

ECONOMIC DEVELOPMENT

The economic base of Rocky Mount is undergoing significant transition. While there is solid potential for revitalization, Rocky Mount faces some significant challenges making the City a more prosperous place for residents and workers.

This economic base analysis provides a technical understanding of key local business and economic trends affecting the City of Rocky Mount and the Study Area. The analysis identifies strategic economic development issues facing the Rocky Mount area.

This chapter identifies the best opportunities for area stakeholders to contribute to local economic development and describes strategies for community action. Discussion focuses on four key issues relevant to the City's future development and economic revitalization:

- Economic History
- Regional Economic Development Issues and Trends
- Economic Base Trends of the City of Rocky Mount
- Proposed Strategic Economic Development Goals and Priorities



QVC Warehouse
Courtesy of R.M. Telegram



I. EXISTING CONDITIONS

Rocky Mount History

Economic development has played a vital role in the history of the Rocky Mount Community. Before Rocky Mount was incorporated as a town in 1867, it was a center of economic activity as the location of the second cotton mill in North Carolina. From the cotton mill that was built in 1818, the Town of Rocky Mount emerged. As the railway system made its way into the area in 1840, it, like the cotton mill more than twenty years earlier, stimulated the local economy. A rail depot was built in Rocky Mount, and it served the two major local industries of that time—agriculture and textiles. It was around this railroad depot, a hub of economic development, that Rocky Mount was incorporated in 1867.



Tobacco and Textiles—stalwarts in the development of Rocky Mount's economy.
Courtesy of R.M. Telegram

A. LOCAL ECONOMIC BASE

From the late 1800s onward, economic development in Rocky Mount paralleled that of the United States as the community moved from an agrarian to a manufacturing and now, to a service economy. The local economy has emerged from an agriculture-based economy dominated by tobacco, into a manufacturing economy dominated by textile mills and now is transitioning to a service economy in which, as Table 8-1 indicates, three of the top five employers in Rocky Mount are service sector organizations.

Table 8-2 provides further indication that Rocky Mount's economy is transitioning from a manufacturing to a service-based economy. Table 8-2 shows that eight of the fourteen industry groups with more than 1,000 employees are service industries. These service industries account for 60.5% of the employment in Rocky Mount.

Table 8-1: Major Rocky Mount Employers 2001

Company	Product/Service	Work Force
Nash-Rocky Mount Schools	Education	2,500
Abbott Laboratories	Pharmaceuticals	2,100
Nash Health Care System	Health Care	1,700
Consolidated Diesel Company	Diesel engines	1,500
Sprint	Communications	1,500

= Service Industry
Source: Carolinas Gateway Partnership, December 2001

Table 8-2: Rocky Mount's Largest Industry Groups

Rank	Industry	Employees
1	Health Services	3,040
2	Eating and Drinking places	2,707
3	Chemicals and allied products	2,383
4	Educational services	2,069
5	Durable goods wholesaling	1,663
6	Business services	1,430
7	Non-durable goods wholesaling	1,397
8	Fabricated metal products manufacturing	1,345
9	General merchandise stores	1,145
10	General government	1,130
11	Food Stores	1,071
12	Construction—special trades	1,053
13	Rubber, plastics product manufacturing	1,046
14	Miscellaneous retail	1,031

= Service Industry
Source: Donald T Iannone & Associates. Market Marketplace Database, 1999.

Rocky Mount's transition from a manufacturing to a service economy has been precipitated by a spate of closings by major, local manufacturers such as Stony Creek Knitting Mills, Rocky Mount Mills, Gentex, Texfi, Pillowtex and others. Fortunately, new facility investments in the area by other manufacturers, such as Abbott Laboratories, Consolidated Diesel Company, Honeywell and others, has helped offset some of these losses.

1. Local Economic Development Efforts

Since Rocky Mount's economy is making the transition from a manufacturing to a service-based economy, the City is faced with the challenge of maintaining and improving economic vitality of existing manufacturing industry while at the same time developing and attracting leading service sector enterprises. Three local economic development agencies that are helping the City meet this challenge are the Rocky Mount Area Chamber of Commerce, the Downtown Redevelopment Office and Rocky Mount Edgecombe CDC.

Rocky Mount Area Chamber of Commerce

The Rocky Mount Area Chamber of Commerce is a voluntary organization whose mission is "to improve the overall business climate for its members through sponsorship of programs which stimulate economic growth, promote civic development, and enhance political action." The following are some specific tasks that the Chamber undertakes to fulfill this mission:

- Recruits and encourages new businesses
- Provides expansion and relocation evaluation to existing and emerging businesses
- Provides information on properties/sites available
- Identifies market voids and needs
- Assists the business community and the Departments of Social Services in Edgecombe and Nash counties in developing employment opportunities for welfare recipients under that state's Work First program
- Coordinates the Community Development Foundation of Rocky Mount, which examines opportunities to provide funding support for community development and economic growth projects
- Aids the Nash County Tourism Development Authority in promoting tourism and publicizing the contribution that tourism makes to the local economy

In 2000, the most recent year for which data is available, implementing these tasks resulted in the Chamber recruiting 40 new businesses that created 841 new jobs and placing 261 individuals from welfare to work.

Downtown Development Office

The City of Rocky Mount created the Downtown Development Office in January 2000. The goal of the Downtown Development program for the City of Rocky Mount is to

revitalize the central city and to reverse the negative perception of deterioration. The program is responsible for initiating, managing and coordinating programs and activities to promote and support downtown development.

Accomplishments FY 2001-2002

- Rocky Mount redesignated as an active NC Main Street Community. Central City Revitalization Panel selected to oversee program
- Worked with Central City Revitalization Panel in processing twenty-four Building Improvement Grant applications. Four grant agreements are completed; four are in progress, and eight applicants are working toward grant agreements
- Work with organizers of Farmers Market to locate a site for operations
- Worked with the Chamber of Commerce Community Development Division to form a Downtown Alliance of business and property owners

Initiatives FY 2002-2003

- Work with Community Development Division in implementing a program of incentives to encourage major facade corridor from Coastline Street to Goldleaf Street
- Develop a Downtown Master Plan for downtown revitalization based on the Main Street Resource Team assessment. The Master Plan will provide for:
 - Organization of public and private resources for revitalization
 - Development of design standards and land use plans for the Central City
 - Development of a marketing and image campaign for promotion of businesses and business development in the Central City
 - Creation of economic development incentives and tools to stimulate economic restructuring of the Central City as a thriving commercial center



One of the RMECDC's most recent economic development initiatives, the Business Incubator facility, currently under construction

Rocky Mount/Edgecombe CDC

The City's Downtown Development Office is not the only agency focusing on the economic development of downtown Rocky Mount. In 1988, the Rocky Mount/Edgecombe Community Development Corporation (RMECDC) emerged as an agency committed to addressing the need for community and economic development in the City, especially the Edgecombe Country portion. The RMECDC's mission is to "stimulate and encourage the economic, physical, cultural and social revitalization of our community by building our capacity to work collectively to improve our quality of life by recognizing and participating in real estate development opportunities that create affordable housing, encourage minority business ownership, home ownership, provide employment opportunities, increase income, encourage self-sufficiency and generate support of the RMECDC's operations and other development ventures through economic, cultural and leadership development programs."

The following are some specific services that the RMECDC undertakes to fulfill its mission:

- Comprehensive Community Economic Development
- Affordable Housing Development
- Neighborhood Revitalization
- Commercial and Industrial Development
- Cultural Development
- Home Ownership Counseling
- Small Business Technical Assistance
- Historic Preservation
- Downtown Development

The following key accomplishments clearly indicate that RMECDC has been effective in fulfilling its mission and stimulating economic development in Rocky Mount. To date, the RMECDC has completed over \$15 million in development and has over \$15 million of development in feasibility and under construction:

Housing Development

- Genesis Estates
- 67 Single-Family Home Subdivision
- Thorne Ridge Apartments I—32-affordable rental units and a Community Resource Center
- Thorne Ridge Apartments II—40-affordable rental units and a Community Resource Center
- Holly Street Revitalization Project—a 25-home subdivision
- Heritage Park—a 10-home affordable housing subdivision
- Scattered Sites Single Family Housing

Mixed Use Development

- Harambee Square—24 apartments for the elderly and 12,000 square feet of commercial space

Commercial and Industrial Development

- Edgecombe County Industrial Incubator—A 40,000 square foot, mixed-use business incubator with incentives and supportive services.
- Crossing at 64 Shopping Center—30-acre site shopping center

Cultural Development

- Harambee Festival - An annual two-day cultural event held the 1st week in May

Hurricane Floyd Housing Recovery

- RMECDC operated the State of North Carolina Hurricane Floyd Housing Recover Centers for Nash and Edgecombe Counties and processed over \$35,000,000 in applications.
- RMECDC's Housing Counseling Center coordinated a Group Work Camp that rehabbed 54 homes valued at \$2,840,000.

