



2017 Comprehensive Economic Development Strategy (CEDS)

Committee Meeting

Wednesday, February 1, 2017

3:00 PM at WPCOG Offices

Committee Members Present: Tommy Luckadoo (Chair), Nancy Taylor (Vice-Chair), Sara Black, Rocky Brooks, Elle Engstrom, Gary Herman, Trish Johnson, Lindsay Keisler, Zack King, Lisa Miller, Stacey Rash, Crissy Thomas, Christopher Todd, Malla Vue

Committee Members Absent: Jeremy Ku

Staff Present: Anthony Starr, Dee Blackwell, Sherry Long, Taylor Dellinger, John Marshall, Wendy Johnson, Jason Toney, Amanda Wallace

I. Call To Order

Tommy Luckadoo, CEDS Committee Chair, called the meeting to order at 3:10.

II. Welcome and Introductions

Mr. Luckadoo welcomed everyone and thanked them for agreeing to serve on the committee.

Mr. Luckadoo encouraged members to feel free to speak up and offer any suggestions.

Committee members and WPCOG staff then introduced themselves to the rest of the group.

III. Orientation of the CEDS Process

Anthony Starr, WPCOG Executive Director, thanked everyone for their willingness to serve on the CEDS Committee. Mr. Starr stated that the WPCOG serves as the Economic Development District (EDD) for the US Economic Development Administration, and is responsible for developing a Comprehensive Economic Development Strategy (CEDS) every five years. The first CEDS was completed in 2002, and was updated in 2007 and 2012. The CEDS serves as a blueprint for creating a sustainable economy for the region, and the WPCOG will use this plan to coordinate efforts to improve the region's economic competitiveness and quality of life.

Mr. Starr stated that the committee, chair, and vice-chair were appointed by the WPCOG Policy Board, and when the committee has completed its final plan, the Policy Board will need to approve it in September.

IV. CEDS Social Media Presence

Jason Toney, Communications Specialist, showed committee members where they could find information about the CEDS process. Mr. Toney stated that there is a link on the www.wpcog.org main page, which will have information about each meeting. Mr. Toney encouraged members to visit the WPCOG Facebook and Twitter pages and to use the hashtag #wpcogceds2017 to get information out to the community.

V. **Presentation: CEDS Regional Profile**

Taylor Dellinger, Data Analyst, presented the CEDS Regional Profile to committee members. Mr. Dellinger focused on several different regional trends: population, employment, education, income and poverty, and housing.

Mr. Dellinger stated that population of the region has declined since 2010 by less than one percent. Population projections between now and 2035 shows a growth of 2.4%, which is only around .12% per year. The biggest population loss occurred in the 25-34 year old age group, a decrease of 22.5% between 2000 and 2015. Mr. Dellinger stated that millennials leaving for college and not returning seems to be a huge loss for the region, and we have to figure out how to get them to come back to the area.

Employment has been trending upward since hitting rock bottom in 2010-2011, but is still not close to where it was at the peak in 2000. The manufacturing sector has decreased since 2000, while the service sector has increased. Following the national trend, the area is becoming more service based. The unemployment rate, meanwhile, has decreased dramatically since November 2010, going from 12.7% to 4.7% in November 2016. The current labor market is tight, and employers are struggling to find workers.

Mr. Dellinger presented an Educational Attainment comparison, showing that among 15 other regional MSA's, our region was ranked 14th (with 15th being the lowest) of the percentage of persons age 25 or over with a high school diploma or higher, as well as 14th of 15 of the percentage of persons age 25 or over with receiving a bachelor's degree or higher. Median earnings for people over 25 with less than a high school diploma were \$22,089, while high school graduates and those with some college or an associate's degree with were both around \$27,500. Obtaining a bachelor's degree increased median wages to \$41,853, and having a graduate or professional degree increased median wages to \$50,879. Mr. Dellinger also presented the percentage of students graduating in four years, and the percentage of students passing EOG tests. The percentage of students passing EOG tests in the six school districts in the region ranged from 55.5% to 62.0%, while the percentage of students graduating in four years ranged from 84.7% to 93.5%.

