December 2013

North Carolina Jobs Plan

North Carolina Economic Development Board

Recommended Strategies for Economic Growth 2014- 2024

WELCOME LETTER

The North Carolina Economic Development Board has been working since July 2013 on developing a strategic plan to guide economic growth and activities for the state. What's presented here is the outcome of that work and what we believe is a roadmap for recovery.

We want to thank Governor McCrory for placing his trust and confidence in us as we embarked on this important work. We want to thank the Board members and the N.C. Department of Commerce staff for their hard work and dedication to this effort, as well as their commitment to improving the lives of all North Carolinians.

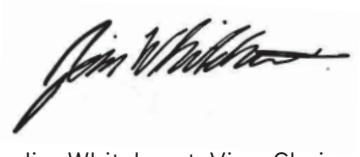
We also want to thank all the local economic development professionals, business leaders and citizens who participated in several Listening Tour events held across the state. We worked to ensure all of their concerns, ideas and recommendations were included in our final plan.

The next steps for the plan include the development of an action matrix that will assign responsibility, estimate resource needs, build a timeline and define the metrics of success. The strategic plan is meant to serve as a roadmap for the Economic Development Partnership of North Carolina, the N.C. Department of Commerce and the wide array of partners in the state focused on job creation and economic growth.

We're confident that North Carolina is poised for a Carolina Comeback and hope these recommendations and the work they bring about will lead us on that journey.

John Lassiter, Chair

President, Carolina Legal Staffing



Jim Whitehurst, Vice-Chair

CEO, Red Hat

TABLE OF CONTENTS

Executive Summary 3

Economic Development Board Members 5

Background 6

Process 9

Targeted Growth Clusters/Branding 10

Business Climate 12

Innovation and Entrepreneurship 14

Talent and Retiree Recruitment 15

Education and Workforce Development 16

Rural Prosperity 18

Community Development 19

Structure (Delivery of Services) and Metrics of Success 21

Contributors 23

Next Steps 26

EXECUTIVE SUMMARY

Nearly a decade has passed since the North Carolina Economic Development Board created a strategic plan to guide economic growth for the state. During that time key industries have undergone significant changes and communities all across the state have looked for ways to recover from the recession that was marked by double digit unemployment, stagnant GDP and increased competition.

The Board reorganized in July of 2013 and created eight working teams that met almost weekly for the past six months. Highlights of their work are noted below:

- **Targeted Clusters and Branding:** Using wage rates and projected growth analytics, industry clusters were targeted for job attraction and retention. For example: North Carolina is a national leader in manufactured plastics but has not worked to attract chemical companies. We have very developed biopharmaceuticals but limited focus on surgical and dental instruments. We need to nurture the high-performing industries already committed to our state and focus on industry clusters that match our workforce with high return rates and develop "Go to Market Plans" for each targeted cluster. Importantly, North Carolina needs an overarching brand for our products.

- **Business Climate:** Efforts are needed to measure and promote the improving tax climate in the state for relocating businesses. Broad scale regulatory reform can strengthen our competitive advantage and the creation of the 'Office of Regulatory Reduction and Review' can review outdated and redundant regulations that serve as a barrier to job creation and capital investments. Incentives play a role in competing across the nation but each tool must have a true return on the investment of public funds. The Business Courts should be expanded to speed up costly litigation and reduce time consuming appeals.

- **Innovation and Entrepreneurship:** Our universities need to become best in class on transferring technology and research to startup enterprises and commercial use. Tax credits are critical to encourage broad venture capital investment and small business services must be streamlined for easy access, providing one stop services for information and resources.

- **Talent and Retiree Attraction:** North Carolina must establish its reputation as a destination for the creative class. University and community college curriculums need to be realigned to deliver the trained workforce to support these new businesses. Retirees and second career entrepreneurs should be recruited as they approach retirement and best practices will be shared between communities that can attract this talent pool. Similarly, North Carolina can lead the nation in attracting and retaining military retirees and returning veterans. This highly-skilled and trained workforce has experience in advanced manufacturing and capacity for innovation.

- **Education and Workforce Development:** Our state can create a competitive advantage by enhancing Career and Technical Education with a focus on STEM training for industry clusters like manufacturing, IT, Health Sciences and Agribusiness. Workforce development programs must integrate with secondary school curriculums and career development and pathways.

- **Rural Prosperity:** Last mile broadband along with market connectivity between port, rail and highways can shrink the gap between rural and urban economic growth. Efforts to complete the supply chain between commodity production and a renewed effort toward energy exploration and generation will be job generators for the long term. Rural tourism and focus on "Micropolitan" regions will drive an inventory of assets and gap analysis.

- **Community Development:** The Block Grant program needs to be realigned to work in unison with the economic development initiatives and the current tier system needs review to maximize return on investment and allow streamlined efforts in areas of poverty within prosperous regions. Seed capital strategies can create partnerships for development of manufacturing and distribution facilities. Main Street efforts to rehabilitate buildings in smaller towns and programmatic sharing can strengthen the tools needed for a return on investment.

- **Delivery of Services and Metrics:** Though final metrics will depend on the elements of plan implementation; benchmarking net job growth, success in retention and recruiting and monitoring the outcomes for state and local investment are examples of key methodology. Co-location of state resources by Prosperity Zones will speed up the delivery and access to business developers, planners and agencies like DOT and DENR, critical for permit approvals.

Governor Appointees

John Lassiter (Chair), Carolina Legal Staffing

Jim Whitehurst (Vice-Chair), Red Hat

Madhu Beriwal, IEM Inc.

Jack Cecil, Biltmore Farms

Charlie Creighton, Colony Tire Corp.

Pat Corso, Moore Co Partners in Progress

Bill Graham, Wallace & Graham P.A.

