Comprehensive Economic Development Strategy (CEDS)
September 26th, 2017
Policy Board Meeting
CEDS Update

• The WPCOG serves as the region’s U.S. Economic Development Administration’s designated Economic Development District (EDD)

• As the EDD, we are required to create and maintain a Comprehensive Economic Development Strategy (CEDS) with updates every 5 years

• The CEDS provides a regional framework to identify economic opportunities, challenges and goals

• The current CEDS was approved in 2012 and an update must be completed in 2017
CEDS Update

• The WPCOG is but one of the organizations that implement the CEDS and many local governments, agencies and the business sector contribute to our region’s success

• The Policy Board appointed the 15-member CEDS Committee in November

• The Policy Board appointed a diverse group of people to CEDS Committee (geography, age, employment background, race, ethnicity, gender)
CEDS Committee

- 75% of the committee was under age 50
- 50% of the committee was under age 40
- 53% female, 47% male
- All four counties represented
CEDS Committee

- Chair Tommy Luckadoo, Vice President, Adams Commercial Real Estate Services, LLC
- Vice Chair Nancy Taylor, Executive Director, The Community Foundation of Burke County
- Christopher Todd, Town of Sawmills Administrator
- Crissy Thomas, Branch Manager, Wells Fargo
- Elle Fulenwider Engstrom, Marketing Coordinator, Fulenwider Enterprises
- Gary Herman, Alexander EDC Small Business Coordinator
- Jeremy Ku, Senior Supply Chain Consultant, Transportation Insight
- Lindsay Keisler, President, Catawba County Chamber of Commerce
- Lisa Miller, Director of Grant Development & Administration, Western Piedmont Community College
- Malla Vue, District Manager, Goodwill Industries
- Rocky Brooks, Community Development, Caldwell-UNC Health Care
- Sara Black, Broker, RE/MAX Southern Lifestyles
- Stacee Rash, Tax Manager, Martin Starnes and Associates
- Trish Johnson, Assistant Superintendent for Human Resources, Caldwell County Schools
- Zack King, Community Health Analyst, Catawba County Public Health
Why is the CEDS important?

- We live in an era of economic transition
- Our economy functions on a regional basis
- Most of the public and businesses aren’t concerned with political boundaries
- Improvements benefit the entire region
- Some improvements require a regional approach
CEDS Importance

Over 42% of our labor force works daily in a county different from which they live.
CEDS: Public & Stakeholder Input

The Committee used extensive public input to shape the direction of the CEDS

**CEDS by the Numbers**

- 15 Committee Members
- 7 Committee Meetings
- 32 Survey Questions
- 1,000 Survey Respondents
- 31 1-on-1 Stakeholder Interviews
- 3 Group Stakeholder Interviews
- 6 CEDS Subject Categories
- 25 CEDS Strategies
CEDS Public Survey Responses

What economic opportunities exist or are developing in your county?
(963 Responses)

- Education/Training: 722
- Healthcare: 719
- Furniture: 597
- Banking/Finance: 503
- Agriculture: 475
- Government: 466
- Hospitality/Tourism: 433
- Automotive: 422
- Textiles/Apparel: 408
Does your local government encourage small businesses to locate and grow in your community? (971 Responses)

- **Yes**: 533 (55.1%)
- **I Don't Know**: 271 (28.0%)
- **No**: 163 (16.9%)
• The CEDS Committee began its work with understanding the region and the economic trends
• Current projections show little population growth over the next 20 years
• However, projections assume current trends & don’t adjust for positive change

**Western Piedmont Region (MSA) Population Growth (2010-2035)**

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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Alexander</td>
<td>37,198</td>
<td>37,952</td>
<td>754</td>
<td>2.0%</td>
<td>38,745</td>
<td>39,189</td>
<td>1,237</td>
<td>3.3%</td>
</tr>
<tr>
<td>Burke</td>
<td>90,912</td>
<td>89,114</td>
<td>-1,798</td>
<td>-2.0%</td>
<td>90,002</td>
<td>90,179</td>
<td>1,065</td>
<td>1.2%</td>
</tr>
<tr>
<td>Caldwell</td>
<td>83,029</td>
<td>82,577</td>
<td>-452</td>
<td>-0.5%</td>
<td>83,411</td>
<td>83,666</td>
<td>1,089</td>
<td>1.3%</td>
</tr>
<tr>
<td>Catawba</td>
<td>154,358</td>
<td>155,828</td>
<td>1,470</td>
<td>1.0%</td>
<td>158,588</td>
<td>161,349</td>
<td>5,521</td>
<td>3.5%</td>
</tr>
<tr>
<td>Region Total</td>
<td>365,497</td>
<td>365,471</td>
<td>-26</td>
<td>&lt; -0.1%</td>
<td>370,746</td>
<td>374,383</td>
<td>8,912</td>
<td>2.4%</td>
</tr>
</tbody>
</table>

