

## **Southeastern North Carolina Regional Economic Development Commission (North Carolina's Southeast)**

### **1. Overview of what entity does, the programs it runs, services it provides, and the like**

The Southeastern North Carolina Regional Economic Development Commission (North Carolina's Southeast) was formed by the state legislature to conduct economic development planning and marketing for the eleven-county southeastern region, which consists of the following counties: Bladen, Brunswick, Columbus, Cumberland, Hoke, New Hanover, Pender, Richmond, Robeson, Sampson, and Scotland. The region has five tier 1 counties, three tier 2 counties, and three tier 3 counties.

According to G.S. 158.8.3, the Commission has the following responsibilities: "The Southeastern North Carolina Regional Economic Development Commission shall:

- (1) Survey southeastern North Carolina and determine the assets, liabilities, and resources that the region contributes to the economic development process;
- (2) Develop and evaluate alternatives for southeastern North Carolina economic development;
- (3) Develop a preferred economic development plan for the region and establish strategies for implementing the plan; and
- (4) Coordinate activities with and enter into contracts with any nonprofit corporation created to assist the Commission in carrying out its powers and duties."

The Commission's mission statement is: *Provide strong regional leadership in economic development in southeastern North Carolina through innovative marketing and collaborative regional initiatives that will create new jobs, generate capital investment, and secure new business locations.*

The Commission engages as a public/private partnership and is viewed as the lead economic development entity in the southeast region. It coordinates economic development marketing strategies in the region with the local economic development organizations, the NC Dept. of Commerce, and other organizations. It interacts with the private sector, site consultants, and industrial brokers on a daily basis in the effort to create new jobs for the region. Its website provides high level technology marketing that generates industry leads. The Commission does not duplicate services of other organizations, and its services and programs are entirely unique to the region. It serves as the sole economic development marketing program for many of the rural counties in the region.

Several current programs include a regional workforce analysis that involves the private sector and all levels of the education system, a partnership with the BRAC Regional Task Force to recruit defense contractors around the Fort Bragg area, a marketing initiative with the counties and NC Ports to recruit distribution centers, and an in-depth initiative to recruit aerospace companies to the region. The commission's leadership led to the creation of the International Logistics Park of NC, a new two-county industrial park established to create jobs and company locations in the distribution and logistics industry sector. It has also been

instrumental in the certification of industrial sites and the creation of other industrial parks in the region.

The Commission also develops economic development strategies around the region's assets, which include the Wilmington Port, interstate highways, Fort Bragg, three state universities, eight community colleges, agricultural base, 34 fortune 500 companies, and a growing entrepreneurship base.

## **2. Performance Measures, accomplishments, and/or benchmarks used to measure program**

The Commission markets the region for new industries, jobs, and capital investment. The Commission's return on investment (ROI) has been impressive. Since its inception, the Commission has directly facilitated the creation of 8,275 new jobs, \$903 million in capital investment, and 103 company locations and/or expansions. The Commission has leveraged every state dollar appropriated to it into \$61 of private investment in the region.

In FY 2009-2010, the Commission's marketing program achieved the following results:

- 96 industry leads generated
- 185 building and site recommendations
- 33 individual company visits to the region to consider locations
- 130 new industry jobs created
- \$19,200,000 capital investment generated
- Five new company locations

Since July 1, 2008 to the present, the Commission has generated 197 industry leads, 72 individual company visits to the region, and made 423 recommendations of buildings and sites. During that period, 2,002 jobs and \$444,250,000 of private investment were created in the region.

During its existence, the Commission has leveraged its state appropriation to raise nearly \$2,000,000 in private and grant funding which has been used to enhance its marketing strategies and programs.

## **3. Total budget for FY 2009-2010 with a breakout of source of funds**

State of NC Appropriation: \$640,488

Sales Tax Refunds: \$1,625

Rental Income: \$4,090

Miscellaneous: \$3,412

Total: \$649,615

**4. Total amount of funds held in cash, short term investments, and long-term investments**

\$197,116 (Y/E 6/30/10)

**5. Percent of funds (all sources) used for administrative purposes**  
23%

**6. Employees**

A. **Number of FTE:** 3.80

**B. Salaries of top 5 highly compensated individuals**

Director: \$118,500

Marketing Manager: \$61,800

Technology Specialist: \$54,590

Finance/Office Manager: \$24,102

**C. Explanation of benefits available to employees**

--healthcare insurance (individual pays portion of premium), retirement (Simplified Employee Pension)

**7. Board Operations**

A. **Number of board members:** 15

B. **Total expenses for board, with state funds broken out:** \$15,600 (state funds)

C. **Frequency of board meetings:** Monthly

D. **Per diem, travel, and other amounts paid to board members, broken out on per member basis:** \$100 per diem per meeting attended. Travel is based on IRS standard -- .50 per mile

**8. Use of State Funds**

A. **Percentage of dollar amount used for administrative expenses:** 23% - \$150,797.65

B. **Percentage and dollar amount used for grant programs, broken out by program – marketing program:** \$381,047.51 (58%); Technology: \$127,015.84 (19%)

C. **Percentage and dollar amount used for other, non-granting-making program, broken out by program – none**

\*\*The Commission does not use state funds for lobbying, nor does it have a government relations staff position.

\*\*The Commission also has 501c3 and 501c6 organizations to raise grant and private funding to supplement its marketing programs. Overall, this amount is less than 10% on annual basis of the total operational budget.

