

Commerce Update for Economic Development Board

November 4, 2011

T H R I V E

in **NORTH
CAROLINA**

Commerce/ESC Merger Objectives

- Improve customer service for
 - employers seeking employees
 - employees seeking work
- Consolidate and improve workforce development efforts
- Leverage labor market data to enhance economic development
- Maximize savings in state and federal resources
- Explore solutions to service debt / gain solvency in UI Trust Fund

Commerce/ESC Merger Planning

- **Joint work sessions between Commerce Secretary & ESC Chair**
- **Joint work sessions between Sr. Management Teams**
- **Joint work sessions between counterpart Divisions**
 - **Commerce – Policy Research Strategic Planning**
ESC – Labor Market Information
 - **Commerce – Division Workforce Development**
ESC – Employment Services
 - **Commerce – Human Resources**
ESC – Human Resources
 - **Commerce – Fiscal**
ESC - Fiscal

Merger Next Steps

- Execution of reorganization for merger on November 1st
- Use best practices and lessons learned for continual improvement
- Board of Review
- Complete “NC Unemployment Insurance Trust Fund Solvency & Title XII Debt Study”

Senate Bill 99 Study Status

- RFP Released: NC Unemployment Insurance Trust Fund Solvency & Title XII Debt Study
- RFP Link:
<https://www.ips.state.nc.us/ips/AGENCY/PDF/08581000.pdf>

Senate Bill 99 Study Scope of Work

- Analyze the current tax structure and other contributory factors to NC's Title XII debt and to the insolvency of the State's UI Trust Fund.
- Research the status of other State's UI Trust Funds and Title XII debt and strategies for solvency in their UI Trust Funds to service current debt.
- Develop detailed options for tax structure changes and other financial options to service debt and gaining solvency in UI Trust Fund.

Senate Bill 99 Study Scope of Work

- Reporting requirements:
 - Weekly briefings on project activities and progress
 - Written progress report midway through project
 - Final written report **sixty (60)** days after the award of the contract

Recent Commerce Organizational Changes

- Jon Williams-Assistant Secretary of Energy
- Lynn Holmes-Assistant Secretary of Employment Security

Recent Commerce Marketing Activities

- Asian Mission
 - China
 - Japan
- Northeast US Mission
 - Friends of North Carolina
 - Presentation to 35 national site consultants
- High Point Furniture Market
 - NC Furnishings Export Council Breakfast
 - Presented new International Trade Section of nccommerce.com

2011 Sales Goals

Projects Assigned	435
Projects Announced	150
Jobs Announced	18,000
Investment Announced	\$3.9 B
Existing Industries Visited	1,800

YTD 2010 vs. 2011

Assignments		- 8%	(367 v. 337)
Announcements		11%	(125 v. 139)
Jobs Announced		-9%	(14,312 v. 13,001)
Investment Announced		-8%	(\$2.89B v. \$2.65B)
Existing Industries Visited		-8%	(1,383 v. 1,276)

Comparison as of 11/02/11

THRIVE
in NORTH
CAROLINA

Travel & Tourism Division

- Hotel/motel occupancy is up 4.3% statewide year to date through August 2011.
- Regionally, occupancy is up in six of the seven economic development regions in the state, with the Charlotte Region (+7.5% ytd), the Triangle Region (+6.6% ytd) and the Triad Region (+4.3% ytd) leading the way.

NC Film Office

2011 Year to Date Direct Film Industry Spend

- 29 Productions
- \$200 million + directly spent
- 3,000 Crew Jobs
- 500 Talent Jobs
- 21,000 Background Talent Jobs

Highlights of this year's productions:

- “Iron Man 3” (Feature Film)
- “The Hunger Games” (Feature Film)
- “Journey 2: The Mysterious Island” (Feature Film)
- “Homeland,” (TV Series for Showtime)
- “One Tree Hill” (9th Season – TV Series for the CW Network)
- “Eastbound and Down”(TV Series for HBO)

Community Development

- Managed the 3 statewide Governor's Summits on Small Town Competitiveness (eastern, piedmont & western).
- Currently expanding the Capacity Building program to reach more non-entitlement communities in NC to strengthen economic development readiness.

