Pathways to Prosperity: New Hanover County’s Plan for Jobs and Investment

Presented to the Board of County Commissioners and the Wilmington City Council

2 April 2014
Who We Are

Garner Economics provides creative, strategic and executable value to companies, communities and organizations globally.

We are specialists as corporate site location advisors and economic development strategists.
Some Clients

- Strategic Planning/Business Targeting
- Site Selection
- Workforce Assessment
- Research/Economic Analysis
- Organizational Analysis
Developing Pathways to Prosperity

Project Goal, Scope and Methodology
Project Process

**Discovery**
- Assets and Challenges assessment of the area
- Competitive analysis of New Hanover County; US; NC; Greenville County, SC; and Mobile County, AL
- Stakeholder input on the business climate of the county
- Published the *Competitive Realities Report*

**Targeting**
- Labor Analysis
- Industry Specialization
- Cluster Analysis

**Recommendations**
- Executing Effectively (Organizational)
- Building a Better New Hanover (Product improvement)
- Telling the Story (Product marketing)
Why New Hanover County Must Act

Annual Employment Growth Rate

Average Weekly Wage – 2013 2Q

# Average Annual Industry Earnings Comparison

## Largest Employment Sectors

<table>
<thead>
<tr>
<th>Largest Employment Sectors</th>
<th>Amount Above/below Avg wage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government</td>
<td>$13,798</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>($13,623)</td>
</tr>
<tr>
<td>Accommodation &amp; Food Services</td>
<td>($24,861)</td>
</tr>
<tr>
<td>Healthcare &amp; Social Assistance</td>
<td>$6,846</td>
</tr>
<tr>
<td>Prof., Scientific &amp; Tech Services</td>
<td>$18,686</td>
</tr>
<tr>
<td>Real Estate</td>
<td>($18,154)</td>
</tr>
<tr>
<td>Administrative Services</td>
<td>($12,695)</td>
</tr>
<tr>
<td>Construction</td>
<td>$663</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>$52,841</td>
</tr>
<tr>
<td>Finance and Insurance</td>
<td>$20,265</td>
</tr>
<tr>
<td>Arts, Entertainment &amp; Recreation</td>
<td>($23,506)</td>
</tr>
</tbody>
</table>

## Smallest Employment Sectors

<table>
<thead>
<tr>
<th>Smallest Employment Sectors</th>
<th>Amount Above/below Avg wage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wholesale Trade</td>
<td>$15,383</td>
</tr>
<tr>
<td>Information</td>
<td>$11,124</td>
</tr>
<tr>
<td>Transportation &amp; Warehousing</td>
<td>$639</td>
</tr>
<tr>
<td>Educational Services (Private)</td>
<td>($21,051)</td>
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<tr>
<td>Management of Companies</td>
<td>$54,518</td>
</tr>
<tr>
<td>Agriculture, Fishing</td>
<td>($19,261)</td>
</tr>
<tr>
<td>Utilities</td>
<td>$81,550</td>
</tr>
<tr>
<td>Mining</td>
<td>($15,791)</td>
</tr>
<tr>
<td>Average NHC wage</td>
<td>$42,289</td>
</tr>
<tr>
<td>NC Average</td>
<td>$45,383</td>
</tr>
<tr>
<td>US Average</td>
<td>$51,548</td>
</tr>
</tbody>
</table>

*Source: EMSI, Garner Economics, 2013 3Q*
Project Goal

Strengthen existing business sectors and identify emerging ones to increase private investment, job creation and wage growth.
Project Scope

The New Hanover Board of Commissioners engaged Garner Economics to answer three fundamental questions:

- How competitive is New Hanover County in attracting, growing and retaining companies?
- What assets does the County have? Where is it vulnerable?
- What role should the County and other organizations play in increasing the area’s economic competitiveness?
Project Scope

What this strategy is and isn’t:

- ED strategy versus a Community Vision
- A strategy that incorporates recruitment, retention, entrepreneurship
- Product development including talent, business climate and infrastructure enhancements
- Focused on NHC as a whole
- Not a hospitality sector strategy
Project Governance

The 14-member Steering committee, led by Dr. Gary Miller at UNC-Wilmington and Dr. Ted Spring at Cape Fear Community College

Steering Committee

• Served as Advisors and provided overall guidance for the project process
• Assessed direction/goals with an eye towards implementation
• Reviewed draft of final report and provided comment and feedback

County Staff

• Served as point of contact for the project team
• Assisted with logistics and scheduling
• Provided copies of previous reports, specific data, etc.
• Assimilated Steering Committee feedback on final report
Input from Stakeholders

- Garner Economics held 6 focus groups with 101 stakeholders to solicit their perceptions and opinions of the business climate in New Hanover County and the City of Wilmington.