CEDS: Regional Profile

- Manufacturing decreases
- 40,213 jobs lost
- Increases in service employment

<table>
<thead>
<tr>
<th>Western Piedmont Region (MSA) Employment Distribution</th>
<th>2000</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Services</td>
<td>43%</td>
<td>48%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>34%</td>
<td>28%</td>
</tr>
<tr>
<td>Trade</td>
<td>14%</td>
<td>16%</td>
</tr>
<tr>
<td>Administration</td>
<td>5%</td>
<td>5%</td>
</tr>
<tr>
<td>Construction</td>
<td>3%</td>
<td>2%</td>
</tr>
<tr>
<td>Other</td>
<td>1%</td>
<td>1%</td>
</tr>
</tbody>
</table>

Number of Employed Persons

- **2000**: 185,093
- **2015**: 144,880

Source: Labor and Economic Analysis Division, NC Dept. of Commerce.
CEDS: Regional Profile

- Unemployment rate has dropped
- Modest job growth
- Reductions in number of people in the labor force

Western Piedmont Region (MSA) Labor Force and Number of Employed Persons (April 2010 - April 2016)

<table>
<thead>
<tr>
<th>Year</th>
<th>Labor Force</th>
<th>Employed Persons</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>174,936</td>
<td>152,655</td>
</tr>
<tr>
<td>2011</td>
<td>172,394</td>
<td>153,041</td>
</tr>
<tr>
<td>2012</td>
<td>171,768</td>
<td>155,112</td>
</tr>
<tr>
<td>2013</td>
<td>168,271</td>
<td>156,095</td>
</tr>
<tr>
<td>2014</td>
<td>166,840</td>
<td>157,281</td>
</tr>
<tr>
<td>2015</td>
<td>166,940</td>
<td>157,991</td>
</tr>
<tr>
<td>2016</td>
<td>168,117</td>
<td>160,231</td>
</tr>
</tbody>
</table>

Source: Labor and Economic Analysis Division, NC Dept. of Commerce.
CEDS: Regional Profile

- Unemployment rate has dropped
- Modest job growth
- Reductions in number of people in the labor force

**Western Piedmont Region (MSA) Unemployment Rate**
(April 2010 - April 2017)

<table>
<thead>
<tr>
<th>Year</th>
<th>Unemployment Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>13.7%</td>
</tr>
<tr>
<td>2011</td>
<td>11.5%</td>
</tr>
<tr>
<td>2012</td>
<td>9.7%</td>
</tr>
<tr>
<td>2013</td>
<td>8.5%</td>
</tr>
<tr>
<td>2014</td>
<td>6.0%</td>
</tr>
<tr>
<td>2015</td>
<td>5.4%</td>
</tr>
<tr>
<td>2016</td>
<td>4.5%</td>
</tr>
<tr>
<td>2017</td>
<td>3.9%</td>
</tr>
</tbody>
</table>

Source: Labor and Economic Analysis Division, NC Dept. of Commerce.
CEDS: Six Subject Areas

- Economic Development
- Workforce
- Infrastructure
- Housing
- Marketing
- Community Life
CEDS: Economic Development

- Modest improvement over 4 years
- Job creation & tax base growth are two of the core purposes for action

