.** As discussed above, the shipbuilding industry has opportunities to grow and diversify to include government, commercial and leisure vessels. This diversification has already occurred to some extent and there is further room for growth. However, at the present time the shipbuilding and repair industry tends to be petroleum-dependent and negatively impacted by oil prices.

Additionally, the existing infrastructure, in some cases, is inadequate for full support of the existing businesses. In the case of shipbuilding, the industry is constrained in terms of the size of ships it can build (despite larger vessels being the trend in the market), and ease of transportation by the channel depth and height of a new bridge. The channel depth should be pursued diligently to ensure it is the right depth to accommodate the industry's needs. Unfortunately, the new bridge cannot be altered. In retrospect, this is an example of why it is so important for economic development leaders to have a seat at the table when discussing infrastructure investments -- something that could have been discovered in business retention calls with local businesses.

**Chemical manufacturing.** For this industry, environmental regulations and a supportive business climate that is experienced with the requirements and permitting process for the industry is considered very favorable. Long-term companies that have invested in this location continue to invest in training their workforce and discussed other advantages that have allowed them to be profitable in this location. However, the pipeline infrastructure limits future growth of the industry. Additionally, IEDC observed that other nearby areas in Louisiana offer considerable competition due to the presence of inland canal access and infrastructure that has already attracted dozens of companies. It is possible that investments



in additional marketing to attract new companies in this industry may bring limited only results because of these concerns.

**Advanced Materials.** The new industrial park offers opportunities for manufacturing of advanced materials with good logistics opportunity due to the presence of intermodal transportation. However, some infrastructure has yet to be put in place to make the park fully ready and accessible. There is a need to put in place broadband and other utilities and to coordinate future loading and unloading areas with the railroad. The possibility of flooding and erosion and water control and mitigation must be carefully considered and planned for as some low-lying wetland areas exist within the park area. Additional space exists at the airport, but also with some wetland areas.

**Aerospace industry.** There is good opportunity as evidenced by the presence of numerous assets in the region, including a skilled workforce. Military personnel who are exiting the government have transferrable skills that can be used in this industry as well as the other industries mentioned in this section. Additionally, there is land available for expansion at the airport.

The biggest challenge in attracting aerospace companies at this time, however, is related to the marketing message and imaging. The HCDC and other regional and state economic development organizations have invested in attending the annual air show in Paris, France. However, they report that negative image perceptions of a less progressive, racially segregated time in Mississippi's history have prevented effective recruitment of new businesses at international aerospace trade shows. This indicates that perception does not match today's reality, and therefore, a strategic marketing effort aimed at changing the image of the Mississippi Gulf Coast must be undertaken in order for individual jurisdictions to succeed. Such a campaign will require a long-term undertaking which should involve a variety of media forms, including website improvements and content such as searchable buildings and sites with GIS mapping, and other value-added data, e-news, professionally-produced video (perhaps the best way to demonstrate Gulf Coast communities and industries of today), general quality of life information, and target marketing brochures.

Marketing messaging should be connected to real-time social media information sites and media relations. It should be reflective of the assets and the reasons why businesses can successfully operate in Harrison County and the MS Gulf Coast Region. Endorsements of existing businesses would be a big plus, if they can be arranged. These efforts will also assist the HCDC in building its long-term relationships with key stakeholders in economic development externally as well as internally with the community.

It is IEDC's recommendation that the HCDC broaden its industry targets with new labels that can serve as umbrellas for cluster development and firms that require similar skills. The focus areas can continue to be strategic, reflecting existing industries and potential, but more flexible to include a broader range of different types of companies that can thrive in the same environment. The new terms that are recommended include:

- **Advanced manufacturing** – To cover shipbuilding, aerospace components, precision metal working and other new types of manufacturing, each of these industries require the ability to fabricate metals, which is an existing strength of the local workforce of the region.
- **Science & technology** – This industry label goes well with advanced manufacturing and also incorporates chemicals, coatings, advanced materials, GIS & unmanned aircraft. Once again,

these terms can encompass a variety of different types of firms that require science, technology, and engineering skills.

- **Logistics & distribution** – Time sensitive inventory, intermodal logistics, companies that can use the FTZ value-added business model will immediately understand these terms. With its central location located between major cities and with multiple seaports, airports, highways and a rail line, Harrison County has definite advantages for firms that will store, move and distribute goods. The number of distribution centers that are located in the existing business park where the HCDC is headquarters evidences this. Additional space for such firms will be opened in the new industrial park and expanding space at the airport and seaport. The Free Trade Zones located at the seaport and airport also provide tax advantages for those companies that wish to be exempt from inventory tax. Additionally, the presence of irradiation facilities at the airport can be promoted by the HCDC and ultimately used by companies that wish to take advantage of this technology, extending the safe shelf life of products such as food and even flowers which can be imported from Mexico and elsewhere along the Gulf. The proximity to New Orleans is a further benefit for companies that store and distribute products, but without the high cost of the metropolitan area.

IEDC also suggests a fourth target be added, which is based on the potential of industry sectors that already exist in the county, namely tourism.

**Tourism & gaming** – Tourism is an export that spreads money in the economy in many ways. With some research online, the IEDC team was able to determine that this is among the strongest sectors that are supporting the regional economy. In fact, Harrison County is the tourism “powerhouse” export revenue and jobs producer for the state -- by a wide margin!

With tourism, there are 24/7 year-round jobs. The state and regional strategic economic development plans both incorporated these economic sectors for attention and growth. However, tourism and gaming has not been considered as priorities for the HCDC. There is a perception that the job of promoting these sectors should exclusively rest with the county’s tourism organization rather than the HCDC.

Mississippi’s state leadership has long recognized tourism as a major sector driving the economy. When this was discussed during the IEDC team’s visit, however, it was explained that tourism was the focus of the regional tourism marketing organization, the Mississippi Gulf Coast Regional Tourism and Convention and Visitors Bureau. However, upon review of the organization’s purpose and website, it appears that this organization is solely tasked with marketing rather than product development and expansion or attraction of tourism businesses. The City of Long Beach, on the other hand, recognizes tourism potential but needs assistance with marketing to potential developers and larger businesses, such as hotels. Further discussions between the county’s economic development and tourism development arms, together with the Mayor of Long Beach should be scheduled to discuss opportunities and coordinate efforts.

With its 26-mile coastline of white sand beaches, and abundance of vacant properties that are for sale along the shoreline, IEDC recommends that tourism should be added as a focus of regional economic development efforts. The recommended attraction or growth of more leisure activities and facilities will not only serve to increase jobs and business revenues in the county, but will also help strengthen the

sales of existing hotels and casinos. Tourism also offers opportunities for local entrepreneurship and start-ups.

