



**NC STATE**  
Outreach & Engagement

## ***Dare County***

### *2020 Economic Development & Diversification Strategic Plan*

Presented to Dare County Board of Commissioners

December 19, 2016

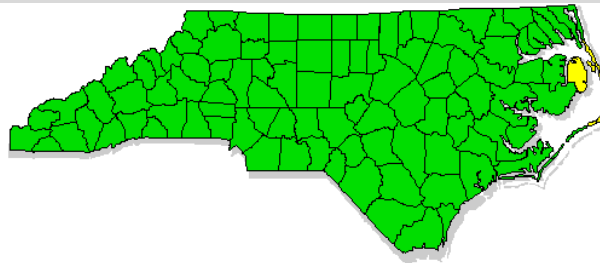
### **NC STATE UNIVERSITY**

Office of Outreach & Engagement  
Industry Expansion Solutions

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# Dare County

LAND OF BEGINNINGS

42,900 Parcels and Growing

22 Districts

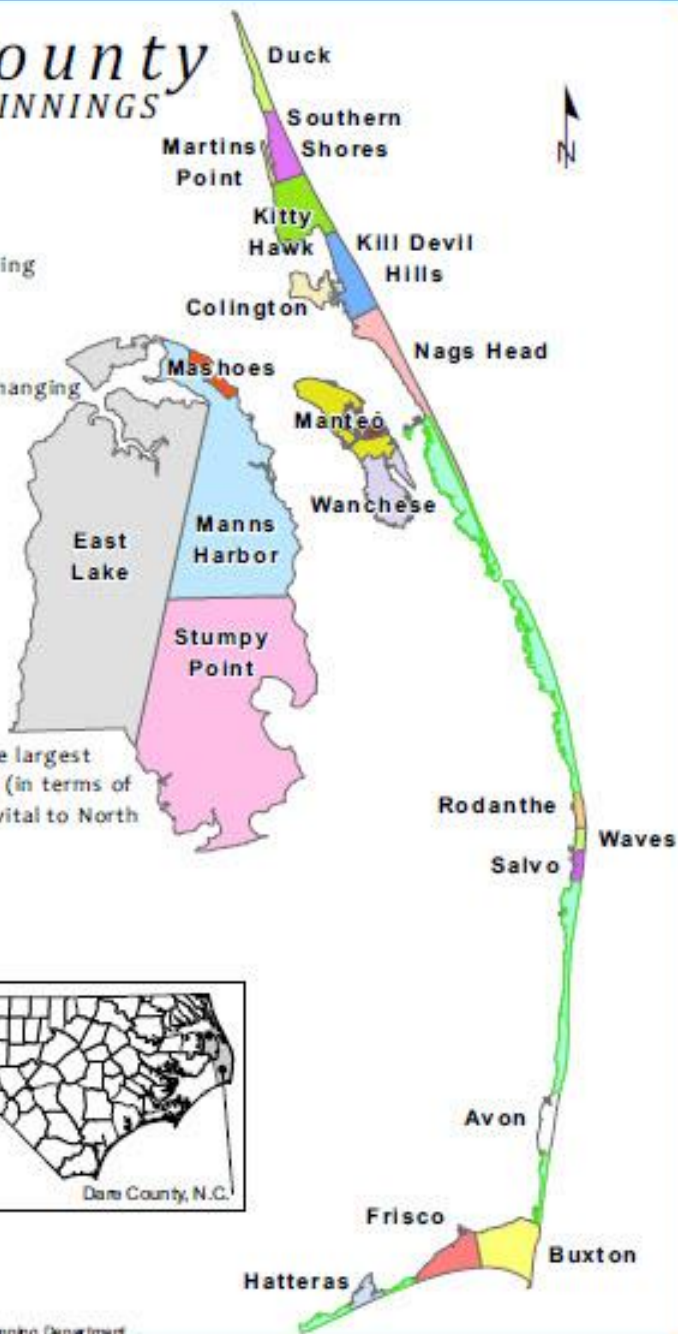
Over 475 miles of ever-changing shoreline (estimate).

384 square miles of land (est.)

North-South Distance  
71.7 miles (est.)

East-West Distance  
31.4 miles (est.)

Dare County is one of the largest county in North Carolina (in terms of aerial footprint), and is vital to North Carolina's economy.



Created By: Ryan G. Taylor, Dare County Mapping Department

## THANK YOU...

In researching and preparing this plan, we wish to thank the Dare County Commissioners and other community leaders for their accessibility and willingness to contribute to this work.

In Dare County, we have experienced a sense of collaboration among the people, and a passion for this place that we've tried to reflect in this plan.

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# 1. EXECUTIVE SUMMARY

## STATEMENT OF THE PROJECT

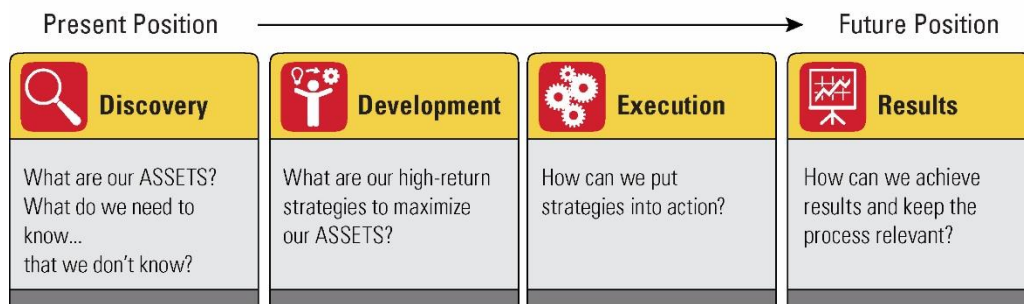
NC State University is pleased to submit this plan to the Dare County Board of Commissioners. It is understood that the Board will want to fully review the plan, potentially make changes, and then formally adopt a plan to guide the work. Throughout this project, we have appreciated the guidance of the Commissioners specifically through the Economic Development Committee. This plan has also benefitted from the willingness of a broad cross-section of community leaders to offer their thoughts and feedback.

Beyond this project, the Resource Partners (the consultants) will be available as resources to assist with identified, ongoing areas of need.

This plan has followed a due-diligence process. It has been framed by the commitment of the Commissioners to be responsive to all stakeholders and to demonstrate that Dare County in moving forward economically in both visionary and practical ways.

NC State applied the “Assets to Action” process that addressed four primary phases (and the key questions in each phase):

### The **ASSETS TO ACTION** Process and how it works:



This planning process began in February 2016. The Consultants provided monthly updates to the Economic Development Committee. A mid-project update was provided to the Board of Commissioners on July 18, 2016. In addition, on December 5, 2016 the consultants conducted a Community Leader Forum that was designed to elicit feedback on the final Plan recommendations.

## THE CHARGE

The primary driver of this project has been the charge from the Commissioners:

- To develop a plan to optimize the traditional economic drivers of Dare County.
- To identify strategies to diversify the economy of Dare County.

From the start, the Commissioners also encouraged an extensive focus on the Discovery Phase.

## DISCOVERY



The Discovery Phase included primary and secondary research.

The resulting documents (below) can be found in the Appendices, Section 9, of this plan.

The Discovery process began by our searching for then compiling existing plans and studies that could have relevance to Dare County:

	Source	Date	Appendix
<b>SUMMARY OF EXISTING PLANS &amp; STUDIES</b>			#1
<ul style="list-style-type: none"> <li>▪ 2014 National Park Visitor Spending Effects: Economic Contributions to Local Communities, States, and the Nations</li> </ul>	National Park Service	2015	
<ul style="list-style-type: none"> <li>▪ A Study of the Economic Impacts of Oregon Inlet Navigability to Dare County, the Surrounding Region, and the state of North Carolina (2014)</li> </ul>	Moffat & Nichol	2014	
<ul style="list-style-type: none"> <li>▪ Comprehensive Economic Development Strategy</li> </ul>	Albemarle Commission	2012	
<ul style="list-style-type: none"> <li>▪ Impact of Tourism on Community Life in Dare County</li> </ul>	East Carolina University	2007	
<ul style="list-style-type: none"> <li>▪ Marine Trades Training Boosts Coastal Economy</li> </ul>	Coastwatch	2007	

This group of plans and studies is included as full documents in the Appendices:

<b>FULL PLANS, STUDIES, AND REPORTS</b>	Source	Date	Appendix
Dare County Profile	NC Chamber	2016	#2
Outer Banks Chamber Economic Development & Sustainability (White Paper)	OBX Chamber	2015	#3
Outer Banks Visitors Bureau Strategic Plan	OBVB	2016	#4
Sail NC Draft Business Plan	Sail NC	2013	#5
Dare County Financial Report	S&P	2016	#6

**Note:** For the Strategic Interviews, the individuals and representative groups interviewed are listed on the last page in appendix #7. For the County-Wide Web Survey, there were 887 respondents indicating a high level of engagement.

<b>PRIMARY RESEARCH</b>		Date	Appendix
Strategic Interviews (Summary Report)	NC State	2016	#7
County-Wide Strategic Web Survey (Summary Report)		2016	#8

RTI provided specific studies focused on key issues relevant to Dare County:

<b>RTI STUDIES</b>		Date	Appendix
Best Practice for Diversifying and Stabilizing Regional Economies		2016	#9
Affordable Housing Best Practice		2016	#10
Attracting Talent that can Live and Work Anywhere		2016	#11

A Community Leader Forum was conducted on December 5, 2016.

<b>COMMUNITY LEADER FORUM</b>		Date	Appendix
Summary (transcribed notes)		2016	#12

## 2. KEY RECOMMENDATIONS

### PLAN DEVELOPMENT (Vision, Mission, Goals, Strategies)



Using all the information and data from the Discovery Phase, we initiated Phase Two, Plan Development.

