

Vol. II, No. 2, August 2004
 Abbie Hollins, Executive Editor
Special A-1 Edition

VOTE for A-1 November 2, 2004!!!

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NCEDA Supports Amendment One from NCEDA Board of Directors

As the leading statewide economic development organization, NCEDA has both a major opportunity and responsibility to do everything it can for the successful passage of Amendment One, or self-financing bonds, on the statewide ballot in November.

This newsletter is dedicated almost entirely to Amendment One and is intended as a resource for you as you become more active in your local community.

This special edition of *Developments* is part of a larger commitment by your association in support of Amendment One. NCEDA has stepped up financially, pledging \$40,000 to North Carolinians for Jobs and Progress, in support of their upcoming statewide media campaign. Amendment One: Self-Financing Bonds has been on the agenda of our last two conferences and will be on the agenda again at the Fall meeting. Between now and November 2nd, you will continue to receive other communications as “reminders and updates” from NCEDA.

Right now, NCEDA needs you, as an individual member, to get involved locally.

The strength of NCEDA is its membership presence in nearly every county in North Carolina. No group is better positioned to have someone available locally to advocate for this issue.

This is the third, and possibly last, opportunity to secure the authority to use this effective economic development tool, and the vote is now less than 90 days away.

The time is now. Get informed. Get active. Make a difference.

NCEDA
 North Carolina Economic
 Developers Association, Inc.

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If you have an idea or article of interest for the newsletter, please submit it via e-mail or fax, prior to publication of Developments.

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Amendment One: A Brief Overview

Amendment One is the title of the self-financing bond referendum on the statewide ballot in November. If passed, it would allow for a change in the state constitution to give local governments in North Carolina the option to use this highly successful job development tool.

The referendum and the legislation creating the law determining how self-financing bonds will be implemented was approved in the 2003 legislative long session with an overwhelming, bipartisan vote by the General Assembly.

Since that time, a coalition of leading economic development groups in North Carolina, including NCEDA, have collaborated to create an entity, North Carolinians for Jobs and Progress, to advocate for the passage of the Amendment One referendum.

Our own Mac Williams is co-chair of NCJP and has been actively covering the state in support of Amendment One. In addition, Ronnie Goswick serves of the campaign steering committee.

For additional information, please visit NCJP's Web site devoted to this important referendum: www.amendmentone.org. To get actively involved in the campaign, contact: Margaret Webb at 919.828.3212.

Supporting Amendment One: Updates

- **NCEDA has an Amendment One Power Point template available for members making local presentations in support of Amendment One. You can obtain this template by contacting Abbie at the NCEDA office: ahollins@capstrat.com or call (888.246.2332).**
 - **NCEDA allies please be on the lookout for a letter from North Carolinians for Jobs and Progress soliciting contributions to the Amendment One campaign.**
 - **If you have any questions regarding Amendment One, don't hesitate to contact NCJP: Margaret Webb North Carolinians for Jobs and Progress P.O. Box 27845 Raleigh, NC 27611 info@amendmentone.org 919.828.3212**
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Self-Financing Bonds FAQs

As you discuss Amendment One: Self-Financing Bonds with colleagues and neighbors, it will be important that you are able to address questions that may come your way. Below are answers to frequently asked questions. Please check www.amendmentone.org for more questions and answers.

What is Amendment One?

Amendment One is the title of the self-financing bond referendum on the statewide November ballot.

What is a self- financing bond?

A method for financing public infrastructure that leverages private investments. Increased tax revenue generated by the project pays for the bond. Thus, the term *self-financing bond*.

What kind of development do they support?

Development that can be supported by self-financing bonds include new manufacturing plants, re-use of abandoned or vacant facilities, affordable housing, commercial development in inner city areas, redevelopment of areas damaged by environmental pollution or natural disasters.

Who creates the development district?

Local governments, following discussions with landowners, designate the boundaries of the development districts. The districts don't go into effect until the State Local Government Commission has approved the development plan.

Who approves issuance of the bonds?

The Local Government Commission in the State Treasurer's Office has final approval authority. The Commission is an independent non-partisan organization. North Carolina is one of only a few states in the country that gives such authority to an arms length state commission and the only one that gives the state final authority on approval to issue bonds. Over many decades, the Commission has done an extraordinary job of protecting the financial strength of local communities. North Carolina has 25 percent of the AAA financial rated communities in the country. This is far more than any other state.