Small Business

- Provided logistical support and small business invitee recommendations for two recent Presidential visits to NC.
- Planned Business Roundtable on access to capital in rural areas for SBA Administrator and the senior USDA Administrator for Rural Development.
- Assisted the International Trade Division in the preparation of its successful application for funding under the SBA's State Trade and Export Promotion initiative.
- Held highly successful Governor's Entrepreneurship Summit in Durham.

Energy Policy Council 2011 Report

- Unanimously affirmed Senate Bill 3 as key to building the state's energy economy
- Baseload Committee Report
- Renewables Committee Report
- Energy Efficiency Committee Report
- Low Carbon Transportation Committee Report

Office of Science & Technology

- Managing One NC Small Business Program (i.e., SBIR/STTR Matching Program).
- Managing NC Green Business Fund with State Energy Office.
- Preparing comprehensive Continuation Review Report for General Assembly.
- Planning Nanotech Commercialization Conference, scheduled for April 4-5 in Durham.
- Staffing NC Innovation Council and assisting with implementation of recommendations.

Commerce Finance

- Performance-based incentive grant tracking required by NC General Assembly.
- New report will cover 6/30/11 to present tracking local grants for economic development projects also involving state grants.
- NC Commerce required to also report state grants for five years prior to 6/30/11.
- All local and state tracking includes jobs created, capital investment made and grant payments.
- All reports will be considered public records and may be placed on the legislative web-site. First report due 3/1/12.
- Presented to NCEDA members at Fall Conference & NCPED Regional Chairs & Executives at Board Meeting

Legislative Affairs Program Priorities

Interim Committees

- **Appropriations Co-Chairs' Monthly Meetings**
- **Joint Gov Ops Committee (Commerce Presented 10/27)**
- **Economic Development Oversight and Global Engagement Committee (Commerce presented 10/6)**
- **House Select Committee on Energy Independence and Alternative Fuels (Commerce presented 10/6)**
- **Revenue Laws Committee**

Joint Project by B&I Division, Marketing Division & PRSP Division

- Launch of new mobile app “AccessNC” premiered at NCEDA Fall Conference.
- Takes Economic Development Intelligence System (EDIS) to the next level.
- Display and demo by NC Commerce Marketing and ad agency at Fall Conference.

New Name + Mobile Access



ACCESS**NC**



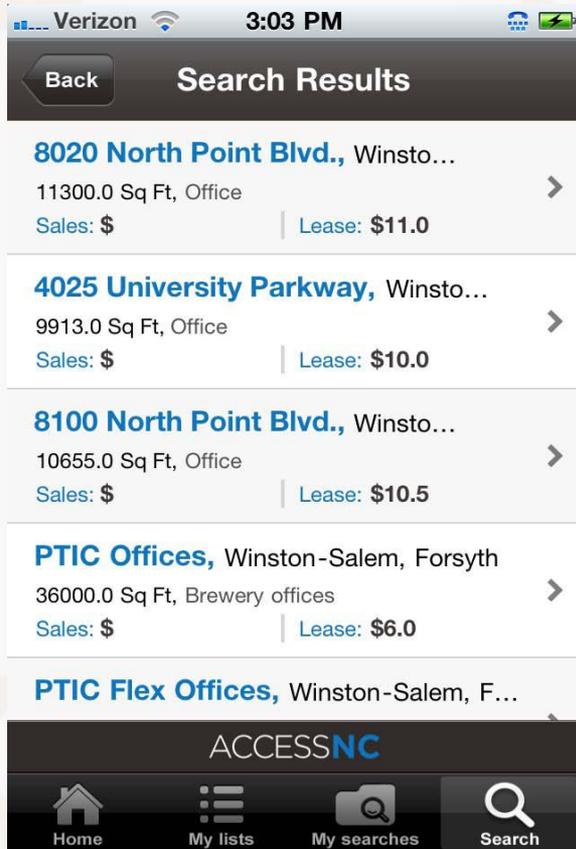
“North Carolina Economic Data and Site Information”

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New Mobile App

ACCESSNC

Buildings & Sites Data from your Mobile Device



- Create lists of your favorite properties
- Save search parameters for future use
- Keep private notes for each property
- Map driving directions from your location

iPhone, iPad, Blackberry and Android

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**Governor Perdue, Commerce Secretary Crisco
& Deputy Commerce Secretary Carroll thank
the NC Economic Development Board for
Your Support of Our Economic Development
Efforts**

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