Tourism as an economic sector is considered an export, which spreads value into more businesses than just hotels and casinos. It also brings revenue to such organizations as financial institutions, wholesalers of food and other supplies used in hotels, retailers, restaurants, transportation companies and other service providers. All in all, the model of tourism supports at least 10 other industries.

Harrison County currently has the largest share of tourism in the state, with the highest number of hotel rooms at 10,098 rooms in 2014.<sup>30</sup> This represented a 3.4% growth over 2013 when there were 9,766 rooms. Jobs in tourism and travel equaled 20,705 or roughly 23.3% of all employment in the county. Travel and tourism expenditures by visitors were estimated at \$1.48 billion, including \$167 million in fees to the state and local government and \$72.3 million in capital investment. Harrison County currently has the highest hotel room occupancy tax in the state at 5%, representing nearly \$6.4 million in contributions to the government's coffers.

If for no other reason, the sheer weight of the contribution of this industry should warrant some care and attention of the local development organization. Major investment or disinvestment by existing casinos and tourism developers greatly impact the local economy and job market. Developing long-term relationships with existing tourism businesses should be a regular part of the HCDC's business retention and expansion (BRE) function. This is important not only to be aware of any struggles within the industry that the HCDC could assist in, but also to help encourage additional growth by existing investors. Additionally, developing such relationships are important as the HCDC considers a new public-private partnership (PPP) funding structure in the future where existing businesses will be requested to support economic development activities.

In its economic indicators dashboard, HCDC should add in and incorporate such statistics as hotel occupancy, room rate and tax collections. This information is readily available from the Visitors Bureau. In cooperation with the City of Long Beach and others, HCDC should also promote the inventory of available sites to be prioritized for additional tourism development along the shoreline and may consider providing a special incentive for a "tourism zone." In coordination with the Visitors Bureau and the cities, the HCDC should identify ideal sites for tourism development and consider how best to develop more attractions within the zone.

### **Cluster Mapping as a Means of Understanding and Tracking Industry Growth**

A further recommendation in tracking the progress of industries resident in Harrison County and the region is for the HCDC to periodically review the clusters of businesses and industries that are operating here. The U.S. Economic Development Administration offers a free cluster-mapping tool that can provide a variety of analysis tools. For further information, see [www.clustermapping.us](http://www.clustermapping.us)

Here is an excerpt from the website which explains the purpose:

"The U.S. Cluster Mapping Project is collaboration between EDA and the Institute for Strategy and Competitiveness at Harvard Business School... This is a federal economic development initiative that aims to strengthen U.S. competitiveness by helping clusters and regions

<sup>30</sup> The next highest counties based on the number of hotel rooms were Hinds at 5,235 and Tunica at 4705, according to the "2014 Economic Contribution of Travel & Tourism," prepared by Visit Mississippi and released April 2015.

understand and improve their economic composition and performance. Research over the last decade has shown that regional clusters are a prominent feature of successful and growing economies... Now in an “alpha” version, the U.S. Cluster Mapping Project consists of an interactive website that offers a unique set of tools that are designed to help businesses, policymakers, and researchers better understand the dynamics of clusters. These tools include: **Visual data and statistical tools** to assess regional clusters and the characteristics of business environment... In addition, “Data QuickStarts” provide examples that introduce users to the breadth of data available and provide key analyses for better understanding clusters, the cluster composition of regions, and their overall performance.”

## 2) Recommendations for HCDC’s Business Retention & Expansion Program

During the visit to Harrison County, the IEDC team learned that the HCDC has newly hired a trained economic development professional to head up a new business retention and expansion program. Having such a program is in fact a best practice and a core function of economic development organizations. The primary objectives of a “BRE” program are to:

- Understand the needs of specific local firms, especially those that are at risk of closing or relocating elsewhere;
- Respond to those needs using a wide variety of services, such as technical assistance, workforce development, financing and building new markets;
- Address issues that detract from a healthy business climate in which businesses can prosper.
- Identify and assist businesses that are ready to grow and create more jobs.

Business retention is applicable to all businesses in a community, from small shops to large employers. A good BRE program will help to retain jobs and tax revenues within the county, foster the growth and development of local firms, and enhance the county’s reputation as a good place in which to do business. In fact, the meetings held with HCDC and the IEDC team with representatives of the leading industries of the county demonstrated the value in having discussions and building relationships.

Fleshing out a formal BRE program will not only enhance relationships and the image of the county, but will also help provide the data and intelligence to strategically attract new companies to the community, expanding existing firms, and foster the creation of new business. The program should supply the HCDC with current and timely data on the local economy, such as:

- The competitive strengths and weaknesses of the local area as a business location;
- The relative strength of the local economy (e.g. number of business expansions, new investments, job creation, etc.);
- Areas of potential interest and concerns that can be used to formulate public policy, enhance development efforts, or improve the local business climate (such as workforce availability and quality, regulatory issues, access to capital, speculative building, and any infrastructure issues such as were heard in the HCDC-IEDC stakeholder meetings);
- An understanding of the current workforce and the workforce needs of the business community in order to help create a forecast that can be used with education and training providers;
- Headquarter company intelligence to determine growth potential at the local level;
- Industry trends and intelligence.

The program that HCDC is creating should include BRE surveys, company visits and other formal or informal data gathering techniques such as business roundtable events that will provide the organization and its leaders with a snapshot of the county's business climate. HCDC will need to manage this data carefully, because confidentiality is vital to many business managers and owners. The BRE program should additionally inform many key development metrics (e.g., jobs created, jobs retained, per capita income, level of investment, etc.).

The NCDC should capture this information in a well-organized database. Many customer relationship management (CRM) software programs are designed specifically for BRE. These can greatly simplify data collection and analysis and reduce the overall time commitment of organization and reporting. Some communities buy BRE programs off the shelf; others use custom-made programs. In some states and communities, a sponsoring organization purchases a license from a software vendor or developer and then makes the system available to partner communities for a fee. In many of these programs, data from various communities are aggregated into one database that can be used at the regional or state level. Data can be used for benchmarking among communities that share software. Typically, the most effective software systems are Internet-based. The proliferation of wireless communications and mobile devices makes it easier than ever to record and analyze BRE program data.

Once the HCDC has gathered information from businesses, it is important to know where to focus response efforts. Any firm that is identified as in imminent danger of either relocating or closing should be brought to the immediate attention of the director of economic development for rapid response. Here are 10 signals that can indicate a firm may be at risk of closing or relocating:

- Declining sales/declining employment;
- Larger, non-local corporate ownership;
- Recent ownership change;
- Lease of property/expiring leases;
- Other facilities producing the same product or service;
- Negative attitudes about the community;
- High regulatory burdens;
- Union contract expirations;
- Expanding employment/expanding sales;
- Facility and site expansion plans.