What happens if the project fails?

More than ninety-five percent of bonds issued in the country have succeeded. In NC, the final approval for all bonds must come from the NC Local Government Commission (LGC). In their more than 50 year history of approving bonds, no bond issue approved by the LGC has ever defaulted. However, in the unlikely event of a default, there are several measures available to secure the debt. For example, the LGC may require the bonds be insured. Local governments can put liens and may foreclose on the private development to collect taxes owed toward debt coverage. Local governments can require other safeguards on private business as part of the agreement to use the bonds. Other local government revenues other than property taxes can be used as security. Finally, the law specifically prohibits pledging the taxing power of the local government without a local referendum.

Does approval of the bonds require a vote?

No. Once voters approve Amendment One, local governments will have the authority to issue self-financing bonds if they so choose. Individual local projects involving self-financing bonds will not require local referendums - possibly shortening the time involved for getting projects underway. This is one of the advantages this tool provides for fostering local economic development. Current law requires a vote only if the taxing authority of the government unit is pledged as security for the debt. Self-financing bonds do not make that pledge.

How have the bonds worked in other states?

There are a variety of economic studies about the benefit of self-financing bonds. There is little, if any dispute, among those studies that there are significant increases in jobs, private investment, property values and tax revenues within the development districts. For example, in Iowa, the value of land within development districts grew from \$650 million to \$4 billion – a growth rate 10 times faster than overall municipal property valuation. Property tax revenues collected from development districts there grew from \$22 million in 1989 to \$118 million in 1999.

**Uses for Self-Financing Bonds:
Examples from Two Neighboring States**

Self-financing bonds are working for all of our neighbors. Some examples from South Carolina are listed below:

West End District – Greenville. \$4 million in bonds for landscaping, street improvements, and lighting. District has attracted 30 new businesses, with a total investment of nearly \$19 million.

Red River Development – Rock Hill. Neighborhood enhancement program. The city issued \$6.1 million in self-financing bonds. Projected private investment is more than \$140 million with additional tax revenues of \$2.1 million annually. Private development includes a mall, hotel and theater.

Manchester Village Redevelopment District – Rock Hill. Converted a garbage transfer station and Brownfield site into viable commercial and residential development. The total amount of the SFB issued was \$10 million. Residential redevelopment includes 238 town-homes ranging from \$110,000 to \$240,000 and a proposed 312-unit luxury apartment. An old mill was also developed into a warehousing for moving companies and a business park was built that houses industrial companies and industrial offices.

Downtown Redevelopment District – Rock Hill. Roadway construction, utilities improvements, streetscaping, Center for the Arts, parking.

Harbor Park District – Charleston. Development converted blighted area into a new commercial development.

Finley Park – Columbia. Development converted an old railroad station into a commercial and residential development. Self-financing bonds were \$15 million. At present, development is producing more tax revenues than projected.

And that’s not all. Our neighbors in Georgia have also seen the value of self-financing bonds:

Atlantic Station District – Atlanta. Transforming Atlantic Steel 138-acre Brownfields into a commercial and residential development. Self-financing bonds issued will be \$76,505,000 million. Value of land expected to go from \$7 million to \$214 million. More than 20,000 new jobs.

Atlantic Eastside District – Atlanta. Redevelop east side of Atlanta’s downtown, including housing and historical corridor for tourism. Approved in 2003.

Acworth District – Acworth. \$7.5 million in bonds to support shopping center that will replace flea market. Approved in 2003.

Marietta District – Marietta. Up to \$20 million in bonds to support affordable housing, retail, office and high-end condominium developments. Approved in 2003.

Smyrna District – Smyrna. Up to \$30 million in bonds to support refurbishing 1950s shopping center, high-end condominiums, street level retail and office.

* * * * *

North Carolina is the only state east of the Mississippi River without self-financing bonds, and one of only two states in the country (Arizona is the other).

Self-Financing Bonds have been in use as an economic development tool for more than 40 years.

VOTE FOR JOBS AND PROGRESS ON NOVEMBER 2, 2004

Grassroots Support: Things You Can Do NOW To Promote Self-Financing Bonds Locally

Build the Team – The best way to build community-wide support is with community-wide recruitment to your county team.

Local chambers of commerce and/or economic development agencies should take the lead in bringing local people together to begin putting together and assembling your county organizations. Identify county leadership, begin recruiting folks to be on a county campaign committee and identify local leaders who are willing to speak on this issue.

