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Growing Forward:

Northwest North Carolina's Regional Approach to Economic Development



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Northwest North Carolina is a picturesque region anchored by Winston-Salem in the east and heading westward into the Blue Ridge Mountains. The diverse territory contains an energetic urban core, historic towns, and pastoral landscapes. For years, the region has been a tourism destination, offering visitors the Blue Ridge Parkway, the country's oldest arts council, river rafting, hiking, and more than 12 vineyards within the Yadkin Valley wine region.

Northwest North Carolina has also been hard hit during the recent economic downturn. The steady flow of manufacturing jobs out of the U.S. has been particularly tough on the region, whose largest employers have historically been in the textiles, furniture, and tobacco industries. The region has lost more than 3,000 jobs since 2001, and in some parts, unemployment has topped 30 percent.

In 2002, Congressman Richard Burr (NC-05) decided to take strong measures to help the region overcome its economic downturn. Congressman Burr rallied the Economic Development Administration (EDA) and the State of North Carolina to provide funding to the region for an economic recovery initiative. The two organizations awarded \$400,000 in grants to the Northwest Piedmont Council of Governments and Greater Mount Airy Chamber of Commerce to craft a regional CEDS (Comprehensive Economic Development Strategy) that included eight counties: Alleghany, Ashe, Davie, Forsyth, Rockingham, Stokes, Surry, and Yadkin. AngelouEconomics, an Austin-based economic development consulting firm, was hired to help the Northwest North Carolina CEDS Committee create the plan.

After 10 months of work, the final Northwest North Carolina CEDS was delivered in November 2003. The EDA has described the Northwest North Carolina CEDS as one of the most significant plans it has ever funded, partly because the planning process covered one of the largest territories of any prior strategic plan. In addition to the sheer size of the project, the EDA recognizes that the strategy does three things very well. First, it strengthens regionalism and partnerships between the public and private sectors. Second, it offers valuable lessons for any U.S. community grappling with manufacturing losses. Finally, the CEDS followed a unique public planning process that generated thousands of supporters for economic development.



The city of Winston-Salem and Piedmont Triad Research Park are at the hub of new economic growth for Northwest North Carolina.

Working from the Ground Up

In the beginning of the strategic planning process, stakeholders recognized that the project faced a challenge. The boundaries of the strategic planning region followed the congressional district, including several counties that had not previously worked together nor considered themselves part of the same economy. The goal was to approach the planning process in a way that gave all eight counties a distinct role in the region's economic development.



Northwest North Carolina's tradition of fine craft and hand-work inspired the region's shared, primary target industry: design. These tree carvings are by Ashe County resident and artist Thomas Sternl.

The regional CEDS was created from the ground up, by first conducting the strategic planning process in each county. The local-level analysis and intense public input process revealed common traits among all eight counties. Each shares similar values, economic trends, natural beauty, and rich tourism amenities. Also, within the region's traditional manufacturing industry are highly talented individuals who are skilled in using their hands to build and design products.

The unique tradition of design became the common thread that tied each county together within the regional CEDS. Design touches many fields of business across Northwest North Carolina – from engineering to software development to fine crafts – so the “design industry” was selected as the region's primary economic development target.

In addition to the regional CEDS, eight county plans were written to help local economic developers make sure that their activities fit within Northwest North Carolina's broader objectives. The county plans and regional CEDS ask for changes to workforce development programs, business climate, and structural assets so that the region becomes more attractive to design businesses and entrepreneurs. Recommendations included, for example, that local community colleges adopt new curricula modeled after the best design programs in the country. The Piedmont Triad Research Park was urged to build shared wet laboratory space to help incubate the region's start-up biotechnology businesses. A new regional brand identity was provided together with individual county themes that fit within the region's umbrella concept. The entire region was charged with implementing a new on-line communication tool to keep information flowing. Techniques were offered to help

individual artisans and sole proprietors sell their products to national and international markets.

The plan recommended a different facet of the design industry as a target for every county. More rural counties, for example, were asked to actively support the growth of their local fine craft industry and to promote locally made products to tourists. For urban Forsyth County (home of Wake Forest University, the Piedmont Triad Research Park, and the North Carolina School of the Arts), it recommended that local leaders concentrate on targeting the design aspects of biotechnology and computer animation.