<table>
<thead>
<tr>
<th>City</th>
<th>Employment Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asheville</td>
<td>10.1%</td>
</tr>
<tr>
<td>Burlington</td>
<td>3.3%</td>
</tr>
<tr>
<td>Charlotte-Concord-Gastonia</td>
<td>14.5%</td>
</tr>
<tr>
<td>Durham-Chapel Hill</td>
<td>9.0%</td>
</tr>
<tr>
<td>Fayetteville</td>
<td>1.3%</td>
</tr>
<tr>
<td>Goldsboro</td>
<td>-3.0%</td>
</tr>
<tr>
<td>Greensboro-High Point</td>
<td>4.4%</td>
</tr>
<tr>
<td>Greenville</td>
<td>3.9%</td>
</tr>
<tr>
<td>Hickory-Lenoir-Morganton</td>
<td>5.7%</td>
</tr>
<tr>
<td>Jacksonville</td>
<td>2.9%</td>
</tr>
<tr>
<td>New Bern</td>
<td>2.8%</td>
</tr>
<tr>
<td>Raleigh</td>
<td>15.2%</td>
</tr>
<tr>
<td>Rocky Mount</td>
<td>-1.1%</td>
</tr>
<tr>
<td>Wilmington</td>
<td>13.5%</td>
</tr>
<tr>
<td>Winston-Salem</td>
<td>6.2%</td>
</tr>
</tbody>
</table>

Source: Labor and Economic Analysis Division, NC Department of Commerce.
CEDS: Economic Development

• Modest improvement over 4 years
• Job creation & tax base growth are two of the core purposes for action
• Job growth reduces our poverty rates
CEDS: Economic Development

- Construct additional “shell buildings” and “pad-ready sites” throughout the region
  - Market conditions require local government action for success
  - 50-100,000 sqft buildings
  - Strive for 1 building ready, 1 under construction, 1 in planning stage at all times
CEDS: Economic Development
CEDS: Economic Development

• Enhance capacity for project and grant development
• Maximize building reuse and site development opportunities
• Promote & support the Manufacturing Solutions Center, Morganton Campus of NC School of Science and Math, Center for Engineering Technologies, and other critical assets
CEDS: Workforce

- Labor force has decreased like much of the U.S.
- Good improvement for our region
- Real and perceived issues remain

**Western Piedmont Region (MSA) Labor Force and Number of Employed Persons (April 2010 - April 2016)**

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<td>168,117</td>
</tr>
</tbody>
</table>

Source: Labor and Economic Analysis Division, NC Dept. of Commerce.
CEDS: Workforce

CEDS Public Survey Responses

How well does your community work to maintain a skilled workforce?
(927 Responses)

- 401 (43.3%) Adequate
- 328 (35.4%) Poor/Little
- 155 (16.7%) Good
- 24 (2.6%) None

Do you believe there are gaps in educational resources?
(966 Responses)

- 453 (46.9%) Yes
- 190 (19.7%) I Don’t Know
- 323 (33.4%) No

Excellent
CEDS: Workforce

- Educational attainment levels still matter
- Lots of unfilled jobs
- Stagnant wage rates

Western Piedmont Region (MSA) Median Earnings for Population Over 25 by Educational Attainment Level (2015)

- $22,089 Less than High School Graduate
- $27,988 High School Graduate (includes equivalency)
- $27,365 Some College or Associate’s Degree
- $41,853 Bachelor’s Degree
- $50,879 Graduate or Professional Degree

CEDS: Workforce

• Align career pathways with education and training opportunities to meet industry needs
• Ensure sharing of competitive wage information and its impact on job recruitment and retention in the region
• Maintain consistent, coordinated, long-term marketing of workforce activities across the region
• Update the Industry Growth Analysis and shape it as a tool for business recruitment efforts
CEDS: Infrastructure

- Econ. Dev. is greatly influenced by infrastructure
- Good availability and condition of our infrastructure is a critical component to job & business recruitment and retention
CEDS: Infrastructure

Regional Projects Completed, Jobs & Investments (2016)

- **$10 Million** Grant Amount
- **30** Projects Completed
- **$74.4 Million** Private Investment
- **296** Jobs Created

CEDS: Infrastructure

- Encourage, plan, and construct transit-oriented development
  - Potential businesses now ask for this when evaluating sites and communities for location
- Develop and expand the bicycle and pedestrian network in the region
- Expand fixed route public transportation to the municipalities in all four counties
  - Many of the national companies don’t think about the historical stigma of public transportation
CEDS: Infrastructure

• Develop transportation projects that rank well in NCDOT’s prioritization system to promote/maximize economic development
• Improve broadband access to rural areas and improve broadband speed
• Encourage and assist local governments to develop and maintain asset management and capital improvement plans
• Explore opportunities for coordination and consolidation of utility systems
CEDS: Housing