Other factors that can be early warning signals include:

- Obsolete or land-locked facility;
- Location in a problem neighborhood;
- Older product lines or production technology;
- Contentious labor-management relationships;
- Lack of export/international focus;
- Family-owned firms with aging owner and no succession plan;
- Gradual corporate downsizing over time;
- Relocation of top managers and corporate officers to another location;
- Loss of longstanding supplier contracts/relationships (e.g., losing contracts to supply parts to an automaker).



A well-coordinated follow-up effort is as important as the survey or interview itself. Without it, expectations of interviewed businesses will have been raised, only to be let down when the issues raised during the interviews are not addressed. In fact, a community that fails to follow up on its BRE survey in a meaningful way may end up worse off than a community that fails to initiate a BRE program in the first place.

### **3) Recommendations for Generation of Leads and Gathering Feedback**

At the present time, it was stated that the Mississippi Development Authority provides approximately 80% of all leads for new business prospects that consider the county. This is certainly significant and warrants additional thought. Because the MDA is such an important relationship, the IEDC team recommends that HCDC request periodic evaluations of why certain prospects were successful and especially those that were not. Because this is not automatic, the HCDC should initiate the process.

As the HCDC begins its new business retention and expansion program, it should also seek to expand lead generation sources by tapping into existing businesses to help recommend potential leads for new business attraction. Existing businesses are the most credible sources for determining whether a location is a good place to operate. They can provide positive endorsements to sister companies, suppliers and other organizations they have relationship that will not only offer leads, but also potentially help strengthen the existing business by forming industry clusters.

Lead generation often makes use of digital channels, and has been undergoing substantial changes in recent years from the rise of new online and social media techniques. In particular, the abundance of information readily available online has led to the rise of the "self-directed buyer" and the emergence of new techniques to develop and qualify potential leads before addressing them for business development. Additional advice regarding maximizing the HCDC for greater marketing effectiveness is discussed in Recommendation #4 below.

The HCDC should also utilize its BRE program to understand industry trends and growth potential of its existing companies. Establishing an understanding of the strategic growth/expansion plans and relationship with headquarter organizations (for non-locally-based firms) can lead to successful growth of the current business sites through expansions or consolidations from other locations. Having a reputation as a business-friendly location can go a long way in achieving growth.

A key topic in economic development, IEDC frequently hosts workshops, conference sessions and webinars regarding lead generation. Many of these sessions feature location consultants and site selectors, as well as economic development marketing consultants as expert speakers. The next such webinar will take place on October 27, 2015 on the topic, "What You Need to Know about Digital Lead Generation." It will incorporate digital lead generation is all about capitalizing on prospects- first, by impressing them, and then by connecting with them. It will talk about how to design a customer-focused website, promoting the website, and harnessing tools to start and maintain dynamic online conversations with potential prospects.

On the flip side of lead generation, HCDC should also seek to learn from the prospects that did not choose to locate in the county. With every loss, staff should provide a simple survey which can be transmitted by email with a questionnaire which requests feedback about the process and ease of working with HCDC, as well as the factors which affected the decision. This feedback can be used to



improve operations, communications and potentially increase the chances of winning in the next interactions with prospects.

#### 4) Recommendations for Website Improvements

While certainly not the only marketing vehicle, the website of an economic development organization is typically the most important marketing vehicle that can be used in many ways to promote an investment destination. Throughout this project, IEDC referred back to the HCDC's website numerous times to verify the ways that certain aspects of marketing were communicated, as well as the messages and data that were presented to describe Harrison County to prospective businesses. The team also visited numerous other websites of the HCDC's regional and state economic development partners. While the website is simple and pleasant in appearance, IEDC feels that the county could be more aggressively marketed, and therefore we provide some specific recommendations for how to improve the site below:

- The website today is difficult to find. The HCDC site comes up in search engines after numerous other websites of the region and is easily confused with regional entities and other counties of the same name. The website address does not match the name of the HCDC and therefore is not intuitive. IEDC recommends that HCDC consider professional website development and support to make sure that its site is search engine optimized.
- As a best practice, an economic development organization's website should provide the most updated facts and figures in a manner that's easy to find, interpret and download. On the HCDC's website, an economic profile from as far back as 2009 was presented. Also, the years of statistics presented were not consistent. In some cases, data from the years 2008 to 2012 were offered. Later data, while it exists, was not available. Additionally, to access data, one must click through several options, while a comprehensive profile is not available. What this means is that corporate location consultants and site selectors will need to rely on other websites and their own independent research to learn more and obtain more relevant, current data about the county. An example of how data can be presented more thoroughly, with customizable options can be seen on the following website:
  - Stafford County Economic Development, Virginia: [www.gostaffordva.com](http://www.gostaffordva.com). This content-rich site offers easy to find data, along with a "report builder" function and more detailed information about how to do business in this jurisdiction.
- Some of the county's most significant attractions as an investment destination were undersold and not discussed in persuasive, cutting edge marketing language. HCDC should work to develop polished, standardized messages to articulate each of the county's most positive assets, including the workforce advantage, intermodal capability, buildings and sites, access to key markets, and quality of life information. For example, the fact that the county has two Free Trade Zones is not mentioned in the website is a missed opportunity.
- Photos throughout the site could be more descriptive of key features of the county and improved with professionally-produced images.
- Much of the content on the website is not fresh or active, and therefore, does not present the county to its best advantage. For example, the "In the Spotlight" feature on the home page includes at least one story that presents negative news from 2014 regarding a personnel battle

at a military back. This space would be better used to promote positive attributes, for example the construction and availability of leases at the new industrial park. Many of the references have static content that appears to remain the same throughout the year. News archives are minimal and many of the reference pages may name sources, but do not offer links to additional sources and partner organizations for more information. For example, on the Workforce page, there are descriptions of local educational programs, but they do not link to the providers that offer these opportunities.

- Another user-friendly feature many economic development websites are now incorporating is an interactive site selection GIS mapping tool with links to local real estate offerings and contacts. The geographic information system (GIS) lets visitors visualize, question, analyze, and interpret data to understand relationships, patterns, and trends. There is a growing interest in and awareness of GIS for its economic and strategic value -- a powerful tool for commercial real estate. Demographic data is essentially mapped, which allows an economic development prospect to evaluate sites, analyze competing locations, identify market potential and gain a full understanding of a location's infrastructure and nearby amenities. They can evaluate sites based on their accessibility to customers or employees, looking at population density, number of potential employees within certain distances and even the professions they are in now. Numerous software programs are now on the market. For more information on a range of programs and reviews, please see <http://www.capterra.com/gis-software>. At IEDC's annual conferences a number of these software companies are typically represented and are available to demonstrate the software and make special offers for IEDC members.