Section 6 contains the full proposed plan including background on development of the Vision & Mission Statements, Goals, and Strategies.

A capsule “Plan Overview” appears as appendix #13. This capsule can be easily removed for quick reference.

### VISION & MISSION

We are recommending a new economic development VISION for Dare County. In drafting this proposed statement, we think it’s effective to connect to the “land of beginnings” legacy of Dare County.

<b>Dare County VISION</b>	<i>To be the continuous “land of beginnings” for our economy and for our people – as we were the first New World settlement and the site of first flight for aviation.</i>
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We have used the charge given by the Dare County Commissioners for this strategic plan (i.e., to optimize and to diversify the economy) to frame the recommended economic development MISSION.

<b>Dare County MISSION</b>	<i>To optimize proven economic successes while working to diversify economic development and enhance the quality of life for all citizens and communities.</i>
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### GOALS

The GOALS we are recommending address the charge to optimize and diversity. They also address essential tasks of economic development (e.g., education) and invite new ways to tell the Dare County economic development story.

GOALS (focus areas)	GOAL Statements
<b>I. OPTIMIZATION OF TRADITIONAL ECONOMY</b>	Goal 1: Focus on growing the dominant and traditional economic sectors in Dare County.
<b>II. TARGETED GROWTH &amp; ATTRACTION FOR ECONOMIC DIVERSIFICATION</b>	Goal 2: Develop new economic initiatives to diversify the traditional Dare County economy.
<b>III. INFRASTRUCTURE (ECONOMIC DEVELOPMENT “PRODUCT”)</b>	Goal 3: Ensure the sustainability and enhancement of tangible assets needed for economic development.
<b>IV. EDUCATION &amp; WORKFORCE</b>	Goal 4: Align the workforce to best serve the traditional and emerging business sectors.
<b>V. ENTREPRENEURSHIP &amp; SMALL BUSINESS</b>	Goal 5: Work with specialist small business service providers to target and enhance support to small businesses throughout Dare County.
<b>VI. THE DARE COUNTY STORY</b>	Goal 6: Invest in resources to recast the amazing Dare County story for economic development purposes.

**NOTE:** In Section 6, there are identified STRATEGIES to drive the GOALS above. Strategies are color-coded to help gauge internal capacity needed as well as capacity from partners for plan implementation.

## COUNTY LEADERSHIP

Going forward, we recommend that the County provide vision and sustained leadership for economic development. This includes:

- Providing appropriate resources and funding support.
- Continuously monitoring the overall business climate.
- Framing policies to advance business growth.
- Convening stakeholders.

Here are some options for providing “transactional” capacity for economic development. (The PLAN EXECUTION section (below) provides detailed recommendations):

- Coordination by the current Dare County Planning Office.
- Creation of a County Economic Development Office.
- Formation of a public-private partnership.
- Creation of an “umbrella” organization.

## PLAN EXECUTION



The recommendations below are provided by **Economic Leadership, LLC**. For Plan Execution, choices are offered for some ways forward.

The Execution Phase relies heavily on capacity to implement the plan over time.

The Plan Implementation & Transactional Structure is covered in more detail in Section 7.

The full paper on Plan Implementation (**Economic Leadership, LLC**) appears as appendix #14.

## ORGANIZATIONAL OPTIONS FOR DELIVERY OF ECONOMIC DEVELOPMENT SERVICES

The North Carolina State University and RTI team researched best practices, and engaged the community, before developing a set of recommended Goals and Strategies. Faced with some competitive headwinds and recognizing that rapid business evolution is inevitable, what is the best approach for Dare County to implement these new recommendations?

The delivery of economic development services across the country and in North Carolina takes many forms. Successful communities typically have a strategic focus, organizational capabilities, adequate resources, and sustained, consistent efforts, but often have very different delivery of services. What follows is a quick review of the options.

## SIX ORGANIZATIONAL OPTIONS

For Dare County, enhanced economic development efforts will require additional capacity. Generally, the options for providing new capacity will fall along two continuums – the first that requires more or less effort (resources) and a second that includes more or less government control.



### The Six Options Are:

- 1) Increase county effort within current structure.
- 2) Creation of a new public economic development function with new resources and a mission to execute a specified strategic plan.
- 3) Development of a new wholly private economic development organization.
- 4) Creation of a new public-private funded and governed economic development organization with a clear set of activities.
- 5) Increase the internal county effort and external engagement of other organizations by both increasing the efforts of current and new county staff and contracting with existing organizations for specific tasks
- 6) Development of a broad umbrella organization for multi-focused economic development efforts with a single governance board

### **RECOMMENDED OPTION FOR SERVICE DELIVERY**

With six options along a continuum available, the next question is what option would be the best to achieve the goals that have been developed by the North Carolina State University and RTI team. The six goals in the draft plan overview are designed to optimize the traditional economy, target growth (especially attraction for diversification), take advantage of entrepreneurial opportunities, strengthen the economic competitiveness of the product (infrastructure and workforce) and better tell the Dare County story.

The 25-30 strategies recommend specific areas for future focus, identify key stakeholders for collaboration, suggest increased effort to leverage existing efforts, and raise new areas that require devoting resources to achieve diversification.

A core element of the plan is coordination with other stakeholders. The key players include:

- ✓ Local county and city government
- ✓ The Outer Banks Chamber of Commerce
- ✓ The Outer Banks Visitors Bureau
- ✓ The College of Albemarle
- ✓ The Outer Banks Hospital
- ✓ Wanchese Seafood Industrial Parks
- ✓ The Coastal Studies Institute
- ✓ Albemarle Commission
- ✓ Northeastern Workforce Development Board
- ✓ National Sailing Center
- ✓ Small Business Providers (e.g., SBTDC, Cooperative Extension, Industry Expansion Solutions)

Existing efforts to maintain and improve infrastructure, educate and train the workforce, and support entrepreneurship each involve a combination of organizations. Opportunities for economic diversification such as developing enhanced shoulder season tourism drivers, expanding the impact of seafood and boatbuilding industries, and attracting more research dollars and complementary services to the Coastal Studies Institute will take more resources.

New marketing and client management efforts, and the exploration of increased focus on retirees, business and professional lifestyle firms, and the National Sailing Center will require investments to create new capacity.

To fully implement the recommended strategies, we are recommending a two-step approach over the next three years. We believe that it is important to begin implementation immediately.

### Year One

We recommend focusing on some of the high priority strategies:

- Appoint or hire a county employee to focus on economic development. Specifically, the new resource would coordinate strategies that improve Dare County's infrastructure, pursue grants, review regulations and codes and coordinate any affordable housing efforts.
- Develop a two-year performance contract with the Outer Banks Chamber of Commerce to provide new targeted marketing, client management and entrepreneurial space development. In addition, the Chamber would act as the point of contact for clients from the regional and state economic development organizations.
- Provide resources to the Outer Banks Visitors Bureau to develop a new shoulder season strategy with implementation in year two or three.
- Establish an economic development coordinating council with representatives of all the stakeholders for shared communication and ongoing alignment.
- Develop a public economic development dashboard to measure progress and identify ongoing areas of concern.

### Year Two

In year two we recommend that Dare County build on the effort of year one and focus on aligning activities for collective impact. We also recommend that in addition to continuing all activities from year one that additional potential partnerships be prioritized:

- Attracting more research dollars and complementary services to the Coastal Studies Institute.
- Supporting the development of the National Sailing Center.
- Position the Outer Banks Hospital as a regional hub for medical service.
- Maximize the services of the SBTDC, Cooperative Extension and Industry Expansion Solutions to support new flexible spaces that may be developed by the Chamber of Commerce.
- Create a work group to explore the development of a Public-Private Partnership for delivery of economic development services. (At this time, we have no recommendation on whether this new organization would be part of the Chamber, stand-alone, or part of a bigger organization.)

### Year Three

By year three we would expect that there will be enough evidence from the efforts of the first two years to establish a solid approach to provide economic development professional services. Several of the programs and efforts that were established in year one should be producing results. Entrepreneurial space, targeted client marketing, and shoulder season tourism marketing should each be established.

- Finalize a delivery system, probably some form of public-private partnership with participation by many stakeholders.
- Develop a set of metrics that would be reviewed regularly.

### 3. ECONOMIC OVERVIEW AND CURRENT ASSETS

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As North Carolina's first colony, Dare County has a rich historic and cultural heritage. Today, Dare County serves as a leading tourist destination on North Carolina's coast. In addition, the second home/ investment/ rental/ and retirement housing market has developed and grown substantially over the past 20 years.

While the County has a number of assets, there is a need to diversify its economy and further improve the quality of life for all people who visit or live in North Carolina's first colony:

- Dare County has a permanent population of approximately 33,920, but tourism results in large seasonal shifts with an average daily population from June through August estimated to be approximately 225,000 to 300,000.
- The tourism economy brings cyclical unemployment that ranges from about 4% in season to over 15% in the off season.
- Rises in living costs are affecting year-round residents.
- Younger people are not making their careers in Dare County in desired numbers.
- County leaders are being responsive to citizens and community leaders who are advocating for ways to diversify Dare's economy and provide more opportunity for all including younger people.