Terry Hutchens, Hutchins, Senter, Kellam & Pettit P. A.

John Kane, Kane Realty Corporation

Kelly King, BB&T Corporation

Vimal Kolappa, East Coast Builders Group

Tom Looney, Lenovo North America

Melanie McNamara, Absolute Style Furniture

Sheila Pierce, Jacksonville Onslow Economic Development

Eric Pike, Pike Electric Corporation

Glenn Sherrill, SteelFab Inc.

Bill Shumaker, Kewaunee Scientific Corp.

Bob Singer, Brooks Pierce

Tom Skains, Piedmont Natural Gas

Fred Smith, C.C. Mangum

Harry Smith, Jr., Flander Corporation

Chuck Swoboda, Cree Inc.

Jeff Turner, Murphy Family Ventures

Senate Appointees

Sen. Harry Brown

Sen. Ben Clark

Sen. Bill Rabon

Sen. Tamara Barringer

House Appointees

Rep. Tom Murry

Rep. Jeff Collins

Rep. Paul Stam

Rep. Craig Horn

Ex Officio Members

Dan Forest, Lieutenant Governor

Sharon Decker, Secretary of Commerce

Lyons Gray, Secretary of Revenue

Susan Kluttz, Secretary of Cultural Resources

Elaine Marshall, Secretary of State

June Atkinson, Superintendent of Public Instruction

Tom Ross, President of UNC System

Scott Ralls, President of NC Community Colleges

Mark Clasby, President of NCEDA

Governor's Vision for Economic Development

North Carolina is on the verge of a comeback. With a rich historical investment in education and innovation, North Carolina's aggressive 2013 improvements to the state's tax and regulatory climate, infrastructure development programs and streamlined economic development strategies have positioned the state to compete for jobs. But in a perpetually evolving global jobs war, North Carolina must continue to evaluate and develop new strategies for economic growth.

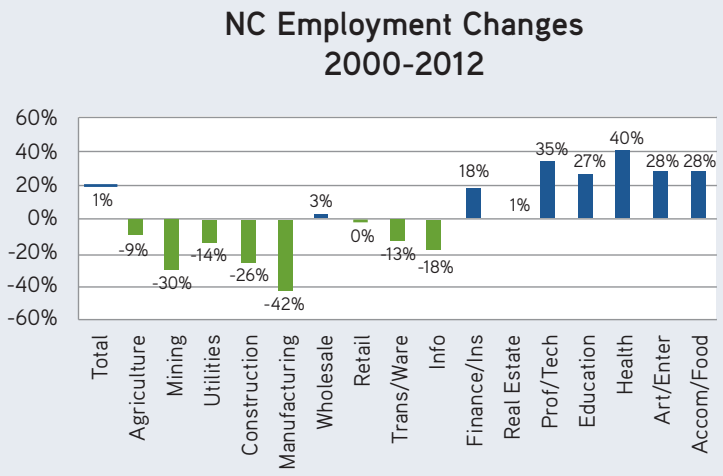
We have all been hit by the recession, but in recent years North Carolina lost ground regionally and nationally in job growth and retention. What once worked well, no longer does. Between 1980 and 2000 the state added almost 1.3 million new jobs, but between 2000 and 2012, a time when the population grew by 1.7 million, the number of new jobs created plummeted to about 300,000. In recent years the state also lost ground against the national average in poverty rates, per capita income and per capita gross state product.

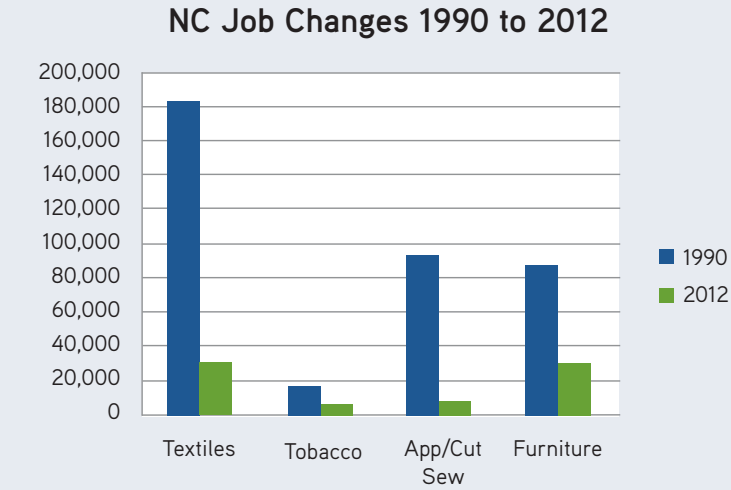
It is time for new thinking and more effective doing. This 10-year economic development strategic plan has one priority: Refocus all efforts to create more jobs for North Carolina citizens. It is time for leadership. It is time for teamwork and it is time for results.

