



Gaston County Economic Development

Competitive Positioning & Organizational Delivery Assessment

Ted Abernathy
Economic Leadership, LLC

November 12, 2019

Outline

- Background & Introduction
- Consultant Report
 - Economic data research & findings
 - Stakeholder themes
 - Recommendations
- Next Steps

Background

- Gaston Economic Development Strategic Committee (GEDSC) made recommendations to Board August 13, 2019
 - Board accepted recommendation to hire consultant
- Project Oversight Committee and staff have worked with Ted Abernathy of Economic Leadership, LLC
- Robust stakeholder response reflects high level of interest in these efforts
- Provides a framework for next steps

Gaston County Competitive Positioning & Organizational Delivery Assessment

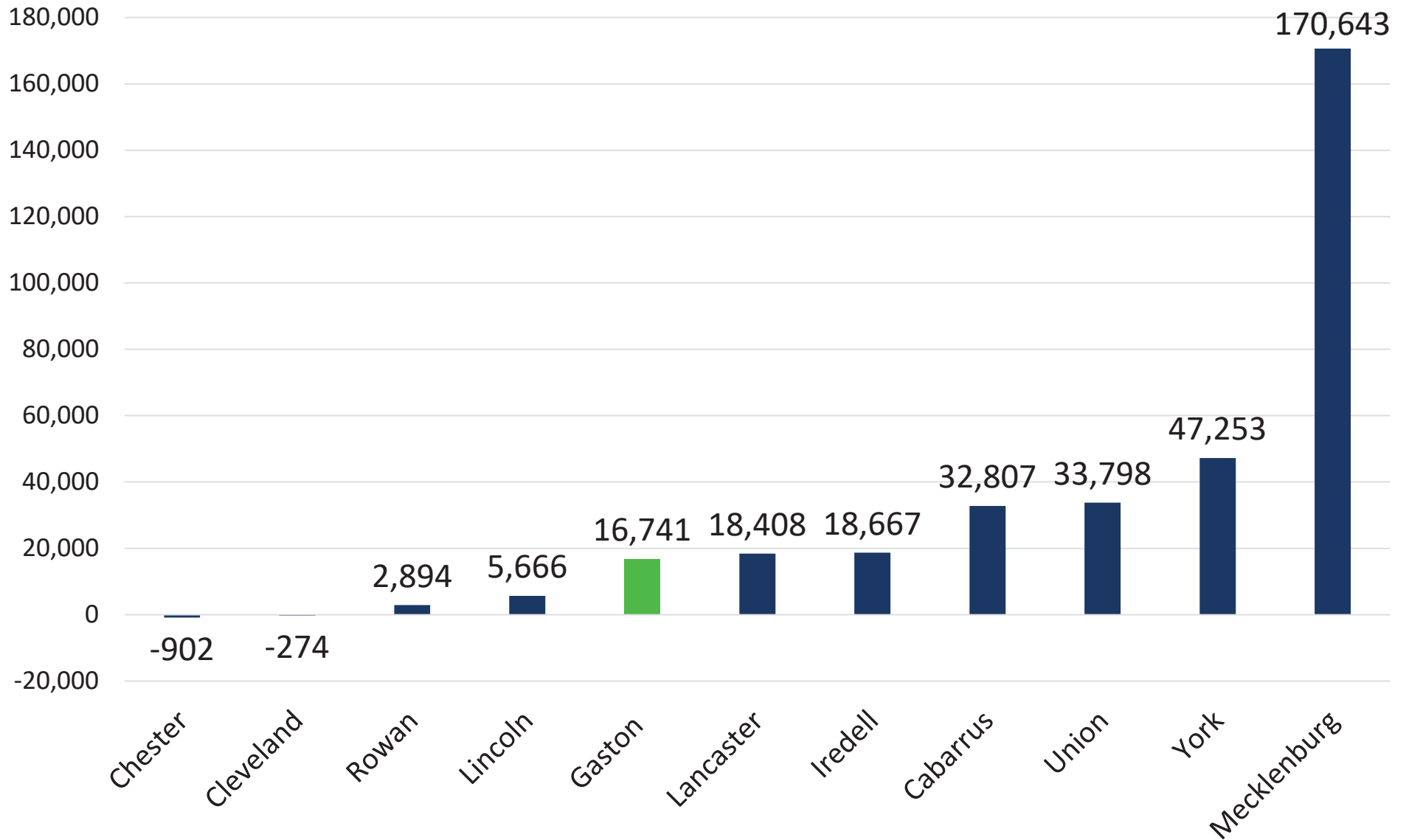
A project **Oversight Committee** was established to ensure:

- Identification and definition of best potential **target market(s)**;
- Recommendations for a set of basic **metrics** or for a route to establishing such metrics;
- Recommendations for **effective utilization of economic development resources**, including:
 - **Roles and responsibilities**;
 - **Staff and governance structure** effectiveness;
 - **A collaborative model** for improved alignment;
 - **A funding and leadership model**.