B. REGIONAL ECONOMIC BASE

At first glance, an analysis of the major employers by industry in the local region suggests that, in contrast to the local economy, the regional economy continues to be driven by the manufacturing industry rather than service industries. Figure 8-1 shows that, using the standard United States Census industry categories, the manufacturing industry is the major employer in every regional configuration except for the North Carolina Eastern Region (a 13-county area that includes Edgecombe, Nash, Carteret, Craven, Duplin, Greene, Jones, Lenoir, Onslow, Pamlico, Pitt, Wayne, and Wilson counties), the manufacturing industry is the primary employer. However, Figure 8-2 shows that when the various service industries in the standard US Census categories are combined, the service industry is the primary employer and the manufacturing industry the second major employer in every regional configuration. Therefore, the regional economy, like the local economy for the Study Area, is one in which the service sector is the main source of employment.

1. Regional Economic Development Efforts

The fact that Rocky Mount's regional economy, like its local economy, is making that transition from being a manufacturing based to a service-based economy, indicates that the region also is faced with the challenge of maintaining and improving economic vitality of existing manufacturing sector businesses while at the same time developing and attracting leading service sector enterprises. The Carolinas Gateway Partnership and North Carolina's Eastern Region (formerly The Global TransPark Region) are the two primary economic development agencies for this region.



Figure 8-1, Regional Employment By Industry, Standard US Census Categories

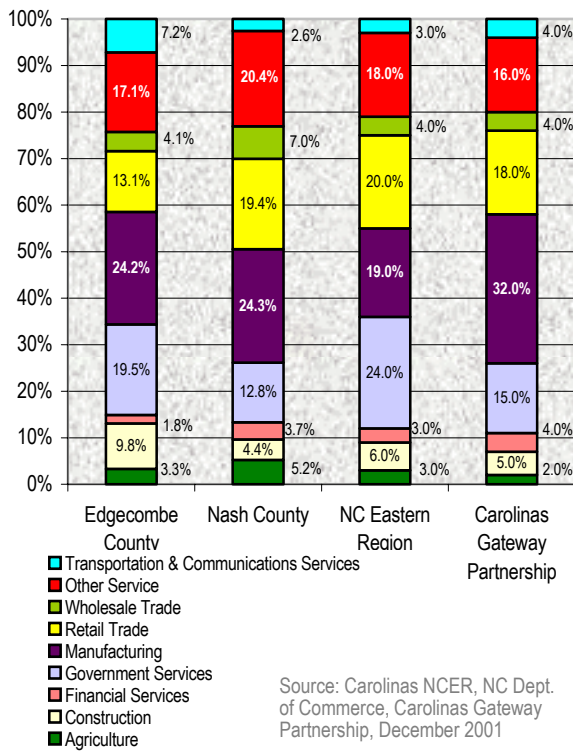
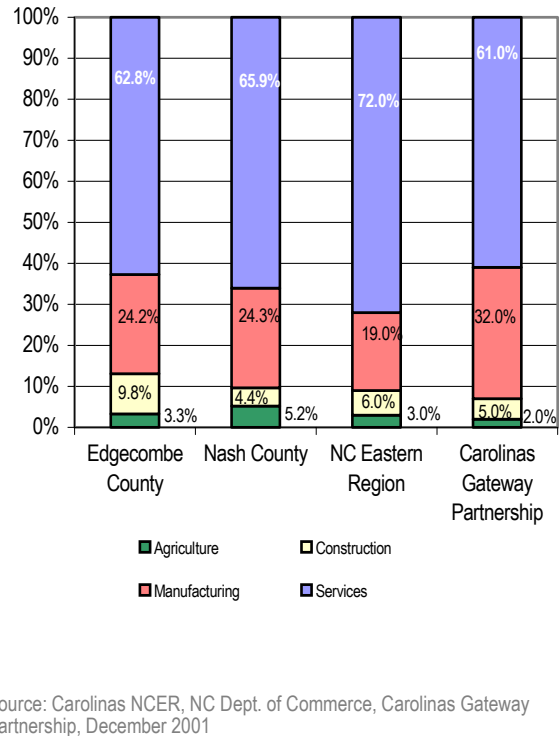


Figure 8-2, Regional Employment By Industry, Combined Service Industry Categories



A. The Carolinas Gateway Partnership



In 1995 The Carolinas Gateway Partnership, a public/private industrial recruitment agency, was created to focus on economic development for Nash and Edgemcombe counties as a single region rather than as separate jurisdictions within the two counties. The Carolinas Gateway Partnership is a public/private industrial recruitment agency that was established to foster quality job creation and enhance the economic growth of Nash and Edgemcombe Counties.

The mission of the GCP is to function effectively as a public/private partnership to foster the economic growth and development of the counties and municipalities in the Edgemcombe and Nash County region. The CGP emphasizes the partnership aspect of its mission in which resources of the private sector are combined with those of local and county governments to improve the overall quality of life for area citizens. To fulfill its mission, CGP promotes the benefits of locating new business in the region and encourages the retention of existing business by creating a climate that encourages growth and expansion.

CGP's strategy for achieving its mission includes the following elements:

- Scheduling domestic trade missions.
- Developing distinctive collateral materials.
- Promoting the development of readily available shell buildings and business/industrial parks to broaden the selection of site locations.
- Offering incentives for expansion and relocation through a fund created from private sectors.
- Increasing cooperation within and among the members of the economic development community in the region and state.
- Marketing the region, each county and municipality to business prospects through the North Carolina Department of Commerce and regional marketing.
- Devising and implementing an economic development strategy for the region.
- Promoting development of business/industrial parks and readily available shell buildings in the region.
- Creating a fund from private business groups or otherwise for the provision of incentives to new and existing business prospects in the region.
- Assisting economic development efforts that may exist within each county and/or municipality in the region.

- Utilizing all local, state and regional resources, including the Department of Commerce, the Research Triangle Park and the Global TransPark, to deliver first-quality economic development services in the region.
- Representing the region in dealings with the Department of Commerce and assisting the counties in the region in their dealings with the Department of Commerce and the economic development community and prospects.

In addition to implementing these specific strategies to promote regional economic development, the CGP offers financial incentives to prospective businesses. The amount and type of financial assistance is based on capital investment and job creation. The expanding or relocating industry must create a minimum of \$5 million in new private investment and 50 new jobs. Generally, the industry must meet the qualifications of the State's Quality Jobs Act to qualify for Partnership incentives that include the following:

- Qualified industrial prospects may be eligible for area industrial park locations, where participating in land cost reduction is possible.
- In addition to the State programs for worker training, supplemental funds are available for advanced programs for eligible professional and technical workers.
- Funds are available for relocation of professional and technical workers. Funds are very limited and are provided based on the salary levels for relocating workers. Also, programs are available for "worker relocation briefings" at the site of choice of the industry. "Trailing spouse" programs are available as well.
- Some industries may require unique solutions to particular manufacturing processes. This is particularly true of expanding industries. Provided that the industry qualifies on the basis of capital investment and job creation, cash grants are available for design and purchase of new capital equipment.
- IDB financing is available through local government units.