- A healthy housing market is necessary to attract new residents and businesses
- Important for retaining residents and businesses

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<tr>
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</thead>
<tbody>
<tr>
<td>Owner-Occupied Housing Units</td>
<td>99,497 (68.7%)</td>
<td>103,966 (63.9%)</td>
<td>98,480 (60.7%)</td>
</tr>
<tr>
<td>Renter-Occupied Housing Units</td>
<td>34,469 (23.8%)</td>
<td>40,538 (24.9%)</td>
<td>41,617 (25.6%)</td>
</tr>
<tr>
<td>Vacant Housing Units</td>
<td>10,908 (7.5%)</td>
<td>18,109 (11.1%)</td>
<td>22,188 (13.7%)</td>
</tr>
</tbody>
</table>

The number of vacant housing units in the Western Piedmont has more than doubled since 2000.

Source: American Community Survey (ACS), US Census Bureau.
CEDS: Housing

**22,188**
Total Vacant Housing Units (2015 ACS)

- For Rent
- Rented, Not Occupied
- For Sale Only
- Sold, Not Occupied
- For Seasonal, Recreational or Occasional Use
- Other Vacant

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**Western Piedmont Age of Housing Stock (2015) ACS**

<table>
<thead>
<tr>
<th>Year</th>
<th>Units</th>
<th>% of Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010 - 2015</td>
<td>2,391</td>
<td>1.4%</td>
</tr>
<tr>
<td>2000 - 2009</td>
<td>22,158</td>
<td>13.7%</td>
</tr>
<tr>
<td>1990 - 1999</td>
<td>31,553</td>
<td>19.4%</td>
</tr>
<tr>
<td>1980 - 1989</td>
<td>26,192</td>
<td>16.1%</td>
</tr>
<tr>
<td>1970 - 1979</td>
<td>29,187</td>
<td>18.0%</td>
</tr>
<tr>
<td>1960 - 1969</td>
<td>20,549</td>
<td>12.7%</td>
</tr>
<tr>
<td>1950 - 1959</td>
<td>13,515</td>
<td>8.3%</td>
</tr>
<tr>
<td>1940 - 1949</td>
<td>7,395</td>
<td>4.6%</td>
</tr>
<tr>
<td>1939 - Earlier</td>
<td>9,345</td>
<td>5.8%</td>
</tr>
</tbody>
</table>

The Western Piedmont/Hickory-Lenoir-Morganton MSA consists of Alexander, Burke, Caldwell and Catawba Counties. Among the 15 North Carolina MSA's, the Hickory MSA/Western Piedmont has the highest percentage of homes built before 1980 and the lowest percentage built after 2000. Rankings above out of 15 MSA's.
CEDS: Housing

• Reduce the number of vacant and substandard homes throughout the region
• Increase the amount of new-market rate housing especially within and near downtowns
• Increase the availability of affordable homes within the region

CEDS Public Survey Responses

How well does your community support affordable housing choices?
(933 Responses)

- Adequate: 50.3%
- Little/Poor: 28.9%
- Good: 15.9%
- None: 3.0%
- Excellent: 1.9%
CEDS: Marketing

- A healthy economy relies on the growth of working age segments of the population

- Focus on appeal to the 18-45 year old people

NC MSA 25 to 34 Age Group Percent Population Change (2000-2015)

- Asheville: 11.3%
- Burlington: -1.7%
- Charlotte: 19.2%
- Durham: 8.5%
- Fayetteville: -1.9%
- Goldsboro: 2.9%
- Greensboro: -2.4%
- Greenville: 11.3%
- Hickory: -22.5%
- Jacksonville: 36.1%
- New Bern: 5.3%
- Raleigh: 21.8%
- Rocky Mount: -12.1%
- Wilmington: 31.0%
- Winston-Salem: -3.2%

Source: NC Office of Budget and Management.
CEDS: Marketing

- Population projections extend current trends

Western Piedmont Region (MSA) Population Projections (2015-2035)

- Caldwell
  - 2015: 82,577
  - 2025: 83,411
  - 2035: 83,666
  - 2015-2035: 1,089
  - Est. Growth: 1.3%

- Alexander
  - 2015: 37,952
  - 2025: 38,745
  - 2035: 39,189
  - 2015-2035: 1,237
  - Est. Growth: 3.3%

