

WNC Regional Economic Development Commission				
d/b/a AdvantageWest				
Response to Natural and Economic Resources Appropriation Subcommittee				
Request 2/3/11				
1	Overview of What We Do			
	(See attached)			
2	Performance Measures/Accomplishments			
	(See attached)			
3	<u>Total FY 09/10 BUDGET by Source of Funds</u>			
	State Grant-in-Aid	\$ 1,089,843	58%	
	Other State Grants/Funds	130,290	7%	
	Federal Grants	163,696	9%	
	Local Support/Donors	182,895	10%	
	Generated Income	200,641	10%	
	Other Income	125,211	6%	
	Total	\$ 1,892,576	100%	
4	<u>Total Cash and Investments: (At 6/30/10)</u>			
	Cash	\$ 1,230,993		
	Short-Term Investments	3,305		
	Long-Term Investments	-		
	Total Cash & Investments	\$ 1,234,298		
5	<u>% of Funds fr all sources used for Administrative Purposes:</u>			25.9%

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6	<u>Employees:</u>			
a)	Number of FTE's FY 09/10:	8.5		
b)	Salaries of Top Highest Compensated Positions FY 09/10:			
	1) President & CEO	\$ 110,000		
	2) Sr. VP of Finance & Grants Admin	\$ 64,273		
	3) Sr. VP Entrepreneurial Dev	\$ 60,000		
	4) Exec Dir-Blue Ridge Food Ventures	\$ 60,000		
	5) Director of IT Systems	\$ 51,000		
c)	Description of Benefits Available to Employees:			
	1) Health Insurance			
	2) Dental Insurance			
	3) Life Insurance			
	4) Short-term Disability			
	5) Long-term Disability			
	6) Retirement			
7	<u>Board Operations: (FY 09/10)</u>			
a)	Number of Board Members:	19	Voting	
	State Board of Education Appointments	2	Non-Voting	
b)	Total Expenses for Board Members	\$ 2,058		
	Total Paid with State Funds	\$ 1,428		
c)	Frequency of Board Meetings	Every 2 mos or 6 times peryear		
d)	Per Diem, Travel and other amounts Paid to Board Members:			
		<u>Per Diems</u>	<u>Travel</u>	<u>Total</u>
	1) Board Chairman - Tommy Jenkins	\$ 700.00	548.90	\$ 1,248.90
Note: During the December 2008 board meeting, the board voted to discontinue per diems and travel reimbursements for themselves to board meetings. Approved out-of-town travel reimbursement for board members as well as per diems and travel reimbursements for Chairman Jenkins were continued to be allowed. During FY 09/10, only Board Chairman Jenkins received per diem and travel payments. In November, 2009, the Chairman voluntarily ended both the per diems and mileage reimbursements.				

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8	Use of State Funds:			
		%	Amount	
	a) Administrative Expenses	35%	286,034	
	b) Grant Programs	0%	-	
	c) Programs	65%	536,768	
	Total Expenditures with Use of State Funds	100%	822,802	
	<u>Breakdown by Program:</u>			
	Advanced Manufacturing (BRAMI)	37%	199,207	
	Entrepreneurial Dev (BREC & CEC)	23%	121,102	
	Agribusiness (Blue Ridge Food Ventures)	20%	106,909	
	Green Economy (AdvantageGreen)	15%	81,940	
	WNC Film Commission	5%	27,610	
		100%	536,768	

FY 09/10



AdvantageWest & Programmatic Overviews

- AdvantageWest
- Blue Ridge Advanced Manufacturing Initiative (BRAMI)
- Blue Ridge Entrepreneurial Council (BREC)
- Certified Entrepreneurial Community® Program (CEC)
- Advantage Opportunity Fund (AOF)
- Blue Ridge Food Ventures (BRFV)
- AdvantageGreen
- WNC Film Commission

AdvantageWest Overview

AdvantageWest is the regional economic development partnership serving the 23 western counties of North Carolina. Since our start in 1994, we have strategically adapted and diversified our program of work to meet the unique and changing needs of the region, earning a reputation as one of the most progressive economic development commissions in the nation. Through our mission, we “promote and advocate the creation of improved economic opportunity in our region, while encouraging stewardship of the culture, heritage and natural resources of Western North Carolina.”

During the 2009/2010 fiscal year, the Corporation’s Board of Directors committed to focus on four core job creation initiatives: Advanced Manufacturing, Entrepreneurial Development, Agribusiness and the Green Economy and to maintain the WNC Film Commission.