The Carolinas Gateway Partnership's recent recruitment, retention and expansion efforts are evidenced through the following success stories:

- Universal Leaf North America, Inc. currently is constructing a new, one million plus square foot facility that will house advanced technology leaf tobacco processing equipment in Nash County. Universal Leaf plans to invest \$100 million and employ 1,000 full-time and seasonal workers in the new Nash County facility that is expected to be completed in July 2003.
- Aegis Communications Group has located a high tech call center in the former Circuit City Call Center facility at Crossroads Plaza in Rocky Mount. Aegis has plans

to create 600 new jobs over the next five years and invest \$5 million in equipment in the Rocky Mount facility.

- Poppies International, Inc., a Belgium based manufacturer of fine pastries and cookies, has opened its first U.S. headquarters and manufacturing facility near Rocky Mount in Nash County. The company will initially generate investment of \$10 million and create 60 new jobs. Plans call for construction of a 90,000 square feet manufacturing and headquarters facility to be located on 20 acres in the Whitaker Business & Industry Center.
- QVC, Inc., a division of Comcast Corporation, has built a new distribution center near Rocky Mount in Edgecombe County. The facility will generate 800 new full-time jobs and an initial investment of \$70 million.
- Alflex Corporation of Los Angeles, California, a subsidiary of Commonwealth Industries, Inc., has opened its first East Coast operation in the Whitaker Business and Industry Center near Rocky Mount.
- McLane Corporation, a distributor of food products and general merchandise to convenience stores and a wholly owned subsidiary of Wal-Mart invested \$23 million in its new distribution center in Nash County. The distribution center employs 435 employees and was the first tenant of the Whitaker Business and Industrial Center, a 300-acre full-service industrial park developed by the Nash County Business Development Authority.
- Saturn Electronics and Engineering, Inc., a full-service global contract provider of outsourcing services to original equipment manufacturers, expanded their business operations in Rocky Mount by moving 70 positions and \$2.25 million worth of equipment from a Saturn facility in Mississippi.
- Tyco Plastics, a manufacturer of trash bags and polyethylene sheeting, completed a major expansion of its Battleboro facility by investing \$11 million in additional machinery and adding 120 new jobs.
- Draka Elevator Products, Inc., has leased Building #3 in Whitaker Business and Industry Center from Bayfield Development of Massachusetts. Draka's expansion included the additional employment of 35 workers and an investment of \$6 million.
- Primevision Health, headquartered in Raleigh, recently expanded its Rocky Mount presence by constructing a significant state-of-the-art medical operations facility in Rocky Mount. Primevision currently employs 45 individuals not associated with its retail operations in the area and will add 80 positions in the near future.



B. North Carolina's Eastern Region



North Carolina's Eastern Region (formerly the Global TransPark Region) is a multi-county partnership established by the North Carolina General Assembly to promote economic development in a 13-county area of eastern North Carolina. The member counties are Edgecombe, Nash, Carteret, Craven, Duplin, Greene, Jones, Lenoir, Onslow, Pamlico, Pitt, Wayne and Wilson counties.

The mission of North Carolina's Eastern Region "is to promote and encourage economic development by fostering or sponsoring development projects to provide land, buildings and infrastructure requirements for business and industry within the 13-county development zone" (*Making A Difference In North Carolina's Eastern Region, April 3, 2002*). To fulfill this mission, the Eastern Region promotes economic development through a mix of low-interest loans, a family of grant programs, marketing, business recruitment, Certified Industrial Sites, research, public relations, training and product development initiatives. The partnership coordinates its activities at the state level with the North Carolina Partnership for Economic Development (NCPED) and at the local level with its individual county developers.

The following are some of NCER's key achievements:

- Contributed \$50,000 in grant funding for the relocation of Universal Leaf to Nash County.
- Provided \$25,000 in Flex Grant funds from North Carolina's Eastern Region to assist in the expansion of Draka Elevator Products in Nash County.
- Assisted in attracting Unisource, a manufacturer expansion joints, flexible metal hose, Teflon core hose, industrial rubber hose and hydraulic hose and related accessories, to Edgecombe County. Unisource will provide 80 positions and \$2 million in private investments.
- Provided a \$16,500 grant for geo-technical studies at the site, a \$300,000 loan from the revolving fund for purchase of 100 acres of the site, two \$10,000 environmental grants over two fiscal years and a \$50,000 grant to bring QVC to Edgecombe County.
- Granted Nash County over \$31,000 for development of the Whitaker Business and Industry Center.

In a report released in January 2002 by the North Carolina Department of Commerce, North Carolina's Eastern Region was ranked number one in new jobs created and third in overall investment for the 2001 calendar year as compared to the other six regional partnerships. More than 14,000 jobs were created in 2001 statewide, 27% of which were located in North Carolina's Eastern Region. NCER pro-

vided over \$3 million in grant assistance to boost economic development in the counties and create 3,840 jobs. In addition to creating jobs, this grant assistance generated more than \$359 million in private industry investments.

C. North Carolina Department of Commerce



Although the North Carolina Department of Commerce is a statewide rather than a regional entity, The Department of Commerce provides many of its economic development programs through or in conjunction with regional agencies. The Department of

Commerce, through the W. S. Lee Act, provides a variety of tax incentives for businesses, including the following:

- **Investment Tax Credit**—A tax credit equal to 7% of the value above the applicable threshold of machinery and equipment placed in service is available to new and expanding companies. The credit is taken in equal installments for seven years after the machinery and equipment is placed in service. An eligible business that invests \$150 million or more within a two-year period is eligible for a 20-year carry-forward.
- **Job Creation Tax Credit**—New and expanding companies with at least five full-time employees can take a credit ranging from \$500 to \$12,500 for each new job created in equal installments over four years.
- **Worker Training Tax Credit**—Companies providing training for five or more employees can take a credit of 50% against eligible training expenses.
- **Research & Development Tax Credit**—Companies qualifying for the federal Research and Experimentation Tax Credit can take a state tax credit equal to 5% of the state's apportioned share of the company's research and development expenditures.
- **Business Property Tax Credit**—The credit equals 4.5% of tangible business property capitalized under the tax code, up to a maximum single year credit of \$4,500, taken in five equal installments beginning in the taxable year the property is placed in service.
- **Central Administrative Office Credit**—For purchased property, the credit equals 7% of the property cost. For leased property, the credit equals 7% of the lease payments over a 7-year period plus non-reimbursed property improvement expenditures. The maximum credit is \$500,000. To qualify, the company must hire at least 40 new full-time administrative positions in the first year.
- **Change in Ownership Credit**—Renewed eligibility for the acquiring owner of an existing company is achieved if: 1) the business closed before acquired by the new owner; 2) the business was required to file notice of closing or layoff under Federal Worker Ad-



justment and Retaining Notification Act or 3) the business was acquired by its employees via employee stock option or similar mechanism.

- **Industrial Revenue Bonds (IRBs)** - IRBs may be used by companies engaged in some type of manufacturing for the acquisition of real estate, facility construction and/or equipment purchase. Regulations governing bond issuance are a combination of federal regulations and North Carolina statutes. The states' population designated the amount each state may issue annually.
- **North Carolina Small City Community Development Block Grant Program**—These grants may be obtained by local governments (municipal and county) to be used for projects involving a specific business that will create new jobs. Project activities must benefit persons (60% or more) who were previously (most recent 12 months) in a low or moderate family income status.
- **Industrial Development Fund**—The Industrial Development Fund (IDF) assists municipal or county governments with financing for industries eligible through the W. S. Lee Act in areas of the State designated as Tier I, II, and III areas. The amount funded depends on the number of new, full-time jobs created and may be used by local units of government for infrastructure improvement (in the form of grants) or for building renovation and equipment (in the form of loans). The fund may not be used for acquiring land or buildings or for constructing new facilities.
- **Business Energy Loans**—These loans may be used by business for facilities or projects that demonstrate energy efficiency or the use of renewable energy resources resulting in energy cost savings.
- **Industrial Access/Road Access Fund**—Administered by the Department of Transportation, this program provides funds for the construction of roads to provide access to new or expanded industrial facilities.
- **The Rail Industrial Access Program**—This program provides grant funding to aid in financing the cost of constructing or rehabilitating railroad access tracks required by a new or expanded industry that will result in a significant number of new jobs or capital investment.