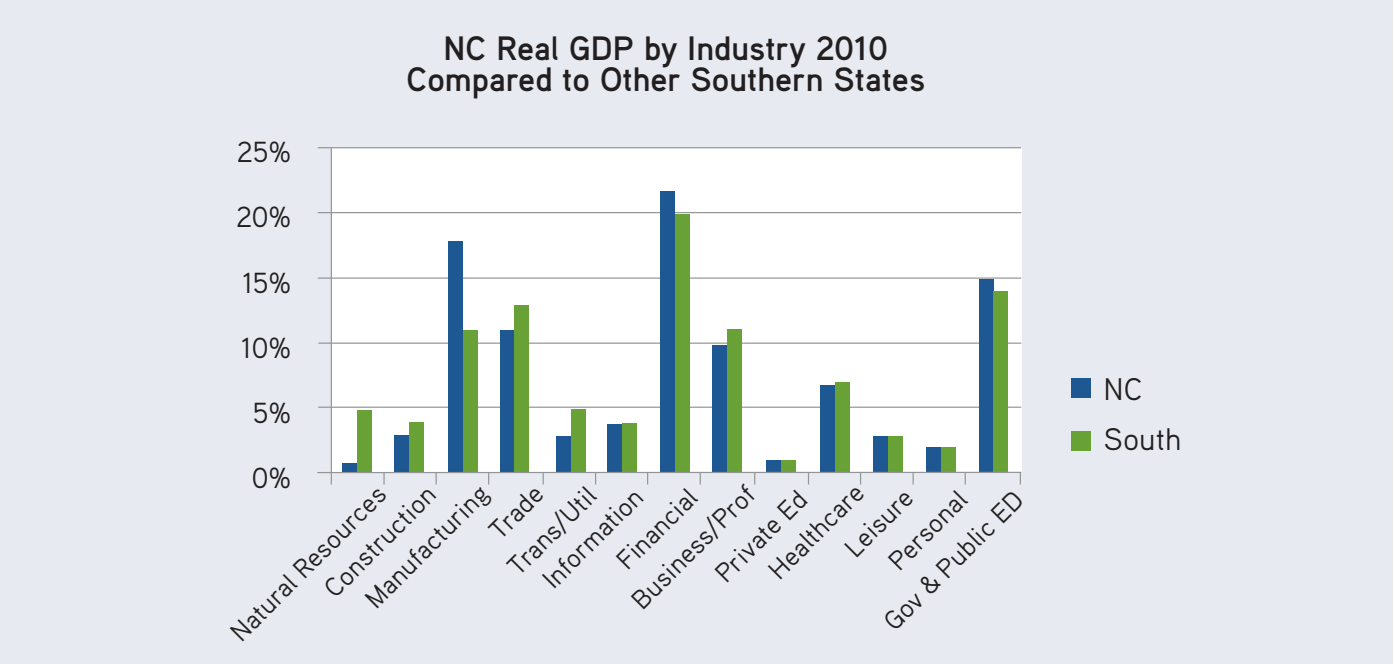
A strategic plan is usually created to achieve one or more goals under conditions of uncertainty. Recent years have brought uncertainty and unprecedented change, and North Carolina has been impacted.

- **The United States, Southern and North Carolina economies are changing.**

  The recent "great recession" combined with technological advances, and consumer choices have changed the economic fortunes of places all over our state. New industry clusters have emerged even as many of our traditional industries have shed jobs.







Manufacturing remains very important to North Carolina's economy, generating 20% of our state Gross State Product, but since 1990, four out of five jobs in the traditional industries of furniture, textiles, tobacco and apparel have been lost. Every city and county in the state has been hurt and many have struggled to find new jobs.

In addition to manufacturing, North Carolina also has a higher concentration in financial services, but lags other Southern states in output from trade, and natural resources.

- **Globalization has increased competition and created new growth opportunities.**

  We are competing with everyone, everywhere, for every job. North Carolina companies have international supply chains, customers and employees. Foreign direct investment, new and global talent more frequently determine success or failure. At the same time, economies around the world are expanding and creating markets for North Carolina goods and services.

- **Workforce skills requirements are rising.**

  What skills are needed to be successful at any job are higher now and are rising. The types of skills business needs and the types of jobs being created are different. Skill mismatches are growing. Just two generations ago a high school diploma provided the skills for lifelong success. Today, skills must be upgraded continuously throughout life and every credential needs to be quantified.

- **Economic realignment is having different impacts on different places.**

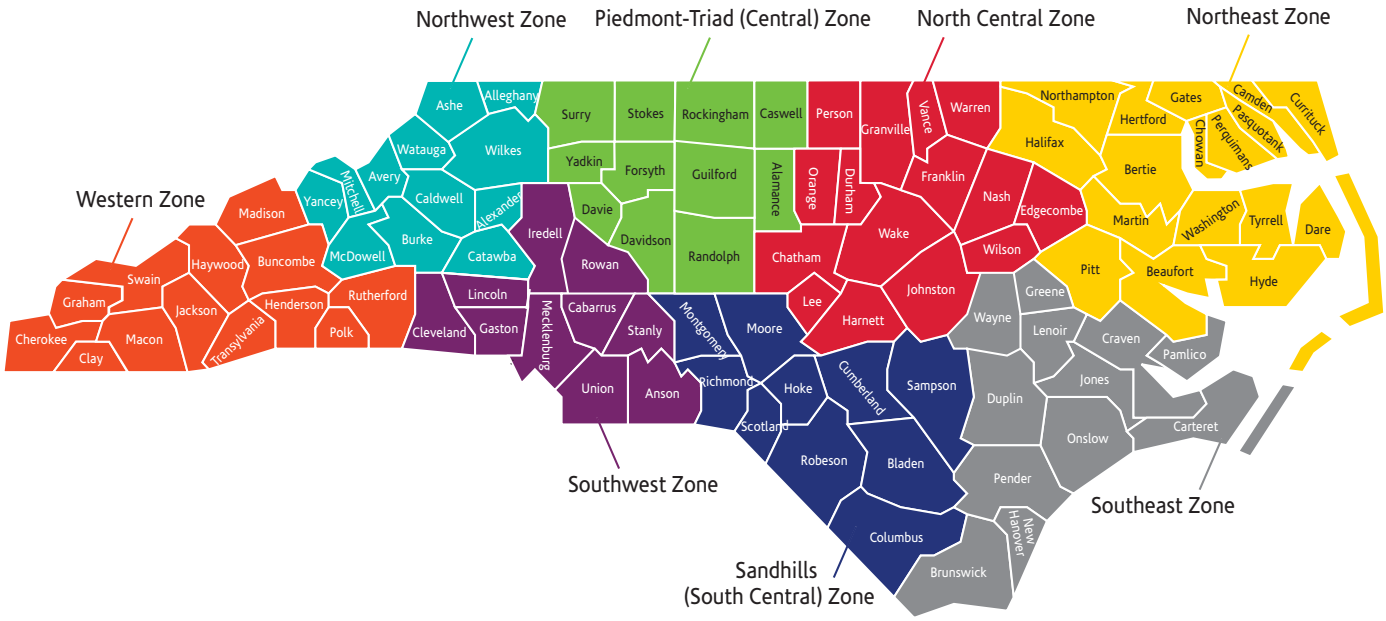
  North Carolina's 100 counties and over 650 cities and towns are home to almost 10 million people. Each place wants jobs for its citizens, but the market is not distributing jobs, investment and wealth evenly. Job concentration in urban centers is a global trend.