## 5) Recommendation for a new Marketing Video

To combat outdated, negative perceptions about Mississippi and the Gulf Coast, IEDC recommends that the HCDC work with its partner organizations in the region to create a professional video. This video can be loaded onto the website in downloadable sections covering specific topics. While this will require an initial investment, the video will demonstrate without a doubt to viewers at trade shows and through the website that this is a modern location that has a diverse, highly-skilled workforce operating in attractive, modern industrial settings.

The video can also showcase the various assets of the region, including:

- Industrial parks and available land and buildings
- Aerospace facilities
- Seaports and the planned \$600M expansion
- Free Trade Zones
- Airport and available land, as well as the irradiating equipment which is rare
- Intermodal capacity, rail capacity, including mention of the newly increasing speed from 10mph to 40 mph
- U.S. military presence and what it contributes to the economy
- Targeted industries, incentives and other economic development programs
- Attractive shoreline, available land and housing
- Entertainment and recreational options

All of these recommendations can also apply to creating a new marketing brochure for the County.

The IEDC hosts annual “Best in Economic Development Awards” which offer case studies and additional inspiration from successful EDOs that may be of value to the HCDC. Dozens of examples of the best, award-winning economic development videos and marketing materials from other jurisdictions can be seen and downloaded from the IEDC website at <http://www.iedconline.org/web-pages/inside-iedc/previous-program-award-winners/>

## 6) Recommendations for Organizational Metrics and Measuring Success

*“If you don’t know where you are going, any road will take you there.” – Lewis Carroll*

Establishing metrics that the HCDC will use to evaluate the progress of the economy are essential to measuring success. Agreeing on metrics for the HCDC’s performance and regularly and consistently presenting these to the Board of Directors and other key stakeholders is another vital part of improving the organization’s success and acceptance.

### Economic Indicators

These indicators should be gathered by the HCDC and should be used to track economic progress over time. They should be discussed and evaluated by the team to understand trends, comparisons to other counties and the state. They should be kept in a consistent format so they can be easily understood.

Common indicators include:

- Employment / unemployment
- Labor participation
- Growth in tax receipts
- # of businesses at different stages of development
- Business starts & closures
- Location quotients
- Retail leakage
- Hotel occupancy & room rates
- Airport & Seaport statistics
- Capital investment
- Vacancy rates
- Industry growth and shifts through cluster analysis

The IEDC publishes site selection data standards that are spreadsheets of commonly tracked economic statistics, as well as factors that are considered in location decisions. They can be found at: <http://www.iedconline.org/web-pages/resources-publications/site-selection-data-standards/>

Most of the key economic indicators are also available from federal and state government sources, such as the U.S. Census, tax and labor offices. Some websites which have tools for evaluation and comparison include:

- The U.S. Census provides a website which aggregates a wide range of data which can be downloaded in Excel format. The profile of Harrison County can be found at this address: <http://quickfacts.census.gov/qfd/states/28/28047.html>
- YourEconomy.org is a website published by the non-profit Edward Lowe Foundation. Named for the late entrepreneur who dedicated his foundation to the growth of second stage businesses, this site analyzes data from Dunn & Bradstreet and provides a very useful analysis of what businesses are reporting about their operations. The data is aggregated and can be compared over time, by counties, by regions and by size of business organizations. The site is free and is especially useful at evaluating business expansion, contraction, start ups and more. It can be found at <http://www.youreconomy.org>. Some portions of the website pertaining to specific industry analysis require a subscription fee.
- Mississippi State University publishes community profiles at this address: <http://gcd.msucare.com/communityprofiles>
- StateBook is a relatively new service that offers community profiles and comparisons to site selectors. Harrison County may register and enter data about its jurisdictional advantages on the site. See <https://statebook.com>
- This website published by Entergy provides community profiles, information about sites and other useful information strictly for the state of Mississippi: <http://www.mississippisiteselection.com/Home.aspx>

Economic development organizations understand the importance of measuring and reporting on their own performance, which is different – but often times related to reporting on economic indicators. In today's economy, EDOs must be able to justify the uses of taxpayer funds to promote economic development. Too often, stakeholders are simply looking for jobs, but to properly evaluate EDOs, one should review both the output of the organization in terms of work and also the outcomes in terms of deals that have been won and the economic benefits created over time.

Some examples of outputs include:

- Lead generation
- Number of requests for information responded to
- Number of site visits by prospects
- Number of existing businesses visited or interviewed
- Events hosted by the HCDC and attendance at those events
- Hits on the website
- Collaborations with partner organizations

Examples of outcomes may be:

- Space leased or sold
- Vacancy rates at the industrial parks
- Capital investment generated by businesses attracted or existing businesses
- Jobs created by business attraction or added through BRE efforts

More detailed information about a national study of economic development metrics, “Making it County: Metrics for High Performing EDOs” can be found in a research project sponsored in 2014 by the IEDC Economic Development Research Partners, a national think tank. The report and a menu of metrics can be downloaded at this address: <http://www.iedconline.org/web-pages/resources-publications/edrp-publications/>

## 7) Recommendations with Regard to HCDC’s Future Financing & Form of Organization

During the course of this project, it was discussed that the HCDC is looking to potentially expand its fundraising efforts, which may require changing its form of operations from a government entity to a public-private partnership. There is good reason for this: the HCDC is typically funded through the sales of public land at industrial parks, which require public appropriation and may eventually become exhausted. IEDC would like to offer some thoughts and recent research we have gathered regarding public-private partnerships (PPP) for economic development organizations.

### Laying the Groundwork

First, the notion of becoming a PPP should involve a long-term plan and campaign of activities. Like an initial public offering for a business, a successful fundraising campaign should incorporate substantial forethought as to the perceived value of the organization and its image, as well as relationships with key stakeholders – i.e. local businesses that may be asked to become potential funders. Before undertaking such a measure the HCDC board should consider whether it has the necessary relationships in place. If it does not, it should create a list and begin the process of developing such relationships.

Just as with an initial public offering, the HCDC should evaluate its branding, publicity and image. The image should be built with a sustained public relations campaign before attempting to go public with a fundraising effort that will require a high level of confidence by both public and private sector “investors.”

An additional recommendation is that HCDC consider developing a target budget and a list of compelling and specific projects and initiatives that it would ask public-private organizations to invest in. This may be preferable to simply creating an annual membership fee which may not raise sufficient operating revenue and/or could be perceived as duplicative or competing with Chamber of Commerce or other organization dues.

### Why a PPP?

The intent of forming a PPP, also sometimes called a public-private organization (PPO), is to systematically and formally join public and private-sector resources and powers in formulating and/or implementing economic development policies and programs. PPPs are successful when long-term commitments are shared between the local government, businesses, and community organizations of different types. Economic development-focused PPPs are designed to pursue common goals related to a community’s business environment.