C. FACTORS AFFECTING ECONOMIC DEVELOPMENT



The strategies, programs and incentives that the Carolinas Gateway Partnership, North Carolina Eastern Region, and North Carolina Department of Commerce provide for economic development target some key factors, such as a trained workforce, that affect economic development. This section will review some of these key factors

and report how the Study Area compares with other cities and regions. Where Rocky Mount stands relative to other cities on each of these factors can help determine the areas of economic development the City is strong on and the areas on which it needs to improve.

1. Financial Incentives

The total value of tax credits, like those listed in the previous section, can be up to 50% of a business' annual tax liability. In addition to these tax credits, another financial incentive that encourages economic development in the Rocky Mount area is the designation of Development Zones within the City. Businesses that locate in Development Zones within the City of Rocky Mount are treated as Tier I. Edgecombe County is a Tier I county and Tier I status means that the thresholds for providing various financial incentives to businesses are the lowest. For example, a large recycler in a Tier I county, like Edgecombe County, can receive tax credits of up to 50% of the costs of purchasing or leasing equipment for a recycling facility.

Table 8-3 illustrates how the Tier I designation for Development Zones within Rocky Mount and for Edgecombe County positions certain parts of the City and Edgecombe County to offer incentives to businesses. Businesses located in the Tier I areas within the Study Area have no threshold to meet to receive investment tax credits and can receive the maximum job creation tax credit. The location of the City's Development Zone is shown in Map 8-1.

2. Tax Burden

Many of the financial incentives that encourage economic development decrease the tax burden on businesses. These tax credits coupled with North Carolina's 6.9% corporate income tax make business taxes in North Carolina among the lowest of the 50 states. In addition to providing tax credits and having a low corporate income tax, businesses that locate within the Study Area do not have to pay inventory or intangible taxes. Neither do they have to pay sales taxes on raw materials.

Table 8-3: Tier I Designation and Financial Incentives

County	Enterprise Tier	Threshold Investment Tax Credit	Job Creation Tax Credit	Average Weekly Wage to Qualify
Jones	1	0	\$12,500	\$401
Edgecombe	1	0	\$12,500	\$444
Duplin	2	\$100,000	\$4,000	\$459
Pamlico	2	\$100,000	\$4,000	\$362
Onslow	2	\$100,000	\$4,000	\$382
Greene	3	\$200,000	\$3,000	\$424
Wayne	3	\$200,000	\$3,000	\$490
Lenoir	3	\$200,000	\$3,000	\$496
Wilson	3	\$200,000	\$3,000	\$586
Carteret	4	\$500,000	\$1,000	\$382
Pitt	4	\$500,000	\$1,000	\$515
Craven	4	\$500,000	\$1,000	\$517
Nash	4	\$500,000	\$1,000	\$564

Source: North Carolina's Eastern Region; *Tax Incentives*

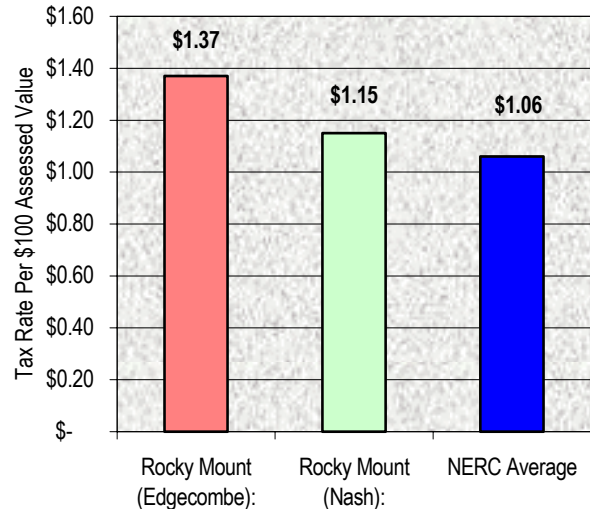
Despite these efforts to lessen the tax burden on businesses at the state level, high taxes on businesses at the local level, especially property taxes, could discourage businesses from locating here, thereby impeding economic development. The results of an analysis of local property taxes in the 13 county North Carolina Eastern Region are summarized in Figure 8-3.

Figure 8-3 shows that the tax burden for businesses in Rocky Mount significantly differs depending on whether the business is located in the Edgecombe County or Nash County section of the City. Businesses in the Edgecombe County section of the City are saddled with a greater property tax burden than those in the Nash County section. Property taxes in the Edgecombe County section of Rocky Mount (\$1.37 per \$100 assessed value) are almost 20% higher than Nash County property taxes (\$1.15 per \$100 assessed value). In contrast, Nash County's property taxes are only a little more than 8% higher than the average property tax in the region.

The source of this disparity in property taxes in Rocky Mount is at the county level. Edgecombe County property taxes are \$0.91 per \$100 assessed value while Nash County's are \$0.69 per \$100 assessed value. The average for the NCER is \$0.69.

One implication of property taxes in Edgecombe County being higher than those in Nash County is that it might discourage economic development in the Edgecombe County section of the Study Area. However, the high property taxes in Edgecombe County might be mitigated by other incentives that the county has to offer.

Figure 8-3: Property Tax Burden



Source: North Carolina's Eastern Region

3. Available Sites



One incentive that Edgecombe County can offer to prospective businesses is the availability of the largest Certified Industrial Site, the 632 acre Kingsboro Site, in

the region. The Certified Industrial Site (CIS) Program was developed for North Carolina's Eastern Region as a process to officially acknowledge *quality* industrial sites. Local government units in the 13 county Eastern Region submit industrial sites for certification to a CIS Review Committee. Local governments can receive up to \$50,000 in grant funds to assist with the costs of bringing a site up to CIS standards. After review and evaluation to ensure that CIS requirements have been met, the Committee makes a recommendation to certify the site. CIS criteria include the following:

- Site access meets NC/DOT standards
- Phase I Environmental Audit completed
- Geo-technical studies complete including: topographic analysis; location of wetlands, rare and endan-

gered species and archeological findings; and location of streams and bodies of water

- Proper zoning
- Essential site services, including electric power supply, public water supply, waste water treatment services and telecommunications are on site or available

The NCER reports that the following are some ways that the CIS Program enhances economic development:

- The time-consuming and costly process of environmental and geo-technical studies have already taken place
- Existing buildings comply with current building, construction and Life Safety codes
- Essential services for water, wastewater treatment and electricity are at the site or engineered plans are complete
- Aerial photographs, boundary surveys and site/building plans are available
- NC Department of Transportation standard road access is available or planned for the site, and zoning and environmental issues have been satisfied



4. Construction Costs

By providing property that is available for use, the Certified Industrial Site program significantly reduces construction costs for prospective businesses and some sites, such as the Whitaker Industrial Park, already have buildings constructed. The availability of existing buildings and plenty of land that is ready for construction are key factors for attracting businesses to the Study Area.

5. Proximity To Major Markets

Not only are buildings and land readily available for economic development in the Study Area but also the buildings and land that are available are close to major markets. The NCER reports that the Study Area is within a 700-mile radius of more than 150 million U.S. and Canadian customers.

6. Infrastructure

Roads

The infrastructure for accessing the markets that the Study Area is in close proximity to includes an extensive road and highway system. The major thoroughfares in this system are listed in Table 8-4 and other major highways in the Study Area include US 17, US 117, US 258, NC 58, NC 55, and NC 24.



Table 8-4: Major Roads and Highways

Interstate 40	I-40 is a major east-west Interstate thoroughfare, connecting the region with Wilmington, Raleigh-Durham, Greensboro, and extending west to Barstow, California
Interstate 95	I-95 is a major north-south thoroughfare, that passes directly through the Study Area. This interstate extends south to Miami, Florida, and north into Maine. It is considered to be one of the most important travel routes on the East Coast
US Highway 70	Highway 70 runs east-west and is one of the most important highways to the region. Beginning to the east on the Atlantic Ocean, it continues west through the Raleigh-Durham area, and can be used as a connector to either I-40 or I-95
US Highway 64 & US Highway 264	Highways 64 and 264 run across the Study Area. They connect Rocky Mount, Wilson, and Greenville with the Raleigh-Durham area, and these are connectors to I-95

Source: NCER, Access and Transportation

Rail

Norfolk Southern is the main supplier of rail access in the region, and their rail network extends throughout North Carolina. Rail service through CSX is also available in the region; however, the CSX rail network is not as extensive in the region as that of Norfolk Southern. CSX is currently proposing a joint acquisition of Conrail, and this would significantly increase rail service available to the region.