  The place-based asset demands for many companies and their workers today include air flights, high-speed broadband, access to advanced training and talent, and top-quality health care. Smaller communities and micropolitan regions, especially those heavily dependent on declining traditional industries, are struggling.

- **The expectations for return on investment for our economic development, education and workforce development dollars are rising.**
  Outcome-based investments; continuous monitoring and alignment of assets are becoming the norm.

Sweeping global changes present significant challenges for North Carolina, but inaction is not an option. Regardless of the complexity of the problem or the pace of change, North Carolina is well positioned to compete, attract and grow new, good jobs. First, we need a plan.

North Carolina Prosperity Zones



(Zone boundaries are not final and subject to revision)

PROCESS

In the summer of 2013, the new Economic Development Board, consisting of 23 gubernatorial appointees, four appointees each from the North Carolina House and Senate, and nine ex-officio appointees, came together to assess the North Carolina economy, our competitive factors, and the economic development landscape.

The Board laid out a process to develop recommended strategies for a new 10-year plan for state economic development. Eight committees were established to focus on eight strategic planning areas and to develop the recommendations for the plan.

Economic Development Board Committees

1) **Targeted Growth Clusters**
2) **Business Climate**
3) **Innovation and Entrepreneurship**
4) **Talent and Retirement Attraction**
5) **Education and Workforce Development**
6) **Rural Prosperity**
7) **Community Development**
8) **Structure (Delivery of Services) and Metrics of Success**

Each committee was charged with gathering information and providing recommendations. Ultimately these recommendations will be incorporated – in conjunction with the new strategic plans presently underway related to transportation, infrastructure, workforce development, education, agriculture, energy policy and military strategies – to create a 10-year comprehensive and aligned economic development strategy for North Carolina.

While the committees were carrying out their work, the Secretary of Commerce and the Governor's economic advisors held listening tour events in each of the eight Prosperity Zones across the state to gather input from a broad range of North Carolinians. Over 1,000 people attended these forums and discussed the economic issues we are facing. Input was also gathered through 1,100 written and electronic surveys.

The feedback reinforced that North Carolina is a diverse state with different needs and priorities in each of the Zones. Health services, agriculture, hospitality/tourism, information technology, and energy were identified as important areas to focus on. Manufacturing remains important. International engagement was cited as essential to future business and state economic success. Workforce skills training, investments in infrastructure, and more aggressive marketing and branding were common refrains across all Zones.

TARGETED GROWTH CLUSTERS/BRANDING

1. Identify and target industries for jobs attraction and retention based on wage rate and projected growth analytics.

A. Identify at county and zone level, targeted industries within these ten clusters to attract, retain and expand.

MANUFACTURING	KNOWLEDGE CREATION	MILITARY	AGRICULTURE FORESTRY & FOOD	BIO PHARMA
• Chemicals • Plastics • Metals • Textiles • Furniture • Automotive	• Research • Educational Support Services • Education & Knowledge Creation • Distance Learning	• Aircraft • Aerospace • Air Defense	• Food Processing & Manufacturing • Wood Products	• Surgical & Dental Instruments/ Supplies(A) • Biopharmaceuticals • Health • Medical Devices • Life Sciences
BUSINESS SERVICES	**HOSPITALITY, TOURISM & ENTERTAINMENT**	**IT/SOFTWARE**	**TRANSPORTATION LOGISTICS**	**ENERGY**
• Consulting Services • Insurance • Financial Investment Activities • Business Services • Financial Services	• Hospitality & Tourism • Sports • Film • Performing Arts	• IT & Analytic Instruments • Data Center • Software Development • Semiconductor	• Electronic & Catalog Shopping • Distribution & E-Commerce • Warehousing	• Smart Grid • Oil & Gas Production

B. Using analytics and economic trends, develop a "Go to Market Plan" that continues to identify key growth industries with high quality, sustainable jobs that are well suited for North Carolina's economy.

C. Develop a value proposition for each targeted cluster or area of emphasis.

2. Develop a new statewide brand strategy for North Carolina.

A. Develop one specific overarching brand that serves as the main anchoring point on which all underlying products are based. Focus on "What North Carolina is known for."

B. Develop another, complementary set of brands to differentiate the benefits or unique attributes of a particular industry, location, department or Prosperity Zone.

C. Develop an integrated marketing plan to guide economic development targets and tactics.

3. Maximize North Carolina's existing connections to global growth opportunities.

A. Expand export assistance to existing companies.

B. Aggressively attract foreign direct investment in targeted industries.

C. Identify and leverage North Carolina's global corporate and educational connections to attract and grow jobs.

Goal: Create a competitive business climate that drives job growth, retention & attraction in every sector of the economy statewide.