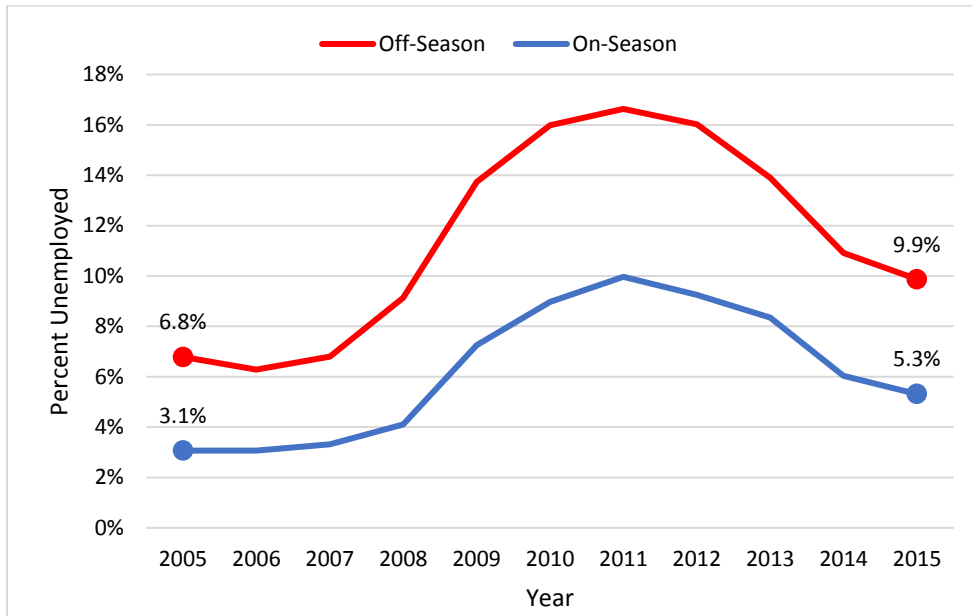
County leaders have considered new paths for economic growth and diversification via specific industries (e.g., medical device R&D), supply chains, and through entrepreneurship.

#### **ECONOMIC SEASONALITY IN DARE COUNTY (from RTI diversification study [appendix #9])**

Dare County faces strong seasonal economic fluctuations due to its appeal as a coastal tourist destination. The county experiences a substantial surge in population during the tourism "on-season" defined as May-October as compared to the "off-season," which is November-April. During the on-season, the population balloons to roughly 250,000 people, a substantial increase from the roughly 35,000 year-round residents. This on-season population boom results in a large increase in demand for public and private services in the county, which in turn creates temporary employment opportunities. While some residents may be drawn to the area because of the seasonal nature of work, the lack of year-round job opportunities has been a concern for some members of the community.

Figure 1 illustrates the seasonal nature of employment. Unemployment rates are significantly higher in the off-season than the on-season. As of 2015, the seasonal gap is equivalent to about 800 additional people being unemployed during the off-season. Seasonal employment in Dare County disrupts the ability of workers to gain and retain a steady job, and thus income. This makes it harder for residents to be fully productive year-round creating underemployment, and less potential for full time residents and business owners to realize their full economic opportunity. Specifically, seasonality in Dare County, like many other tourism-based communities, makes it challenging to recruit full-time staff and to retain them (Baum 2001). A balanced seasonal distribution of demand creates year-round economic benefits, and is generally more desirable for an economy's health and sustainability.

**Figure 1. Dare County Seasonal Unemployment Rates, 2005-2015**



Source: BLS 2015

In order to understand best practices to combat seasonality and seasonal employment issues, we gathered literature from an RTI library search and examined several sources listed as primary sources in T. Baum’s widely cited “Seasonality in Tourism” book. We also performed several interviews with economic development professionals and nonprofit foundations who have experience with tourism-centric economies and planning to address issues strategic economic diversification economies.

**SPECIFIC DARE COUNTY ECONOMIC DEVELOPMENT ASSETS**

***Tourism Industry***

Dare County tourism industry supports construction, retail, real estate, and the leisure and hospitality trades. In 2014, 48 percent of the workforce was employed in these trades within the County.

***Marine Trades***

Wanchese Industrial Park, Manns Harbor, and other locations have several boat building businesses with an economic impact of over 1000 jobs. The College of the Albemarle’s Boat Building Pre-Employment Training Program provides graduates with the knowledge and skills for elite boat building manufacturing in the County that contribute over \$100 million in revenue for Dare County including marine support industries. The NCDOT State Shipyard in Manns Harbor maintains all North Carolina ferries and employs 78 permanent employees.

### ***Commercial Fishing***

The commercial fishing industry provides an annual economic benefit of 604 jobs and \$25 million. Seafood packing and processing provides an additional annual economic impact of 149 jobs and \$31.6 million (Economic Report, 2014).

### ***Park Service***

The 2014 National Parks Service study reported that over 2.8 million visitors to Cape Hatteras National Seashore, Fort Raleigh National Historic Site and Wright Brothers National Memorial spent more than \$170 million in communities in and around the parks. This spending supported approximately 2,683 jobs in the local area and had a cumulative benefit to the local economy of more than \$212 million dollars.

### ***North Carolina's 2015 Business Tax Climate***

North Carolina ranks 16th in the Tax Foundation's State Business Tax Climate Index with a corporate Income tax rate of 5% vs. neighboring Virginia, which is ranked at 27th with a corporate tax rate of 6%. The Index compares the states in five areas of taxation that impact business: corporate taxes, individual income taxes, sales taxes, unemployment insurance taxes, and taxes on property, including residential and commercial property.

## 4. KEY AREAS OF RESEARCH

Dare County faces some long-standing economic challenges and opportunities. In that light, RTI provided in-depth studies on these three issues:

1. *Best Practice for Diversifying and Stabilizing Regional Economies.*
2. *Affordable Housing Best Practices.*
3. *Attracting Talent Who Can Live and Work Anywhere.*

### BEST PRACTICE for DIVERSIFYING and STABILIZING REGIONAL ECONOMIES

**NOTE:** See full RTI study in Appendix #9.

Economic diversification is important for coastal, tourism-based communities because the seasonal aspect of these kinds of regional economies presents unique challenges for year-round service-sector workers. Often, those who would like to find gainful employment during the offseason are not able to do so. The seasonal aspect of the economy in Dare County is evident in a variety of data sources and anecdotes.

Therefore, RTI set out to review the literature and interview several communities to learn about best practices that have been employed for diversifying and stabilizing regional economies.

Local government strategies to address seasonal employment issues include trying to lengthen the main tourist season, diversifying markets, using differential pricing and tax incentives on a temporal basis, encouraging local tourism in off-seasons, and creating seasonal work programs (Bar-On 1975). Table 1 provides a brief snapshot of each strategy including the local government role and benefits to the regional economy.

**Table 1 – Strategies for Economic Diversification in Tourism-Centric Communities**

Strategy	Description	Local Government Role	Benefits to Regional Economy
Lengthening the main tourist season	Develop off-season events, attractions, festivals, and off-season pricing to encourage continued visitation.	Working with the local tourism board to encouraging business to have promotions and specials during shoulder seasons. Go after state and federal grants. Work with townships to change housing ordinances to diversify housing options for tourists.	Visitors stay longer on average with the presence of a festival or event (Cannas 2012).
Encouraging local tourism in off-seasons	Utilize local tourism organizations like the Tourism Bureau to host local tours during the off-season. Promote special deals for locals.	Organizing and supporting off-season events and specials for local citizens.	Local businesses support one another and spend more in the local economy.

Strategy	Description	Local Government Role	Benefits to Regional Economy
Diversifying product markets	Developing niche products that are appealing to tourists or serve the full-time local market	Providing infrastructure and other needed assets to niche industries that have greater stability. Promote these as opportunities for year-round jobs.	Creates year-round jobs related to production, element of economic specialization. There is a direct relationship between the product/market mix and the degree of seasonality (Cannas 2012).
Diversifying population markets	Attract retirees or other specific populations to locate in the area	Invest in new-economy infrastructure such as high speed broadband and amenities. Run lifestyle marketing campaigns. Pursue state and federal grants.	Generates year-round wealth in the region and increases demand for business and health services.
Creating seasonal work programs	Seasonal workers can be re-allocated to off-season jobs that fit their skillset	County can recruit firms that complement the existing seasonal tourism sector jobs.	Retains the local workforce and brings their skills (e.g. customer service) to be used in new sectors.

**CASE STUDIES**

After initial conversations with several economic development experts about potential best practice communities and background literature research, we selected three communities for further research because of the potential lessons that could be shared with Dare County. We spoke with multiple individuals in Southwest Virginia, Cape Cod, and Cape May County, NJ. We chose these particular communities because of their innovative programs and efforts to diversify, their relatively small regional economies, and two of the three communities are coastal.

**Best Practice Community Spotlight #1 – Southwest Virginia – (Crooked Road initiative)**

The region of Southwest Virginia, where the Crooked Road tourism initiative took place, is similar to Dare County in that it is at least 1.5 hours driving distance from a major metropolitan area. Like Dare County, Southwest Virginia has a rich cultural heritage and is comprised of small, rural townships that are connected by a few major roadways. The main road connecting the towns is Highway 58, which comprises a large amount of the Crooked Road music trail.

The primary goal of the Crooked Road project was to make Southwest Virginia a national tourist destination and triple the cultural heritage tourism market in the region. The initiative connected small rural towns and existing music venues in the region with a unified brand. Today, “The Crooked Road is a 330-mile driving trail through the mountains of Southwest Virginia that connects nine major venues and over 60 affiliated venues.

**TAKEAWAYS FOR DARE COUNTY**

**Grass Roots approaches can work well:** In some ways, the Crooked Road was a grass-roots initiative. For the first year and a half, there was no funding. This bottom-up approach was established in the initial kickoff meeting which was targeted to mid-level personnel from a variety of stakeholders rather than senior managers.

**Expert facilitator:** A full-time staff member who is dedicated to the initiative, well-spoken and can rally people around the initiative is necessary to make progress.

**Build on existing assets:** The Crooked Road did not create something out of nothing. The initiative built on existing assets instead of creating something entirely new.

**“Open-access” brands can unify towns and cities:** The brand itself represents a set of shared values or qualities. It does not represent specific personalities. The leaders wanted it to depend on things already happening in the region.

**The Crooked Road was not a panacea for the region:** Although tourism is a starting point for economic growth, it has not yet fully replaced the high-paying manufacturing and mining jobs that have largely faded from the region.