Sea/Water

The major port serving the area is the Morehead City Port. In fact, Morehead City has one of the largest ports in North Carolina, second only to the port facilities in Wilmington.

Air Travel

Rocky Mount/Wilson is the regional airport that serves the Study Area, but New Bern Regional is the largest and most



heavily used. The major, international airport that serves this area is Raleigh-Durham International. The Raleigh/Durham hub is the largest and most accessible international airport to the region.

Energy

Another part of the infrastructure that affects economic development is the cost of energy. The NCER reports that the energy costs (electricity and natural gas) in the region are slightly less than the national average for industrial and commercial customers.

Wastewater Capacity

The final aspect of the Study Area's infrastructure that was assessed was wastewater capacity. Wastewater capacity is an important concern for businesses that have high volumes of wastewater to dispose of due to a high number of employees, manufacturing processes or both. With the capacity to handle nearly 12 million additional gallons of wastewater per day, Edgecombe County ranks fourth among thirteen counties in wastewater capacity. Having such a high surplus capacity can be used as a selling point to prospective businesses and also mitigate the high tax burden for businesses that locate in the Edgecombe County section of the Study Area.

7. Labor Market And Trends

Perhaps the most important factor in economic development is the availability of a skilled and trained workforce. The size of the labor force in the Study Area has varied during the past decade. It peaked in 1996 at 72,880 and reached its decade-low in 1999 at 66,610. Both Nash and Edgecombe County have experienced fluctuation in the size of their work forces in the past ten years. Edgecombe County has seen its work force shrink by nearly 18% over the 10-year period, while the Nash County labor force has increased slightly, 1.76%, over this same time period.

This trend of a work force that is decreasing in size stands in contrast to the a population that is increasing in size. Between 1990 and 2001, the Study Area's labor force shrank by nearly 3%, although the resident population increased by 7.35%. Typically, work force size grows along with general population growth. However, this is not the case in the Rocky Mount area.

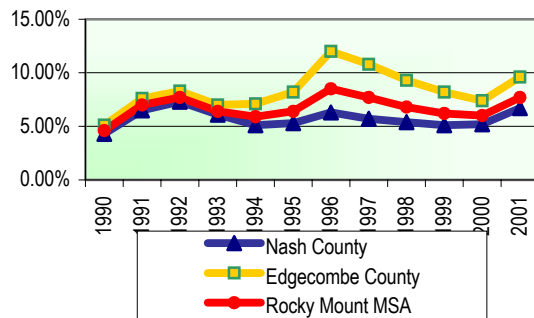
There are many possible reasons for this phenomenon. First, the work force may have "aged out", leading to many workers retiring and resulting in long-term work force reductions. Second, the transition from a manufacturing-based to a service-based economy has resulted in many manufacturing plant closures and unemployment, retirement or relocation for many workers. Many area residents that used to work in local manufacturing plants might be seeking employment in nearby communities such as Greenville

or Raleigh-Durham. Data from the NCER supports the explanation that many area residents currently work outside the Study Area. An analysis of workplace locations for the 13 county region shows that a higher proportion of Nash County's workforce, 13.7%, work outside the region than any other county. A final explanation may be that a portion of the area's work force has become discouraged from participating in the labor market, either because of the quality of jobs available, pay and benefit levels, job location and employment access or other factors.

If a large proportion of the local workforces have removed themselves from the labor market, then local unemployment might be worse than the data indicates. Unemployment rates include only those workers who are actively seeking employment and the unemployment rates for the study area show a precipitous rise over the past decade.

Figure 8-4 shows that unemployment in the Study area has increased from approximately 5% for Nash and Edgecombe counties and Rocky Mount in 1990 to nearly 10% for Edgecombe County and between 7% and 8% for Nash County and Rocky Mount in 2001. Each of the three jurisdictions had similar unemployment rates until the mid-1990s. At that time, Edgecombe County's unemployment rate increased to more than 10% and since then has remained significantly higher than that for Nash County and Rocky Mount.

Figure 8-4: 1990-2001 Unemployment Rate



Source: NC Employment Security Commission

A variety of factors could explain Edgecombe County's unemployment rate consistently being higher than that in Nash County or Rocky Mount. Job cutbacks and business closings in Edgecombe County are certainly a major reason. Although Hurricane Floyd caused more job reductions and business closings in Edgecombe County than in Nash County or Rocky Mount, Figure 8-3 shows that the divergence in the unemployment rates for the three jurisdictions began long before Hurricane Floyd. Another possible reason for higher unemployment rates in Edgecombe County is that the Edgecombe County workforce might have skills

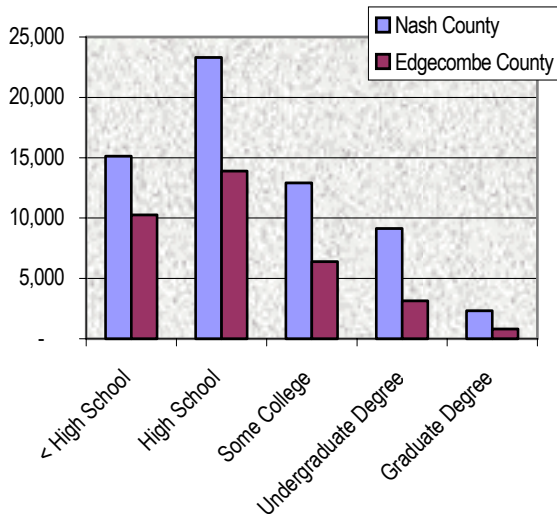
more suitable for the declining manufacturing industries than the growing service enterprises.

8. Workforce Education

An indicator of workforce skills and training is the educational attainment of persons 25 years and over. Figure 8-5 summarizes how Nash and Edgecombe counties stand on this indicator. Figure 8-5 shows that the Edgecombe County workforce has fewer persons with a high school education or above than does Nash County.

Since educational attainment is a key determinant of obtaining high-level, service-sector jobs in fields such as information systems and insurance and finance, these differences in educational attainment in Edgecombe County and Nash County workforces could underlie the disparity in the

Figure 8-5: Educational Attainment



Source: The Right Site—Site Analysis

unemployment rates.

The Carolinas Gateway Partnership, in its recently completed Strategic Plan, highlights the fact that educational attainment is a key factor in economic development. One conclusion of this plan is that partnership with area educational institutions that provide a wide range of degrees and non-degree programs are critical to the potential success of future economic development efforts. These programs included graduate and post-graduate degree programs in mechanical and electrical engineering and business. The ability to keep key service sector employers like RBC-Centura may also be enhanced with graduate and post-graduate degree programs in finance and business.

9. Quality of Life

Schools

Access to quality educational institutions not only is critical to ensuring that the current workforce has requisite skills for employment opportunities but also is critical to attracting new companies and new workers into the area. The Study Area boasts a wide variety of educational institutions that range from private academies, public schools and a charter school at the elementary to high school level and a four-year college at the higher education level. However, the current budget deficit at the state level and resulting loss of revenue at the local level means that local public schools and community colleges will be faced with maintaining and improving the quality of education that they provide with fewer resources.

Crime

One of the most important indicators of the quality of life in an area is public safety, which is usually measured by how frequently crimes occur. Recent data from the North Carolina Department of Justice shows that Rocky Mount ranks eleventh out of fifteen selected cities on a crime index of offenses. The crime index of offenses is the rate of crimes reported per 100,000 people. Compared to the other fourteen cities in the listing, Rocky Mount, as number eleven, is one of the safest cities in which to live.

Cost of Living

Another important indicator of the quality of life of an area is the cost of living. Figure 8-6 shows how the cost of living in Rocky Mount compares to that in other North Carolina cities. With the fourth lowest cost of living among the fourteen other cities included in Figure 8-6, Rocky Mount's cost of living is an asset to economic development efforts. Prospective businesses might prefer to locate in Rocky Mount rather than in areas where the cost of living for employees is higher than it is here.