Mr. Dellinger then presented the numbers on income and poverty trends. The average annual wage in the Hickory MSA in 2000 was \$26,780. By 2010, that number had increased to \$33,384, for a total of 24.7%. The US Inflation Rate during that time was 26.3%. Between 2010 and 2015, the average annual wage grew to \$37,528, or 12.4%. The inflation rate at that time was 8.7%, so the region's wage growth exceeded the rate of inflation. The percentage of persons under age 18 at or below the poverty level has gone from 13.3% in 2000 to 22.3% in 2015, while that number fell slightly for the "over 65" age group, from 11.4% to 9.0%. Overall, poverty rate has risen from 9.8% in 2000 to 15.8% in 2015.

Housing trends showed that one in every six to seven homes in the region are vacant. Almost half homes in the region were built before 1980, which is the highest of any metro area in the

state. Houses built between 2000-2015 accounts for only 15% of all homes in the region, which is the lowest of any metro area in the state. The number of Civil Foreclosure Cases, however, have been reduced by half between 2010 and 2016.

Mr. Dellinger then talked about infrastructure and the environment. The committee was told about new interchanges, connectors, and road upgrades made since 2012. In terms of air quality, no violations have occurred at the Lenoir or Taylorsville ozone monitors in the past five years, and ozone levels have been reduced in that time period, thanks to the Early Action Compact and the efforts of the Western Piedmont Air Quality Committee. The North Carolina Division of Air Quality (NCDAQ) has determined that the recent wildfires will have little impact on the regional Fine Particulate Matter numbers.

VI. Discussion of Regional Profile Results

Mr. Luckadoo asked committee members their thoughts on the regional profile. Committee members were concerned about:

- What the environment will be like for their young children?
- How to get younger people to want to live here and how to get the younger generation to want to move back after college. Can we change marketing and fix the branding to make it a more enticing place to live?
- Finding ways to enhance the economy and increase the attractiveness of the area.
- Education outcomes (percentage passing EOG tests versus the percentage graduating).
- The types of houses and the quality of life we want is hard to attract when there are so many vacant houses around. Builders don't want to build developments with so many vacant houses.
- Population projections are scary.

Mr. Luckadoo asked the millennials of the group what they talked about with other millennials. Some comments included:

- We stay here because of aging parents and feel the responsibility to take care of them. It is a great and safe area to raise families.
- The narrative from their parents was to go to college so you don't have to work in furniture. So, they went to college and couldn't come back here to work because there were not any jobs in that field of work.
- Some enjoy living here because it isn't too crowded, and you don't have to wait an hour to eat dinner in a restaurant. Life is a slower pace.
- The younger millennials have trouble connecting with other people their age because there isn't a young social atmosphere in the area, but we are close enough to Asheville and Charlotte to go there on weekends. They choose to live here because the cost of living is much lower than the larger metro areas.
- Friends from out of town are shocked at the nice restaurants in the area. We need to work on not making this a surprise, possibly with better branding.
- When job openings become available, how do we get people from outside the immediate area to apply?

- The values of the 23 year old millennial is much different from the 30 year old millennial because they are in different areas of their life and career.
- If people don't have a connection to the area, they'll be gone soon.
- It is hard to compete with other larger metro areas who have apartment complexes with pools and gyms.
- There are no careers here for anyone in the music or entertainment industry. No employment diversity.

VII. **Progress Made Since the Adoption of the 2012 CEDS Report**

Sherry Long, Assistant Executive Director, explained how the 2012 CEDS Report helped the community receive grant funding. Ms. Long stated that over 175 million dollars has been invested in the community since 2012. Ms. Long encouraged members to make goals that are obtainable, while also overreaching. She asked committee members to think of ways to move the needle with activities and any other regional possibilities.

VIII. **2017 CEDS Survey Questions**

Mr. Dellinger stated that the survey questions will go live on February 13th and close on March 10th. WPCOG staff will then process and analyze the survey results. Mr. Dellinger asked that committee members promote the survey in their community and workplace. A total of 250 responses is the minimum for compiling worthwhile data, while 500 or more survey responses would be even better.

IX. **2017 CEDS Stakeholder Interviews**

Mr. Dellinger went over the potential categories for stakeholder interviews, which included 27 people. Requests to also interview Chambers and Central Latino were made, and was thus added to the stakeholder interview list.

X. **Announcement of the next CEDS Committee meeting** - The next CEDS Committee meeting will be held on Wednesday, April 5th at 3:00 at the WPCOG offices in Long View.

XI. **Other Business**

There was no other business at this time.

XII. **Adjournment** - As there was no other business, Mr. Luckadoo adjourned the meeting at 5:00 PM.