PPPs are built on the premise of the inclusion of the key elected officials and business leaders in a cooperative effort to build the local economy. Depending on the nature of the economic development

services provided, and depending on funding sources, the composition of the organization's board of directors may often include economic development officials as well as:

- Elected officials or heads of government from the city and/or county;
- Owners or executives of prominent local businesses;
- Banks or other financial institutions;
- Real estate developers;
- Business service firms;
- Utilities;
- Ports authorities;
- Industry associations;
- Chambers of commerce;
- Business services firms such as accounting and law firms; and
- Public or private universities, colleges, or technical schools;
- Non-profit organizations and foundations.

PPPs typically have greater flexibility to conduct economic development activities than public EDOs because of their mixed funding sources and because the leadership of the board of directors is not subject to public elections. Such organizations are usually established as nonprofit corporations (501 (c) (3), 501(c) (4), or 501(c) (6). Funding includes both private and public revenues and may incorporate state and federal funds in addition to local government funding. Under ideal circumstances, PPPs are funded 50 percent publicly and 50 percent privately. Because the recent recession generally caused the contraction of public budgets, however, it is not uncommon to see PPP funding split 60-40 percent between private and public sources.

EDOs structured as PPPs may be established as public benefit corporations or authorities created by a local ordinance or legislative act. As such, they are not part of the structure of government and have, at least in principle, some degree of autonomy. The public-private mix within these organizations normally includes both board representation and funding, but it may also be reflected in the organization's hierarchy, stated objectives, or staffing.

These institutions straddle the boundary between the public and private realms, and there are distinctions between institutions that take a more private approach and those that take a more public approach. For example, in a more public-oriented organization, the board may be composed of public and private representatives for an organization that is publicly funded. In a more private-oriented organization, the board of directors may be all-private for an organization that is both publicly and privately funded.

Public-private organizations differ by locality depending on a number of variables, such as the:

- Unique economic challenges, assets, and opportunities of the locality;
- Organization's functions;
- Geographic scale of its operations;
- Level of public-private commitment to economic development;
- Representation of the public and private sectors in the organization;
- Organization's financial resources; and
- Organization's development powers and legal constraints.

Successful public-private economic development organizations generally have:



- A clearly defined mission that addresses the concerns of both the public and private sectors;
- Consensus among members regarding how to implement their mission;
- The commitment of both the public and private sectors, which is reflected by an adequate level of funding to achieve the organization's goals; and
- A validation system designed to monitor performance objectives and measure success, determine any necessary program modifications, and justify continued support and funding.

PPP EDOs can fulfill multiple roles based on the needs of their communities and the level of their funding. Therefore, it is important to consider the roles based on a long-term strategic economic development plan that has been sanctioned by the HCDC's leadership.

Some common roles of such EDOs operating in North America include the following:

### **Policy Leadership and Liaison**

The organization can provide broad-based leadership in creating initiatives and projects to foster economic development. When functioning in this role, it may also take the lead as an advocate for economic development, communicating the need for action in an effort to build citizen support. In this role, the organization's efforts can include overall strategy development, advocacy, and facilitation of discussion regarding important economic issues.

For example, the Detroit Economic Growth Corporation (DEGC) is contracted by the City of Detroit and thereby manages the city's economic development efforts, which are funded by private and foundation contributions, grants, and contracts. The professionals who work for DEGC act as the staff for a number of public authorities, and board members are appointed by the mayor and approved by Detroit City Council.

### **Strategic Planning**

Economic development organizations help drive the community to create a comprehensive economic development strategy or plan, which is an important part of the EDO's leadership function. The strategic planning function is vital to establishing the vision for economic development and providing a roadmap for the way forward. The contents of such plans vary, but they typically include a snapshot of the economy and a discussion of trends, a discussion of strengths, weaknesses, opportunities, and threats (SWOT analysis), an analysis of target industries, and strategies to make the most of available opportunities. Effective strategic plans usually include specific implementation plans that outline various projects and initiatives, the necessary funding, the timeframe required, and information on who will be responsible for various efforts and measuring outcomes.

### **Business Attraction/Recruiting**

Business attraction—also called business development—is the primary focus of the majority of public-private partnerships. However, the range of assistance they provide varies greatly—from recruitment to incentive funding—and may include advertising or other services designed to promote new and expanding business. Many EDOs gather and analyze statistics for their jurisdictions, a service that is essential to site selectors. PPPs can provide a central location for site selectors to access this data, which should be made available through the EDO's website and/or customized presentations that the EDO prepares for the businesses they are trying to attract (See IEDC recommendation #2).

**Business Retention and Expansion**

Business retention activities primarily try to prevent companies from relocating out of the community by diagnosing problems early and creating a healthy business environment. The second focus of BRE is the expansion and growth of the businesses within the community. Creating tools, policies, and incentives for the growth of businesses already located in the community is of paramount importance in attaining this goal. Creating business-to-business networks, directories, and programs to enhance the local market are new, vigorous focuses of EDOs, and they couple well with the workforce development issues of many communities. New electronic surveying tools allow EDOs to more rapidly become aware of “red flag issues” or market opportunities as they surface during the BRE survey process. (See IEDC recommendation #4.)

**Area Improvement/Redevelopment**

Some PPP target their efforts to a particular geographic area of a city, such as the downtown or a specific neighborhood, in order to foster redevelopment activities. Because of the often-poor condition of such target areas, these organizations tend to focus on physical development but may also act as a business recruiter. Efforts usually include marketing their target area, facilitating the packaging of public and private resources in redevelopment activities, and infrastructure and structural improvements.

For example, the Milwaukee Economic Development Corporation works in collaboration with the City of Milwaukee and the Redevelopment Authority of the City of Milwaukee to assist the development and environmental remediation of commercial and industrial properties. A number of resources are available to assist with locating properties and financing/funding environmental cleanup.

**Incentives and/or Financing for New or Expanding Businesses**

A number of PPPs are formed to facilitate real estate development and reuse financing. Some offer a range of financial and non-financial incentives.<sup>31</sup> In recent years, gap financing has become somewhat of an art form whereby leveraging federal, state, local, private and other sources of finance has been the key to closing deals. For example, Wisconsin Business Development was organized to assist small businesses in gaining access to capital in order to grow their businesses, provide job opportunities, and inspire their communities.

There are two roles that the PPP EDO may play, and they are usually reflected in the organization's form. Normally, the organization is developed as an implementer of economic development projects. However, the organization can also be utilized as a planning, technical advisory, policy development, or information dispersal organization, which in turn leads to the implementation role.

**Policy Planning Organization**

In the role of a policy-planning tool, the organization may help set local development objectives and policies, such as industrial development, which in turn coordinates public and private efforts. The organization may facilitate communication between public and private leaders serve as a source of private-sector advice on technical aspects of development, recommend specific actions to cope with economic problems, or set general development priorities.

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<sup>31</sup> IEDC's Economic Development Research Partners program has produced a number of research reports that discuss current trends and best practices on these topics. For more information, please visit: [www.iedconline.org](http://www.iedconline.org).