Health Care

The relatively high costs of health care in Rocky Mount are for a relatively high level of health care service. A comparison of the access to health care among the thirteen counties that make up the NCER reveals that the counties that include parts of Rocky Mount fare rather well compared to their counterparts. Nash County has the fourth highest number of physicians and the fourth highest population to physician ration among the thirteen counties and Edgecombe County

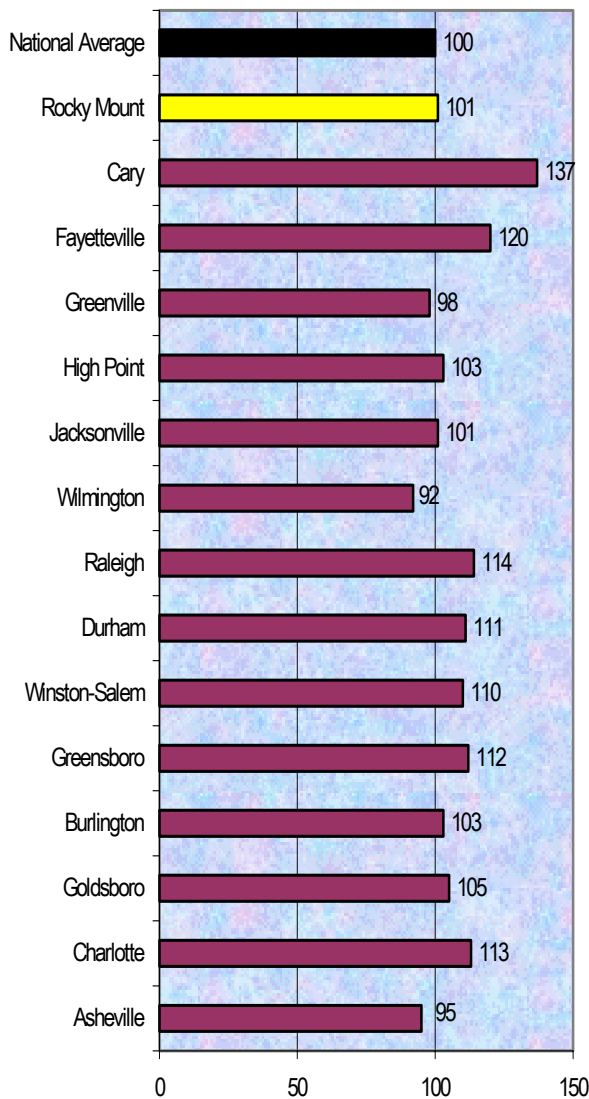
Leisure and Recreation

Another quality of life indicator is leisure and recreation, and the Study Area's proximity to beaches coupled with the fact that the state also has mountains provide for a variety of recreational and leisure opportunities. Additionally, there are regional, minor league baseball, basketball and football teams plus a National Hockey League franchise in Raleigh.

Arts and Culture

The recreational and leisure opportunities in and near the Study Area are buttressed by a wide variety of arts and cultural facilities, including the Dunn Center for the Performing Arts located on the campus of North Carolina Wesleyan College, the Rocky Mount Children’s Museum and the current plans to construct a Cultural Arts Complex in downtown Rocky Mount. The Study Area’s commitment to arts and culture makes it an attractive place to live and work .

Figure 8-6: Cost of Living Index Comparison



Source: Yahoo! Real Estate, Neighborhood Profiles, August 2002.

F. EMERGING MODELS OF ECONOMIC DEVELOPMENT

Clusters of Innovation

A review of the factors that affect economic development suggests that the study area has many assets to draw upon to spur future economic development.

The question now arises how to best use those assets to develop an effective strategy. An emerging model of economic development is a cluster of innovation.

The clusters of innovation approach to economic development asserts that regional economies are the building blocks of economic development and that sustained economic growth depends on increasing productivity. Michael E. Porter, a proponent of the clusters of innovation approach, explains that the central challenge for sustained economic growth is to create conditions for the ongoing innovation. He further explains that the quality of the regional business environment in which firms operate is the key to sustained innovation, and the quality of regional business environments depends on the following four factors:

- **Factor Conditions** – The presence of high-quality and specialized pools of human resources, applied technology, infrastructure and sources of capital that are tailored to meet the needs of industries within the region.
- **Demand Conditions** – The presence of regional customers that press firms to improve and innovate to meet customer needs.
- **Context for Firm Strategy and Rivalry** – The rules, incentives and pressures that govern the intensity of competition among businesses and encourage investment and foster productivity growth.
- **Presence of Related and Supporting Industries** – Local sourcing from capable suppliers within the region that enhances productivity and innovation by allowing quicker and less costly communication, that facilitate and foster the flow of new ideas and that enhance flexibility through outsourcing.

Regional agencies that are already successful in spurring economic growth in the Study Area might consider the clusters of innovation model as a strategy for building on current successes to ensure sustained economic development in the future.

MSN released the list of Best Places to Live” for 2003. Raleigh and the surrounding six counties ranked at the top of the list for the entire country. Economics is but one factor in the evaluation. In a recent report¹ on the clusters of innovation model for the Research Triangle area, Dr. Porter suggests that the Triangle Area expand from focusing on six counties to include eighteen counties that would include Nash and Edgecombe. Within this eighteen-county economic area, the textiles, chemicals and plastics clusters would be added to the Research Triangle’s existing clusters of pharmaceuticals/biotechnology and communications. The net result would be sustained economic growth for the entire region. Medium and small businesses throughout the region would provide support services to larger businesses; land that is readily available in rural areas could be developed for housing and recreation, releasing pressure on the Research Triangles overburdened infrastructure and excessive automobile traffic; and advances in technology that would be applied to textiles and agriculture would improve productivity in those industries.

II. GOAL

To promote growth and economic development throughout the community, with a special emphasis on Edgecombe County; offer a range of shops, homes and services; recruit small businesses and new industries; revitalize the downtown, with a special emphasis on Edgecombe County and provide opportunities for job training/retraining and job creation with higher pay

III. OBJECTIVES AND STRATEGIES

A. DEVELOP AND IMPLEMENT A FOCUSED ACTION PROGRAM TO DIVERSIFY THE ECONOMIC BASE BY CULTIVATING THE GROWTH OF EXISTING INDUSTRY AND THE ATTRACTION AND FORMATION OF NEW GROWTH INDUSTRIES

This action program should focus on specific economic development opportunity projects in the City, and where appropriate, it should lend a helping hand to regional development projects that can bring prosperity to the community and its residents. The City’s economic base is an integral and important component of the larger surrounding regional economy, and for this reason, the City’s economic development strategies should be executed with this larger

region in mind.

1. Conduct A Systematic Analysis Identifying The Most Promising Industries And Business, As Appropriate, To Diversify The City’s Economic Base And The Regional Economy Over The Next Five Years

The City’s major opportunities fall into the following categories:

- Expanding existing industries with the highest priority to manufacturing, distribution and major corporate headquarter and office facilities in the City.
- Recruiting new businesses that both link well to the City’s existing industry base and also stimulate the diversification of the City’s economic base in new industry directions. Warehouse/distribution opportunities and back-office facilities offer some potential in this area.
- Retaining, growing, and attracting higher quality jobs that offer a “living wage” to residents. The job creation challenge for Rocky Mount will be to develop an appropriate mix of job opportunities that fit residents’ current skills and also encourage residents to grow into more skilled and knowledge-based jobs.
- Creating new business enterprises that build upon the entrepreneurial skills of community residents. Special attention should be given to e-business opportunities in the consumer and business-to-business fields.

2. Facilitate An Adequate Supply Of Clean, Developable, And Competitive Industrial Sites To Support Existing Manufacturer’s Expansion And New Industry Investment

Within the current corporate limits, the City has a limited supply of clean land for development. There is potential for adding new land for economic development or cleaning up and redeveloping Brownfield sites (contaminated, abandoned and underused property in the City). A strategy should guide these efforts to ensure that City and private investment resources are directed to the most promising sites. Providing a new land supply in existing industrial areas and Downtown are logical first choices.

