

NORTH CAROLINA ECONOMIC DEVELOPMENT BOARD



Minutes Raleigh, North Carolina April 25, 2002

The Economic Development Board met in Room 755 in the New Education Building on April 25, 2002. Chair-elect Robert Stolz conducted the meeting in the absence of Chairman Gordon Myers.

Mr. Stolz called the meeting to order at 1:20 p.m. He said that the goal for this meeting was to be very open and informal with questions and answers, and to determine if there are duplications of committee objectives.

He reminded the Board that each committee was to establish a goal and from that goal, enumerate objectives and action steps and when determining objectives and action steps be sure to answer the following questions:

1. Who is going to do the work?
2. How much is it going to cost?
3. How long will it take?
4. How can we measure it?
5. What is the return on investment?

Discussion regarding the status of each committee's work follows:

In the absence of Chair Bill Coley, Doug Byrd explained the work of the Infrastructure, Transportation & Environment Committee. The Committee has established four objectives:

- (1) Streamline environmental permitting process
- (2) Support regionally based inter-modal transportation system
- (3) Support policy initiative to stimulate multi-county business/industrial parks supported by regional infrastructure
- (4) Foster sustainable economic development. Mr. Byrd stated that the Committee is working on several items under each of these categories, but those items are a work in progress.

Chair-elect Stolz said the objectives of all committees would be consolidated by staff after the meeting and forwarded to the Board members. He also said that committee chairs would be charged with the responsibility of flushing out crossover issues.

Watts Carr discussed the objectives of the Recruitment and Retention Committee. He said that the committee has identified four major issues as follows:

- (1) Develop and maintain North Carolina's nationally superior business climate that consists of affordable business costs, fair regulation, and a fair tax system.
- (2) Enable effective recruitment of both new economy and enduring traditional companies to North Carolina
- (3) Develop a peerless program of existing industry services
- (4) Develop an effective, coordinated statewide marketing program

Bill Forsyth said the Rural Development Committee has identified six issues for consideration as follows:

- (1) Increase ability to pay
- (2) Develop a skilled and competitive workforce

- (3) Provide comparable infrastructure to make rural North Carolina competitive for economic development
- (4) Build social capacity/enhance community livability
- (5) Stimulate and support entrepreneurial activities
- (6) Utilize agriculture and natural resources for economic development

Matthew Szulik said that the Science, Technology and University Outreach Committee identified five areas of interest to the committee and to study these five areas, subcommittees were appointed to identify objectives for the Strategic Plan. The five areas of interest are as follows:

- (1) Public leadership support
- (2) Investment
- (3) Statewide application and collaboration
- (4) Science and technology transfer
- (5) K-12 education

Gerry Hancock, speaking in the absence of Chair Pat Corso, said that the Tourism, Film, Sports, Arts and Cultural Resources Committee has established ten primary goals as follows:

- (1) Increase investment in advertising and promotion
- (2) Incentives for tourism expansion and development
- (3) Identify and eliminate legal obstacles retarding economic development
- (4) Need adequate database for tourism, film and sports industries
- (5) Discourage construction of large scale motel and conference centers on university campuses
- (6) Improve competitiveness in area of film production in North Carolina
- (7) More emphasis on cultural resources
- (8) Improve air quality
- (9) Marketing and branding as it relates to economic development
- (10) Establish public/private partnership to handle economic development activities in the Department of Commerce.

Andrea Harris said that the Workforce Development and Education Committee identified four important objectives as follows:

- (1) Commit full funding for enrollment growth in public universities, community colleges, and K-12 public education
- (2) Coordinate and improve the quality of K-16 public education to prepare students for further education and enhanced work opportunities
- (3) Change the governance and accountability structure of the workforce delivery system to more effectively meet the needs of each customer
- (4) Expand flexible, non-degree based training programs to support economic development and respond to the needs of workers and employers

Bill McNeil, speaking for the Community Readiness and Urban Development Committee, said that the four objectives of the committee are as follows:

- (1) Establish a state growth framework to stimulate urban development that has regional economic influence.
- (2) Promote the more efficient use of existing building sites, facilities and infrastructure
- (3) Attract more development in central cities
- (4) Expand the tool kit that local governments have available to enhance or improve their economic process

Hartley Powell with KPMG, research consultants, identified what they are doing to assist Committees by providing research on an as needed basis. Mr. Powell said that at the Committee chairs requests they have researched as follows:

- high-tech issues, best practices throughout the US

- corporate headquarters operations, how they are defined throughout the US and select states and they looked at a possible headquarters tax credit
- looked at specific revisions to the William S. Lee Act and researched what other states are doing
- looked at the federal research and development credit and how North Carolina can utilize that more effectively through the William S. Lee Act
- researched the best practices with regard to a job development fee

Mr. Powell said they would continue to research other issues and will talk with economic development allies throughout the state and ask specific questions to learn how they operate, etc.

Motions were made and seconded to approve the minutes as e-mailed and mailed to the Board for the March 1 and March 28 meetings. The motions carried without opposition.

As there was no further business to come before the Board, the meeting adjourned at 2:30 p.m.