1. Ensure that North Carolina's tax climate receives adequate and ongoing focus.

A. Task the new Department of Revenue to annually monitor, evaluate and report on North Carolina's tax climate and impact on taxpayers.

B. Pass legislation to require that future bills that propose material amendments to the North Carolina tax code include a fiscal note demonstrating how the change will affect North Carolina's national tax climate ranking.

C. Develop comprehensive marketing tools for economic developers that demonstrate the impact of North Carolina's tax climate on businesses relocating to North Carolina.

2. Continue to improve North Carolina's tax climate.

A. Each legislative session, pass legislation to create additional competitive, pro-growth, fair reforms while maintaining adequate funding for state programs and not increasing the aggregate tax burden on the working poor and low-income individuals.

3. Continue to improve North Carolina's regulatory climate.

A. Pass legislation to streamline redundant local, state and federal government regulations.

B. Create a limited-duration, executive branch Office of Regulatory Reduction and Review, to be tasked with (i) analyzing and recommending the modification and repeal of redundant and outdated laws, regulations and bureaucracies and (ii) overseeing the execution of repeals passed by the state government.

C. Create an intergovernmental regulatory ombudsman that assists economic development projects with navigating all state and local regulations at the speed of business.

4. Reduce the costs to North Carolina taxpayers for frivolous lawsuits brought against state infrastructure projects.

A. Task the new Office of Regulatory Reduction and Review (or other appropriate position) to analyze the State Environmental Protection Act and provide recommendations to the General Assembly to mitigate frivolous lawsuits, enhance infrastructure development and reduce costs to North Carolina taxpayers.

5. Continue to improve North Carolina's legal climate.

A. Reconvene the North Carolina Commission on Business Laws and the Economy to review the state's existing statutes and regulations related to the Business Corporation Act and Limited Liability Company Act and recommend amendments to the General Assembly.

B. Expand the North Carolina Business Courts: (i) Add Business Court judges and resources in Raleigh, Charlotte, Wilmington, and Asheville, (ii) extend the term of appointments for Business Court judges, (iii) create the right to direct appeal of Business Court decisions to the NC Supreme Court and (iv) require shorter time for case disposition.

C. To avoid effective lifetime appointments for judicial and quasijudicial positions, pass legislation to require that all such positions be classified as exempt employees, term appointments or popularly elected positions.

6. Enhance the state's discretionary economic development incentive programs.

A. Enhance the "but for" requirement for the One North Carolina (One NC) and Job Development Investment Grant (JDIG) programs in order to maximize efficacy and utility.

B. Expand funding and availability for JDIG and One NC grant programs.

C. Create a nimble "closing fund" for the executive branch to aggressively compete for critical, highly competitive projects.

D. Since the current tax credit model for the film industry sunsets on December 31, 2014, a new demand driven tax incentive model needs to be developed that focuses on positive return on investments for North Carolina.

INNOVATION AND ENTREPRENEURSHIP

1. Convert university innovation into jobs.

A. To increase commercialization and collaboration, support a system for businesses and the external community to "look in" to university expertise, capabilities and technologies.

B. Evaluate the tech transfer and commercialization rewards at each public and private North Carolina University and provide legislative recommendations that incentivize long-term job creation over licensing.

C. Incent/reward Universities for converting research to jobs.

D. Provide competitive proof-of-concept funding to assist campuses in moving promising technologies and strategies from theory into reality by facilitating proof-of-concept work.

2. Create a new tax credit model to attract venture capital to North Carolina.

A. Analyze a tax credit that will eliminate capital gains tax on founder's stock and angel investment.

B. Review fiscal impact and legal implications of proposed credit and investigate the State of California's experience with a similar model.

3. Re-fund the One North Carolina Small Business Fund.

A. Re-establish the One NC Small Business Fund to match federal awards for Phase I & II SBIR/STTRs.

B. Establish a quantitative assessment of impact of funds during a five-year period.

4. Streamline entrepreneurial resources.

A. Conduct a thorough study of the state's small business development services that:

- sets and compares economic impact across programs;
- identifies opportunities to consolidate services to reduce costs, competition, and customer confusion; and
- consolidates and increases promotion and awareness of business education programs that are proven effective.

B. Expand North Carolina's workforce development programs to include training for start-up and small business owners within all Prosperity Zones.

C. Develop a customer-friendly, one-stop-shop of information and all state resources available that support entrepreneurship.

Goal: Attract the creative class and retiree population to North Carolina.

1. Establish North Carolina as the destination for creative talent.

A. Provide state-level economic development assistance/collaboration with urban centers to support talent attraction (e.g. Main Street program for urban regions).

B. Require technology companies that receive state incentives for call centers/data centers to open a local service/R&D office in-state.

C. Align University and Community College curriculum offerings to meet the skills needs of the current market and of "next gen" businesses relevant to the strengths of each Prosperity Zone.

D. Establish offices in key locations to market NC to talent and VC/PE firms.

E. Build a best practice study for marketing NC regions to those cities.

2. Build a platform for retiree attraction and business creation.

A. Conduct an economic impact study to help inform policymakers about the costs and benefits of a vibrant senior population and identify targeted segments.

B. Assign a responsible entity in state government for attracting, serving, and growing talent similarly to how NC serves businesses.

C. Develop a strategy for marketing NC to pre-retiree empty nesters and prodigal North Carolinians.

D. Identify existing communities with high potential to attract retirees and work with them to develop strategies for marketing and supporting their growth.

3. Attract and retain highly skilled military retirees and returning veterans.

A. Identify and connect military occupations that meet existing skill demands with education programs to complete job training.

B. Develop program to market and match job needs from employers across the state with exiting military personnel with those skills.