Advanced Manufacturing Overview

The *Blue Ridge Advanced Manufacturing Initiative* promotes and markets the region’s unique benefits through extensive outreach, lead generation and prospect management. Advanced manufacturing in Western North Carolina remains a vital component of the economy. Our commitment to recruiting and supporting industry is strong with an emphasis on advanced manufacturing such as precision metalworking, optics, plastics technology, aerospace/aviation, automotive components and advanced materials. Our goal is to market and promote the region to retain and create quality jobs.

Entrepreneurial Development Overview

In 2002, AdvantageWest established the *Blue Ridge Entrepreneurial Council* (BREC) to better serve the entrepreneurs in our 23-county region. The Blue Ridge Entrepreneurial Council supports entrepreneurs through the following four focus areas: education, mentoring and networking, communications and capital formation. BREC meets regularly, and provides opportunities for qualified entrepreneurial businesses to present plans before a group of local investors. In addition the *Advantage Opportunity Fund*, a revolving loan fund, was established in 2007 by AdvantageWest to provide bridge financing to entrepreneurs.

In 2007, following the successful efforts to cultivate and mentor individual entrepreneurs, AdvantageWest developed the *Certified Entrepreneurial Community[®] Program*, aiming to help entire communities foster a climate of entrepreneurship and ensure the existence of resources and infrastructure to help entrepreneurs thrive. The first program in the country to certify communities as “entrepreneur-ready,” the CEC initiative was presented twice before Congress and has since been recognized at the National Consortium for Entrepreneurship Education.

Agribusiness Overview

Blue Ridge Food Ventures (BRFV), established in 2005, is an 11,000 sq. ft. shared-use food business incubator and commercial kitchen that offers support in product development, guidance through the regulatory maze, advice on packaging and label design, and much more. The BRFV facility also includes a Natural Products Manufacturing Facility that allows individuals and small businesses to grind a variety of herb and plant materials, prepare herbal extracts and bottle, label and seal their products. BRFV launched Winter Sun Farms in 2009, a Community Supported Agriculture program that provides members with frozen fruits and vegetables from Western North Carolina farmers.

Green Economy Overview

AdvantageWest was the first regional economic development organization to focus on the green economy through the establishment of *AdvantageGreen* in 2009. As a place, western North Carolina is blessed with a wealth of natural resources, one of the highest levels of biodiversity in the world, and exceptional health, wellness, and outdoor recreation amenities that lead to an excellent quality of life. AdvantageGreen seeks to leverage these regional strengths to promote green economic opportunities and to support long term green job creation and retention throughout western North Carolina.

WNC Film Commission Overview

Established in 1994, the *Western North Carolina Film Commission* assists filmmakers with scouting and securing locations and acts as a liaison for services such as road closures, permits, and use of public property. The Commission also provides logistical information regarding crew, talent, equipment, stage and support services. We work closely with city and county administrators, the local film community, the North Carolina Film Office, residents and business interests to facilitate hundreds of projects, including feature films, documentaries, commercials, television films and series, music videos and reality television. The Commission also maintains the Western North Carolina Reel-Scout database which allows us to customize digital location packages specific to project needs.

FY 09/10



Key Programmatic Accomplishments

- Blue Ridge Advanced Manufacturing Initiative (BRAMI)
- Blue Ridge Entrepreneurial Council (BREC)
- Certified Entrepreneurial Community® Program (CEC)
- Advantage Opportunity Fund (AOF)
- Blue Ridge Food Ventures (BRFV)
- AdvantageGreen
- WNC Film Commission
- Other Key Items

Blue Ridge Advanced Manufacturing Initiative (BRAMI)