### Best Practice Community Spotlight #2 – Barnstable County, MA – (Cape Cod Commission)

Barnstable County, Massachusetts, is very similar to Dare County in terms of its geography, demography, and economy. Geographically, Barnstable County is co-located with the Cape Cod region. Barnstable County and Cape Cod are used interchangeably, just as Dare County and the Outer Banks are synonymous terms.

Like Dare County, Barnstable County incorporates 15 smaller townships that make up the region. Barnstable County is known for its beautiful beaches and has a wealth of coastal resources that present both opportunities and challenges for the economy.

In order to address seasonality, Barnstable County formed the Cape Cod Commission as a regional planning organization in 1990. The Commission’s formation was the result of a population and building boom in the 1980s that threatened coastal resources due to inappropriate land uses. Additionally, part of the original legislation was to encourage the development of a more balanced economy.

The commission’s mission statement is “to protect the unique values and quality of life on Cape Cod by coordinating a balanced relationship between environmental protection and economic progress.” (Cape Cod Commission, 2016a) The commission has initiatives in economic development, wastewater, permitting, bicycle and pedestrian paths, and rotaries.

### TAKEAWAYS FOR DARE COUNTY

**Be patient--progress is slow and hard to measure:** it is hard to change a culture and get people to work together across townships to address seasonality. Impacts of projects can take 10 to 15 years or more to be realized.

**Local loans help grow local business:** In order to encourage local businesses, especially in underserved populations, organizations that provide small business loans are important for growth.

**Institutional partnerships can foster more year-round jobs:** Research institutions should be integrated into the local economy. Barnstable County has leveraged its relationship with the Woods Hole Oceanographic Institute, which is affiliated with MIT.

**Regional partnerships are critical for economic growth:** Without partnerships with the Chamber and Tech Council, the Commission would struggle to implement programs.

**Strategic planning can help counties remain cognizant of its issues and proactive in addressing them:** The Cape Cod Commission puts together a comprehensive economic development strategy each year; the document outlines goals and is used to benchmark progress.



**Seasonality goes hand-in-hand with small coastal economies:** While there are more year-round jobs present in healthcare, retail, marine, and other industries, the physical factor of seasonality is inevitable to some degree.

### Best Practice Community Spotlight #3 – Cape May County, NJ – (industries for year-round potential)

Cape May County is a peninsula in southern New Jersey that experiences tourism surges on a large scale similar to Dare County. Cape May has about 95,000 year-round residents with summer tourism surges of about 750,000 people during summer weekends. According to a county individual, tourism brings over \$6 billion a year into the area.

Cape May County has focused on growing their eco-tourism and agricultural tourism sectors such as wineries, fishing, and oyster farming.

About 5 years ago, the county created an economic development office that has focused on identifying industries that may have year-round potential. They took stock of their local industries and looked at opportunities. The county realized that with changing tourism trends, eco-tourism could be a strong component of the regional economy if promoted. Given the microclimate on the peninsula, local wineries have begun to emerge as a strength over time.

### TAKEAWAYS FOR DARE COUNTY

**Build wealth from within by focusing on maximizing value from existing local assets:** focus on creating value that is rooting in local people, places, and firms.

**Infrastructure matters:** whether it is a joint processing facility for oyster growers or refrigerated trucks to help them get their products to market, infrastructure matters. Strategic investments to support emerging industries can help them grow.

### OVERALL FINDINGS FROM THE 3 CASE STUDIES

We find that the role of the local governments is to facilitate discussions and planning efforts, convene stakeholders, invest strategically in targeted infrastructure that will support economic growth, and have a long-term commitment to addressing seasonality.

Local government can play a unifying role by helping to align stakeholder under a common vision and plan for the region. Successful economic development plans and initiatives tend to build on existing assets in the community rather than try to create something from the ground up.

Virtually, every successful initiative that we are aware of involve some sort of partnership between local governments and other institutions such as non-profits, municipalities, state groups, and local companies.

One specific partnership that Dare County can further explore is working with the Coastal Studies Institute.

- Ultimately, diversification of seasonal economies is a long-term process that requires sustained effort by partners over time to make an impact. Seasonal employment opportunities will always be a persistent challenge for many tourism-based coastal communities, but is possible to make headway.

## AFFORDABLE HOUSING BEST PRACTICES

**NOTE:** See full RTI study in Appendix #10.

In order to develop a more sustainable economy for all workers, Dare County seeks to understand the various policies and best practice solutions that other communities have used to help broaden the housing options accessible to the local workforce.

To help inform Dare County about the various policy tools that can be used to address the lack of affordable housing options in the region, RTI reviewed academic and policy literature on affordable housing tools and interviewed experts and practitioners throughout North Carolina about best practices for expanding affordable housing options at the local level. We interviewed individuals in:

- Wilmington, NC
- The City of Asheville, NC and Buncombe County, NC;
- A multi-county region in western North Carolina; and
- Other North Carolina affordable housing experts within the university, non-profit, and commercial sectors.

We chose these particular communities because they each have a tourism dimension and Asheville and Wilmington have sizeable second home markets. We focused on communities within North Carolina because of state-to-state differences in affordable housing practices and laws.

### Affordable Housing Properties In Dare County

With owner and rental units, there are approximately 170 affordable units throughout the county. These developments do have different definitions of who qualifies and at what unit cost. Compared to total housing units in the county, these units make up just 0.5% of the total housing stock. The maximum occupancy estimate of 683 is 1.9% of the year-round county population:

Property	Description	No. of Affordable Units	Max Occupancy (persons)
<i><b>Rental Properties</b></i>			
Harbourtowne Apartments, Manteo	Rehabilitation project financed by the USDA Rural Development and participating in the USDA Rural Development Rental Assistance Program which pays 70% of the adjusted income of renters earning less than 50% of AMI.	46	170
Pirates Moor Townhomes, Kill Devil Hills	New construction financed by the Low Income Housing Tax Credit.	44	224
Run Hill Ridge, Dare County Teacher Housing, Kill Devil Hills	The North Carolina State Employees Credit Union (SECU) Foundation partnered with Dare County Public Schools and Dare Education Foundation to build this project in 2008. Interest-free loans were provided by SECU Foundation while Dare County Public Schools provided the land. Rented at below market rate of \$750 per month for 2-bedroom, 2 bathroom units.	24	72*
Hatteras Teacher Housing, Hatteras	SECU Foundation partnered with Dare County Public Schools and Dare Education Foundation to build this project in 2011. Interest-free loans were provided by SECU Foundation. Rented at below market rate of \$750 per month for 2-bedroom, 2 bathroom units.	12	36*

Property	Description	No. of Affordable Units	Max Occupancy (persons)
Bay Tree Apartments, Manteo	Geared toward senior citizen renters aged 62 or older. Managed by the John H. Wellons Foundation.	7	21*
Lances Landing, Waves	Triplexes built under Dare County's Family Housing Incentive Standards (FHIS) ordinance. Originally about half of units offered at affordable prices. Eventually this property was converted from ownership to affordable rental.	21	112
<b>Ownership Properties</b>			
Natures Walk, Kill Devil Hills	This project was facilitated through affordable deeds. Owners can only sell for a 3% increase per year for 20 years. Developer was able to do a 20-30% increase in density above what they could have done without the affordable units	8	24*
Nags Head	Formerly owned by the Outer Banks CDC to house nonprofit organizations and provide transitional housing.	6	18*
Hatteras Island	Units purchased by CDC from developer of affordable condominium project.	2	6*
<b>Totals</b>		<b>170</b>	<b>683</b>
<i>Rentals</i>		<i>154</i>	<i>635</i>
<i>Ownership</i>		<i>16</i>	<i>48</i>

**POLICY TOOLS**

Federal and State Programs

- **The Low-Income Housing Tax Credit (LIHTC or “Li-Tech).** The primary means of encouraging private investment in the development of affordable housing. LIHTC HOME Investment Partnerships program, and Public Housing programs make up 92% of federal obligations and estimated tax revenue losses associated with affordable housing policies.
- **Community Development Block Grant (CDBG) program.** Housing Loans are 30-year mortgage loans for rural areas administered through the USDA.
- **North Carolina Housing Finance Agency.** Offers tax exempt bonds for developers that partner with local government entities, zero-interest workforce housing loans, and rental production loans.
- **Historic rehabilitation tax credits.** Available through federal and state; these are for income-producing properties.

Regional and Local Programs

- **Housing Land Trust:** tend to use a 99-year or long-term lease structure on the underlying land, which allows for the buyers to pay only for purchase of building structures and improvements, without the price of the land itself.
- **Housing coalition:** Communities can also establish a housing coalition which borders on the area of practice rather than policy. Nevertheless, a housing coalition is a way of bringing together different stakeholders in the community to educate people on affordable housing.
- **Zoning ordinances:** Local zoning ordinances can encourage affordable housing development in a wide range of ways. Examples include the mandatory inclusionary zoning ordinance Manteo and the FHIS in Dare County.

- **Accessory dwelling units (ADUs):** Making local zoning laws more flexible and/or less restrictive regarding ADUs – subordinate units on the same lot as a primary property or residence – can lead to more ADU rental options.
- **Land Use Incentive Grant:** a policy where developers are awarded a cash grant based on "points" earned for meeting selected criteria.
- **Housing Trust Fund:** an established source of funding for affordable housing construction or rehabilitation. The trust is usually funded through dedicated real estate transfer taxes, sales taxes, government bonds, or other fees to maintain a continuous funding stream.
- **Community Development Corporations (CDCs):** the primary source of funding for CDCs has been the CBDG program. CDCs are nonprofit, community-controlled real estate development organizations dedicated to the revitalization of poor neighborhoods.

## COMMUNITY INTERVIEWS

To learn lessons about the policy tools and practices that communities in North Carolina have implemented with success, we interviewed individuals in Wilmington, NC; Asheville and Buncombe County, NC; and a multi-county region in western North Carolina. These communities are described in the community spotlights. We chose these particular communities because they each have a tourism dimension and Asheville and Wilmington in particular have sizeable second home markets. We also spoke with several other North Carolina affordable housing experts within the university, non-profit, and commercial sectors.