- An electronic survey was distributed by economic development partners in the County to a broader audience and had 897 responses.

- Input augmented team assessments and analysis.
Common Comments & Concerns

Given their composition, the focus groups’ feedback was more focused on economic development issues/concerns; Surveys responses tended to focus on quality of place and broader issues.

**Strengths**
- Quality of Place
- Recreational Amenities
- Higher Education Opportunities
- ILM and Port
- Arts and Culture Community

**Challenges**
- Aging Infrastructure
- Lack of broad employment opportunities
- Cumbersome and onerous regulations
- Lack of leadership
- Poor worker quality
- Lack of available sites
What Citizens Want the County to Do

Top actions leadership should take to strengthen the area’s ability to attract and retain quality companies and talent

1. Create a shared vision for economic development for the City and County and set priorities based on that vision
2. Find ways to consolidate the City and County government
3. Look at the larger region
4. Improve K-12 education and create stronger linkages between schools, higher ED, and businesses
5. Greatly enhance the region’s infrastructure and be more proactive in addressing updates/repairs
6. Cultivate true leadership—both within government and among the corporate and business leaders
Assets and Challenges Assessment

Garner Economics analyzed New Hanover County against 63 factors—the same used when conducting a site/community evaluation for a company that is considering a new location, expansion, consolidation or closure.

**Challenge**: a weakness of a specific variable that could be an impediment to economic development success

**Neutral**: a variable that is considered normal or average

**Asset**: a variable that is ranked exemplary and as such should be promoted

*Neutral ratings are noted in the Competitive Realities Report*
**Strengths**

**Access to Markets**
- Well positioned to serve international markets
- Port facilities (water or inland)
- Within 1 hour of commercial air passenger service

**Government Impact**
- Availability of water and wastewater capacity
- Availability of state or local labor training incentives
- Local SAT scores
- Quality of post-secondary education

**Labor**
- Availability of technicians & scientists
- Cost of labor
- Level of local unionization
- Availability of post-secondary vocational training
- Availability of on-the-job training assistance
- Within 1/2 hour of major university/college
**Strengths**

**Quality of Place**
- Availability of executive-level housing
- Availability of moderate-cost housing
- Level of cultural activity
- Availability of diverse recreational opportunities
- Level of air pollution

- Attractiveness of the physical environment
- General appearance of the community
- Availability of medical care
- Quality of local restaurants
- Appearance of the Central Business District (City of Wilmington)
Weaknesses

Access to Markets
• Not centrally located for national market access

Labor
• Lack of availability of skilled industrial workers
• Lack of availability of managerial personnel
• Lack of availability of engineering program

Resources
• Lack of availability of agricultural products and/or commercial fisheries for food processing
• Lack of availability of manufacturing processes/percent of workforce in manufacturing
• Cost of electricity for industrial use (compared to the benchmark counties)
Weaknesses

Economic Development
• Low level of cooperation between various organizations involved in economic development activity
• Low level of awareness of community regarding economic development

Access to Capital
• Lack of local property tax exemptions for industrial facilities (NC prohibits property tax abatements)

Available Space
• Lack of availability of fully served and attractive industrial sites
• Lack of reasonably priced sites
• Lack of availability of suitable industrial and warehouse space (buildings)
Weaknesses

Government Impact

• Lack of adequate water and sewer lines to industrial sites
• Low traffic-carrying capacity of local streets and highways
• Local business permitting procedures and costs
• Zoning policies
• State business tax climate (Tax Foundation)
• State and local sales (higher than the benchmarks)

Quality of Place

• Climate and natural disaster data related to risk
## What’s Important to Companies?