- In December of 2009, Kyle Edney joined the AW team as Executive Vice President to lead AW's Advanced Manufacturing initiative.
- During FY 2009/2010 AdvantageWest responded to 28 project inquiries. These projects were from three primary industry clusters: Manufacturing (82%), IT/Back Office (14%), and Distribution (4%).
- Marketing outreach efforts included individual meetings with 41 national site consultants and corporate real estate executives. The call missions were conducted in Chicago, Atlanta and Los Angeles and resulted in 6 active project leads.
- Hosted eight national site consultants in western North Carolina on a three day FAM tour of the region. Participation from local economic development officials with both the call missions and FAM tour was very strong.
- Completed and began distributing a monthly electronic newsletter of a "featured" industrial building and site from within the region. The distribution scope of the newsletter is approximately 3,500 site location professionals, and featured properties will rotate monthly to be inclusive of all 23 counties within 1 year.
- Led the annual EDAC (Economic Developers Advisory Council) trip to Raleigh, with participation including 20 members of EDAC. Meetings and presentations were coordinated by AdvantageWest on relevant economic development topics for WNC, as well as the hosting of a legislative breakfast attended by 12 WNC legislators.
- Also during FY 2009/2010, one additional labor market study was completed which totals eight of the thirteen labor sheds in the AdvantageWest region being surveyed.
- Hosted the Western North Carolina Site Consultant event held on April 29th - May 2nd, that was attended by eight national site consultants. Five project inquiries have resulted from consultants attending this event.

Blue Ridge Entrepreneurial Council (BREC)

- BREC continued to experience success during 2009/2010 and had an increased demand for counseling services, networking opportunities and requests for capital from entrepreneurs ranging from green businesses, technology, creative industries and light manufacturing.
- BREC provided services to over 60 entrepreneurs over the course of FY 2009/10.
- Work also continued with the local angel investor group, Inception Micro-Angel Fund (IMAF) to provide deal-flow for potential investor opportunities.
- Hosted the 7th Annual Carolina Connect Conference on May 13th, featuring 12 unique panel discussions showcasing a varying number of topics and ideas, at the Renaissance Asheville Hotel with over 250 guests in attendance. The conference continued to grow and expanded its program offerings with a track targeted specifically for green businesses. In addition, Carolina Connect drew a Silicon Valley early-stage venture capitalist to western North Carolina for additional exposure to entrepreneurs in the region. This year's conference drew a record audience of private investors and received more media attention than ever before.

- Hosted BREC Forums entitled “Creating Financing Strategy for your Business,” “Discover How to Spark Creativity for Business Success,” and “2010 Economic Outlook & Opportunities for Growth.”
- Attended the South by Southwest conference in Austin Texas and attended numerous panels on building capital, business growth, entrepreneurship, social networking etc.
- Hosted a visit for 36 individuals from the University of Kentucky’s Entrepreneurial Coaching Institute.

Certified Entrepreneurial Community® Program (CEC)

- Work continued with participating leadership teams from across the region in CEC communities.
- The Eastern Band of Cherokee Indians became the first tribe in the nation to obtain certification as a CEC followed by Mitchell, Burke and Polk counties, bringing our total to seven CEC communities across the region.
- Launched the 2nd annual Juicy Ideas collegiate competition expanded with additional support from both the US Small Business Administration and Google to include over 300 schools in 19 states. The challenge for this year’s competition was for students to create a software application using public data. A team of diverse students from A-B Technical Community College won the regional competition with their website, Asheville-Outdoors.com, and Stanford University secured the top spot with an Android application using public data for entertainment purposes.
- RFPs were sent out for design and production of CEC signage for designated communities—signage should be complete by the end of summer 2010.
- Plans are underway for a second rollout of the CEC program to give other communities in the region an opportunity to join in this initiative.
- The creation of a CEC website began and is slated for launch in August 2010.

Advantage Opportunity Fund (AOF)

- Five additional AOF loans were closed and a new partnership was secured with Mountain Bizworks for servicing the AOF loans. Mountain Bizworks has a 25-year history in the WNC region for micro-lending and brings exceptional value and experience to the AOF loan program.

Blue Ridge Food Ventures (BRFV)

- BRFV was the featured pavilion at the 2nd Annual WNC Wine & Food Festival attended by over 2,000 visitors.
- Hosted tours and presentations for numerous visitors from across the region, state, USA, and other countries who view BRFV as a best practice and model organization for food entrepreneurs and farmers.