### Community Spotlight #1 –Wilmington, NC

Wilmington has several different bodies that attempt to address the shortage of affordable housing such as the City Government, Cape Fear Community Land Trust, and Housing Coalition. The city focuses on providing loans to low-income residents for rehabilitation or home purchase, while the Cape Fear Community Land Trust looks for new opportunities to increase the affordable housing stock, and the Housing Coalition does advocacy and education in the local community.

From within the Community Service department at the City of Wilmington, there are three main programs to address housing needs:

1. **Homeowners Opportunity Program:** This is a mortgage program with local banks, where the bank holds the first mortgage and the city holds the second, and the second mortgage is interest-free. The program has a maximum loan size of \$225,000.
2. **Homeowners Rehabilitation Program:** This program provides low-interest loans for housing repairs at favorable interest rates; the max loan amount is around \$75,000.
3. **Housing Task Force:** This is a newly-formed task force that includes 14 members, who are representatives of the city and county. The goal of the task force is to conduct a six-month research project assessing housing needs in Wilmington, studying best practices across the U.S., and then make policy-based recommendations to the city.

Other independent initiatives:

1. **Cape Fear Community Land Trust (CFCLT):** helps keep the cost of home buying low by maintaining ownership of the land for a 99-year lease term so that the cost of the land is not factored into purchases by homeowners
2. **Housing Coalition:** objective of bringing stakeholders together in the Wilmington area to develop innovative solutions to housing demands and needs of the future

Together these programs focus on ways to reduce costs of buying and renting homes, in addition to raising awareness across the city about this important issue.

#### TAKEAWAYS FOR DARE COUNTY

**Building a broad base of support is important:** including from elected officials and residents. Currently, Wilmington has had the most success from citizen-led advocacy within neighborhoods and communities as well as the Housing Coalition, which helps build broad-based support.

**Zoning matters:** Developers need a reason to include affordable housing in new developments, which generate much less operating income. Inclusionary zoning is one approach that requires a given share of affordable housing to be incorporated into new development projects.

**Developers need incentives:** In places like Wilmington, where inclusionary zoning for affordable housing does not appeal to political leadership and many residents, developers need added incentives to provide affordable housing in proposed developments. One example is higher density development exceptions if affordable housing is included in the project.

**Dedicated resources are required:** Without dedicated funding and staffing, progress on affordable housing is much slower. Donated land can also be a helpful resource.

**Land Trust model has proved successful:** With dedicated resources, community land trusts have proved effective in over 260 communities across the U.S. in keeping costs down (Davis, 2014). This is enabled by the 99-year lease term on the land, which allows for buyers to pay for purchase of building structures and improvements, without the price of the land itself. This way, costs are kept down below market price and the land trust has rights to repurchase any structures built on the property at any time.

## Community Spotlight #2 –Watauga County and Western NC

Watauga County has a similar population to Dare County, with around 50,000 residents. The elderly population is lower than Dare, closer to the state average of 14%. However, according to the Executive Director of the Northwestern Regional Housing Authority, the population of elderly residents is growing fast, as the region is emerging as a popular destination for retirees. In 2012, Boone, which is located in Watauga County, was named a top-10 place to retire in the U.S.

### Affordable Housing Initiatives:

- **The Northwestern Regional Housing Authority:** works in seven different counties and 19 municipalities in western North Carolina. Its mission is to promote adequate and affordable housing for those less fortunate in the communities it serves. The NWRHA has directly given 2,900 low-income households rental or homeownership assistance, and served over 1,800 households with Section 8 Vouchers.
- **Northwestern Housing Enterprises, Inc:** works on the development side of affordable housing. they engage several different contractors from the private sector for purposes outside of development, such as property management. These firms include: Northwestern Housing Enterprises, Inc., Integral Group, LLC in Atlanta, GA; Tise-Kiester Architects in Chapel Hill, NC; Excel Homes in Raleigh, NC; and Community Management Corporation in Winston Salem, NC.

## TAKEAWAYS FOR DARE COUNTY

**Assessing and understanding housing needs mitigates risk:** The local workforce and the non-working elderly population require different types of housing and financing. It is important to understand the target population and their needs at the front end of any development project.

**Tax credits can be an effective way to incentivize development:** Without inclusionary zoning, LIHTC tax credits are a good way to involve the private sector in affordable housing development. Historic tax credits have additional benefits such as historic and cultural preservation.

**Housing authorities benefit from contracting with outside groups:** Housing authorities have the flexibility to contract with other groups. It is not necessary to rely solely on HUD because there are other resources and partners to work with. In particular, the affiliation of the Northwestern Regional Housing Authority with Northwestern Housing Enterprises appears is a unique structure. Being able to contract with a development organization whose mission is directly in line with the housing authority and operates under the same executive is a unique structure that speeds up the affordable housing process on the supply side.

### Community Spotlight #3 –The Asheville, NC Region

Although different from Dare County in terms of physical geography and population, the city of Asheville, located in Buncombe County, NC, is similar to Dare County in terms of its large tourism sector and limited land availability.

#### Affordable Housing Initiatives:

- **Housing Trust Funds:** Both the city and Buncombe County have appropriated money for affordable housing development. The County also has a density bonus that only affordable or workforce housing projects can take advantage of. The city has variety of programs. Federal programs include CDBG and HOME. Local programs are the land use incentive grant, other zoning ordinances, affordable housing rebate program to help with certain construction costs, and a housing trust fund that proves low cost loans to developers of affordable housing.
- **Non-profit housing developers:** including Mountain Housing Opportunities and Habitat for Humanity. For-profit developers are also involved in expanding affordable housing. The city of Asheville also has a housing authority that serves the county.

### TAKEAWAYS FOR DARE COUNTY

**Affordable housing tools that work in one community may not be appropriate for others:** Despite the early successes of the Land Use Incentive Grant program in Asheville, this tool does not appear to be appropriate for Dare County at this point in time. There are more straightforward policy tools that may be viable in Dare County.

**LIHTC tax credits could be a viable option:** Several interviewees mentioned that LIHTC projects are a no-brainer. Developers typically drive the process and often rely on financial or other support from localities. The county would need to speak with private developers and figure out ways to partner.

**Dedicated cash funds provide flexibility to local governments and can have a direct impact:** A local housing trust fund allows a local government to set affordable housing priorities directly. Local governments can set up an advisory committee of local bankers to help ensure that resources are spent with fiduciary responsibility.

**Counties and cities can work collaboratively to address affordable housing:** the county and city have a good working relationship when it comes to affordable housing. This could be a good model for Dare County, although the economic geography is different with smaller but more evenly sized cities within the county.

## AFFORDABLE HOUSING PRACTICES

How communities approach affordable housing and implement policy tools is equally important to success. Some practices can spur change in and of themselves, while others are foundational and enable policy tools to be more impactful. The county can sustain and further explore the following practices:

- **Integrating affordable housing into messaging:** One practice, which can have a subtle but meaningful impact, is integrating affordable housing language into communications. A first step would be establishing an affordable housing website on the county's webpage with a mission or vision statement. This signals a commitment to the issue.
- **Housing market assessments are needed:** Robust housing market assessments, conducted by local government staff or by a third-party consultant, can help inform local policy as well as help build public awareness of the local affordable housing situation.
- **Recurring planning cycles make a difference:** Many communities operate on a five-year cycle for planning for housing related initiatives. This often aligns with when housing market assessments are conducted. Regular planning gives communities an opportunity to tweak what is not working and improve what is.
- **Local policies can be targeted at specific affordable housing challenges. There are always tradeoffs, so plan accordingly:** For example, depending on the community's needs, local policies can be designed to encourage more affordable rental options, more affordable home ownership, or possibly both. Other aspects that can be favored are single-family versus multi-family housing, location along transportation corridors, housing for workers versus housing for the elderly population, and in-fill development.
- **Get institutional structures right to enable pathways for change:** Advisory committees, reporting structures, and other ways to directly involve experts and stakeholders from the community in affordable housing is critical. Pathways must exist for changes to be made to affordable housing policy over time. Affordable housing policy cannot be overly prescriptive and static and must change as community needs change and external factors change. Plans do not get implemented institutional pathways for change are lacking.
- **Broad community commitment makes long-term investments in affordable housing possible:** Support of elected officials, advocacy groups, and citizenry is needed to push through policy changes that invest in affordable housing with a long-term view. Having a reliable funding source allows multi-year planning to take place. Uncertainty about funding, on the other hand, can be detrimental for planning.
- **Housing authorities, counties, and cities can benefit from partnerships and contracting with outside groups:** It is important for housing authorities to realize that they can be flexible and contract with various groups in addition to the federal government. It is not necessary to rely solely on US Department of Housing and Urban Development (HUD) grants because there are other resources and partners to work with..
- **New developments should be compatible with existing infrastructure:** When partnering with developers and others in planning efforts, local governments should make sure that new developments are compatible with existing infrastructure including water-sewer systems, road access, and other utilities. Infrastructure can make up large portion of costs and utility fees for developers can be sizable.



## ATTRACTING TALENT WHO CAN LIVE AND WORK ANYWHERE

**NOTE:** See full RTI study in Appendix #11.

Dare County seeks to understand the potential for attracting talent who can live and work anywhere as an economic development strategy. This topic came to the forefront of potential strategies during interviews conducted by North Carolina State University in Dare County as well as through conversations with the Economic Development Committee. This type of “attraction” can be targeted at individual workers who are self-employed, have the flexibility to work anywhere, or own their own boutique professional firms. Talent attraction approaches of this nature tend to be supported with a high quality of life value proposition.