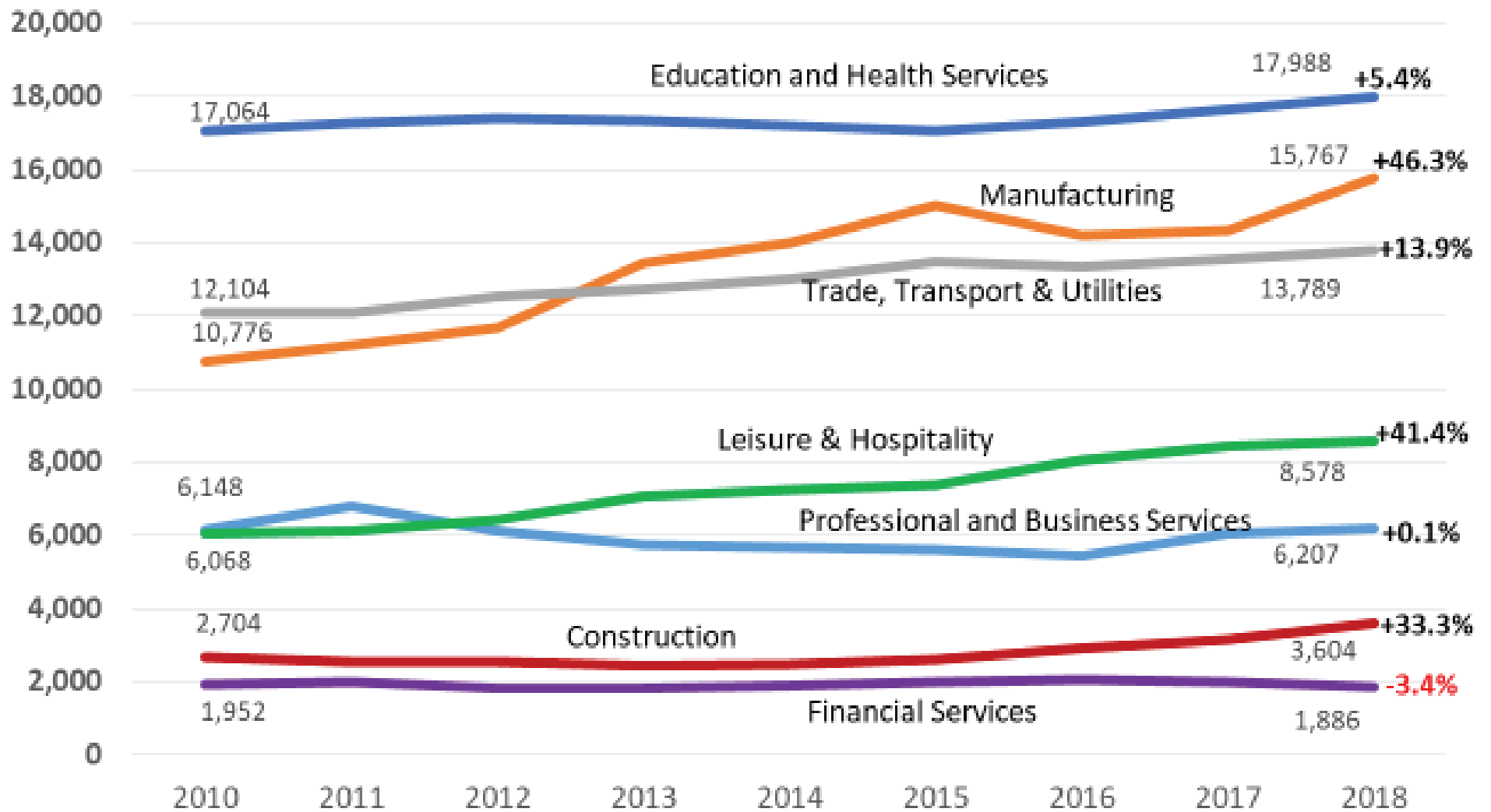
Gaston County Competitive Positioning & Organizational Delivery Assessment

- Three Project Oversight Committee meetings,
- Economic review of the County's recent performance,
- Targeted industry cluster analysis to identify current and future sector strengths,
- Stakeholder Outreach:
 - 26 telephone interviews with 36 stakeholders (individual and small group interviews)
 - 5 focus groups sessions with 45 attendees
 - 80 responses to electronic survey.