C. Proactively attract retiring senior military officers that can bring defense-related military startup and additional defense opportunities.

D. Broker co-locating military workforce programs, especially those associated with the North Carolina National Guard, with existing workforce programs to expand opportunities and increase efficiencies.

Goal: Develop and retain a globally competitive workforce with the knowledge and skills for high quality, sustainable North Carolina jobs.

1. Increase North Carolina's competitive advantage by further developing and enhancing Career and Technical Education (CTE) that provides students the skills to create, make, and build things.

A. Target statewide resources to enhance programs and enrollment in critical career cluster areas that compliment key targeted growth industries, including: STEM; Manufacturing; Information Technology; Health Science; Transportation, Distribution and Logistics; Agriculture, Food and Natural Resources; and Architecture and Engineering, and Construction.

B. Increase the education pipeline, competency-based credentials, and work-based learning opportunities, including apprenticeships in the critical career cluster areas.

C. Recommend that the University of North Carolina, the North Carolina Community College System, the state's nonprofit postsecondary institutions and the State Board of Education work collaboratively to explore the pro's/con's of a weighted quality point model that does not disincentivize high school students from taking CTE courses.

D. Incentivize more students to become career/college ready with both STEM general education competencies and CTE workplace competencies.

2. Enhance, integrate and market North Carolina's education and workforce development programs, initiatives and resources to maximize economic development.

A. Develop an integrated seamless system of education and workforce development programs, initiatives and resources. The system should be focused on the integration of business needs and worker preparation and include a comprehensive approach to career exploration, career development, education and job training that begins in middle school and continues throughout an individual's career path.

B. Create Regional Prosperity Councils in each of the eight Prosperity Zones. The Councils should be comprised of education, workforce development, economic development and business leaders. The Councils will focus on development of regional strategies that enhance services to individuals and employers through resource integration and collective planning.

C. Develop economic development strategies and effective marketing materials that emphasize North Carolina's education and workforce development programs and resources.

3. Invest in North Carolina's educational workforce.

A. Recruit, retain and reward educators at all levels of education to maximize student outcomes.

B. Drive innovation in education through incentives that encourage continuous improvement and teamwork through job embedded professional development, career development and leadership training.

C. Align educational incentives with economic, workforce and educational targets and goals. Establish career pathways that reward teachers for teaching in critical need locations, servicing critical need student populations and teaching in targeted academic disciplines including high need STEM subject areas.

4. Support appropriate policies that foster and enable the development and learning of children.

A. Identify the costs associated with expanded access to public and private preschool education to eligible preschool-aged children at various levels of inclusion.

Goal: Spread prosperity, jobs and investment to the rural areas of the state.

1. Improve the infrastructure to rural communities.

A. Develop a long-term plan and incentives for "last mile" broadband connectivity.

B. Integrate rural needs including funding formulas, port and rail competitiveness and highway market connectivity into the 25-year infrastructure plan.

2. Realign Agriculture and Commerce efforts for rural job growth.

A. Realign state resources to incorporate and reprioritize agriculture economic development into statewide jobs initiatives.

B. Develop a long-term growth strategy for domestic and international market development.

C. Focus on recruitment and home grown development of food processing, seafood, energy and other agriculture value-added production.

3. Target rural-appropriate manufacturing for attraction and support.

A. Target manufacturing businesses and industries with higher-skilled, higher wage jobs and sustainable industries that can be successful in rural areas.

B. Develop strategies and outreach efforts to interest young people in careers in manufacturing.

4. Support travel and tourism for rural communities.

A. Align travel and tourism strategies across all state resources.

B. Create an inventory of rural tourism assets and a gap analysis of tourism infrastructure in rural communities and micropolitan regions.

C. Market natural advantages and outdoor activity opportunities in rural areas.

5. Create more capacity to assist rural community development.

A. Expand the capacity to help rural communities, small towns and micropolitan regions to assess their economy, and to develop and implement strategies for growth

B. Develop rural community leadership programs to encourage local citizens to engage, invest and lead their communities to economic prosperity.

Goal: Develop programs that provide local communities with the opportunity to thrive.

1. Develop tools that encourage local communities to invest in critical infrastructure for economic growth.

A. Develop a positive return, demand-driven Seed Capital Fund model for the purpose of providing loans to primarily rural/semi-rural communities for the development of business facility sites that will assist in recruiting businesses.

B. Realign the state's Community Development Block Grant programs with the state's other economic and community development grant programs in order to maximize resources and create one comprehensive strategic infrastructure investment strategy for the state.

C. Provide communities with the opportunity to transform their natural assets into economic prosperity, create the appropriate legal framework to encourage safe and sustainable energy development, including the exploration and development of shale natural gas resources.

D. Since the state historic rehabilitation tax credits are scheduled to sunset on December 31, 2014, a new demand-driven model for historic rehabilitation tax credits needs to be developed that focuses on positive returns on investment for the State of North Carolina.

E. Recognize that quality of life is a vital component of economic and community development for North Carolina, continue to publicly invest and encourage local and private investment in the arts; museums; symphonies; historic downtowns, neighborhoods and sites; libraries; parks; green spaces; public spaces; clean air; clean water; the environment; adequate transportation; and diversity.

2. Ensure that the state directs support to those communities most in need.

A. Develop and pass legislation to change the current county tier system to (i) maximize return on investment and (ii) make strategic county investments more streamlined and equitable, particularly for undeveloped areas located within a county that is overall ranked as a more prosperous county. Possible options should include an analysis of aligning the state's tier designations with HUD's entitlement designations.

3. Ensure that communities have the technical expertise to take advantage of resources and maximize their effectiveness.

A. Initiate a programmatic review to determine the State's optimal programmatic support to the Main Street Program.

B. Enhance successful programmatic sharing between the Prosperity Zones by reviewing programs to determine their effectiveness, return on investment and appropriateness for scaling to other communities.