Given the overarching trend of increasing remote and flexible work arrangements, an economic development strategy focused on attracting talent who can work anywhere could in theory help to stabilize Dare County’s economy relative to the current status quo.

These types of firms/individuals are largely concentrated in the “knowledge sector” of the economy, where jobs are heavily dependent on information technology infrastructure and tools. Sectors such as agriculture, manufacturing, and retail are harder to adapt to telework programs given the place-based nature of the work.

Based on one analysis, the most popular telecommuting jobs are writers, engineers, marketing managers, healthcare consultants, case managers, development directors and recruiters.

### FINDINGS

- Overall, we find that Dare County is relatively well positioned to attract workers who can work anywhere. However, the travel times to the nearest major metropolitan areas and lack of proximity to a major airport would likely affect the types of remote workers that would find it feasible to live and work in Dare County.
- The degree of connectivity (internet and cell phone) appears to be relatively strong given the county’s somewhat rural location, and the county’s middle mile or “dark fiber” network could be used as an asset for expanding high-speed broadband internet access to targeted places in the county. More work would need to be done on this topic to assess specific needs and the possibility of county-supported high-speed internet access hubs.
- The County would need to more proactively market to these individuals. The most natural starting point would be to target advertising and messaging to tourists and/or second homeowners that visit the area.
- Low-cost marketing can be planned including advertisements on the side of county trucks (such as those created for a recent public safety campaign) and pamphlets distributed at local chambers of commerce and popular tourist destinations. Another potential is using strategically placed billboards.
- Dare County could pull together information, perhaps in an online directory and map, of suitable and perhaps even unexpected places in the county to get remote work done.
- The county could also engage the existing remote worker community that live in the county and form a working group around the concept of attracting more of these kinds of individuals to the county.
- The overall web strategy will need to address this type of “attraction.”

## REVIEW OF COMMUNITIES

The following review of communities highlights the range of ways that communities are capitalizing on the growing trend of remote work. Kansas City used flexible work and telework to brand the city as an attractive place to live. Montana pursued talent attraction strategy by trying to attract remote workers.

### KANSAS CITY, MO

The effort to promote Kansas City as an attractive place for remote workers is part of the larger economic development strategy to recruit a talented workforce to the region.

On August 10<sup>th</sup>, 2016, the first workplace flexibility summit, “Kansas City Works: Creating the Workplace of the Future,” was hosted by the flexible work coalition organizations in downtown Kansas City in order to promote flexible work as an economic development tool. The event was attended by a few hundred people, and panel discussions were held surrounding the ideas of mobility and virtual desktop technologies that can make remote work possible, as well as how to implement telework in a city or within a company.

### TAKEAWAYS FOR DARE COUNTY

- A coalition of different partners is valuable for raising awareness about the possibility of remote work in a region like Dare County. Bringing local chambers of commerce, technology councils, and current remote workers together at an event can help share best practices and disseminate useful information about teleworking.
- Kansas City’s local government has become a telework leader by implementing flexible work policies internally, which is a good way to signal the possibility of telework to the private sector. However, this is more relevant from the transportation planning perspective or branding the community as supportive of local teleworking and flexible work.
- A local government official, such as the Kansas City Mayor as a face of the flexible work campaign has led to greater awareness of flexible work policies.
- Attracting workers who can work anywhere as an economic development strategy has to be clearly articulated since it is such a niche strategy within the broader theme of talent attraction. Kansas City’s approach is somewhat different than what has been explored for Dare County.

## **MONTANA**

In Montana, the push to recruit remote workers as an economic development strategy is based on the state's excellent broadband and attractive lifestyle.

The economic development strategy of recruiting remote workers to Montana is led by the Republican candidate for governor in 2016, Greg Gianforte. Gianforte is a remote worker himself, who moved to Montana with his wife and founded the software company "RightNow" Technologies, which was eventually sold to Oracle. Part of Greg's platform is marketing to people who grew up in Montana and have moved away for job reasons, despite Montana's attractive outdoor lifestyle.

Gianforte has conducted tours, hosted talks, and distributed brochures to local chambers of commerce about teleworking resources in the state. Brochures were also distributed to schools, targeting those who return for class reunions. Another group Gianforte targeted as part of his remote worker campaign were realtors.

## **PORLAND, ME**

Portland has a largely tourism-based economy and is campaigning to attract remote workers to address the need for a skilled workforce to sustain a prosperous economy.

The goal is to "attract 10,000 creative-minded people in 10 years," where creative-minded is defined as people with a high appreciation for arts and culture, which Portland has to offer.

More remote workers would be an economic development strategy because it would increase the professional year-round workforce in Portland, and these remote workers would spend their incomes in the local economy.

In order to accomplish their goal, the non-profit "Creative Portland" is partnering with "Work in Place," a newly-formed advocacy/networking group for remote workers.

There are also efforts to improve broadband to attract workers, led by "2 Degrees," which recently put out a survey to assess broadband satisfaction and needs in the community.

## 5. SWOT ANALYSIS

The SWOT analysis (Strengths, Weaknesses, Opportunities, Threats) is an accepted best practice for strategic planning. For Dare County, this SWOT has been compiled from the number of critical thinking activities conducted. These include the *Strategic Interviews* (appendix #7) and the *Community Strategic Web Survey* (appendix #8).

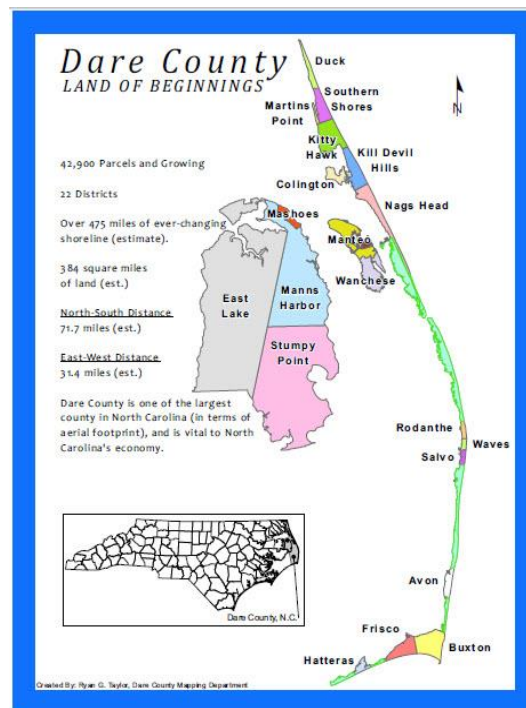
<b>S</b>	<b>Strengths</b>	Positive INTERNAL factors that you possess that would be helpful in achieving a goal:	
		<ul style="list-style-type: none"> <li>▪ Clean beaches / environment</li> <li>▪ Tourism</li> <li>▪ Water access</li> <li>▪ Engaged community</li> <li>▪ Town synergies</li> <li>▪ Good K-12 system</li> <li>▪ Safe community</li> </ul>	<ul style="list-style-type: none"> <li>▪ Healthcare/hospital</li> <li>▪ Maritime industry</li> <li>▪ Coastal Studies Institute</li> <li>▪ Park Service</li> <li>▪ Rural Character, lifestyle</li> <li>▪ College of the Albemarle</li> <li>▪ Chamber of Commerce</li> </ul>
<b>W</b>	<b>Weaknesses</b>	Negative INTERNAL factors that you possess that would be helpful in achieving a goal:	
		<ul style="list-style-type: none"> <li>▪ Seasonality of tourism</li> <li>▪ Lack of land availability</li> <li>▪ Cost of living</li> <li>▪ Lack of affordable housing</li> <li>▪ Skills gap for diverse industry</li> <li>▪ Labor shortage</li> </ul>	<ul style="list-style-type: none"> <li>▪ Lack of commercial airport</li> <li>▪ Coastal erosion</li> <li>▪ Declining historical sites/events</li> <li>▪ Traffic (lack of public transportation)</li> <li>▪ Gaps in broadband</li> </ul>
<b>O</b>	<b>Opportunities</b>	Positive EXTERNAL directions using identified STRENGTHS to overcome WEAKNESSES and THREATS:	
		<ul style="list-style-type: none"> <li>▪ Ensure environmental quality</li> <li>▪ Continue support of inlets</li> <li>▪ Invest in beach re-nourishment</li> <li>▪ Build sports recreation</li> <li>▪ Diversify events</li> <li>▪ Expand retirement options</li> <li>▪ Support construction industry</li> <li>▪ Build long-term care facilities</li> <li>▪ Partner with neighboring counties</li> <li>▪ Invest in broadband</li> <li>▪ Align training and workforce</li> <li>▪ Build the “creative economy” using the Arts community</li> </ul>	<ul style="list-style-type: none"> <li>▪ Engage Coastal Studies Institute</li> <li>▪ Market hospital/healthcare options</li> <li>▪ Market for “telework” jobs</li> <li>▪ Address affordable housing/policies</li> <li>▪ Extend “shoulder” season</li> <li>▪ Develop maritime tourism</li> <li>▪ Hire a County economic developer</li> <li>▪ Retain/expand existing businesses</li> <li>▪ Recruit targeted businesses</li> <li>▪ Provide entrepreneur training</li> <li>▪ Initiate penny tax for affordable housing</li> <li>▪ Ensure and excellent bridge system</li> </ul>
<b>T</b>	<b>Threats</b>	Negative EXTERNAL factors that could be barriers to attaining a goal:	
		<ul style="list-style-type: none"> <li>▪ Potential Economic downturn</li> <li>▪ Rising water</li> <li>▪ Weather, hurricanes</li> <li>▪ Flooding, erosion</li> <li>▪ Some counties in region struggling</li> </ul>	<ul style="list-style-type: none"> <li>▪ Unknowns related to elections &amp; resulting policies</li> <li>▪ NC political policies</li> <li>▪ Availability of federal and other grants</li> </ul>

## 6. THE PLAN

This [Plan Overview](#) presents the consultants' recommendations to advance economic development across Dare County. Our recommendations address the areas below. We have drafted Vision & Mission statements along with Goals & Strategies for review.