### BUSINESS FACTORS
1. Availability of skilled labor
2. Highway accessibility
3. Labor Costs
4. Occupancy or construction costs
5. Availability of advanced ICT services
6. Available buildings and sites
7. Corporate tax rate
8. State and local incentives
9. Low union profile
10. Energy availability and costs
11. Tax exemptions
11T. Right-to-work state

### QUALITY-OF-PLACE FACTORS
1. Low crime rate
2. Healthcare facilities
3. Housing costs
4. Ratings of public schools
5. Housing availability
6. Recreational opportunities
7. Colleges and universities in area
7T. Climate
8. Cultural opportunities

*Source: Area Development Magazine 2014*
# How New Hanover County Ranks:

<table>
<thead>
<tr>
<th>QUALITY-OF-PLACE FACTORS</th>
<th>2013</th>
<th>2012</th>
<th>NHC Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ranking</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Low crime rate</td>
<td>80.9</td>
<td>79.3 (1)</td>
<td></td>
</tr>
<tr>
<td>2. Healthcare facilities</td>
<td>79.7</td>
<td>69.8 (2)</td>
<td></td>
</tr>
<tr>
<td>3. Housing costs</td>
<td>75.3</td>
<td>66.9 (4)</td>
<td></td>
</tr>
<tr>
<td>4. Ratings of public schools (SAT scores)</td>
<td>73.0</td>
<td>63.3 (5)</td>
<td></td>
</tr>
<tr>
<td>5. Housing availability</td>
<td>71.5</td>
<td>69.8 (2T)</td>
<td></td>
</tr>
<tr>
<td>6. Recreational opportunities</td>
<td>66.4</td>
<td>52.9 (8)</td>
<td></td>
</tr>
<tr>
<td>7. Colleges and universities in area</td>
<td>59.5</td>
<td>61.6 (6)</td>
<td></td>
</tr>
<tr>
<td>7T. Climate (natural disaster risk)</td>
<td>59.5</td>
<td>55.0 (7)</td>
<td></td>
</tr>
<tr>
<td>8. Cultural opportunities</td>
<td>54.8</td>
<td>48.9 (9)</td>
<td></td>
</tr>
</tbody>
</table>

*Source: Area Development Magazine 2014*
# How New Hanover County Ranks:

## SITE SELECTION FACTORS AS NOTED BY COMPANIES

<table>
<thead>
<tr>
<th>Ranking</th>
<th>2013</th>
<th>2012</th>
<th>NHC Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Availability of skilled labor</td>
<td>95.1</td>
<td>89.4</td>
<td>(3) Mixed based on type</td>
</tr>
<tr>
<td>2. Highway accessibility</td>
<td>93.5</td>
<td>90.1</td>
<td>(2)</td>
</tr>
<tr>
<td>3. Labor Costs</td>
<td>90.8</td>
<td>90.8</td>
<td>(1)</td>
</tr>
<tr>
<td>4. Occupancy or construction costs</td>
<td>87.4</td>
<td>82.8</td>
<td>(5)</td>
</tr>
<tr>
<td>5. Availability of advanced ICT services</td>
<td>84.6</td>
<td>85.1</td>
<td>(4)</td>
</tr>
<tr>
<td>6. Available buildings and sites</td>
<td>83.3</td>
<td>78.4</td>
<td>(8)</td>
</tr>
<tr>
<td>7. Corporate tax rate (NC ranks 29)</td>
<td>82.4</td>
<td>79.3</td>
<td>(7)</td>
</tr>
<tr>
<td>8. State and local incentives</td>
<td>81.9</td>
<td>71.1</td>
<td>(13)</td>
</tr>
<tr>
<td>9. Low union profile</td>
<td>81.4</td>
<td>73.5</td>
<td>(10)</td>
</tr>
<tr>
<td>10. Energy availability and costs</td>
<td>80.8</td>
<td>81.3</td>
<td>(6)</td>
</tr>
<tr>
<td>11. Tax exemptions</td>
<td>80.6</td>
<td>75.4</td>
<td>(9)</td>
</tr>
<tr>
<td>11T. Right-to-work state</td>
<td>80.6</td>
<td>72.6</td>
<td>(11)</td>
</tr>
</tbody>
</table>

*Source: Area Development Magazine 2014*
How New Hanover County Compares

• Examined the economic position and competitiveness of New Hanover County

• Compared the region to Mobile County, AL; Greenville County, SC; North Carolina; and the US
Dashboard Indicators

Three Main Sections

- Demographic & Labor Dynamics
- Economic Dynamics
- Local Specialization, Competitiveness & Growth
Demographic and Labor Dynamics

- Population and Growth
- Age
- Crime
- Education/SAT Scores
- STEM Completions
- Unionization
- Worker Flows
2000-2012 Population Change (%)