The specific functions and roles of the organization in policy development and planning may include:

- Developing consensus on problems and solutions;
- Providing policy advice to elected officials or economic development-related advice to other local organizations and institutions; and
- Providing recommendations on the implementation of economic development activities.

If staff assistance is available, the organization may assume a much more technical role that may include:

- Reviewing and evaluating local, state, and federal legislation from the local economic perspective;
- Examining other states' innovative development ideas and recommending local actions;
- Planning, research, and analysis;
- Analyzing fiscal impacts and providing market studies and cost-benefit reviews;
- Maintaining and updating a database to evaluate changes in local, county, state, regional, and/or national conditions (e.g., available land and buildings by type, classification, zoning, lease terms, etc.);
- Analyzing and evaluating manpower development incentives (e.g., wage subsidies, training grants, and the resources of the city's educational system);
- Analyzing and reviewing incentive mechanisms to maximize capital leverage (e.g., tax abatements, grants, loans, etc.);
- Developing strategies to achieve development objectives (e.g., determine a describable business mix, new locations, and relocations);
- Analyzing potential business development problems and opportunities;
- Identifying and adopting economic growth indicators; and
- Developing capacity to present policy-oriented impact analysis.

PPP EDOs can offer valuable assistance in creating public development policy and are a good way to directly involve private-sector leaders in the process. However, if the organization is not responsible for directly implementing the programs they recommend, there must be a connection between the organization's recommendations and the local governments' policy-setting and program implementation.

### **Implementation Organizations**

PPP EDOs are usually quasi-public corporations because they are legally, and usually physically, outside of local government; yet, they involve public funding and they may take on some roles traditionally reserved by the public sector. They can be independent private-sector corporations that serve a public purpose and have both public and private sector representatives on their boards of directors, or they can be institutions that are enabled by city, state, or federal legislation to use public powers or special financing tools. The public-private mix within these institutions may occur in board representation, funding, objectives, and/or staff. Their financing and implementation functions and roles can include financier, developer, and information service provider.

### **PPP EDO Structure and Governance**

In most instances, the PPP EDO operates like a for-profit organization, but elected officials are appointed to the board so that the public sector has input into the organization's operations. It may also include elected officials in the board composition. Often, public money is used to initially finance the

organization while private funds are raised, and once private funding is established, the budget continues to reflect the dual funding sources. Some organizations reach a point when funding is self-perpetuating and no longer requires public funding, but this is rarely the case. If this does occur, the organization resembles something closer to a private corporation with differing rules of operation and accounting.

Most PPP EDOs are governed by a mixed (public-private) board of directors that hires an executive director or president. As stated above, their boards are composed of business, labor, and civic group representatives as well as ex-officio members from local government. These boards provide a useful institutional setting for improving coordination between public and private sectors, while providing additional capital commitments from the local business community in addition to public funds, resulting in more capital leverage. Board members are usually selected based on their ability to influence the allocation of resources or for their specific expertise.

There are several advantages to PPP EDOs having board members from the public and private sectors. Through the board of directors, the EDO staff has direct access to both public and private talent and resources. Executives of financial institutions can offer advice on financing tools and participate in reviewing business proposals and loan packages. Business representatives can advise on the investment climate and provide contacts with other local and national business executives to new and expanding businesses. Public officials can assist with development problems that may arise in the local government review and approval process and assist the EDO staff in meeting specific client needs through the use of the locality's staff. Thus, the board gives the EDO staff a direct extension of both the public and private sectors and they, in turn, assist in efforts to influence private-sector development in the community.

PPP EDOs generally have the legal powers normally associated with private enterprises and governments, such as the power to enter into contracts. However, they are dependent on local government for certain assistance. These include such matters as the power to condemn land or to receive funding from Special Improvement Districts, PILOTS, or TIF-funded projects. In addition, local governments are the source of issuance of certain types of bonds to fund projects or assist business development.

Most PPP EDOs are established as private nonprofit corporations. This may allow them to conduct activities either prohibited to local government under most state constitutions or which the locality will not normally allow due to public policy or local regulations. Many activities are built around the ability to use funding from both the public and private sectors.

PPP EDOs may use capital revolving funds managed under contract by local governments and may disburse funds as grants, in addition to loans and investments. In some instances, the organization may manage capital portfolios financed by long-term grants from local governments. These grants can take the form of an annual contract between the city and the EDO, which must be renewed annually, usually following a review of the activities of the year and the use of the public funding.

## 8) Additional Recommendations for the City of Long Beach

The City of Long Beach, which is located within Harrison County is a highly attractive “bedroom” community that is ripe for tourism. Since Hurricane Katrina, many vacant properties remain

unoccupied, however, waiting for developers. To help jumpstart tourism, at the request of the City of Long Beach Mayor Billie Skiellie, IEDC did some research on how to increase the city's capacity to grow tourism with the assistance of residents. Although one of the city's ultimate goals is to see land sold and developed for hotels and other businesses along the seashore, in the near term one way to grow tourism is to allow residents to rent their homes as vacation properties. This practice is not currently legal, but some residents have begun to show interest. The following case studies and links are provided below to assist the city in considering this form of doing business.

### Research on Taxation of Vacation Rental Homes

There are several well known websites which offer opportunities for individual homeowners to rent accommodations – either a room or an entire home – to tourists. These sites are popular in a wide variety of tourist destinations in the U.S. They include:

[www.AirBnB.com](http://www.AirBnB.com)

[www.HomeAway.com](http://www.HomeAway.com)

[www.VRBO.com](http://www.VRBO.com) (Vacation Rental by Owner) and numerous others.

How to tax these home-based businesses is a question that has been dealt with by many municipal and county governments around the U.S., including such jurisdictions as Cape May, New Jersey; the Outer Banks in North Carolina; Cape Code, Massachusetts; Lake Tahoe, California and many others. Allowing this business is a way to help local economies grow tourism and to spread the value within the community -- but it should be properly controlled.

Many states require rental property owners to license the property and collect sales tax from renters on a monthly basis. The states also often enable local tax options for counties and municipalities. A good [overview article](#) on this is available from the Community at [www.HomeAway.com](http://www.HomeAway.com). HomeAway also provides a chart featuring a summary of each state's tax policy at this address:

<https://community.homeaway.com/docs/DOC-1347>

### Case Study: Cape May, New Jersey

In 1992, the State of NJ passed legislation enabling municipalities in Cape May County to collect an additional 2% retail sales tax on tourism-related expenditures and/or to impose a tourism development fee. (In 2014, the base sales tax rate was 7% on to which the 2% would be additional.) While the initial legislation specified hotels, motels and boarding houses, the Phase 2 Tourism Funding Act placed a 1.85% assessment on rent for occupancy of a room in a hotel, motel or other transient accommodation.<sup>32</sup>

### Case Study: Massachusetts

The state has exempted boarding houses with less than three rooms and vacation rental homes from the legislation that enabled municipalities to adopt local meals and lodging taxes. In 2014, the state proposed to remove this exemption, but as yet the law is not changed.