Population Change 2010-2018

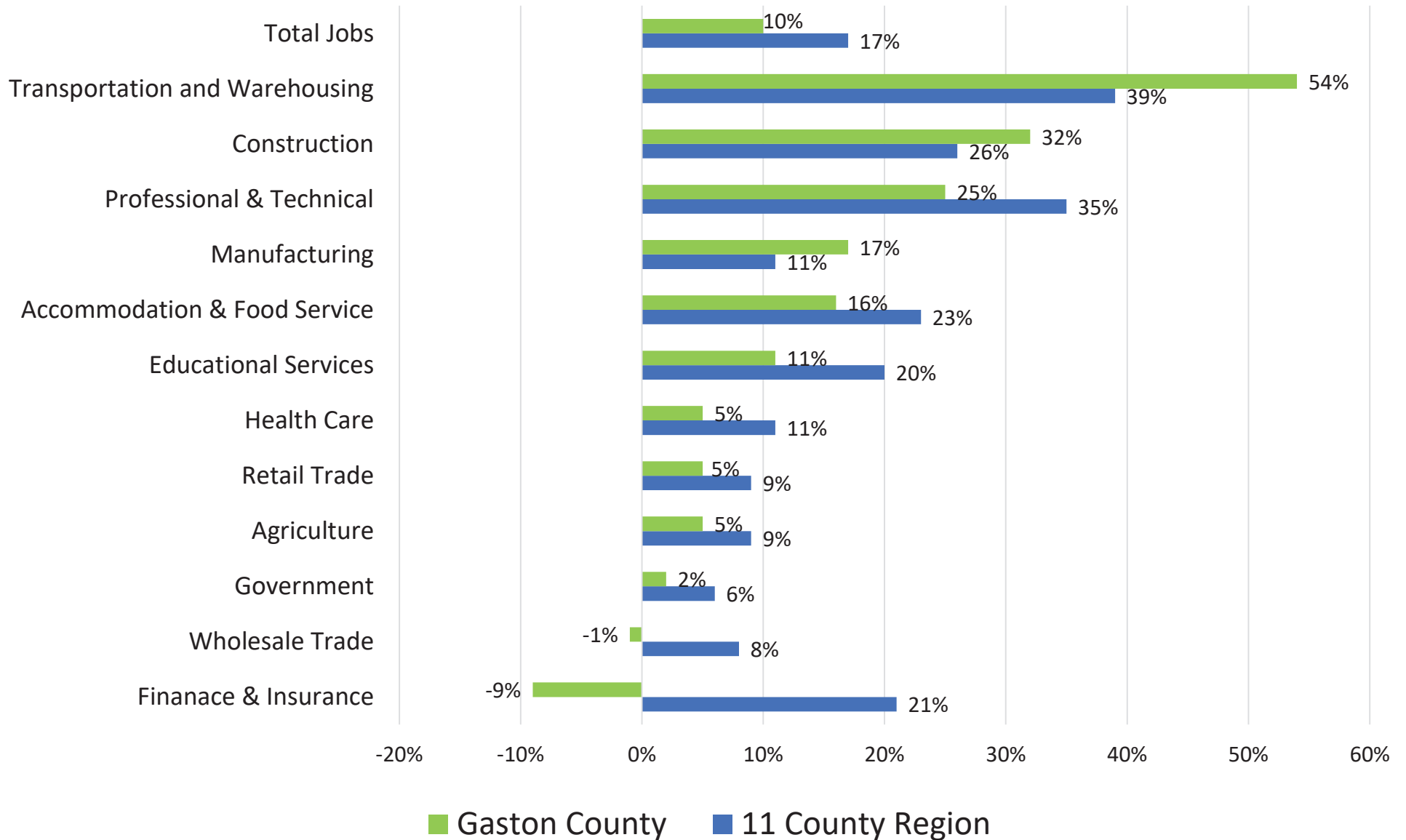


Gaston Employment Trends 2010-2018



Source: NC Department of Commerce - QCEW

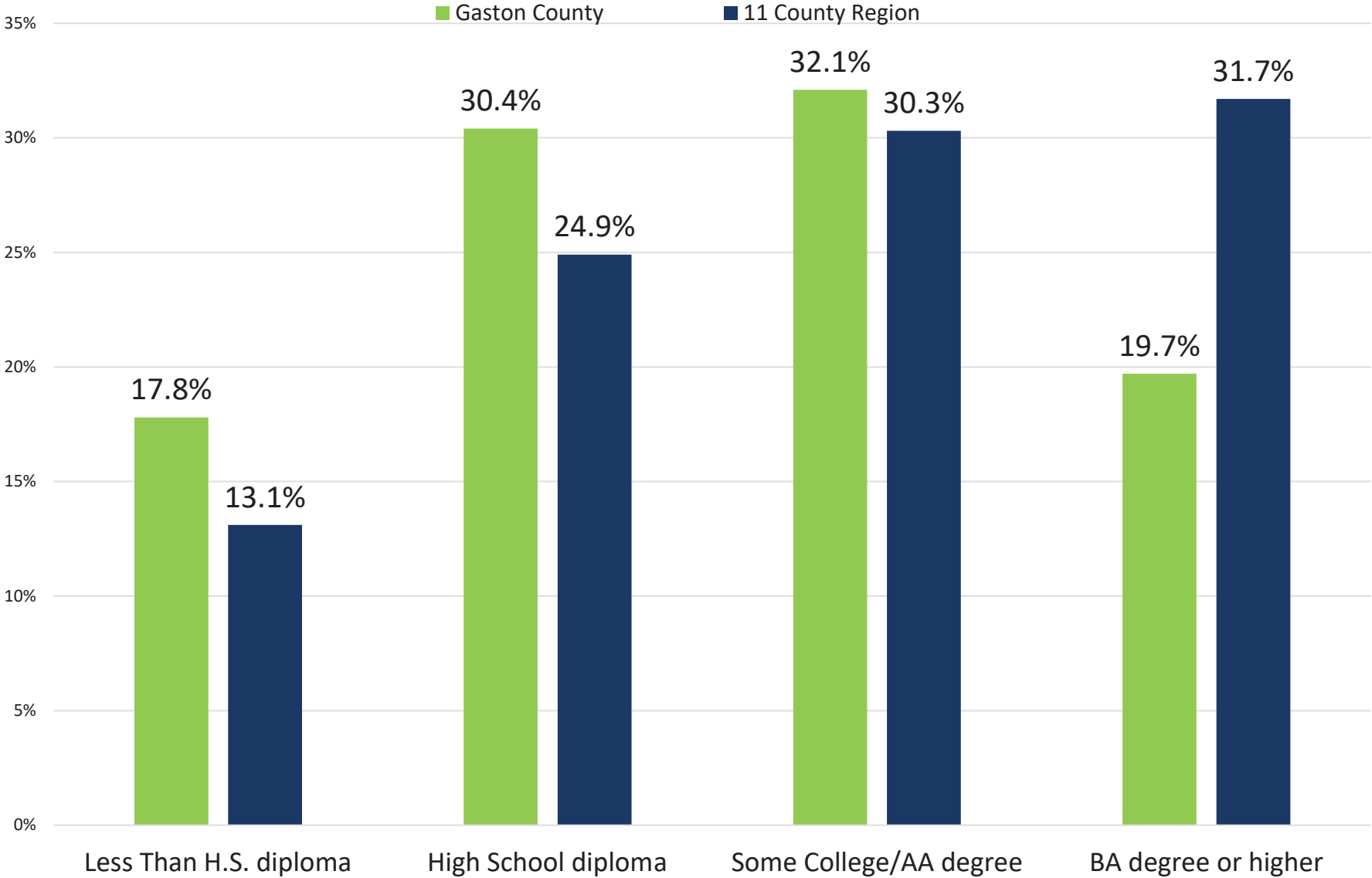
Percent Job Change by Sector 2013-2018



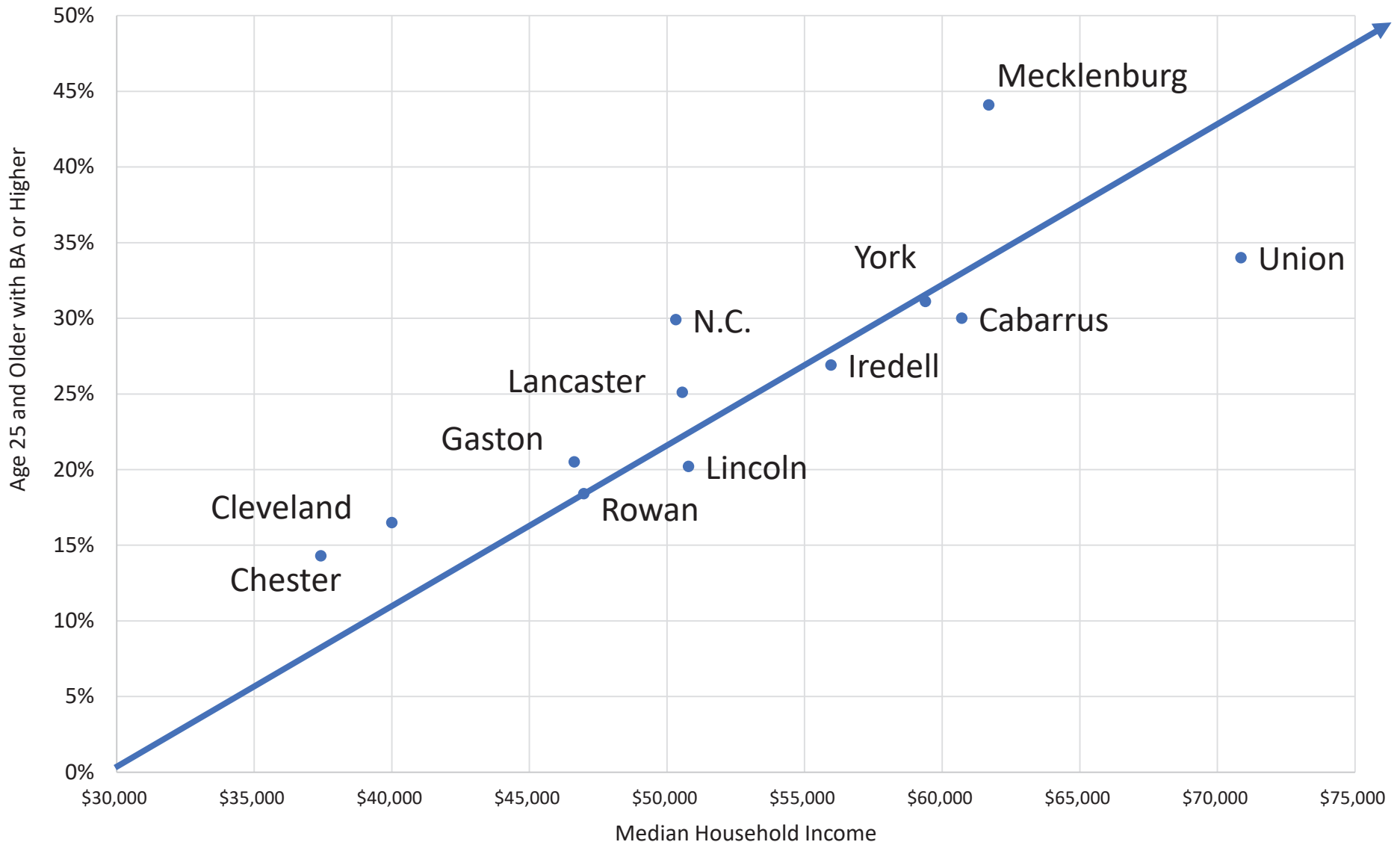
Average Annual Pay Gaston Manufacturing Jobs