Transportation access to these areas should be evaluated carefully because of its determining role in making sites attractive to businesses. In facilitating an adequate supply of industrial sites, the City will consider whether the Extra Territorial Jurisdiction boundary should be amended to provide for the annexation of such sites into the City.

¹Research Triangle Clusters of Innovation Initiative, Monitor Group, 2002.



3. Assist The Local Workforce To Adopt Successful High-performance Workplace Practices In Order To Increase The Competitiveness Of The Area's Leading Manufacturing And Service Industries

The high performance workplace embodies four characteristics: higher productivity, improved quality of work life, greater teamwork and ongoing skill upgrading. The area's existing workforce needs to acquire new "hard" skills related to specific occupational requirements, as well as "soft" skills that include the ability to work in teams and to communicate effectively on the job.

4. Strengthen The Quality Of The City's Infrastructure Services, Especially Its Information And Telecommunications Capabilities To Support Information-intensive Industry Development

Readying the City for Information Age industries, businesses and jobs will be the paramount infrastructure challenge for the City. This should be a high priority of the Comprehensive Plan to ensure that Rocky Mount has the best available telecommunications service and that it has low-cost and high-quality Internet access, including the installation of a T-1 line in the Downtown. A future infrastructure and economic development link to the Research Triangle Park (RTP) should be encouraged by working with existing employers and educational institutions. This could be started through a cooperative agreement that helps RTP companies to outsource work to Rocky Mount companies.

5. Accelerate Efforts To Startup New Technology-based Service, Manufacturing, And E-business Companies In The Area By Offering New Local Incentives And Intensive Technical Assistance To Spur Their Growth

Rocky Mount will need to create the information and communications infrastructure to support the development of these types of businesses. It will also need to increase its supply of information and knowledge workers. Affordable leased office space, through a high-tech business incubator, could also be a prime catalyst.

New workforce development and tax incentives can be provided under North Carolina law that would foster the growth of these enterprises in the City. These proposals, which include the "Eastern Technology Corridor" concept, should be explored in an integrated plan as the next step in this process.

B. INCREASE THE CITY'S COMPETITIVENESS AS A BUSINESS AND ECONOMIC LOCATION

The City must see its economic development challenge both in terms of competition and becoming more competitive and also collaboration and the ability to work cooperatively with other stakeholders to increase community wealth. The competitiveness challenge relates initially to improve the quality of local development resources. The chief priorities are four fold: worker skill, telecommunications infrastructure, increased financial investment capital and new real estate sites and land in the City.

1. Study The Concept Of A Comprehensive Municipal Development Budget That Identifies How All Aspects Of City Government Affect The City's Economic Development Performance

The Comprehensive Development Budget is a tool that can help the City focus and coordinate its public investments. This is a planning tool that coordinates all aspects of the City budget that have an impact on development, especially activities that support economic development. This new approach to budgeting will enable the City to have greater leverage through its investments. A component should be to encourage the private sector to coordinate its investments with the City so key development priorities, like Downtown, can advance more quickly.

2. Update (Or Develop) Working Agreements With Economic Development Partners

The City should work with all of its development partners (including Carolinas Gateway Partnership, Nash and Edgecombe Counties and the state) to share information about development projects and coordinate their activities to increase the level of tangible results achieved. This agreement will help to guide future economic development efforts, and it will ensure that the City is connected on a regular basis with surrounding regional development efforts.

3. Utilize Transportation Improvements To Support Economic Development

Transportation access will be essential to increased City access for employment, recreation, shopping and other business reasons. Improved regional transportation access will help ensure that the City is connected to future regional development opportunities. Priorities include the bypass connectors: Northern Outer Loop (US 301 Bypass to Winstead Avenue) and Southern Outer Loop (Raleigh Street to NC 43). Attention should also be given to the proposed high-speed rail corridor study. This study is evaluating potential corridors for a new high-speed rail line that would



connect eastern and Central North Carolina to Washington, D.C. Access to this system could greatly increase the City's ability to attract technology-based industries in the future.

4. Prepare For Future Technology-based And Information-intensive Industries

The jobs of the future will be more technical and more information intensive. Future workforce development efforts should embrace this reality and help residents prepare for these types of jobs both in the City and the surrounding area.

5. Promote Home-based Businesses And Self-employment Consistent With Neighborhood Preservation Efforts And Good Land Planning

Self-employment is the fastest growing sector of the economy nationally. There are many opportunities for transitioning workers and other segments of the population to increase their incomes through home-based employment or owning and running their own businesses. The zoning ordinance should be reviewed to ensure it does not present unreasonable obstacles to the creation and operation of home-based businesses.

C. SUPPORT BUSINESS GROWTH CONSISTENT WITH COMMUNITY CHARACTER AND QUALITY OF LIFE

The City should avoid business development that injures the environment or human health or disrupts community tranquility. The City's goal should be jobs that dovetail with quality of life preservation. Clean industry that places a minimum demand on City services is also very important.

1. Retain And Expand Existing Business And Industry

Existing employers should be at the top of development targets for all future economic development efforts. Manufacturing and corporate headquarter facilities should be given first attention. Regular visits with company officials, meetings with City officials and other ongoing contacts will help to keep businesses and City officials in communication. This is the first step to helping these companies to become more competitive in the City.

2. Position The Community To Compete Successfully For New High Quality Jobs In The Region

The City should focus its resources on attracting companies that create high-quality jobs. One benchmark would be jobs that pay 1.5 times the current minimum wage. This

should also include jobs with favorable career growth potential.

3. Attract New Business And Industry (Especially Innovative Small Businesses And High Technology Industries)

The City should continue to strive to attract new business and industry. Technology-oriented businesses will have the greatest growth potential in the future. Funds should be identified and acquired that support an incubator to assist small business startups, especially on the Edgecombe side of the City. Concurrently, the City should investigate the installation of a T-1 line in the Downtown to support high tech businesses.

4. Enhance The Community's Tourism Industry

This strategy has some potential for the City, but expectations should be modest in this regard. It is important that the City first create high-quality recreation amenities to support existing residents. Tools to support this growth include marketing special events and local heritage.

D. ENHANCE THE RESIDENT WORK FORCE, INCLUDING IMPROVING SKILLS AND FOCUSING ON THE DISADVANTAGED

These efforts will be even more important in the New Economy that is global and technology based. Workers need to be trained to learn and develop on the job. Future workforce efforts should avoid training for "dead-end" jobs.

1. Work With Carolinas Gateway Partnership & Tri-County Industries To Enhance Employment Opportunities For Those Who Face Challenges To Job Placement And Advancement, Including Young People, Single Parents, Minorities And Older Workers

The City should continue to work with Carolinas Gateway Partnership to enhance the local work force, with a special emphasis on creating employment opportunities for those facing the greatest job challenges. Carolinas Gateway Partnership should continue to work with local employers to create opportunities for enhanced job skill training, including working with vocational schools, community colleges and local universities.

E. FOCUS INCENTIVES TO SUPPORT ECONOMIC DEVELOPMENT



The City should consider adopting a set of focused incentives to support economic development within its corporate boundaries and in nearby industrial parks that purchase utility services from the City. In all cases, the City should consider the long-term value of promoting economic development and serving as a stronger partner with other economic development organizations, including the state.

1. Support The Whitaker, Fountain And Kingsboro Industrial Parks, As Well As Other Major Or Key Development Sites That Benefit The City, Either Directly Or Indirectly

For the City to succeed in encouraging new industrial investment, it will need to encourage the creation of a competitive supply of new industrial land. This land supply should be carefully planned and developed in a manner that encourages high-quality industrial, distribution and corporate office operations to locate in the new parks. Existing regional companies are the most logical investment prospects in the short term. New smaller technology-based service and short term. New smaller technology-based service and manufacturing companies should also be seen as key development targets.

2. Work With Carolinas Gateway Partnership To Develop An Economic Incentives Policy With Performance Standards That Protect The City's Capital Investment

The City should develop a comprehensive economic incentives policy that packages financial, zoning and infrastructure incentives. All future incentives should be performance-based in the sense that the company-City legal agreements define clear expectations about job, income and tax generation that will be undertaken by companies in exchange for incentives. Once the policy is developed and adopted, it can be implemented.