- Vision
- Mission
- Goals
- Strategies
- County Leadership
- Economic Development (Transactional Structure)

**A VISION STATEMENT** answers the question: *What will success look like?* A Vision is inspiring. It is a beacon in a turbulent world. It prepares for the future, but honors the past. In that light, we have connected the “land of beginnings” legacy of Dare County to its economic development VISION.



<b>Dare County VISION</b>	<b><i>To be the continuous “land of beginnings” for our economy and for our people – as we were the first New World settlement and the site of first flight for aviation.</i></b>
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**A MISSION STATEMENT** answers the question: *What are we here to do, and why?* It is a statement of purpose, a reason for existence. It should be developed in light of who the stakeholders are and how public value can be created. We have used the charge given by the Dare County Commissioners for this strategic plan (i.e., to optimize and to diversify the economy) to frame the economic development MISSION.

<b>Dare County MISSION</b>	<b><i>To optimize proven economic successes while working to diversify economic development and enhance the quality of life for all citizens and communities.</i></b>
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To help determine the best ways forward for managing economic development (structure), it will help to review the GOALS below. These represent what we see as the economic development FOCUS AREAS to be addressed.

## **GOALS (focus areas)**

### **I. OPTIMIZATION OF TRADITIONAL ECONOMY**

Goal 1: Focus on growing the dominant and traditional economic sectors in Dare County.

### **II. TARGETED GROWTH & ATTRACTION FOR ECONOMIC DIVERSIFICATION**

Goal 2: Develop new economic initiatives to diversify the traditional Dare County economy.

### **III. INFRASTRUCTURE (ECONOMIC DEVELOPMENT “PRODUCT”)**

Goal 3: Ensure the sustainability and enhancement of tangible assets needed for economic development.

### **IV. EDUCATION & WORKFORCE**

Goal 4: Align the workforce to best serve the traditional and emerging business sectors.

### **V. ENTREPRENEURSHIP & SMALL BUSINESS**

Goal 5: Work with specialist small business service providers to target and enhance support to small businesses throughout Dare County.

### **VI. THE DARE COUNTY STORY**

Goal 6: Invest in resources to recast the amazing Dare County story for economic development purposes.

## **STRATEGIES**

Strategies represent key economic development TASKS to be performed. The good news is that some of these tasks are currently being performed by partner organizations. To advance economic development in Dare County, however, the choice is how these strategies & tasks will be driven, managed, and coordinated. The best approach is to gain agreement on the “division of labor” then put the plan into action.

Review the STRATEGIES (below) as they align with each of the goals. Agreement on these can serve to join the County with its partners to focus directly on economic development.

Note that we have color-coded strategies to offer three resource areas. Again, there’s a lot that can be done with current County resources and resources of other groups. In addition, there will likely be a continuum where strategies are built out along the way.

**COLOR CODE:**

Gray	Part of EXISTING ORGANIZATION'S SERVICES (nobody pays for anything new).
Yellow	Completed by or lead by EXISTING COUNTY STAFF with only volunteer help.
Blue	Part of NEW,COUNTY SERVICES (pay someone either on contract or as new county staff.

**I. OPTIMIZATION OF TRADITIONAL ECONOMY**

**Goal 1: Focus on growing the dominant and traditional economic sectors in Dare County.**

**1. Strategies**

- 1.1. Focus on tourism as the prime economic driver; collaborate with and support the Outer Banks Visitors Bureau strategic plan.
- 1.2. Leverage the Outer Banks Chamber including their economic development experience and business networks.
- 1.3. Collaborate with the Wanchese Seafood Industrial Park to promote, enhance, and offer business opportunities for marine-related enterprises.
- 1.4. Leverage partners to provide existing industry support services to all key, identified businesses in real estate, construction, agri-business, commercial fishing, and retail businesses.

**II. TARGETED GROWTH & ATTRACTION FOR ECONOMIC DIVERSIFICATION**

**Goal 2: Develop new economic initiatives to diversify the traditional Dare County economy.**

**2. Strategies**

- 2.1. Leverage the Outer Banks Visitors Bureau to advance innovative directions including expanding the shoulder season, sports recreation, and expansion of events.
- 2.2. Engage and support the Outer Banks Hospital in diversifying healthcare resources and options.
- 2.3. Expand/diversify retirement options; link to healthcare and tourism.
- 2.4. Refine criteria; pursue attraction of professional firms that can live/work anywhere (telework).
- 2.5. Leverage the distinctive asset, the Coastal Studies Institute (CSI), to attract allied industries, develop an entrepreneur ecosystem, and the teaching mission to include year-round students.
- 2.6. Focus on wind & water assets; advance the business plan for a proposed National Sailing Center

**III. INFRASTRUCTURE (ECONOMIC DEVELOPMENT "PRODUCT")**

**Goal 3: Ensure the sustainability and enhancement of tangible assets needed for economic development.**

**3. Strategies**

- 3.1. Recognize water and water access as prime assets; develop policies to protect and enhance.
- 3.2. Provide resources for critical infrastructure (i.e., inlet dredging, beach re-nourishment, broadband).
- 3.3. Coordinate with resources to assess the potential impact of sea level rise; pursue grants and associated funding.
- 3.4. Pursue programs and funding to establish more affordable housing.
- 3.5. Explore partnerships with neighboring counties to leverage respective resources for mutual benefit.

**COLOR CODE:**

Gray	Part of EXISTING ORGANIZATION'S SERVICES (nobody pays for anything new).
Yellow	Completed by or lead by EXISTING COUNTY STAFF with only volunteer help.
Blue	Part of NEW,COUNTY SERVICES (pay someone either on contract or as new county staff.

**IV. EDUCATION & WORKFORCE**

**Goal 4: Align the workforce to best serve the traditional and emerging business sectors.**

**4. Strategies**

- 4.1. Build workforce & existing industry partnerships; leverage the College of the Albemarle.
- 4.2. Work with the Outer Banks Chamber and other key partners to identify and focus on targeted business sectors.
- 4.3. Identify the essential workforce skills needed and gaps.
- 4.4. Align educational needs of the "work anywhere" segment; partner with educational resources.

**V. ENTREPRENEURSHIP & SMALL BUSINESS**

**Goal 5: Work with specialist small business service providers to target and enhance support to small businesses throughout Dare County.**

**5. Strategies**

- 5.1. Catalog resources and their services (e.g., Small Business & Technology Development Center, Cooperative Extension Service, Industry Expansion Solutions, Workforce Boards).
- 5.2. Identify needs and opportunities by each small business sector (e.g., commercial fishing, agri-business, retail, sports recreation, entertainment).
- 5.3. Pursue "creative economy" initiatives (e.g. "Fish to table").
- 5.4. Continue to connect with the Coastal Studies Institute; explore the potential to build an entrepreneur ecosystem related to CSI's work.

**VI. THE DARE COUNTY STORY**

**Goal 6: Invest in resources to recast the amazing Dare County story for economic development purposes.**

**6. Strategies**

- 6.1. Engage resources to develop the Dare County story going forward; develop a formal marketing branding initiative.
- 6.2. Leverage the marketing resources and initiatives of the Outer Banks Visitors Bureau.
- 6.3. Design/apply the story to identified and targeted sectors.
- 6.4. Develop a website and associate social media to advance the story.
- 6.5. Promote Dare's distinctive assets, culture, and history ("Land of Beginnings") for economic development purposes.



## 7. PLAN IMPLEMENTATION & TRANSACTIONAL STRUCTURE

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**NOTE:** This section is summarized from appendix #14, Economic Leadership, LLC.

Economic Leadership was engaged by North Carolina State University's team to review their Dare County Economic Development assessment and recommendations and to provide insights and suggestions about the options for an organizational structure that could effectively execute their proposed strategies. Overall, Dare County is evaluating the political and financial feasibility of an enhanced effort to increase economic activity and expand and diversify local job opportunities.

The North Carolina State process, with their partner RTI, included public engagement of business and public leaders from across the county as well as deeper research into the areas of potential targeted industries and affordable housing. Economic Leadership's work concentrated, and was limited to, providing organizational or capacity options for the recommendations that were developed.

Economic Leadership has evaluated different public-private and private models for Dare County to take greater advantage of existing economic drivers, conduct enhanced lead generation, increase business support activities and provide multi-organizational alignment. All organizational options have pros and cons. For Dare County, and all place-based economic development entities, the most important factors for success are organizational capabilities, adequate resources and sustained, consistent efforts.

To determine how best to implement any new economic development activities we find several factors that should be considered.

**The first is the plan itself.** Many counties and communities create strategic plans that do not result in the outcomes they had hoped for. Over the years, we have found commonality among those plans and communities that achieve their goals.

- **They are future focused, rather than built on the past.** Dare County is currently being impacted by many national trends including urbanization, business consolidation, and technological advancement. Core economic drivers including tourism, second home buying, and business and professional services are each evolving. Later in this paper we will discuss some of the trends we feel will impact Dare County over the next decade.
- **They are holistic and focus on many aspects of the county's economic activities.** The key to expanding the local economy and the available jobs is to bring additional wealth into the community. That wealth is then distributed around the community and creates a multiplier impact. Many options exist: increased tourism expenditures, new real estate investments, increased retail sales from visitors or increased payrolls from new or expanded businesses. In Dare County, new economic development capacity could be developed to focus on the traditional economic development areas of recruitment and existing business expansion, but new efforts will also impact the current economy of the county and will necessarily involve many existing groups and interests.
- **They are actionable.** Sometimes there is no obvious way to implement the strategy and other times the proposed strategies are not within the specific organization's capabilities. We will recommend a structure that provides the means to use the recommendations that have been developed.