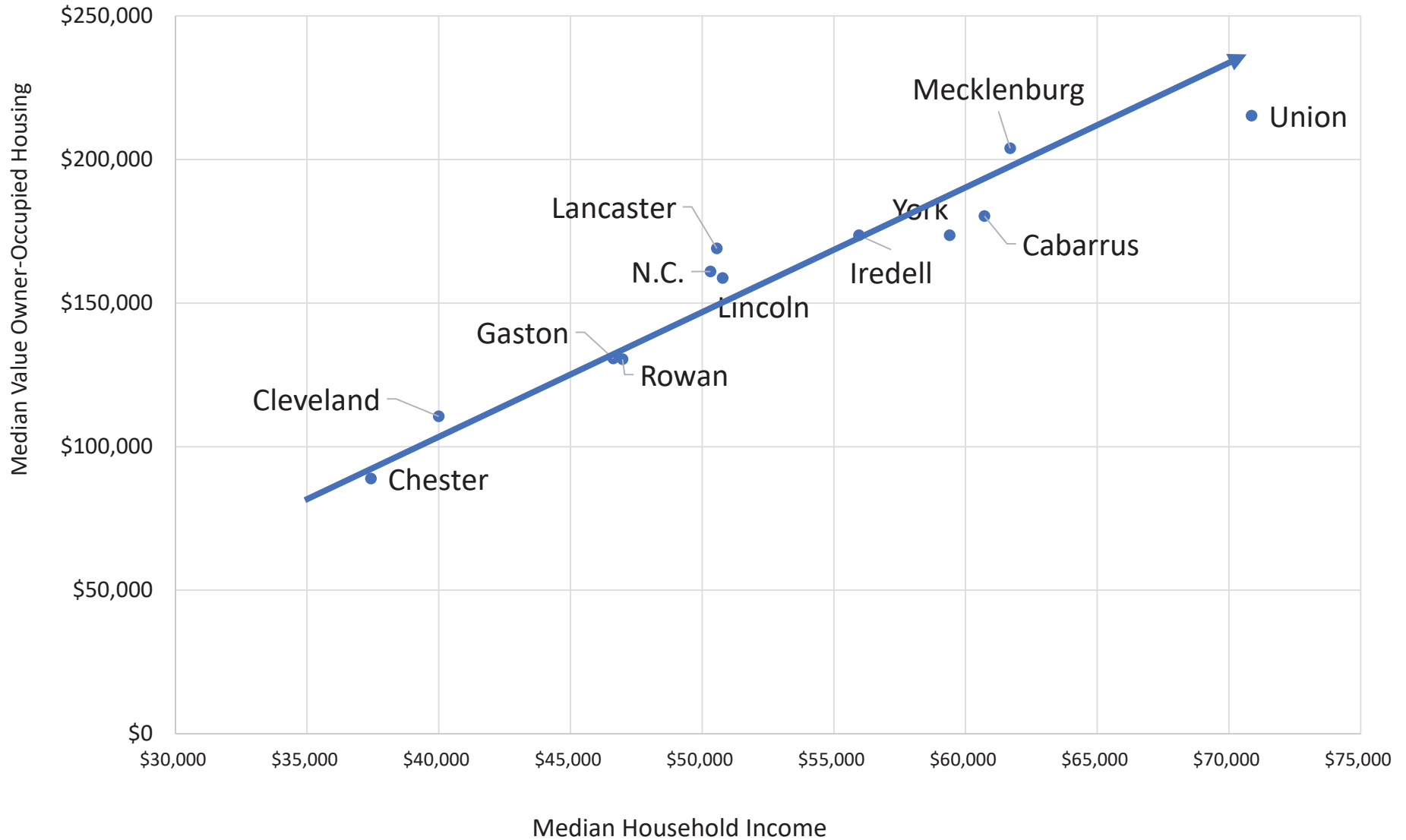
Educational Attainment



Relationship Educational Attainment & Median Household Income



Relationship Between Median Household Income and Median Value of Owner-Occupied Housing