- New Hanover: 7.7% (Five Year) 24.4% (Ten Year)
- Greenville: 9.3% (Five Year) 19.8% (Ten Year)
- Mobile: 2.0% (Five Year) 3.9% (Ten Year)
- North Carolina: 7.0% (Five Year) 17.1% (Ten Year)
- United States: 4.2% (Five Year) 9.1% (Ten Year)

Source: US Census Bureau, Garner Economics
Sources of New Residents

![Graph showing sources of new residents]

2010 Decennial Census, change in collection and methodology.
Source: US Census Bureau, Garner Economics
# Violent Crime Rates per 100,000 Residents 2012

<table>
<thead>
<tr>
<th>Cities &amp; Towns</th>
<th>Rate per 100,000 Residents</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Hanover</td>
<td>561.2</td>
</tr>
<tr>
<td>Greenville</td>
<td>607.0</td>
</tr>
<tr>
<td>Mobile</td>
<td>651.6</td>
</tr>
<tr>
<td>Metros</td>
<td></td>
</tr>
<tr>
<td>Wilmington</td>
<td>368.5</td>
</tr>
<tr>
<td>Greenville</td>
<td>570.5</td>
</tr>
<tr>
<td>Mobile</td>
<td>552.1</td>
</tr>
<tr>
<td>North Carolina</td>
<td>353.4</td>
</tr>
<tr>
<td>United States Total</td>
<td>386.9</td>
</tr>
</tbody>
</table>

*Source: Federal Bureau of Investigation, Garner Economics*
Property Crime Rates per 100,000 Residents 2012

Cities & Towns

<table>
<thead>
<tr>
<th>City</th>
<th>Rate per 100,000 Residents</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Hanover</td>
<td>5,448.2</td>
</tr>
<tr>
<td>Greenville</td>
<td>4,506.7</td>
</tr>
<tr>
<td>Mobile</td>
<td>4,911.2</td>
</tr>
</tbody>
</table>

Metros

<table>
<thead>
<tr>
<th>Metro</th>
<th>Rate per 100,000 Residents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wilmington</td>
<td>3,830.1</td>
</tr>
<tr>
<td>Greenville</td>
<td>3,918.5</td>
</tr>
<tr>
<td>Mobile</td>
<td>4,298.8</td>
</tr>
</tbody>
</table>

North Carolina | 3,369.5

United States Total | 2,859.2

Source: Federal Bureau of Investigation, Garner Economics
Educational Attainment: % Total Population Age 25+

- Less than 9th grade
- 9th to 12th grade, no diploma
- High school graduate
- Some college, no degree
- Associate's degree
- Bachelor's degree
- Graduate or professional degree

Source: US Census Bureau, Garner Economics, 2010-2012 3-Year Estimates
Educational Attainment: % Total Population Age 25+

Source: US Census Bureau, Garner Economics, 2010-2012 3-Year Estimates
2012 SAT Combined Scores

Source: South Carolina Department of Education, North Carolina Department of Public Instruction, Garner Economics
2012 STEM Degree Completions Per 100,000 Residents

Source: National Center for Education Statistics, Garner Economics
2012 STEM Degree Completions

Source: National Center for Education Statistics, Garner Economics
Worker Flows

- Living and Employed in New Hanover
- Employed in New Hanover but Living Outside (in-commuters)
- Living in New Hanover but Employed Outside (out-commuters)

Source: US Census Bureau, Garner Economics
Economic Dynamics

- Wages
- Income
- Self-Employment
- Employment Trends
- Unemployment
- Cost of Living
- Broadband Access
- Air Connectivity
Per Capita Real Gross Domestic Product
(inflation adjusted to 2005)

- United States
- North Carolina
- Wilmington
- Mobile
- Greenville

Source: US Bureau of Economic Analysis, Garner Economics
Average Weekly Wage-2013 2Q

Ten Year Change in Average Wage Per Job (2003=0)

Source: US Bureau of Economic Analysis, adjusted for inflation
Per Capita Exports - 2012

Source: Office of Trade and Industry Information, Manufacturing and Services, International Trade Administration, U.S. Department of Commerce, Garner Economics
Percent Export Change- (2005=0)

Source: Office of Trade and Industry Information, Manufacturing and Services, International Trade Administration, U.S. Department of Commerce, Garner Economics
Self-Employed as a Percent of All Occupations

Source: US Census Bureau, Garner Economics, 2010-2012 3-Year Annual Estimates
Nonfarm Proprietors
As Percent of Total Earnings

