

NORTH CAROLINA ECONOMIC DEVELOPMENT BOARD



Minutes Raleigh, North Carolina March 1, 2002

The North Carolina Economic Development Board met in Room 643 of the Legislative Office Building on March 1, 2002.

Chairman Gordon Myers called the meeting to order at 1:10 p.m.

A motion was made and seconded to approve the minutes as e-mailed and mailed to the Board. The motion carried.

Chairman Myers called for Committee reports of progress during the past two months.

Watts Carr, Chair of the Recruitment and Retention Committee, reported that under the Strategic Plan, the scope of this Committee is to have a competitive business climate. The Committee has established four major objectives as follows:

- Develop competitive incentives and competitive tax structure for North Carolina.
- Recruit innovative companies to North Carolina.
- Provide excellent service to existing companies in North Carolina.
- Market North Carolina.

Robert Stolz, chair of the Community Readiness and Urban Development Committee, reported that the Committee's goal is to encourage strong metropolitan growth centers that generate regional business development, shared prosperity and a high quality of life. He said the Committee at the present time has 30 objectives that are being discussed with intentions of significantly reducing that number by the next meeting.

Bill Coley, Chair of the Infrastructure, Transportation and Environment Committee, reported that the Committee has identified four major objectives as follows:

- Streamline the environmental permitting process.
- Support regional-based intermodal transportation systems.
- Support policies and initiatives to stimulate multi-county business and industrial parks supported by regional infrastructure.
- Foster sustainable economic development.

Bill Forsyth, Chair of the Rural Development Issues Committee, reported that the Committee's goal is to build thriving rural communities that maintain a high quality of life and to achieve one North Carolina by mobilizing the state's resources to create real economic development opportunities in rural North Carolina. The Committee identified six objectives as follows:

- Provide comparable infrastructure to make rural North Carolina competitive for economic development.
- Enhance communities' livability.
- Build social capacity.

- Develop a skilled, competitive workforce.
- Stimulate and support entrepreneurial activities.
- Utilize agricultural and natural resources for economic development.

John Crumpler reported for the Science, Technology and University Outreach Committee. He said that the Committee is grouped into segments to look into certain areas as follows:

- Business environment.
- K-12 education.
- Research and technology transfer.
- Determine how best to reach out to Legislators and elected leaders across the state.
- Collaboration with state on economic development issues.

Pat Corso, Chair of the Tourism, Film, Sports, Arts and Cultural Resources Committee, reported that in Committee discussions the general consensus is that with the state's economy in crisis, the economic history of our state is at a turning point. The general goal is to have a robust economy in all economic sectors and all areas of the state leading to good jobs and widespread prosperity. The major goal of the Committee is to suggest that a new marketing and branding strategy be developed to guide and focus overall statewide economic development activities by creating a new Department of Marketing. Other actions under review are as follows:

- Tax incentives for new and expanding tourism-based businesses.
- State support for product development and for arts, cultural resources and historic sites.
- New efforts needed to encourage in-state tourism by North Carolina citizens.
- Better marketing of existing assets.
- Encourage heritage-based tourism.
- Improve coordination among state agencies involved in these activities.
- Environmental issues that impact these economic sectors.
- Expand advertising expenditures in key markets.

Phil Kirk, Chair of the Workforce Development and Education Committee, reported that the Committee adopted the goal of outstanding education systems and a highly qualified workforce. He said that the Committee identified four objectives as follows:

- Full funding for enrollment growth at universities, community colleges, private colleges, and K-12.
- Increase the capacity of high schools, community colleges and friendship programs; make or expand high quality workforce education and certified training programs; ensure K-14 education will prepare students for both the workplace and further education; encourage work ethic, character and other soft skills in our school curriculum; enhance career opportunity training in middle and high schools through additional training and certification for teachers and counselors.
- To review current government accountability and make necessary changes in the workforce delivery system (formerly called consolidation).
- Increase funding and expansion of customized training programs.

Chairman Myers reported that the Committee structure with the Advisory Team members is working very well. He thanked the Advisory Team and the staff from government agencies for their work with the Committees.

The Chairman reported on the success of the Workforce Development Summit that took place in Greensboro February 27-28. Approximately 325 people attended. Participants of the Summit released detailed recommendations on improving the workforce and economy of North Carolina. The recommendations are as follows:

- Improve school curriculum
- Increase business participation in education
- Sharpen focus by emphasizing retention of existing businesses
- Enhance marketing of one-stop employment services
- Improve administration by delivering workforce training, UI insurance, business climate and economic development; establish performance benchmarks for North Carolina; and consolidate workforce training programs within state government

The Executive Committee met during lunch and some of the issues discussed are as follows:

- Committees should consider issues that require Legislative action first to allow the Governor time to review and approve before final drafting is done.
- During the last few weeks we have received Requests for Proposal from consulting groups to look at best practices for other states in recruitment, retention, expansion, etc. Eight firms from across the US responded and the successful firm will be announced within the next week. The study will be accomplished in a short period of time and the information provided will be helpful to Committees as the Board formulates the Strategic Plan.

Secretary of Revenue Norris Tolson provided an update on the state of the economy from a revenue perspective. He said that although reports state that the economy is again on the upswing, revenue collections are down and all indicators point to a slow recovery.

Chairman Myers reminded the Board that the next meeting will take place in Raleigh on March 28.

Because there was no further business to come before the Board, the meeting was adjourned at 1:50 p.m.