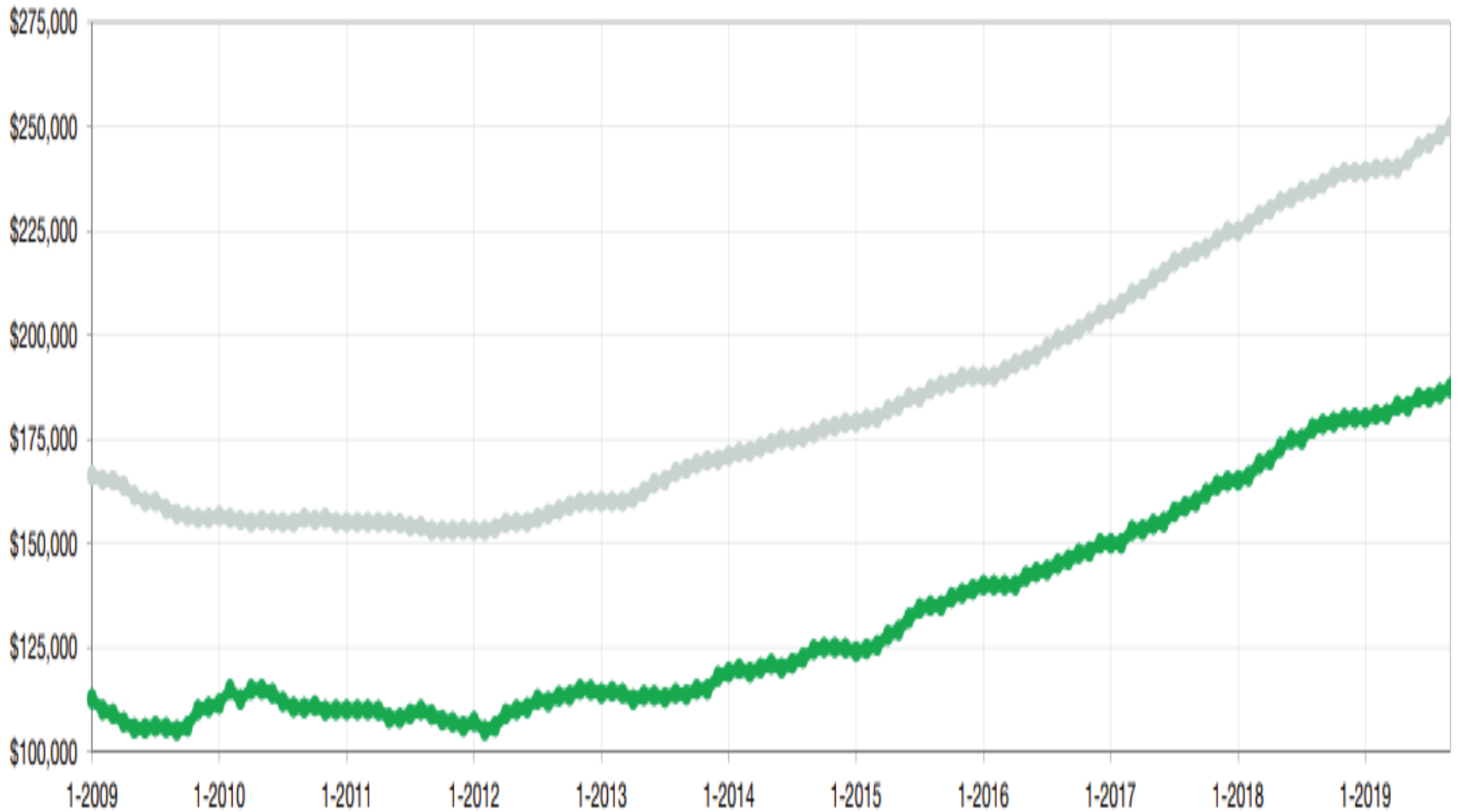


Median Sales Price

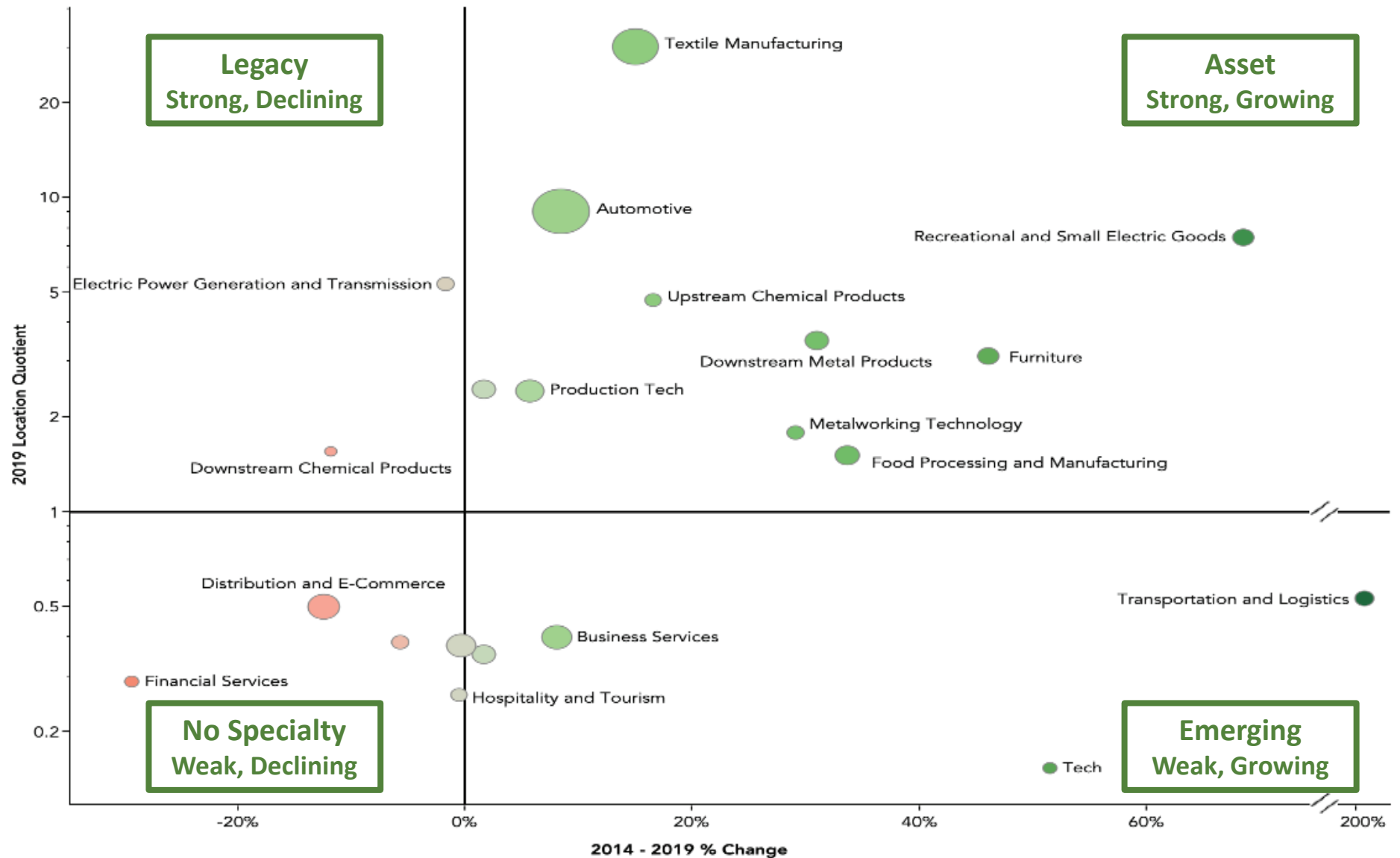
Rolling 12-Month Calculation

Entire CarolinaMLS Area —

Gaston County —



Gaston County Cluster Analysis



Product Building to Match Targeting

Top Factors for
Investment Decisions
2019 Area
Development 33rd
Annual Survey