Source: US Census Bureau, Garner Economics
Broadband Speed 2012 (Mbps)

Source: National Telecommunications and Information Administration
Local Specialization, Competitiveness & Growth

- Industry Sector Change
- Industry Earnings
- Occupational Change
- Occupational Earnings
- Cluster Specialization & Growth
- Cluster Competitiveness
- Occupational Specialization & Growth
<table>
<thead>
<tr>
<th>Industry</th>
<th>Five-Year Employment Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction</td>
<td>(3,752)</td>
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<tr>
<td>Manufacturing</td>
<td>(1,294)</td>
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<tr>
<td>Retail Trade</td>
<td>765</td>
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<tr>
<td>Information</td>
<td>261</td>
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<tr>
<td>Transportation &amp; Warehousing</td>
<td>117</td>
</tr>
<tr>
<td>Agriculture, Fishing</td>
<td>42</td>
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<tr>
<td>Utilities</td>
<td>(31)</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>66</td>
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<tr>
<td>Mining</td>
<td>158</td>
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<tr>
<td>Government</td>
<td>332</td>
</tr>
<tr>
<td>Management of Companies</td>
<td>311</td>
</tr>
<tr>
<td>Professional, Scientific &amp; Technical Services</td>
<td>257</td>
</tr>
<tr>
<td>Educational Services (Private)</td>
<td>493</td>
</tr>
<tr>
<td>Administrative Services</td>
<td>404</td>
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<tr>
<td>Government</td>
<td>496</td>
</tr>
<tr>
<td>Health Care &amp; Social Assistance</td>
<td>511</td>
</tr>
<tr>
<td>Finance and Insurance</td>
<td>562</td>
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<tr>
<td>Arts, Entertainment &amp; Recreation</td>
<td>737</td>
</tr>
<tr>
<td>Real Estate</td>
<td>1,169</td>
</tr>
</tbody>
</table>

Source: EMSI, Garner Economics, 2008-2013 3Q
Average Annual Industry Earnings Comparison

<table>
<thead>
<tr>
<th>Industry</th>
<th>Nationwide Average</th>
<th>New Hanover</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nationwide Average</td>
<td>$51,548</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td></td>
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<tr>
<td>Education Services (Private)</td>
<td></td>
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<td></td>
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<tr>
<td>Total</td>
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<tr>
<td>Utilities</td>
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<tr>
<td>Management of Companies</td>
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<td>Accommodation &amp; Food Services</td>
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<tr>
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<td>Real Estate</td>
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<td></td>
</tr>
<tr>
<td>Agriculture, Fishing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Cluster Specialization & Growth

Source: EMSI, Garner Economics
Cluster Components of Growth

Source: EMSI, Garner Economics, 2008-2013 3Q
Optimal Targets

- Based on the site-specific characteristics of New Hanover County
- **Four industry targets** chosen based on best match with unique competitive advantages in the area
Optimal Targets for New Hanover County

| Life/Marine Sciences Research & Development | High Value Office Operations | Precision Manufacturing | Aircraft Assembly, Modification & Maintenance (Aspirational target) |
## Life/Marine Sciences Research & Development

<table>
<thead>
<tr>
<th>Subsectors</th>
<th>Some Rationales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research &amp; Development in the Physical, Engineering &amp; Life Sciences</td>
<td>• Presence of AAIPharma Services Corp., PPD, BioDuro, and Chemtex. (P)</td>
</tr>
<tr>
<td>Environmental Consulting Services</td>
<td>• Presence of Marine Bio-Technologies Center of Innovation (MBCOI) and MARBIONC at UNCW. (P)</td>
</tr>
<tr>
<td>Medical &amp; Diagnostic Laboratories</td>
<td>• 538 annual post-secondary completions in critical fields from local institutions. (P)</td>
</tr>
<tr>
<td>Pharmaceutical Preparation Mfg.</td>
<td>• High local specialization and strong growth in the Healthcare &amp; Life Sciences cluster. (P)</td>
</tr>
<tr>
<td>Specialized Scientific &amp; Technical Consulting Services</td>
<td>• Strong local competitive advantage demonstrated in the Healthcare &amp; Life Sciences cluster. (P)</td>
</tr>
<tr>
<td>Testing Laboratories</td>
<td>• Availability of suitable office space and office sites. (P)</td>
</tr>
<tr>
<td>Biological Product Mfg</td>
<td>• Average target subsector national earnings of $96,396. (C)</td>
</tr>
</tbody>
</table>
## High Value Office Operations