- Burke
  - 2015: 89,114
  - 2025: 90,003
  - 2035: 90,179
  - 2015-2035: 1,065
  - Est. Growth: 1.2%

- Catawba
  - 2015: 155,828
  - 2025: 158,588
  - 2035: 161,349
  - 2015-2035: 5,521
  - Est. Growth: 3.5%
CEDS: Marketing

- Convene a regional marking task force
- Develop a regional approach to marketing
- Identify and promote regional attractions, events and natural resources

CEDS Public Survey Responses

<table>
<thead>
<tr>
<th>Does your county currently market its assets? (961 Responses)</th>
<th>Does the community you live in have a specific brand it uses for promotion of the area? (959 Responses)</th>
</tr>
</thead>
<tbody>
<tr>
<td>456 (47.5%) I Don’t Know</td>
<td>239 (24.9%) Yes</td>
</tr>
<tr>
<td>330 (34.3%) Yes</td>
<td>175 (18.2%) No</td>
</tr>
<tr>
<td>477 (49.7%) I Don’t Know</td>
<td>243 (25.3%) No</td>
</tr>
</tbody>
</table>
CEDS: Community Life

• A growing, healthy economic should encompass opportunities for public participation in the decision-making process
• Maximizing those pathways for economic success for all members of our workforce
• Downtown revitalization is now as important than ever before
• Accommodating our younger and senior residents is a key element
CEDS: Community Life

We are a more diverse region now than ever in our history

Western Piedmont Region (MSA) Population by Race/Ethnic Group, 2015

- **White**: 316,863 (87.4%)
- **African-American**: 25,728 (7.1%)
- **Hispanic**: 25,393 (7.0%)
- **Asian**: 11,732 (3.2%)

CEDS: Community Life

- Without change, we are becoming a much older region
- That impacts our economy & local govt. services

Western Piedmont Region (MSA) Population by Age Group, 2000 - 2015

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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>65 - 74 Years</td>
<td>24,456</td>
<td>31,566</td>
<td>38,329</td>
<td>13,873</td>
<td>56.7%</td>
</tr>
<tr>
<td>75 - 84 Years</td>
<td>14,522</td>
<td>17,222</td>
<td>18,930</td>
<td>4,408</td>
<td>30.4%</td>
</tr>
<tr>
<td>85+ Years</td>
<td>4,688</td>
<td>6,101</td>
<td>6,782</td>
<td>2,094</td>
<td>44.7%</td>
</tr>
</tbody>
</table>

CEDS: Community Life

CEDS Public Survey Responses

Are there opportunities for minorities and low wealth individuals to engage in community planning?
(920 Responses)
- 480 (52.2%) Little/Poor
- 260 (28.3%) Adequate
- 323 (33.7%) Little
- 186 (19.4%) Good
- 77 (8.4%) None
- 73 (7.9%) Excellent
- 30 (3.3%) Excellent
- 48 (5.0%) Excellent
- 37 (3.9%) Excellent

How well does your Community invest in healthy, safe and walkable communities?
(958 Responses)
- 364 (38.0%) Adequate
- 323 (33.7%) Adequate
- 260 (28.3%) Adequate
- 48 (5.0%) Adequate
- 37 (3.9%) Adequate
- 186 (19.4%) Good
- 77 (8.4%) Good
- 73 (7.9%) Good
- 30 (3.3%) Good
- 48 (5.0%) Good
- 37 (3.9%) Good

Do the municipalities within your county promote the restoration of their downtown areas?
(971 Responses)
- 557 (57.4%) Yes
- 256 (26.4%) I Don't Know
- 158 (16.3%) No
CEDS: Community Life

- Cultivate the next generation of community leaders
  - Diversity in the decision-making process
  - Think about succession planning for local govt. boards

- Create robust downtowns throughout the region
  - Housing, streetscapes, sidewalks, business occupancy, etc.
CEDS: Community Life

• Promote regional healthy-living initiatives
  • Improve recreation opportunities
  • Address opioid and illicit drug epidemic
CEDS: Questions?

- Additional comments from CEDS Committee?
- Questions from Policy Board Delegates?
- Adoption of the CEDS is the next step prior to submitting the document to the EDA
CEDS: Presentations

- Presentations to local government boards, key partners, stakeholder groups, civic clubs and the public are planned
Suggested Motion:

I move that the Policy approve and adopt the 2017 CEDS and resolution as presented.