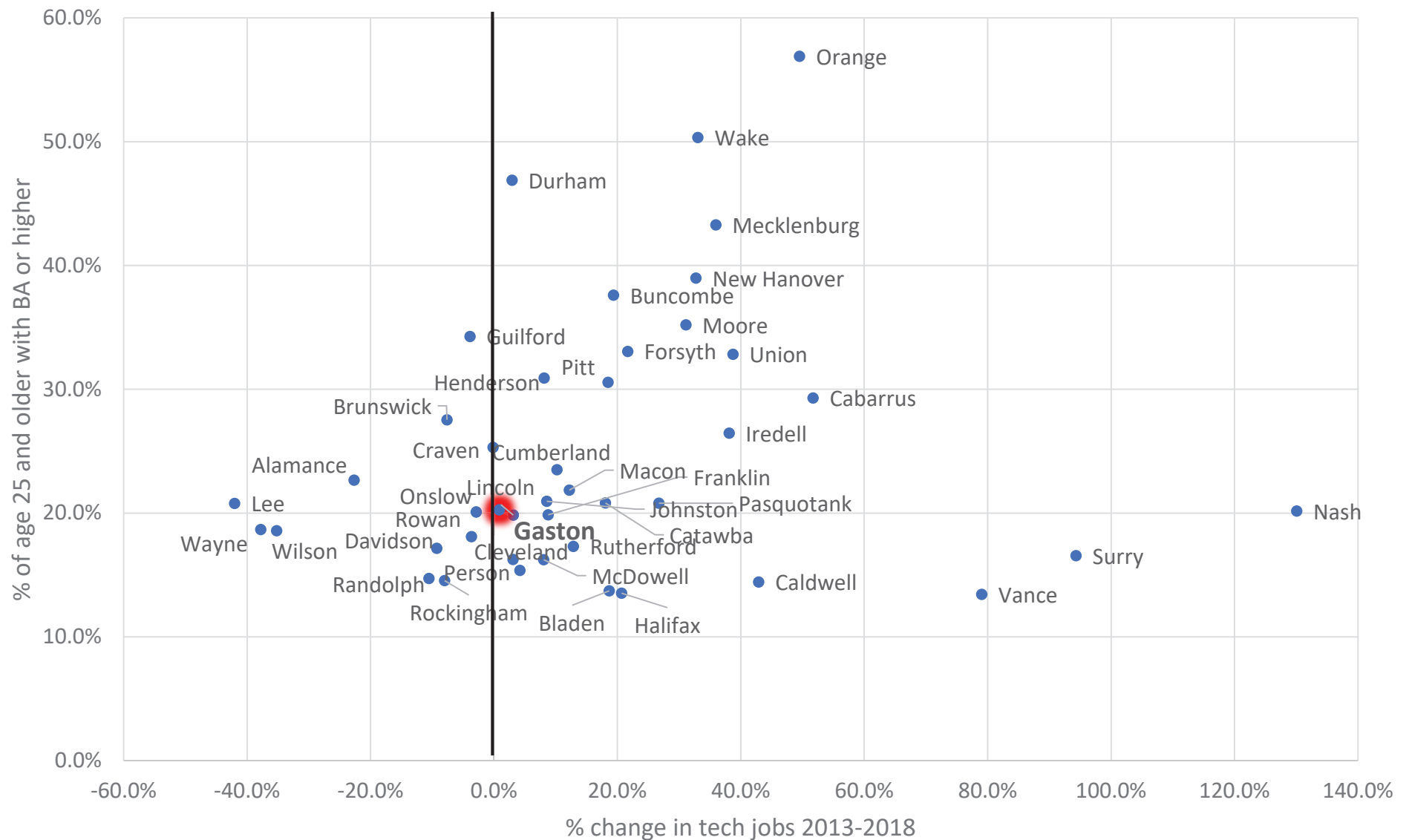
- 1) Availability of skilled labor
- 2) Labor costs
- 3) Highway accessibility
- 4) Corporate tax rate
- 5) Tax exemptions
- 6) Quality of life
- 7) State & local incentives
- 8) Energy availability and costs
- 9) Available buildings
- 10) Occupancy costs
- 11) Shovel-ready land
- 12) Low union profile



