

NORTH CAROLINA ECONOMIC DEVELOPMENT BOARD



Minutes Greenville, North Carolina February 12-13, 2003

The Economic Development Board met at the Hilton in Greenville, North Carolina, February 12-13, 2003. Co-hosts were Board members John Chaffee and Jordy Whichard.

Chairman Robert Stolz called the meeting to order at 8:15 a.m. He thanked Messrs. Chaffee and Whichard for sponsoring the Board's activities in Greenville, which included the tour of the Brody School of Medicine, a reception at the Hilton, dinner at East Carolina University's Harvey Hall, and the meeting facilities at the Hilton.

To recognize outgoing Economic Development Board Chairman Gordon Myers, Chairman Stolz presented him with a crystal bowl. He thanked Gordon for his tireless efforts organizing the Board and directing its work to craft the Strategic Plan for Economic Development in North Carolina.

Al Delia, Associate Vice Chancellor for Economic Development at East Carolina University, discussed how development in the Greenville area has evolved over the years. He said that Eastern North Carolina is going through a transition period and the University has studied the impact of the transition on the economy in the area. He also discussed the military bases located in Eastern North Carolina and their impact on the economy.

Mr. Delia discussed the proposed Southeast Crescent Authority, which includes a portion of Eastern North Carolina. He said that after examining the counties in the Appalachian Regional Commission, it was determined that there has been a marked improvement since 1965 when the Region was established by Congress to support economic and social development. He said that legislation has been introduced by Congressman Mike McIntyre to create the Southeast Crescent Authority and, if federal and state dollars could be appropriated to establish the Authority, the funds could be used to provide much needed assistance to the mostly Tier 1 counties in Eastern North Carolina.

Kel Landis, President/CEO, RBC Centura; Phil Carlton, CEO, State Capital Global Law Firm Group; and Phillip Horne, Executive Vice President, FoR ENC, discussed the newly organized group, Foundation of Renewal for Eastern North Carolina. Mr. Landis said that the Foundation was established to find a way to provide economic prosperity and opportunities for prosperity in Eastern North Carolina. Mr. Carlton said that the organization is attempting to fill a void by bringing 41 Eastern North Carolina counties together to plan and work together for a better future. Mr. Horne identified the Foundation's roles, which are as follows:

1. Idea Hunter
2. Advocate/Lobbyist
3. Brand Manager
4. Broker: Talent and Resources
5. Clearinghouse
6. Venture Philanthropy Partner
7. Stakeholder

There was some discussion regarding FoR ENC.

Secretary of Commerce Jim Fain facilitated a discussion of economic development in Eastern North Carolina. Secretary Fain said that in the Strategic Plan's overview, many of the objectives were rolled into two major challenges as follows:

1. How to support our economy through the transition from manufacturing to a sustainable, knowledge-driven economy and
2. How to spread prosperity throughout the state

He said that there are many counties in Eastern North Carolina that are clearly not sharing in the prosperity. He asked the Board to determine the implications of the Strategic Plan for the economy of Eastern North Carolina.

Some of the suggestions were as follows:

1. Encourage multijurisdictional cooperation across county lines.
2. Push for regional air service.
3. Bring economic development regional entities together to encourage working from a broader approach rather than independently.
4. Encourage the three Eastern North Carolina Regional Partnerships to work together to bring about changes for the good of Eastern North Carolina as a whole.
5. Take a regional approach even if it requires going across state lines.
6. Encourage entrepreneurship and foster small business development.
7. Continue discussions to encourage the retention of military bases.
8. Bring the Eastern North Carolina Congressional leaders together with local economic developers to open lines of communication.

Secretary of Revenue Norris Tolson encouraged the Board to quickly define the Board's Strategic Plan legislative priorities and get them in front of the legislative leadership, and to make sure the Board's issues are not at counter purposes with the Legislature's agenda. He suggested that the Board's agenda is more likely to be considered if it is aligned with the General Assembly's priorities.

There was concern expressed that there is no one at the professional level in charge of making sure the Strategic Plan and/or suggestions made at the meetings are carried out or passed to the appropriate people to see that these ideas are actually implemented.

Secretary Jim Fain assured the Board that the Commerce team and others would take responsibility for regularly following up, with the Board's direction, on getting things done with the Strategic Plan.

There was some discussion about the military bases in North Carolina and how they are subject to federal action. Jordy Whichard suggested that the leaders stay in close touch with the bases to assure that we know what's coming down the pike and will have time to react to any closings, etc. It was agreed that the economic impact to an area that lost one of these military bases would be devastating.

Chairman Stolz asked that Secretary Fain and/or his staff stay in close touch with the military bases and provide an up-date at the next Board meeting.

There was additional discussion regarding Eastern North Carolina and the Board's Strategic Plan and Legislative agenda.

After a short break, Secretary of Commerce Jim Fain gave an overview of the activities in the Department of Commerce and discussed the legislative agenda for the upcoming session. There was some discussion regarding the Commerce budget and the outlook for the coming year.

Chairman Stolz said that the Economic Development Board, as the lead economic development entity in the state, should do a better job of informing the leaders of the state on how important the role of the Department of Commerce is and the concept of economic development. He suggested a firm plan to increase awareness of the job of the Department of Commerce and the Board's Strategic Plan is as follows:

- Expose the Strategic Plan to the rest of the state
- Sell the Strategic Plan on behalf of the Governor and his Administration.
- Implement the Plan

Chairman Stolz said that he had asked the staff to put together a PowerPoint presentation and send to all Board members. He said the Board members should take the presentation to community and business leaders and media outlets in their area and explain the Plan. In addition, he said the Board must constantly update the Plan and, in order to gauge the work that is done through Committees, the Executive Committee will meet once a month via teleconference.

There was a motion to approve the minutes of the October 30, 2002 Board meeting. The motion was seconded and passed without opposition.

Chairman Stolz mentioned that the meetings for the remainder of 2003 would be May 20-21, 2003 in the Triad area, August 20-21 in Western North Carolina and November 12-13 (meeting location to be determined).

Randall Kaplan asked if it would be wise to have a special meeting in Raleigh within the next three to four weeks for the express purpose of lobbying the General Assembly to make sure they know the Strategic Plan and the Board's priority issues.

Chairman Stolz said that the plan is to work through Committee chairs to lobby the General Assembly and that information as it develops would be provided to the Committee chairs at the monthly Executive Committee conference calls.

There was discussion regarding the need to educate the General Assembly members on the importance of economic development activities in the state and on the priorities of the Strategic Plan. It was suggested that the education begin at the local level.

There being no further business to come before the Board, Chairman Stolz adjourned to Committee meetings.