C. Continue to market the State's investment in arts, culture, and other creative industries and explore other ways to build North Carolina's creative economy.

D. Develop community leadership programs that identify and train local individual leaders to grow and invest in the long-term success of their communities.

Goal: Streamline economic, workforce and community development functions and measure the effectiveness of state development activities.

GROW NC JOBS

- # Announced New Jobs from Business Recruitment
- # Announced New Jobs from Existing Business Expansions
- Potential # New Jobs (indirect/induced) from Business Recruitment Projects
- Potential # New Jobs (indirect/induced) from Existing Business Expansions
- Average Hourly Wage of Announced New Jobs from Business Recruitment Projects
- Average Hourly Wage of Announced New Jobs from Existing Business Expansions

1. **Develop a bold statewide approach to (i) coordinate the state's economic, workforce and community development efforts, (ii) maximize state resources, and (iii) provide high-quality customer service to citizens across the state.**

   A. Clearly define the economic development roles and activities of the new Economic Development Partnership of North Carolina (EDPNC) and relevant state agencies.

   B. Utilize a TEAM concept between state agencies, EDPNC and local partners to deliver services to each Prosperity Zone in North Carolina.

   C. In each Prosperity Zone, co-locate, coordinate strategic planning and streamline customer access to all state economic development resources, including business developers, tourism and marketing developers, community planners, DOT and other infrastructure planners, local DENR permitting officers, local government developers, community colleges, workforce officers, and veterans and National Guard workforce officers.

   D. Recognize the uniqueness of each Prosperity Zone within the State of North Carolina and customize state services accordingly to avoid duplication of existing efforts.

   E. Enhance the relationships between state agencies, the EDPNC and local partners to take advantage of each of their strengths. Measure how the EDPNC activities produce outputs, and how their outputs produce meaningful economic outcomes.

2. Develop measures of success through conducting an annual review of metrics and a benchmarking of competitors.

A. Focus on...

- Greater emphasis on retaining and growing existing business
- Targeted recruiting of industry sectors
- Rural NC
- Net job growth
- Average wage growth

B. Measure outcomes that....

- Result in more, better jobs where people live
- Monitor activities and outputs of public-private partnership
- Measure fiscal year expenditures and source of funds
- Measure outcomes meaningful to leadership and citizens
- Measure net new jobs created

C. Develop specific longitudinal and comparative metrics at the state, Prosperity Zone, county, and industry level

3. Integrate Key Economic Indicators Dashboard and NC Today Report for the public to access.

Potential Metrics

DEVELOP NEW NC BUSINESSES

- # Announced New Businesses Recruited to NC
- Projected $ to be invested by New Businesses Recruited to NC
- # Start-up Businesses Assisted

SUPPORT EXISTING BUSINESS GROWTH

- # Announced NC Business Expansion Projects
- Projected $ to be Invested by Businesses from Expansion Projects
- # of NC Exporters Receiving Export Assistance
- $ Exports by Assisted Companies
- # NC Companies Assisted in Procuring Government Contracts
- $ Government Contracts Awarded

INCREASE INVESTMENTS IN NC BUSINESSES

- $ Foreign Direct Investment
- # Venture Capital Deals
- $ Venture Capital Invested
- # SBIR/STTR Awards
- $ SBIR/STTR Awards
- Grow Tourism in NC
- # Visitors to NC

A special thanks to all of the Board Chairs, Board Members, Advisors, Presenters and Staff Support Members who contributed to the work of this Economic Development Board and its Sub-Committees:

Targeted Growth Clusters

Tom Looney, Co-Chair
Jack Cecil, Co-Chair
Sen. Harry Brown
Sec. Sharon Decker
Sen. Tamara Barringer
Roberto Canales
Ted Abernathy
Rob Burns
Chip Neff
Leann Nance
Jean Davis
Brandy Salmon
Vik Rao
Adam Monroe
Will Austin
Ray Jones
Scott Carlberg
Chris Brown

Education and Workforce Development

Kelly King, Co-Chair
Glenn Sherrill, Co-Chair
Bill Shumaker
Scott Ralls
Sup. June Atkinson
Sen. Ben Clark
Tony Almeida
Eric Gukian
Susan Pulliam
Chris McDonald
Jason Li
Gus Schmeidlin
Richard Boyd
Maureen Little
Terri Lomax
Bob Ervin
Erin Gray
Betty McGrath
Meihui Bodane
Suzanne Ortega

Business Climate

John Kane, Co-Chair
Eric Pike, Co-Chair
Fred Smith
Sec. Lyons Gray
Sen. Bill Rabon
Blannie Cheng
John Skvarla
Brian Livecchi
Michael Walden
Richard Beard
RTI
NC Chamber
CBC
Greg Thompson
Tom Darden
Tax Foundation
Greg Steele
Holly Crosby
Nate Knuffman

Innovation and Entrepreneurship

Chuck Swoboda, Co-Chair
Melanie McNamara, Co-Chair
Leslie Boney
Harry Smith
Tom Ross
Dion Terry
Tom Darden
Rob Brinson
Elaine Rideout
Joe DiSimone
First Flight Ventures
Jay Golden
Mark Rostick
Merrill Mason
Terry Cox
Jim Roberts
Terri Lomax
Bob Ervin
John Hardin
Michael Ebert
Jeff DeBellis
Wayne Szafranski

Talent and Retirement Attraction

Jim Whitehurst, Co-Chair
NFIB
Pat Corso, Co-Chair
John Lassiter
Mike Capps
Jesse Lipson
Dan Owens
Ken Atkins
Jennifer Bosser
Lane Kjellsen
Michelle Beck
Jackie Keener