<table>
<thead>
<tr>
<th>Subsectors</th>
<th>Some Rationales</th>
</tr>
</thead>
<tbody>
<tr>
<td>❖ Administrative Management &amp; General Management Consulting Services</td>
<td>• Strong recent growth in the <em>Business &amp; Financial Services</em> cluster. (P)</td>
</tr>
<tr>
<td>❖ Computer Systems Design Services</td>
<td>• Among top recommended industry target in stakeholder focus groups. (C)</td>
</tr>
<tr>
<td>❖ Custom Computer Programming Services</td>
<td>• High broadband availability. (P)</td>
</tr>
<tr>
<td>❖ Financial Transactions Processing, Reserve &amp; Clearinghouse Activities</td>
<td>• High proportion of residents that have attained associate’s, bachelor’s or graduate degrees. (P)</td>
</tr>
<tr>
<td>❖ Payroll Services</td>
<td>• Average target subsector 2012 national earnings of $74,135. (C)</td>
</tr>
<tr>
<td>❖ Pension Funds</td>
<td>• Average target subsector five-year forecasted growth of 17.6 percent. (C)</td>
</tr>
<tr>
<td>❖ Inbound Call Centers &amp; Other Contact Centers</td>
<td>• 847 annual post-secondary completions in critical fields from area institutions. (P)</td>
</tr>
<tr>
<td>❖ Trust, Fiduciary &amp; Custody Activities</td>
<td>• Strong existing local pool of high-demand occupations. (P)</td>
</tr>
<tr>
<td></td>
<td>• Strong quality of place assets. (P)</td>
</tr>
</tbody>
</table>
## Precision Manufacturing

<table>
<thead>
<tr>
<th>Subsectors</th>
<th>Some Rationales</th>
</tr>
</thead>
<tbody>
<tr>
<td>❖ Optical Instrument &amp; Lens Mfg.</td>
<td>• Presence of GE Aviation and GE Hitachi Nuclear Energy. (P)</td>
</tr>
<tr>
<td>❖ Turbine &amp; Turbine Generator Set Units Mfg.</td>
<td>• High existing local industry specialization in Aerospace Product &amp; Parts Mfg. (P)</td>
</tr>
<tr>
<td>❖ Speed Changer, Industrial High-Speed Drive &amp; Gear Mfg.</td>
<td>• Among top recommended industry target in stakeholder focus groups. (C)</td>
</tr>
<tr>
<td>❖ Instruments &amp; Related Products Mfg. for Measuring, Displaying &amp; Controlling Industrial Process Variables</td>
<td>• Availability of water and wastewater capacity. (P)</td>
</tr>
<tr>
<td>❖ Analytical Laboratory Instrument Mfg.</td>
<td>• Well positioned to serve international markets. (P)</td>
</tr>
<tr>
<td>❖ Specialized Measuring &amp; Controlling Device Mfg.</td>
<td>• Low relative level of unionization. (P)</td>
</tr>
<tr>
<td>❖ Medical Equipment &amp; Supplies Mfg.</td>
<td>• Availability of labor training incentives. (P)</td>
</tr>
<tr>
<td></td>
<td>• Air connectivity: Wilmington International Airport (ILM). (P)</td>
</tr>
<tr>
<td></td>
<td>• Average target subsector national earnings of $91,973. (C)</td>
</tr>
<tr>
<td></td>
<td>• Average target subsector five-year forecasted growth of 8.1 percent. (C)</td>
</tr>
<tr>
<td></td>
<td>• 300 annual post-secondary completions in critical fields from local institutions. (P)</td>
</tr>
<tr>
<td></td>
<td>• Strong existing local pool of high-demand occupations. (P)</td>
</tr>
</tbody>
</table>
## Aircraft Assembly, Modification & Maintenance