### Case Study: Florida

Florida has several types of taxes and fees that are applicable to vacation rentals:

<sup>32</sup> [http://www.nj.gov/treasury/taxation/capemay\\_over.shtml](http://www.nj.gov/treasury/taxation/capemay_over.shtml)



- Federal Income tax is withheld on rental income (due annually or quarterly).
- State Sales tax is levied on rental housing income (due monthly) (6%).<sup>33</sup>
- Personal property tax (value of furniture, fixtures, and equipment located in the business rental dwelling. An exemption of \$25,000 of value is available, but tax return must be filed to get the exemption.) (Due annually.)
- Resort dwelling license (annual)

The state of Florida gives counties several options for collecting local revenue from vacation rental properties. Local options include a Tourist Development Tax, a Tourist Impact Tax, a Municipal Resort Tax, and in some counties a Convention Development Tax. These taxes can be used to promote tourism, and in some cases for capital costs for construction and maintenance of convention and cultural facilities and to alleviate the property tax levy arising from such purposes.<sup>34</sup>

Local example: Polk County collects the following taxes and fees from vacation rental homes<sup>35</sup>

- RE property tax (annual)
- Business tax (annual)
- Tourist development tax (due monthly)

To improve collections, the Polk County Tax Collector's Office established the Tourist Development Academy and a Seal of Compliance program for property management companies. Self-management of rental property is discouraged as data informs the county that self-managed properties are more likely to be behind in their remittance of tourist development tax dollars.

### AirBnBs

Taxation approaches to AirBnBs will likely take into account length of rental, number of rooms rented, and licensing policies such as exist for boarding houses. The article link below provides a great deal of useful information on the topic of taxing homeowners who rent their rooms to tourists:

<http://massrealestatelawblog.com/2014/07/24/airbnb-rentals-raise-thorny-legal-issues/>

<sup>33</sup> <http://www.stateofflorida.com/Portal/DesktopDefault.aspx?tabid=29>

<sup>34</sup> [http://dor.myflorida.com/dor/taxes/local\\_option.html#tourist\\_impact](http://dor.myflorida.com/dor/taxes/local_option.html#tourist_impact)

<sup>35</sup> Polk County Tax Collectors Office, Polk County FL,  
<http://www.polktaxes.com/touristdevelopmenttaxes/forms/CentralFloridaVacationGuide060810.pdf>

## Appendix

### IEDC Team Biographies

#### **Ardyn Thriffiley, CEcD, MBA, EGc (MR)**

##### *President*

Ardyn M. Thriffiley & Associates  
New Orleans, LA

Ardyn Thriffiley has 20 years in strategic research and planning, assisting communities, economic development organizations, and businesses in developing strategies for more comprehensive planning. She has worked on strategic plans, workforce development studies, industry intelligence analysis, incentive negotiation and marketing projects in eight southeastern states. Ardyn M. Thriffiley & Associates was formed in 2000 as a sole practice but also collaborating with numerous partners including top economic development, research and marketing consulting firms. Ms. Triffiley previously worked as Regional Director and Business Expansion and Retention Assistant Director at Louisiana Economic Development, as Marketing and Communications Manager for the Port of South Louisiana, and as Research and Marketing Manager for Entergy Louisiana Economic Development. Her specializations include Business Intelligence Research, Competitive Intelligence, Target Industry Trends and Analysis, Market Trends and Analysis, Primary Market Research, Strategic Planning, Workforce Development Assessment and Strategy, Marketing Strategy, Project Management, Business Coaching, Relationship Building and Sustainability.

#### **Benjamin Teague, EDFP**

##### **Executive Director**

Economic Development Coalition for Asheville-Buncombe County  
Asheville, NC

Over the past 15 years Mr. Teague has worked to place more than 60 economic development projects and over \$1.5 Billion dollars in capital investment in multiple states. He has represented economic development organizations and private sector clients on statewide, regional and local levels. Clients have called on him for governmental affairs at the federal, state and local levels to advocate for strong public investment or ensuring the passage of project enabling legislation. He has also authored three federal studies between the Department of Agriculture and the Department of Energy. Mr. Teague's work has been featured in Forbes, Fast Company, Wall Street Journal, Popular Mechanics, National League of Cities Case Study, Business Expansion Journal, Trade and Industry Magazine and multiple local and regional media outlets. He has been a featured speaker about economic development for Smithsonian Institute, International Economic Development Council (IEDC), Urban Land Institute (ULI), National League of Cities, National Association of Industry Specific Training and numerous local and regional economic development conferences. Mr. Teague earned his Bachelor of Business Administration from Mississippi College and his Masters of Business Administration from the University of Mississippi serving as a John N Palmer fellow. Subsequently he furthered his professional education by completing the Economic Development Institute administered by the University of Oklahoma and has

earned the designation of Economic Development Finance Professional (EDFP) from the National Development Council.

**Lynn A. Knight, CEcD**

*Vice President of Knowledge & Management*  
 International Economic Development Council  
 Washington, DC

A Certified Economic Developer, Ms. Knight's responsibilities as VP of IEDC include managing the team that is tasked with developing cutting edge research, publications, professional training, conference content, policy, and staying on top of the latest trends in economic development. She has more than 30 years of domestic and international business experience in 17 states and 10 foreign countries. Her diverse career included being a TV anchorwoman, a newspaper publisher, an entrepreneur, an executive of international corporations, and the representative of a U.S. territory's Governor in our nation's capital. Ms. Knight was appointed by two Governors of the U.S. Commonwealth of the Northern Mariana Islands to lead economic development commissions, was elected chairman of a professional hotel association, and a chamber of commerce. Before joining IEDC, she was Director of Economic Development Programs for a Virginia-based international consulting firm. For 8 years she was VP of Corporate Affairs for Tan Holdings, a \$600 Million firm which operated businesses in a dozen industries. She concurrently served on the executive committee of Asia-Pacific Hotels, China-based sister company Century Tours, and executive director of a charitable foundation. She also served on a Governor's Workforce Action Team. Early in her career, Ms. Knight was Director of the Office of the Chairman of ComputerLand, a \$1.4B retail chain which operated 880 stores in 26 countries. She founded a small business center and full service advertising/PR agency, which she operated for 14 years in the West Pacific.