Inviting the Public to Drive the Process

The success of the project was due in large part to strong public involvement. The process was completely open to the public from beginning to end. It began with the launch of a Web site containing information about the project, the schedule, and reports and presentations as they were completed. Residents were provided with the consulting team's contact information and encouraged to contact team members directly with their thoughts on economic development.

Next, a survey was conducted asking residents and businesses to rank the strengths and weaknesses of the area. Almost 1,500 people responded to the survey. In each county, focus groups and interviews were conducted with more than 100 people. Ultimately, over 2,000 Northwest North Carolinians contributed to the CEDS.

In November, the EDA and CEDS Committee hosted a rollout event that was attended by 900 people from across the region. The high attendance at the event reflected the enormous support for the CEDS and the public's involvement in shaping its content. The public process helped residents form new relationships with one another, created a regional commitment to implementing the CEDS, and built momentum that will carry the region long into the future.

Early Success Builds Long-Term Support for Economic Development

Rather than waiting 10 months until the final CEDS was completed and approved, local leaders pursued good ideas while they were fresh on people's minds. At the completion of the project, several good initiatives were already underway. Several counties, for example, established new economic development director positions so that they would have staff to implement the CEDS. To assist local craftspeople, the

The unique tradition of design became the common thread that tied each county together within the regional CEDS.

Yadkin Valley Craft Guild was established and is currently setting up its headquarters in Surry County. Stokes County leaders have started an aggressive tourism initiative, aimed at increasing the economic benefits of the 400,000 people visiting Hanging Rock State Park each year. Davie County passed a long-awaited school bond referendum. Ashe County leaders approved the addition of a small business incubator at Family Central, a unique facility that houses all workforce development and social services in the county.

During the project, Forsyth Technical Community College (FTCC) spearheaded one of the best examples of targeted economic development in Northwest North Carolina. In 2003, FTCC received a \$750,000 grant from the U.S. Department of Labor to establish a replicable biotechnology curriculum for community colleges. Local employers, Wake Forest University, and the Chamber of Commerce helped FTCC develop the curriculum. This year, the program has more than 100 students enrolled. The program serves all of Northwest North Carolina: Students from 12 other community colleges in the region can enter the program at their home institution and finish their degree at FTCC's main campus.

Lessons Learned in NWNC

The lessons learned in Northwest North Carolina have strong relevance to other communities. The lessons on competition, regionalism, and community investment are helpful to any community looking for a new direction in economic development:

- Form close relationships and pool resources with neighboring communities. A regional approach to economic development helps communities succeed and offers residents a wider range of opportunities.
- Make sure economic development activities and local policy cater to entrepreneurial businesses. Entrepreneurs and small businesses will drive future economic growth.
- Strengthen K-12 education, downtowns, and support for local businesses. These investments increase a region's appeal to new businesses and talented workers. Now more than ever, it is critical to invest in the core of the community.
- Empower local residents and businesses to participate in economic development. They are a great source of new ideas and extend the reach of an economic development organization.
- A region's ability to attract knowledgeable and talented people is equally as important as the ability to recruit new companies.
- Successful regions will take aggressive steps to reduce social disparity. As disparity decreases, the potential of attracting new investment increases.



Forsyth Technical Community College biotechnology major Scott Barton in the lab.

- The ability and freedom to innovate differentiates the U.S. from every other country. A region's economic development campaign must embrace and cultivate innovation.

The Beginning of a Renaissance

The Northwest North Carolina CEDS process was about more than developing a report. The project was designed to bring about a renaissance in the region: to transform people and organizations, change them in heart and mind, and enlarge their vision, insight, and understanding. The project has brought about permanent, self-perpetuating change in Northwest North Carolina that will span far longer than the five-year CEDS. ★★

AngelouEconomics is a technology-based economic development consulting firm. Amy Holloway assisted more than 50 communities across the U.S. and Europe with economic development planning.

Resources:

- CEDS Project Web site: www.northwestnc.com
- Project consulting firm: AngelouEconomics: www.AngelouEconomics.com
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