*Aspirational target*

<table>
<thead>
<tr>
<th>Subsectors</th>
<th>Some Rationales</th>
</tr>
</thead>
</table>
| Aircraft Assembly, Overhaul & Conversion | • Presence of *GE Aviation*. (P)  
• High existing local industry specialization in Aerospace Product & Parts Mfg. (P)  
• Presence of Wilmington International Airport (ILM). (P)  
• Presence of Port of Wilmington. (P)  
• Average target subsector national earnings of $96,697. (C)  
• Average target subsector five-year forecasted growth of 5.5 percent. (C)  
• 130 annual post-secondary completions in critical fields from local institutions. (P)  
• Strong existing local pool of high-demand occupations. (P)  
• Well positioned to serve international markets. (P)  
• Aging industry workforce. (P)  
• High proportion of residents that have attained associate’s, bachelor’s or graduate degrees. (P)  
• Availability of labor training incentives. (P) |
| Aircraft Engine Rebuild & Overhaul |  |
| Aircraft Inspection Services |  |
Where Do We Go From Here?
Observations, Conclusions & Recommendations

• New Hanover County has challenges that need to be mitigated and assets upon which to build

• Recommendations are from a site-selector perspective to increase economic opportunities in New Hanover County
Twenty-one recommendations built on three foundations:

1. Mitigate negative perceptions or challenges that deter increased investment
2. Create an environment where high quality companies and talent will want to locate
3. Assist the County in identifying and marketing to optimal targets to ensure more economic opportunities

*S denotes stakeholder desired action
*T denotes transformational recommendation
Execute Effectively

Strategy/Goal
Build a focused economic development service delivery mechanism for existing and potential businesses in the County and collaborate with other economic development entities to work seamlessly with external clients.
Execute Effectively

Actions

1. Create a County Department of Economic and Community Development and hire a Director.
2. Create a three-county micro marketing alliance of New Hanover, Brunswick, and Pender Counties. (S)
3. Consolidate services and explore the feasibility of consolidated government in New Hanover County. (S)(T)
4. Advocate for and develop a realistic and sustainable incentive policy for New Hanover County (and the City).
Execute Effectively

Actions
5. Eliminate the Special Use Permit from the County’s permitting process or Modify the SUP Table of Permitted Uses.
6. Recruit and help train business leaders to serve in elected office, and to serve on appointed boards and commissions. (S)(T)
7. Better Support Small and New Businesses:
   a. Increase communications with small businesses
   b. Identify existing resources that will help small and new business grow
8. Raise awareness of the economic development process (and returns) among all stakeholder groups.
Build a Better New Hanover County

Strategy/Goal
Strengthen the County’s assets and transform key areas that support the County’s desire to attract and grow more high-quality economic activities.
Actions

1. Make the case for sustainable funding sources to improve the County’s economic development infrastructure and identify catalytic programs to use the monies effectively. (T)

2. Establish an Airframe and Power plant (A&P) certificate program at Cape Fear Community College. (S)

3. Develop hangar facilities at ILM to attract MROs and aircraft assembly operations. (S)

4. Advocate for the creation of a pharmacy school in the region.
Actions

5. Develop a real estate portfolio of additional sites for industrial, commercial, and office development. (S)(T)

6. “ReBuild” New Hanover. (S)(T)

7. Provide the public free high-speed Internet access throughout New Hanover County.

8. Advocate for the continuation of incentives for the film industry.
Build a Better New Hanover County

Actions

9. Facilitate regional efforts to grow the Talent Pipeline. (S)(T)
   a. Support career academies or career pathways in middle and high school
   b. Ensure each high school student has the ability and option to graduate from high school with an AA degree or 2 years of credit hours from a 4-year university
   c. Support career awareness of cluster occupations through internships
   d. Improve graduation rates by promoting entrepreneurship among the County’s youth
Tell the Story

Strategy/Goal
Tell New Hanover County’s economic development story more effectively to a more targeted audience of potential companies and investors.
Tell the Story

Actions

1. Support the optimal targets by establishing industry working groups for each.
2. Execute a process for lead generation.
3. Develop familiarization (FAM) events for consultants and companies.
4. Create a cadre of regional ambassadors to extend the region’s brand.
What’s Next?

New Hanover County’s Leadership will need to:

• Facilitate and enable productive dialog to determine the next path for the County’s economic development future
• Work proactively to grow the area’s talent pipeline
• Advocate for a sustainable funding source to fund needed infrastructure/economic development projects
• Mitigate policies and regulations that deter further investment
• Brand and market the County and region to targeted business sectors
Thank you!

The Pathways to Prosperity initiative has benefited greatly from the professionalism and contributions of the New Hanover County staff, the Steering Committee, and the many stakeholders who took part in the focus groups and surveys.

Special thanks to:
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• Chris Coudriet, Tim Burgess and Beth Schrader
• WBD
• Wilmington Chamber
• All of the Focus Group Participants
• All who completed the electronic survey