**Sarah Garcia, AICP**

*Economic Development Advisor, IEDC*  
 International Economic Development Council  
 Washington, DC

Sarah Garcia is a project development specialist with more than 25 years of experience, specializing in economic development, project planning and development, maritime economies, and financing strategies. Prior to joining IEDC as a consultant 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. She has developed an array of community development projects, from healthy community initiatives to wind turbines, from affordable housing to bicycle trails and pedestrian networks. Sarah has in-depth knowledge of maritime economies. As advisor to the Mayor, Ms. Garcia led harbor development for the Port of Gloucester. She led citywide visioning sessions and managed multiple harbor and economic development plans. During the economic collapse of the fishing industry, she led port redevelopment and diversification strategies that became national models of success. Ms. Garcia 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. Ms. Garcia earned her Bachelor of Arts from Harvard University in 1982, and her Masters in Public Policy from Tufts University in 2006.

## Site Visit Agenda

**A Review of Target Industries and Marketing Strategies**  
**Harrison County, MS**  
**The International Economic Development Council (IEDC)**  
**Technical Assistance Team**  
*In partnership with*  
**The Harrison County Development Commission**  
*With funding from the U.S. Economic Development Administration*

### Day 1 - Monday, August 17

9:00 – 11:00 am

***Overview Meeting & Tour of Sites***

Location: HCDC

Purpose: Discuss the goals, objectives, key topics and issues for this technical assistance project.

Proposed Attendees:

- Wade Jones, Director, Economic Development (HCDC)
- Paula Delcambre, Assistant Director, Economic Development (HCDC)
- Brandi Hough, (HCDC)
- Kaitlin Horton, Intern (HCDC)

11:00 -12:00 pm

***Site Selection and Marketing***

Location: HCDC

Purpose: Discuss challenges to business attraction and retention and growth. Discuss marketing and recruitment strategies for the North Harrison County Industrial Complex. Discuss resiliency and hazard mitigation strategies.

Proposed Attendees:

- Bill Hessell, Executive Director (HCDC)
- Paula Delcambre, Assistant Director, Economic Development (HCDC)
- Brandi Hough, (HCDC)
- Kaitlin Horton, Intern (HCDC)
- Mark Schloegel, HCDC Board of Commissioners, Marketing Committee
- Shorty Sneed, HCDC Board of Commissioners, Marketing Committee
- Jim Brashier, HCDC Board of Commissioners, Marketing Committee
- Sharon Bentz-Mustered, HCDC Board of Commissioners, Marketing Committee
- Brian Useforge, Director of Economic Development, Mississippi Power Company
- Becky Thompson, Global Development, Mississippi Development Authority

1:30 -3:00 pm

***Regional Economic Development & Marketing***

Location: HCDC

Purpose: Discuss competitive position for Harrison County. Discuss how the marketing and development activities of the other state and regional agencies align with and reinforce Harrison County strategies. Discuss how financing tools are working: demand and access to capital.



Proposed Attendees:

- Becky Thompson, Global Development, Mississippi Development Authority
- Allison Beasley, Economic Development Division Director, Southern Mississippi Planning and Development District
- Brian Useforge, Director of Economic Development, Mississippi Power Company
- Charlie Campbell, Senior Marketing Consultant, CenterPoint Energy
- Janel Carothers, Business Development Director, Hancock County Port and Harbor Commission
- Christine Pate, Deputy Director, Jackson County Economic Development Foundation

3:30 – 5:00 pm

***Aerospace & advanced materials***

Location: HCDC

Purpose: Discuss industry needs, review approaches being taken to attract, grow and retain the industry. Discuss opportunities to strengthen support for the industry.

Proposed Attendees:

- Melissa Morel, Economic Development Representative, Mississippi Power Company
- Natalia Diaz, Director of Asset and Resource Management, Jackson County Economic Development Foundation
- Christine Pate, Deputy Director, Jackson County Economic Development Foundation

5:00 – 7:00 pm

***Review with HCDC***

Location: TBD

Purpose: Discuss and outline issues raised during the day's meetings.

Proposed Attendees:

- Wade Jones, Director, Economic Development (HCDC)
- Paula Delcambre, Assistant Director, Economic Development (HCDC)
- Brandi Hough, (HCDC)
- Kaitlin Horton, Intern (HCDC)

**Day 2 - Tuesday, August 18**

8:00 – 10:00 am

***Shipbuilding (also metal trades)***

Location: HCDC

Purpose: Discuss industry needs, review approaches being taken to attract, grow and retain the industry. Discuss opportunities to strengthen support for the industry.

Proposed Attendees:

- Cliff Cooley, Yard Manager, Gulf Ship, LLC
- Jules Schubert, Vice-President of Operations, Gulf Coast Shipyard Group
- Barry Dreyfus, CEO, U.S. Marine

10:30 – 12:00 pm

***City of Long Beach***

Location: Long Beach City Hall

Purpose: Discuss recovery from hurricanes, current outlook, opportunities.

Proposed Attendees:

- Mayor Billie Skellie
- Paula Delcambre, Assistant Director, Economic Development (HCDC)
- Brandi Hough, (HCDC)

1:30 – 3:00 pm

***Chemicals***

Location: HCDC

Purpose: Discuss industry needs, review approaches being taken to attract, grow and retain the industry. Discuss opportunities to strengthen support for the industry. Consider opportunities to expand this economic sector

Proposed Attendees:

- David Fiveash, Senior Sales Account Executive, Kansas City Southern Railroad
- Matthew Wypyski, Deputy Executive Director and COO, Mississippi State Port at Gulfport
- Duane Wilson, Global Project Manager, The Chemours Company
- Stacey Lester, Growth Initiatives Project Manager, Mississippi Power Company

3:30-4:30 pm

***Workforce Development***

Location: HCDC

Purpose: Discuss workforce abilities, needs and opportunities. Discuss available workforce for prospective employers.

Proposed Attendees:

- John Shows, Associate Vice President of Community Campus and Career/Technical Education, Mississippi Gulf Coast Community College
- Leonard Bentz, Executive Director, Southern Mississippi Planning and Development District
- Rebecca Brown, Assistant Division Director, Workforce Development, Southern Mississippi Planning and Development District
- David Fava, Director of Career and Technical Education Center, Gulfport Public School District

5:00-9:00 pm

***IEDC Panel: Internal Meeting and Discussion***

Location: TBD

Purpose: Review and analyze information gathered during sessions. Prepare initial thoughts and recommendations.

Proposed Attendees: IEDC Consultants and Staff

**Day 3 – Wednesday, August 19**

8:30am–11:00 pm **Panel and Staff Preparation**

11:00 – 12:30 pm **Preliminary Findings**

Purpose: Panelists share impressions and insights gathered during site visit and post initial recommendations for final report

Attendees:

- Bill Hessel, Executive Director (HCDC)
- Wade Jones, Director, Economic Development (HCDC)
- Paula Delcambre, Assistant Director, Economic Development (HCDC)
- Brandi Hough, (HCDC)
- Kaitlin Horton, Intern (HCDC)