- In over five years of operation, the facility at BRFV has been the launching point for over 160 small food businesses, supporting at least 54 full-time, and 80 part-time jobs; with the total value of goods and services produced reported to be over \$3.8 million. In addition, business counseling services were provided to hundreds of additional potential entrepreneurs.
- BRFV used grant funds from the Golden LEAF Foundation, Tobacco Trust Fund, and the North Carolina BioTechnology Center for the following initiatives: farm outreach, a winter community supported agriculture (CSA) program and upgrading facility space for natural products manufacturing in order to receive the “Good Manufacturing Practices” designation from the FDA.
- Hosted the 3rd Annual Marketplace event showcasing 24 vendors. Over 300 people were in attendance.
- Conducted the second and third series of the “How to Start a Food Business Class.”
- Hired part-time contract employee to oversee the Farm Outreach and Winter Sun Farm Programs.
- On April 7th, Senator Kay Hagan visited BRFV where she was able to see the facility in operation and meet with several entrepreneurs as well as discuss the pending Food Safety Legislation that may affect small businesses and farmers who work at BRFV.
- Had a site visit from the Tobacco Trust Fund, the funder for the Farm Outreach Program, to meet with program staff and discuss our progress and future plans for Winter Sun Farms.
- Hosted a reception for, and made a presentation to, the Board of Directors of the Community Foundation of Western North Carolina on the work of BRFV and the accomplishments of its clients.

AdvantageGreen

- In December of 2009, Matt Raker joined the AdvantageWest team as Sr. Director of AdvantageGreen and Grants Administration. Since joining, an inventory of the numerous green economy initiatives was conducted across the region. Additionally economic development, workforce development, business, local government and other leaders were interviewed about their green needs and opportunities.
- Developed a programmatic plan to integrate green initiatives and assets into a regional platform for green economy development.
- In early 2010 a regional collaborative, including the AdvantageGreen program and co-led by the Land-of-Sky Regional Council and AdvantageWest, received grant funding from the US EDA, the NC Rural Center, and the Appalachian Regional Commission to support the “Building the Clean Energy Economy in WNC” Project.
- The AdvantageGreen program also began development of a regional green economy awareness platform and has launched an online network for regional green businesses at www.advantagegreennetwork.org, and a blog at www.advantagegreen.org.
- Participated on a panel for the “Re-Powering Our Region—Building Profit by Being Green” conference hosted by Appalachian State University and gave an overview of AW’s green initiatives.

- Worked with the Regional Council Directors on the Green Asset Mapping grant outlining the renewable and alternative green businesses and supply chains in the region.
- Participated at the Carolina Recycling Association Conference in the Economic Development Track entitled “Recycling Means Business.”
- Was a lead sponsor for the Mountain Green Conference on June 23rd at Warren Wilson College and oversaw green energy tracks and speakers.
- Submittal of Clean Energy Project grant to the NC Rural Center which was awarded at \$220,000. Continued work with the five regional Councils of Government for implementation of a cluster analysis and next steps regarding this grant.
- Completed and graduated from the NC Rural Center’s Rural Economic Development Institute.
- Finalized a design for the AdvantageGreen program website to house regional green business resources and serve as a branding focal point for the WNC green economy.

WNC Film Commission

- Participated in Governor Perdue’s call mission to California to promote the new 25% NC film tax incentives.
- Worked on 47 film-related projects through the Reel-Scout database and added 14 new locations.
- Sponsored the 48 Hour Film Festival and participated in screenings and award ceremony.
- Completed the Film Fundamentals online course through the Association of Film Commissioners International (AFCI) to help reinstate our status as a full member.
- Began efforts to revitalize the WNC Film Commission with support from individuals and organizations in the region by convening a meeting with regional leaders to begin discussions on ways in which to update the Reel-Scout location database and gather regional support.
- Coordinated efforts and helped with the *Road to Nowhere* independent film featuring western North Carolina. The company and crew filmed for 22 of their 35 days of production in the region.
- Updated Reel-Scout location database to a new platform that will tie together all regional partnerships with the NC Film Office for consistent and concise location inquiries.
- Contacted over 300 listings in the WNC Crew Resource Directory to update online profiles and added 14 new listings to the directory.

Other Key Items

- Completion of 2009 Annual Report featuring AdvantageWest’s 15 Year Anniversary.
- Planned and hosted the 2010 Economic Summit: Pathways to a New Economy with over 300 participants.
- AW Board of Directors adopted full support of STEM Community Collaborative rollout in AW region. Continued partnership with the NC STEM Community Collaborative and expansion of this state-wide initiative.

- AW Board of Directors partnered with the Small Business and Technology Development Center to implement the BizBoost program across region and state.
- Participated in the NC General Assembly Joint Select Committee on Global Competitiveness hosted by Lt. Governor Dalton.
- Presented an overview of AdvantageWest and its program areas at Lt. Governor Walter Dalton's JOBS Commission Meeting held at UNC-Asheville.
- Participated in the Governor's Logistics Task Force Meeting hosted by Lt. Governor Dalton.