The bigger, broader and more diverse the campaign committee, the better. Look for natural alliances with elected leaders in both parties, business leaders, economic developers, community leaders, etc. When you sign people up to help, get permission to use their names for press releases. Be sure to capture phone, fax and e-mail addresses.

Find Champions – We need champions in every community who can help make the case. Champions should be prominent leaders in your community who are willing to sign letters and columns in the newspaper, speak at events, and even appear at press conferences.

Scheduling Local Speakers – The state level media campaign will only penetrate so far locally. Now is the time to seek out speaking opportunities. The speaking schedule should be in high gear from August – November, but take advantage of opportunities **now** to begin getting folks up-to-speed on this issue. This is a complex issue and voters will need to hear about it several times and through several different venues. Get your chamber leadership and others on the team to speak to local civic clubs, at chamber events and any other significant community event. The newspaper's public events calendar may be a good source for information on when and where such groups meet.

Contributions - Making a contribution to North Carolinians for Jobs and Progress is a great way to help promote Amendment One. You can either request an invoice from NCJP or mail your payment directly to NCJP:

Brad George
North Carolinians for Jobs & Progress
c/o Price Waterhouse Coopers
214 N. Tryon St, Suite 3600
Charlotte NC 28202
EIN: 01-0798277

Seek out Opportunities to Schedule Other Speakers – As you and your top team schedule yourselves, look for opportunities for statewide leaders to address large groups of influential people in your community. Sometimes civic groups like the Jaycees or Kiwanis will invite all chapters in a county together for one meeting, to hear a particularly prominent speaker. NCJP has several good folks serving on a statewide speakers bureau that you can invite to speak to your group.

Calling All Volunteers! – Designate a volunteer coordinator and start taking names of anyone who offers to help. Get the word out that volunteers are needed. As the campaign heats up, you will need people to attend rallies, pass out literature or help get out the vote.

Write a Letter (or two or three) – Line up 15-20 people in your community who are willing to write and/or sign letters in support of the self-financing bonds to local newspaper. Have these people in place to respond as needed in the next few months and ready to raise the visibility of this issue from July – November. Get their names, addresses, phone and fax numbers as well as e-mail addresses.

Identify Radio and TV Opportunities – What are the radio talk shows and local cable access shows that get the most attention? Find out, and make a list. In the months ahead, you will want advocates appearing on these shows and making the case.

Resolution Supporting Approval of Amendment One On November 2, 2004 Statewide Ballot

WHEREAS (Name of organization) believes that a strong economy is the best engine for reinvigorating social and educational progress in North Carolina; and

WHEREAS self-financing bonds will have a positive impact on creating new jobs and strengthening the tax base in our communities for public services; and

WHEREAS these bonds will give local governments flexibility to pursue multiple types of economic development projects including redevelopment of existing industrial and Brownfield sites, affordable housing, and community revitalization; and

WHEREAS North Carolina is one of only two states in the nation that do not have this economic development tool; and

WHEREAS, these bonds can be used throughout the state; and

WHEREAS, self-financing development bonds have received wide-ranging bi-partisan support from the General Assembly as well as municipal, county and state government and Governors Holshouser, Martin and Hunt; and

WHEREAS, North Carolina will have some of the strongest safeguards in the country to ensure self-financing bonds are used for good purposes; and

WHEREAS, these self-financing bonds will not require any increases of tax rates; and

WHEREAS, these bonds are subject to voter approval of Amendment One on the November 2, 2004 ballot and deserve rightful consideration by the citizens of the State

NOW, THEREFORE, BE IT RESOLVED THAT (name of organization) supports approval of Amendment One and pledges to educate and inform its members and citizens of the state about its importance to jobs and progress in North Carolina.

This is the _____ day of _____ 2004.

Meet Your Board

This issue will feature board member Donny Hicks.

Donny Hicks is the Executive Director of the Gaston County Economic Development Commission, a position he has held for seventeen years. Prior to his appointment as Director he served as the Development Specialist for the same organization. The EDC is a Gaston County Department charged with recruiting new business, retaining existing companies, marketing our assets and the development of public and private business parks.