Rural Prosperity

Jeff Turner, Co-Chair
Charlie Creighton, Co-Chair
Vimal Kolappa
Lt Gov. Dan Forest
Rep. Jeff Collins
Hugh Johnson
Angie Bailey
Joe Freddoso
Cmr. Steve Troxler
Peter Daniels
Paul Worley
RTI
Michael Walden
Rob Hosford
Kristin Bunn
Steven Pennington
Scott Daugherty

Structure (Delivery of Services) and Metrics of Success

Terry Hutchens, Co-Chair

Bill Schumaker, Co-Chair

Madhu Beriwal

Sec. Elaine Marshall

Rep. Tom Murry

Sec. Sharon Decker

Ken Atkins

David Powell

Paul Butler

Nick Tennyson

Jimmy Squibb

Josh Levy

Community Development

Bill Graham, Co-Chair

Tom Skains, Co-Chair

Bob Singer

Sec. Susan Kluttz

Rep. Paul Stam

Rep. Craig Horn

Bryan Gossage

Will Best

Tyler Mulligan

Kevin Daniels

Jeff Moore

Peter Barnes

Liz Parham

Richard Self

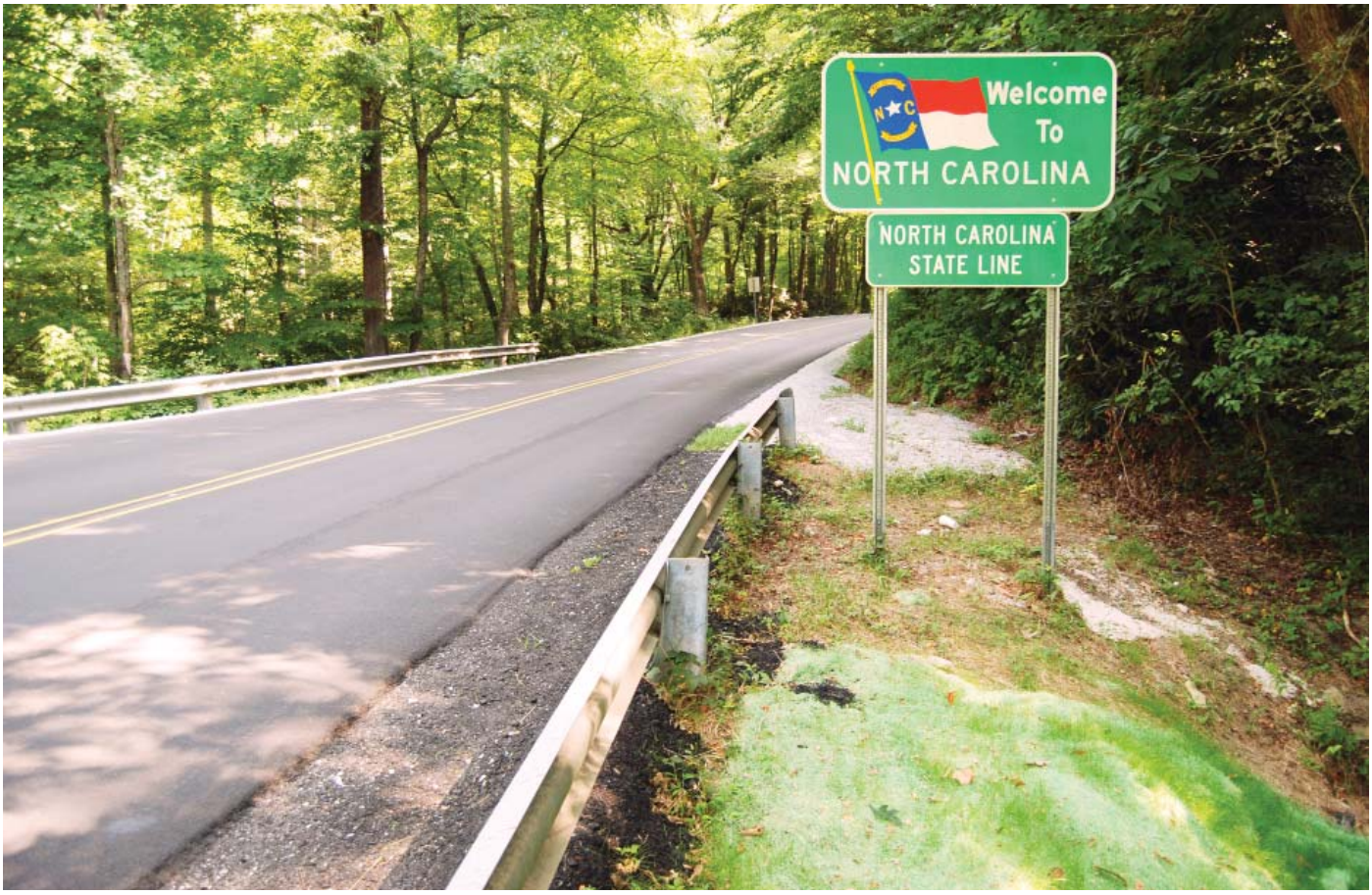
Olivia Collier

Yongjun Lei

Allan Sandoval

Planning and Execution

The next steps for this plan include the development of an action matrix that will assign responsibility, estimate resource needs, build a timeline and define the metrics of success. The strategic plan will serve as the road map for the Economic Development Partnership of North Carolina, the Department of Commerce and the wide array of partners in the state focused on job creation and economic growth as we seek to unleash North Carolina's unlimited potential.



THE GREAT SEAL OF THE STAT
MAY 20. 17
CONSTI TUTION
APRIL 12. 17