Stakeholder Input- Electronic Survey

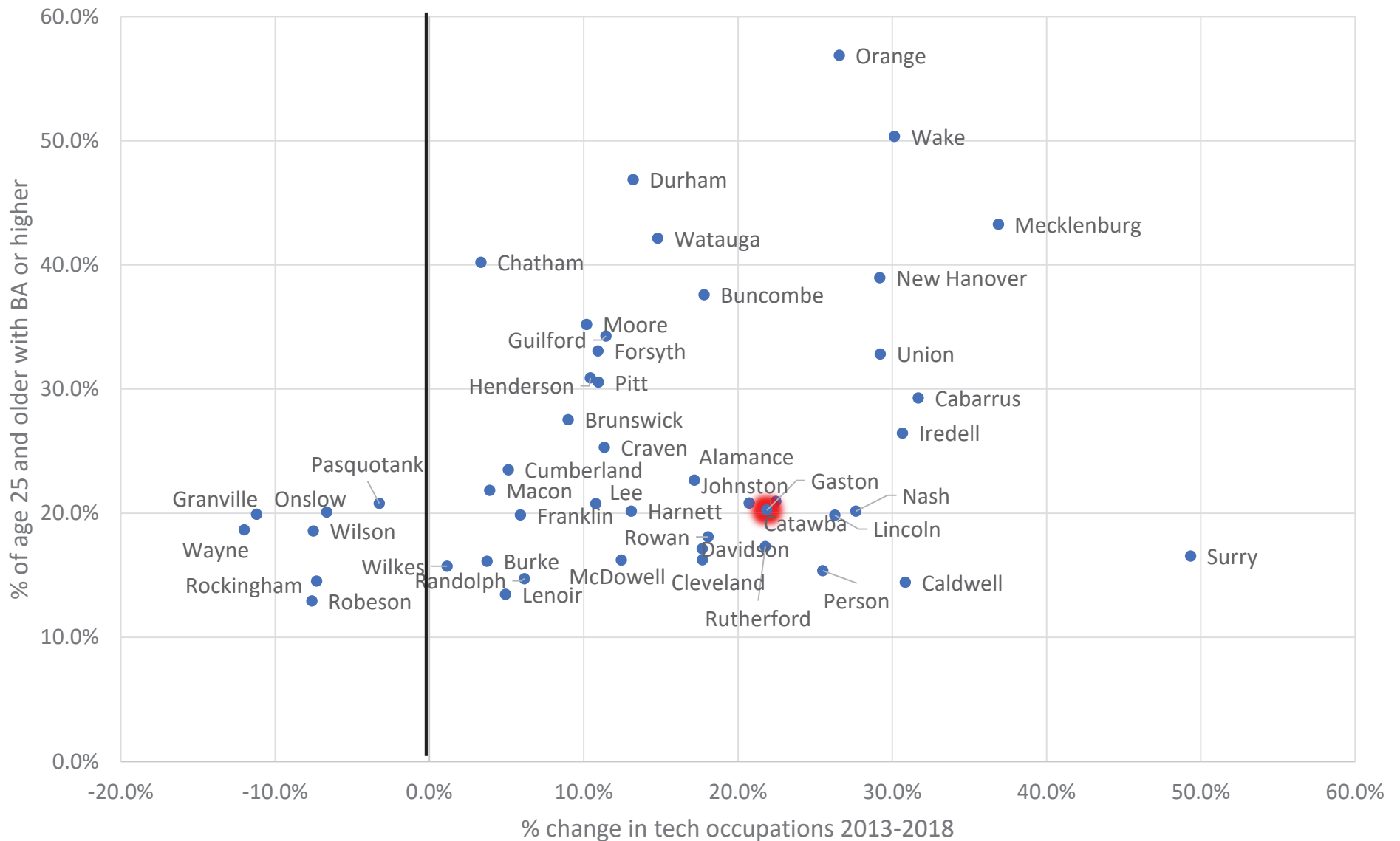
- 96% were optimistic or guardingly optimistic about quality of future economic development in the county.
- The most significant challenges:
 - Lack of appropriately skilled labor (60%)
 - Ability of the County to attract high quality development (46%).
 - Other concerns included the need for better transportation and the current lack of a vision.
- Advantages are proximity to Charlotte (68%) and affordability (16%).
- 73% believe the County is currently competitive for manufacturing.
- Looking into the future they want more technology companies (73%) and other white-collar jobs (53%).
- They suggested public, private and non-profit leaders as influential to developing a new vision.
 - Most want to participate, and most would consider contributing funding to the effort.

Tech Industry Job Growth vs Educational Attainment



Source: EMSI 2019.4 – only NC counties with more than 500 tech jobs

Tech Occupation Growth vs Educ Attainment



Source: EMSI 2019.4 – only NC counties with more than 500 tech occupations

Metrics of Success

EXPLORE INDUSTRY DATA & STATISTICS

DEMO-GRAPHICS

TALENT

ECONOMICS

QUALITY OF LIFE

DEMOGRAPHICS	Population Metro	Median Age	% Population Age 18-24	% of Population Born Outside of US	Median Household Income
	3M+ 3,177,063	34.8 years old	27.2 percent	23.4 percent	\$59.5 thousand
	Rank: 17th	Rank: 6th	Rank: 1st	Rank: 6th	Rank: 8th

US Census Bureau

TALENT	% Population w/ Bachelor's Degree or Higher	% Population w/ Advanced Degree or Higher	% Population w/ Ph.D or Higher	% College Grads w/ Science or Engineering Majors	% of Population Multi-Lingual English-Speaking Residents
	33.7 percent	12.7 percent	1.9 percent	51.4 percent	20.6 percent
	Rank: 12th	Rank: 12th	Rank: 4th	Rank: 2nd	Rank: 7th

US Census Bureau

ECONOMIC	Unemployment Rate	Gross Domestic Product	Export Value	Patents per 1,000 Workers	Annual Total VC Dollars Received
	7.0 percent	\$172.6 billion	\$17.4 billion	2.3 patents	\$1.1 billion
	Rank: 15th	Rank: 16th	Rank: 14th	Rank: 2nd	Rank: 6th

Bureau of Labor Statistics

Bureau of Economic Analysis

International Trade Administration

Intellectual Property, USPTO

Flow Ventures/Cosmos

QUALITY OF LIFE	Per Capita Income	Foreclosure Rate	Median Home Price	Mean Travel Time to Work	Sunshine Hours
	\$46.8 thousand	3.8 percent	\$412.3 thousand	24.1 minutes	3,055 hours
	Rank: 11th	Rank: 7th	Rank: 2nd	Rank: 1st	Rank: 4th

Bureau of Economic Analysis

Foreclosure-Reports.com/USDC

National Association of Realtors

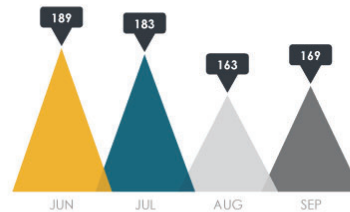
US Census Bureau

National Climatic Data Center



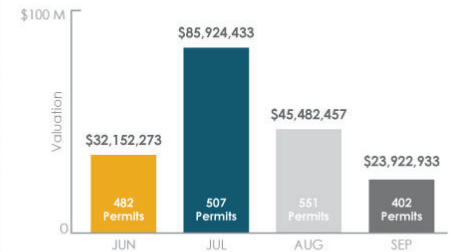
MONTHLY DASHBOARD | SEPTEMBER 2018

NEW BUSINESS LICENSES ISSUED



Source: City of Riverside Finance Dept.

PERMIT ACTIVITY



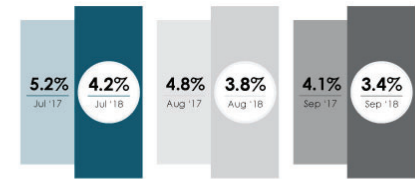
Source: City of Riverside Community & Economic Development Dept.

QUARTERLY SALES TAX



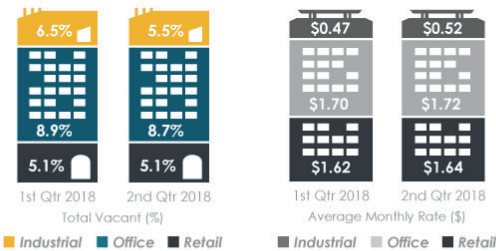
Source: H&L Companies

UNEMPLOYMENT RATE



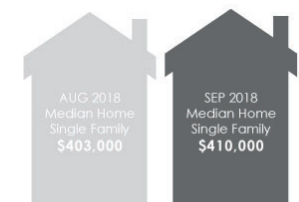
Source: City of Riverside Community & Economic Development Dept.

