SHAPING ECONOMIC STRATEGY

Institute teams help N.C. county develop economic vision and plan

For years, all most people knew about Chatham County, N.C., was the pleasant pastoral scenery it offered travelers driving through to the beach or the mountains. In recent years, however, the county’s geographical advantages have sparked explosive residential growth, particularly in its more northern areas.

This rapid, uneven residential development has occurred without a corresponding increase in commercial investment, creating a unique set of challenges for Chatham County leaders. They turned to the Kenan Institute’s Carolina Center for Competitive Economies (C3E) to help them develop a plan for promoting more balanced economic growth.

Responding to challenges

“Generally, residential development does not pay for itself,” says Jason Jolley, senior research director at C3E. “New communities need new roads, schools, infrastructure and other services that can strain a tax base unless there are additional sources of revenue.”

Chatham County leaders faced the fiscal strain of new residential development, plus the fact that the new and existing residents were working and shopping in other counties, creating little new revenue for Chatham County.

C3E began the process with a series of meetings with commissioners to understand their views of the challenge, then completed a county SWOT (strengths, weaknesses, opportunities and threats) analysis. This helped to frame a much-needed discussion about the county’s economic direction and helped leaders ask the right questions about future planning needs. “We also outlined the challenges they were facing and steps they could take to address those challenges,” Jolley says.

This initial analysis led the Chatham County Board of Commissioners to contract with C3E for a year-long project to develop a long-range strategic plan for economic development in Chatham County.

Listening to communities

From the beginning, Chatham County officials insisted on significant public involvement in the planning process, says Dianne Reid, president of the Chatham County Economic Development Corporation (EDC), which directs economic development for the county.

“Chatham County has several communities, and they have different needs,” says Reid. “We knew there would not be only one answer for all the communities, and it was important for us to honor the particular economic needs of each community.”
The C3E team held community outreach meetings in each district of the county and then analyzed information from these sessions along with specific economic trends in each area, including wages, existing industry and workforce.

The team presented its findings at an economic summit that included representatives from every district in the county, the county economic development board and all the town boards.

“This was the first time all the communities had ever come together for planning purposes,” says Jolley.

“I believe the plan was strengthened in significant ways by having so many people involved,” says Reid. “People have been positive and supportive of the results in large part because they were involved in the process.”

Policy over politics

One of the most important results of the strategic plan, Jolley says, is that it shifted the county’s economic development from being politically driven to being policy driven.

“Historically, the county’s ad-hoc planning approaches limited it from capitalizing on its advantages,” says Jolley. “A policy-driven approach formalizes goals and provides steps to accomplish those goals, helping to eliminate historic divisions among districts.”

Preferred location for emerging-growth companies

Researchers concluded that Chatham County’s strategic location between the Triad and Research Triangle regions of North Carolina positions it as the preferred location for emerging-growth companies.

The final plan builds on three areas of focus: attraction, retention and entrepreneurship, with key findings and specific recommendations provided for each. Infrastructure improvements, quality-of-place preservation and a reorganized EDC were listed as key components for successful implementation.

The EDC is exploring using C3E to analyze its incentive program to prospective employers with hopes of more effectively tying incentives to the strategic plan’s recommendations.

A collaborative approach

A key benefit of working with the institute, says Jolley, is the collaborative, multidisciplinary approach it offers.

The team that developed Chatham County’s plan comprised 15-20 researchers drawn from various areas in the institute and at UNC-Chapel Hill, including the UNC Office of Economic and Business Development and graduate students from business, planning and public administration programs.

Says Jolley: “By focusing the expertise and resources of government, the university and the private sector, we help communities, like Chatham County, make strategic decisions and lasting investments that leverage their unique assets for greater economic benefit.”