

# BOARD OF ALDERMEN

ITEM NO. D(1)

## AGENDA ABSTRACT MEETING DATE: April 5, 2005

**TITLE: A Presentation on the Orange County Economic Development  
Commission's Five-Year Strategic Plan: Investing in Innovation**

<b>DEPARTMENT:</b> Community and Economic Development	<b>PUBLIC HEARING:</b> NO
<b>ATTACHMENTS:</b> A. Resolution B. Five-Year Strategic Plan	<b>FOR INFORMATION CONTACT:</b> James Harris, 918-7319

### PURPOSE

The purpose of this item is to receive a presentation from the Orange County Economic Development Commission on its Five-Year Strategic Plan: Investing in Innovation. The Orange County Director of Economic Development asked for an opportunity to share the draft report with the Board of Aldermen and relevant Town of Carrboro advisory boards to receive comments.

### INFORMATION

At its annual board retreat in October 2002, the Orange County Economic Development Commission (EDC) resolved to complete a new strategic plan to guide the organization. A subcommittee formed to work with staff on development of the planning process. The group engaged Leslie Scott Stewart of the UNC-Chapel Hill Office of Economic Development to assist in the effort.

In the period since the last economic development strategic plan was adopted in 1996, several plans and studies were completed within the towns of Orange County and the surrounding region. The EDC decided to build directly on that work to help frame the issues for the county's current planning process. The EDC also decided to undertake a web-based survey on broad questions related to the Orange County economy.

The EDC used the summary and the survey results as background information for an Economic Development Summit for Orange County, held on January 7, 2004 at the Friday Center and attended by 120 people. Following a keynote speech by Mary Jo Waits, Associate Director of the Morrison Institute for Public Policy at Arizona State University, participants broke into four groups to prioritize and develop 5-year strategies.

Based on the small group work, four key areas emerged:

- Business Climate
- Infrastructure
- Workforce Development
- Quality of Place

The participants, in the afternoon, attended an initial work group session (based on individual interest) in the four issue areas.

The four work groups continued to meet during the months of February through December, with each group meeting at least eight times. In addition, the co-chairs, one being Nathan Milian the DDC Chairperson, of the work groups have met three times to consider the overall strategy, and the Directors of the EDC, Carrboro Department of Community and Economic Development, the Hillsborough Chamber of Commerce and the Chapel Hill –Carrboro Chamber of Commerce have all participated in this process in thirteen meetings over the past two years. Conservatively, we estimate the number of volunteer hours involved in the strategic planning effort to date to exceed 1,400.

Overall Goal: To create 5,000 new private sector jobs in Orange County and add \$125,000,000 in new commercial property by June 2009

Justification for Goal: Orange County has wonderful assets\*, including:

- a well-educated workforce (almost 57 percent of adults are college graduates)
- historically low unemployment (2.4 percent in April 2004)
- high per capita income (8<sup>th</sup> out of the 100 counties in North Carolina)
- public schools that rank among the highest in the state on various performance measures
- the University of North Carolina at Chapel Hill, consistently rated as one of the nation's top research universities
- proximity to two major airports
- location approximately midway between the Piedmont Triad and the heart of the Research Triangle, with interstate highway connections to both
- vibrant and distinct towns (Chapel Hill, Carrboro, Hillsborough, and part of Mebane)
- protected rural areas, parks, and greenways

But the County has challenges\* as well:

- a tax base primarily composed of residential property (86.4 percent of total assessed value)
- location within EPA non-attainment region due to ground level ozone
- heavy reliance upon public sector for jobs (44.7 percent of all jobs are in government sector)
- retail sales per capita well below the state average
- high housing prices; average home sales price of \$256,123
- cost of living (at 114.8 percent of national average) well above neighboring counties
- perception among many business owners that the county is not business-friendly
- continuing underemployment\*\*
- under 60 percent of county workers employed within the county
- about 40 percent of county jobs filled by residents of other counties

By creating 5,000 new jobs (and working to ensure that at least 75 percent of those jobs are filled by county residents) and encouraging new investments in commercial property, the EDC can begin to address some of the challenges. Further, we need to make sure that county residents are

able to move into the new jobs. And we need to help stop the leakage of retail sales dollars out of the county.

**FISCAL IMPACT**

There is no fiscal impact associated with this item.

**RECOMMENDATION**

The staff recommends that the Board accept the draft report and that it be referred to relevant advisory boards for comment and to look for opportunities for collaboration.