CURRENT RATES: VACANCY/LEASE



Source: Costar

HOUSING PRICES

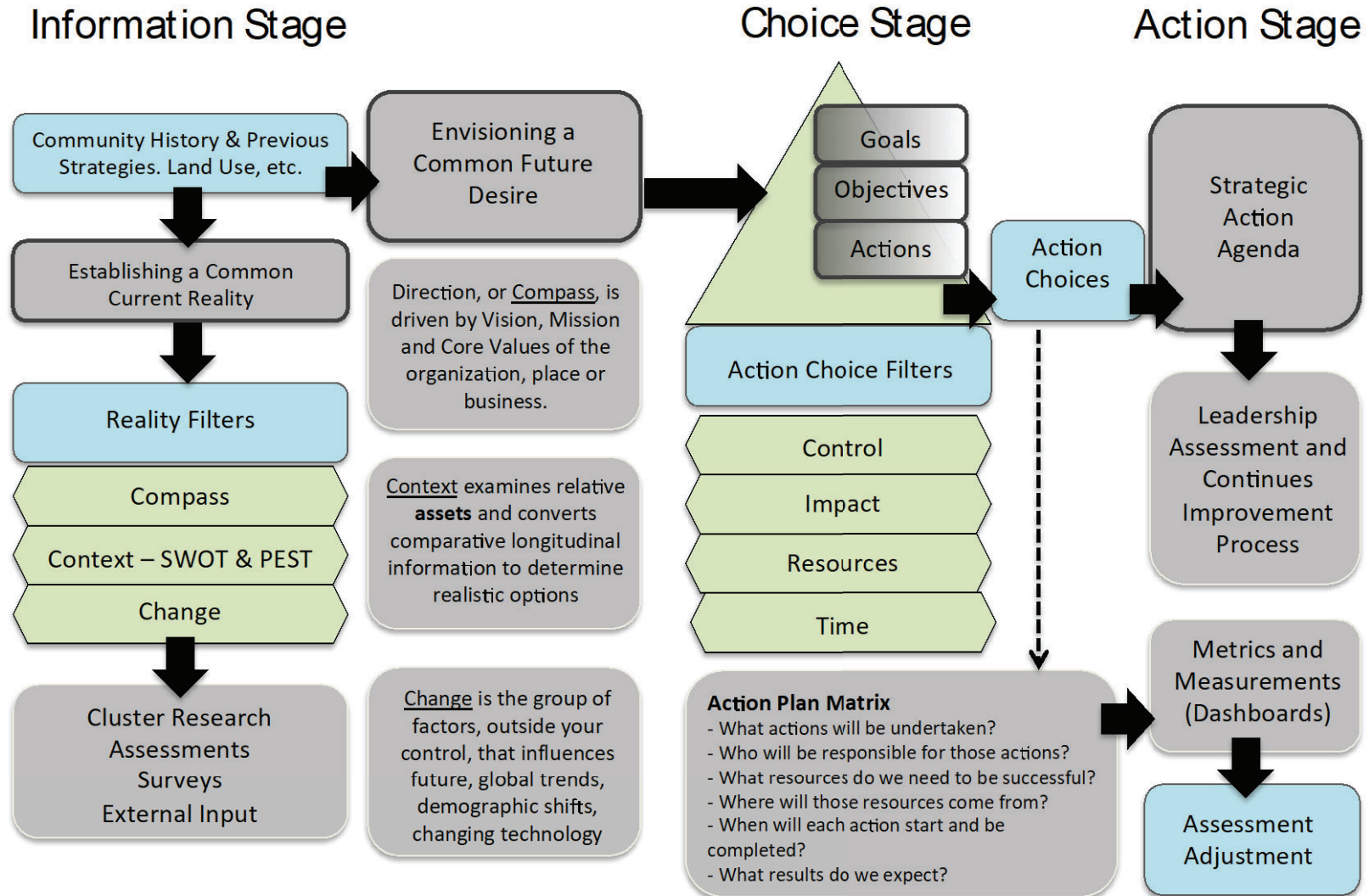


Source: Inland Valleys Association of Realtors

High Performance Organizations

- 1) Operates with a strong **strategic plan**

Strategic Planning Model



High Performance Organizations

- 1) Operates with a strong **strategic plan**
- 2) Has a strong **strategically engaged board**
- 3) Rigorously **measures** results and adjusts based on information
- 4) Are **creative risk-takers**
- 5) Board members build **strong alliances** and networks to improve the organization
- 6) Are **efficient** with funding and resources to meet expectations
- 7) **Matches resources and expected results**
- 8) Has high-performance staff leadership
- 9) **Invests sufficiently** in staff development
- 10) **Operates effectively** within the broader ecosystem (plays nice and wins)
- 11) Is **respected** within their community
- 12) Both board and staff are **continuously learning**

Recommendations January-March 2020

- Create a Community Dashboard of Indicators to be prominent on County and other websites.
- Strengthen countywide economic development efforts by applying the “checklist for high-performance organizations” included in this report.
- Continue discussions about organizational and strategic alignment through County Manager outreach
 - To City/Town Managers via regular quarterly meetings
 - To the Chairs and Directors of the EDC, the Chambers and GGDC to discuss the perceived confusion created by the existence of multiple organizations and the potential for collaboration and improvement
 - To individuals named as potential leaders by stakeholders to begin discussion of long-term 20-year community strategy

Recommendations January-March 2020

- Establish core issues for a 2-year Economic Development Action Agenda– utilize knowledge from industry cluster mapping, etc. to build on strengths and understand the potential to target other industry clusters that may not be strong now
 - Maintain excellence in core recruiting efforts (manufacturing, etc)
 - Fill vacant staff seats to complement existing skill sets
 - Plan and conduct EDC Staff retreat followed by Board retreat
- Improve and systemize communication efforts issuing a regular update from the County Manager’s Office or EDC to stakeholders and the community, and begin with communication about the outcomes of this assessment
- Develop Cost Benefit Analysis Templates for office, flex and industrial buildings with various sector companies and wage levels

Recommendations April-June 2020

- Complete the short term Economic Development Action Agenda with appropriate metrics
- Complete an On-line Reputation Audit (an audit that will help the County understand how its brand and image are represented online and in social media)
- Initiate comprehensive economic development training for public and private stakeholders
- Determine leadership structure for 20-year community strategic planning effort
- Work with various organizations to develop a best-in-class Young Professionals' group

Recommendations July-December 2020

- Implement the 2-Year ED Action Agenda
- Kick off 20-year community strategic planning effort, aiming for completion 12 – 18 months after kickoff

Discussion & Questions