3. Maximize State Incentives, Especially Those Targeted To Edgecombe County, And Infrastructure Development Funds

Stronger and more lucrative economic development packages should be provided to companies that invest in the community's most distressed locations. Worthwhile investment projects anywhere in the City should receive some level of incentive support if they merit these benefits by creating new jobs and income for residents. Review existing incentives offered and determine if additional incentives can be developed for economically challenged areas. Use outside public funds wherever possible to stimulate economic development. Rocky Mount makes some use of state programs, but there is room for improvement in this

regard. One way to take fullest advantage of grant monies is to create a grants application position to review and apply for appropriate grant monies for the City.

4. Continue To Support Investment In Speculative Industrial Buildings In Established Industrial Parks

The City should continue to invest in infrastructure support for speculative buildings to attract new industrial prospects to areas served by the City.

5. Coordinate Local, State And Federal Resources On Brownfield Or "White Elephant" Redevelopment Projects, Such As The Planters Oil Mill

Such sites should be developed in a manner consistent with the Comprehensive Plan. The City should concentrate its efforts on the sites that are in competitive business locations. Priority should be given to sites with adequate infrastructure and transportation access.

F. CREATE A SPECIAL ECONOMIC DEVELOPMENT POSITION TO SOLELY FOCUS ON ASSISTING DISADVANTAGED COMMUNITIES, IN PARTICULAR, NEIGHBORHOODS ON THE EDGECOMBE COUNTY PORTION OF THE CITY

The City should continue to work with its economic development partners by helping to create new competitive advantages for economic development in the distressed areas, particularly in the Edgecombe portion of the City. An overall reinvestment strategy should be developed and adopted for the area. A paced strategy that works on creating some initial investment projects and then building on these should be followed. Once again, additional incentives should be given to companies that expand and open facilities in these areas.

1. Establish An Economic Development Dealmaker

The City's economic development partners should create a dedicated position. The position description, work program, location and funding should be defined and agreed to by all parties. The City will look for leadership from its economic development partners, since it currently participates in the Gateway Partnership, funds a small business position in the Chamber and has created a downtown development position.



2. Promote Economic Outreach, Work-Force Training, Small Business Technical Assistance, Grantsmanship And Advocacy For Business In Targeted Neighborhoods

The economic development position should reach out to businesses to determine what they need from the City and other economic development organizations to be successful.

3. Represent Targeted Neighborhoods In Development Planning With Carolinas Gateways Partnership, County Governments, State Government, And Federal Agencies And Facilitate A Stable Investment Climate

The economic development position would serve as an advocate for neighborhoods, representing their interests when addressing development planning with local economic development partners. This advocacy role will assist neighborhood organizations and businesses working with these partners, ensuring that their interests are heard and providing linkages among the different players.

4. Coordinate Infrastructure Investments To “Jump Start” Economic Development In Targeted Neighborhoods And Development Sites In The Edgecombe Portion Of The City

The economic development position should serve as an advocate to assist with coordinating necessary infrastructure investments that will help “jump start” economic development in targeted neighborhoods. This should include participating in capital improvement planning, coordinating with engineering and utility staff and working with neighborhood organizations and businesses.

G. EXPAND TOURISM

A modest effort should be made to encourage tourism development within the City. This priority should be undertaken in light of realistic economic opportunities and the economic benefit that the City can realize from this activity. The activities below should be evaluated more closely to determine their potential as areas of focus for this tourism strategy.

1. Build Upon Ongoing Heritage Tourism Efforts

A number of historic preservation and tourism efforts are underway. The City should work towards creating a synergy among various activities to create a base on which to market the City to visitors.

2. Develop And Promote A Concentration Of Historic And Cultural Facilities In The Downtown And Develop A Comprehensive Marketing Strategy

The Downtown offers a significant base from which to build a tourism industry. Recent investments in the railroad depot, the new library, the permanent relocation of the Arts Center, Children’s Museum and Playhouse Theatre in the Downtown, revitalization of Rocky Mount Mills and investments in historic neighborhoods can together create the necessary concentration. Once complete, a marketing strategy can be undertaken and implemented.

3. Work With The State To Install Tourism Directional Signage On The US 64 Bypass

Such signage will assist in bringing travelers into the Downtown.

4. Improve The Aesthetics Of Gateways And Corridors

Gateways into the City create an important first – and lasting – impression. The visual appearance at key Gateways into Rocky Mount should be enhanced. This will require an understanding of the character of each of these entryways and developing an appropriate design response. The gateways should be considered more than gates. Gateways include the larger landscape and its views, incorporation of public art and signage (informational and directional).

5. Support Where Feasible The Redevelopment Of The Rocky Mount Mills And Douglas Block

The Rocky Mount Mills and the Douglas Block are important economic and historic sites. Their long-term reuse can play an important role in building a tourism component to the City’s economy. And they offer potential as cultural sites. The City should study reuse options and ensure that it does not lose these historically important buildings.

H. ENCOURAGE THE REVITALIZATION OF THE DOWNTOWN

Downtown is important to the City for social and economic reasons. It should be a major economic development priority for the City, and the following list of possible opportunities should be evaluated more carefully.

1. Develop A Downtown Master Plan

A Master Plan should be prepared for the Downtown. It should balance retail shopping, consumer and government services, recreation, tourism and cultural facilities and entertainment. The plan should coordinate implementation activities, including zoning revisions, infrastructure investments, streetscape improvements and other related activi-



ties. Plan development should include significant participation by all stakeholders.

2. Adopt Incentives, Development Policies And Regulations That Strengthen Existing Downtown Businesses And Attract New Ones

Once the Master Plan is completed, a packaging of incentives, new development policies and updated regulations should be prepared to assist with implementation. Incentives include the Central City Building Improvement Policy for the Downtown. The National Main Street Center offers a host of successful approaches as well.

3. Improve The Condition Of Buildings Through Adoption Of A “Demolition By Neglect” Ordinance And Implement The Central City Building Improvement Policy

The Downtown has over 200 buildings on the National Register, but many are suffering from neglect. A “demolition by neglect” ordinance would help encourage maintenance of aging structures. The Central City Building Improvement Policy is an excellent matching grant program to encourage façade improvements. The Central City Revitalization Panel can play a very important role in encouraging participation. Adequately funding this program will be equally important.

4. Promote The Downtown As A Competitive And Attractive Location For New And Expanding Businesses

The Downtown Development Director and Central City Revitalization Panel should develop and implement promotional strategies in line with the economic revitalization plan in Strategy 8a. Physical evidence of reinvestment will be a visible sign that the Downtown can be a good place for investment.

5. Continue To Support The Downtown Development Director’s Activities

The activities of the Downtown Development Director position should continue to be supported.

I. MITIGATE THE IMPACTS OF FLOODING ON BUSINESSES

Flooding has many effects on the business community. Structures can be damaged or destroyed. Records and other valuable information can be damaged or lost. Disruptions to the business cycle can occur because of loss of roads and utilities that service businesses. Such damage not only affects the business community but also erodes the City’s economic base, as has been demonstrated by

the impact of flooding from Hurricane Floyd. The City should find ways to mitigate these impacts. The following strategies describe actions to achieve this objective.

1. Promote Flood Insurance Or Flood-proofing Improvements To Businesses That Are Located In The Regulatory Floodplain

Businesses that remain in the floodplain are at risk of being damaged or destroyed in future floods. The City should encourage these businesses to retrofit buildings to minimize future damage. Sources of assistance for these retrofits – such as emergency management and business support agencies at the federal or state level – should continue to be promoted. In addition, the City should encourage businesses to obtain flood insurance to further protect their investments. These businesses should also be encouraged to develop contingency plans to mitigate future disruptions to the business cycle.

2. Continue To Assist Businesses That Were Affected By Hurricane Floyd Locate Partnership Resources To Recover And Rebuild

Many businesses were affected by the flooding from Hurricane Floyd. Limited resources are available for recovery, rebuilding, and mitigation from emergency management and business support agencies at the federal or state level. The City should continue to help businesses identify and access these resources wherever possible.