He is a cum laude graduate of the University of North Carolina at Charlotte and earned a Master of Public Administration degree from the University of North Carolina at Chapel Hill. Mr. Hicks is a graduate of the Economic Development Institute and the Economic Development Executive Program at the University of Oklahoma. He has earned the Certified Economic Developer designation from the International Economic Development Council. He has also earned the designation of Certified Commercial Investment Member from the Commercial Investment Real Estate Institute and the Designation of Economic Development Finance Professional from the National Development Council.

In 2001 he was chosen by the North Carolina Economic Developers Association at the Practitioner of the Year. He serves on the Board of Directors of the North Carolina Economic Developers Association and is the Co-Chair of the Legislative Committee.

Donny is married to Laurel Hicks. She is the Assistant Director of the Gaston County Public Library. They have fourteen-year-old twin girls.

2004-2005 Membership Renewals

It's that time of year again! We're at the beginning of a new membership year and it is time for everyone to renew their memberships for 2004-2005. NCEDA memberships run from July 1 - June 30.

You should have received a renewal letter in the mail, complete with an invoice for membership dues (\$160 per person) and a member information record. **Please return the member information record with your dues payment.** This is important as the information you return to us will be reflected in our 2004-2005 membership directory.

Members of NCEDA will continue to receive special discounted rates at our professional development seminars, networking luncheons, conferences and other events.

Please also note the option of purchasing a company advertisement for the additional cost of \$250 per year. These ads will be featured on the NCEDA Web site when conducting a Member Search. Ads will run from July 1, 2004 - June 30, 2005 and are not prorated.

All renewal materials are due back in the NCEDA office by August 27, 2004. If we do not receive your renewal by August 27, 2004, your name will be dropped from our records and you will need to re-apply as a new member.

We are looking forward to an extremely successful year. Please renew your membership and enjoy the many ways that NCEDA can help you!

If you have any questions, please contact the NCEDA office at (888) 246-2332.

Job Postings

**Vice President Economic Development,
Asheville Area Chamber of Commerce/
Executive Director, Economic Development
Coalition for Asheville-Buncombe County**

Primary Function: Oversees the economic development function, operations and staff of five within the Chamber. Initiates and implements programs that result in growth and development for existing businesses and industries in the area, as well as cultivates the economic expansion of new business prospects to the Asheville/Buncombe County region.

Completion of a bachelor's degree in Business, Economics or equivalent combination of education, related experience or training would be required. Certified Economic Developer (CED) status is desirable. Prior work experience of up to five years in an industry-related management position would be required.

Resumes should be sent to:
Richard J. Lutovsky
President & CEO
Asheville Area Chamber of Commerce
PO Box 1010
Asheville, NC 28802.

Economic Development Coordinator

City of Rock Hill, SC, (Pop. 50,000) is seeking to fill Economic Development Coordinator position in the Department of Economic and Urban Development. Salary range: \$44,034-\$61,651 Per Year. Creates marketing plans and strategies to achieve economic development goals; prepares marketing materials and other informational resources; conducts meetings and develops correspondence regarding economic development prospects; gives presentations to prospects, governing boards and councils; negotiates and prepares proposals, contracts, and other agreements; plans and organizes marketing events.

Requires Bachelor's degree in business, economics, or marketing and three to five years of progressively responsible experience in an economic development or marketing-related field. Economic Development Professional certification (CecD) or equivalent is preferred or the ability to obtain professional certification within two to three years. The City offers excellent health, dental, disability, and retirement benefits. Apply in person, send a resume to, or request an application from:

Human Resources Department
155 Johnston St.
Rock Hill, SC 29731
(803) 329-5570
EOE - H

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The NCEDA 2004 Fall Conference, chaired by Steve Gosselin, will be held at the Grandover Resort on October 5-6, 2004. Conference brochures will be sent to members shortly. Hotel pricing for single or double occupancy rooms will be a special rate of \$160, and these rates will remain under the NCEDA room block until **September 7, 2004**. If you wish to make a reservation, please call: (800) 472-6301.

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The Basic Economic Development Course at UNC Chapel Hill provides intensive instruction on the fundamentals of economic development practice. It is a four-day introductory training course designed for economic development professionals employed by public, civic, or private development agencies and individuals new to the field. It is also appropriate for more experienced professionals seeking to update skills. The course is accredited by the International Economic Development Council and counts towards the CEcD certification for professional economic developers.

For more information, please visit the Basic Economic Development website:
www.cednc.unc.edu/bedc or contact Debbie Christensen at 919-966-4331.