- **They are tightly aligned.** Every community, including Dare County, has multiple groups charged with different facets of recruitment, small business assistance, tourism, or workforce development. Economic Development is never hierarchical, and is always a team effort. Dozens of local and state public workers are involved daily in the public infrastructure, business rules and competitive climate, and education that build and maintain the community’s ability to meet investor needs. When groups align, and collaborate they achieve more through a process known as collective impact. When they work in isolation or at cross-purposes they achieve less.

**The second factor for success is a community’s understanding of their own competitive position in the context of other, competitor communities.** Understanding your competitive position can inform a community’s resource allocation toward potential strategies to diversify their economies. The top factors for companies considering new business investment are provided in the chart on the right. While these factors are critical to diversifying the Dare County job markets, they are different from the factors that drive tourism or second home investment.

Identifying and achieving a differentiated competitive advantage, the economic development goal of successful places, requires not one, but a combination of factors. These almost always include some combination of: the depth of workforce talent, the business climate including costs and regulatory issues, the connective infrastructure (roads, air service, water & sewer, energy and broadband), currently available buildings and shovel ready sites, and the quality of life factors that appeal to workers.

Although a competitive analysis is not part of Economic Leadership’s scope of work, Dare County’s lack of a dense trained workforce pool and the lack of quality available buildings and sites suggest that some components of the local product face challenges.

**The third factor is an understanding of the how the rapidly changing world will impact the local economy and future opportunities.** No one can predict the future, but through trend analysis we can see some things that are very likely. Economic Leadership maintains an ever-evolving data base of trends that are impacting business investment decisions and informing community economic development efforts.

**Top Factors for Companies Considering New Investment**

- 1) Availability of **skilled** labor
- 2) Highway accessibility
- 3) Quality of Life
- 4) Occupancy or construction costs
- 5) Availability of buildings
- 6) Labor costs
- 7) Corporate tax rate
- 8) Proximity to major markets
- 9) State & Local Incentives
- 10) Energy availability and costs
- 11) Tax exemptions
- 12) Expedited or “fast track” permitting

Source: Area Development 30<sup>th</sup> Annual Survey of Corporate Executives, March 2016

**Best practices for organizational structure and engagement include:**

- Leveraging the experience and knowledge of the private sector.
- Supporting state-level economic development strategies by engaging regional partners and initiatives.
- Formation of state agencies as public-private partnerships or as semi-state agencies.
- Strategic partnerships with external entities, including businesses, private or nonprofit organizations, and higher education institutions.
- Development of accountability for economic development agencies through comprehensive performance measures.

As private-sector engagement has risen in economic development delivery, so has the role of Chambers of Commerce. While Chambers have always played some role and some have been the contract provider for services, there seems to be an increase in recent years. Within Chambers there are several distinct models.

The single entity model involves the Chamber and economic development entity under one roof with one governance structure. Examples include the Tulsa Oklahoma Metro Chamber, Greater Spokane Washington and Durham North Carolina. The Greater Raleigh Chamber and Jacksonville Florida Chamber are examples where there is just one organization, but the economic development function has a distinct brand. Another model is where there is a chamber function with an economic development subsidiary corporation (usually a 501(c)3 or 501(c)6). Examples include Springfield Missouri, and Macon Georgia.

Most recently we have begun to see a more unified or umbrella model where several organizations unite structural for the delivery of broader services such as economic development, tourism, community development, small business assistance, and leadership development. Tupelo Mississippi, the Allegheny Conference in Pennsylvania and Lee County, North Carolina are examples.

## **SIX ORGANIZATIONAL OPTIONS**

For Dare County, enhanced economic development efforts will require additional capacity. Generally, the options for providing new capacity will along two continuums that require more or less effort (resources) and a second that includes more or less government control.

Six options are described below:

- 1) Increase county effort within current structure.
- 2) Creation of a new public economic development function with new resources and a mission to execute a specified strategic plan.
- 3) Development of a new wholly private economic development organization.
- 4) Creation of a new public-private funded and governed economic development organization with a clear set a activities.
- 5) Increase the internal county effort and external engagement of other organizations by both increasing the efforts of current and new county staff and contracting with existing organizations for specific tasks.
- 6) Development of a broad umbrella organization for multi-focused economic development efforts with a single governance board.

The first option would be to either reprioritize or increase existing resources in county government to allow implementation of some or all of the new recommended strategies. It is common for a county manager, assistant manager or designated support person to assume some economic development duties.

The **advantages** of this approach are identified below:

- Least costly and fully within the control of County government.
- Fastest approach, requiring administrative or budgeting changes only.
- Facilitates an incremental approach that is easily increased or decreased.

The **disadvantages** are;

- Limited new capacity or expertise.
- Places additional burden on already extended staff resources.

Second would be the creation a new public Economic Development department or function within county government. This is like option one, but would require more effort and resources and take additional time. It would also create more new capacity and be expected to deliver greater results.

Based on research from the International Economic Development Council, the **advantages** of public economic development organizations (EDO) are identified below.

- Public EDOs have direct access to sources of public funding (e.g., CDBG, revenue sharing).
- Public EDOs have closer ties to public powers, such as taxing authority, eminent domain, ownership of land, rights of way, zoning and regulatory powers, and the ability to construct and operate public facilities and services, which can be used in economic development initiatives.
- Public EDOs have access to other city or county resources such as planning, research, and public works.
- Public EDOs are more likely to have better buy-in and a sense of ownership from public officials and executive staff for economic development initiatives.

The **disadvantages** of public economic development organizations are:

- The turnover of elected officials can cause inconsistent economic development policies and available resources.
- The commitment by county or city officials to economic development efforts may vary.
- Private organizations often mistrust government activities.
- Public disclosure laws may prevent private negotiations with relocating businesses or developers.

Either option one or two is wholly within the control of the county commissioners and public staff and would allow complete governance flexibility. Efforts could begin immediately and new resources could be considered within the upcoming budget process.

A third option would be the creation of a totally privately funded and managed economic development organization. Today many private companies in legal, real estate, accounting and construction fields play some role in economic development. Rising in popularity are sector associations and cluster networks that closely resemble the roles than guilds of western Europe played for hundreds of years. The Research Triangle Cleantech cluster is an example of a new privately funded effort to promote, market and grow the sector.

The **advantages** of private economic development organizations are:

- Private EDOs can raise funds in the private market.
- Private EDOs can receive donations (nonprofit corporations only).
- Private EDOs can serve as an intermediary through which individuals can deal with the government on behalf of a private client.
- Private EDOs are organized to make decisions quickly.

The **disadvantages** of private economic development organizations are:

- Private EDOs lack the powers of eminent domain, zoning and other public land management powers.
- Private EDOs may lack public sector support and commitment, which means that they take risks in assuming responsibilities for economic development.
- Perceptions of conflict of interest are common.
- Fundraising is time consuming and often uneven.

While Dare County could suggest and encourage Option 3, the county would have no control over the activities or focus of a private group. This option is unlikely to happen without some igniting event.

The fourth option is the creation of hybrid or public-private EDO. This has been a common approach especially in the South with both cities and counties along with Chambers of Commerce or Committees of 100 contributing resources and governance. The creation of a new EDO would require the cooperation of existing private sector stakeholders or the development of new private sector funders.

The **advantages** of Public-private economic development organizations are:

- A public-private EDO draws on a broader range of expertise. Working together builds upon and creates new skills and understanding.
- A public-private EDO can mobilize both public and private resource and is financially flexible. Public-private EDOs can maximize the use of available government funds.
- Public-private EDOs are also able to accept donations due to their tax-exempt status, thereby offering advantages to contributors benefiting from tax deduction advantage.
- A public-private economic development organization can eventually be financially self-supporting (although this is less common than thought).

The **disadvantages** of public-private economic development organizations are:

- A public-private EDO is not under the same degree of public control as public agencies, which can limit its accountability.
- Limited accountability may cause a public-private EDO to forfeit a portion of their influence if the public sector and the citizenry are not satisfactorily represented.
- Developing a public-private EDO takes time and needs resources.

A fifth option might involve a public-private consortium of efforts with increased public sector resources and public and private sector delivery of services. Many of the recommended strategies involve, or could involve, existing stakeholders such as the Outer Banks Visitors Bureau, the Outer Banks Chamber of Commerce, and the College of Albemarle. This option would require increased public funding to contract with existing groups to implement the recommended strategies.

The **advantages** are:

- Existing organizations could quickly increase efforts.
- Contracts for services require fewer increases in county staff.
- Contracts can have targeted goals and could be performance based increasing the likelihood of success.

The **disadvantages** are:

- New contracts require new county resource commitments.
- County staff would still be responsible for contract management.

The sixth option would be the creation of a broader umbrella group that would include the administrative merger of several existing organizations plus newly enhanced economic development functions. The **advantages** could be a clear focus by many organizations to achieve an agreed upon set of priorities, but the **disadvantage** is that it would take considerable time and involve complex negotiations among many parties.

## RECOMMENDED OPTION FOR SERVICE DELIVERY

With six options along a continuum available, the next question is what option would be the best to achieve the goals that have been developed by the North Carolina State University and RTI team. The six goals in the draft plan overview are designed to optimize the traditional economy, target growth (especially attraction for diversification), take advantage of entrepreneurial opportunities, strengthen the economic competitiveness of the product (infrastructure and workforce) and better tell the Dare County story.

The 25-30 strategies recommend specific areas for future focus, identify key stakeholders for collaboration, suggest increased effort to leverage existing efforts, and raise new areas that require devoting resources to achieve diversification.

A key element of the plan is coordination with other stakeholders. The key players include:

- ✓ Local county and city government
- ✓ The Outer Banks Chamber of Commerce
- ✓ The Outer Banks Visitors Bureau
- ✓ The College of Albemarle
- ✓ The Outer Banks Hospital
- ✓ Wanchese Seafood Industrial Parks
- ✓ The Coastal Studies Institute
- ✓ Albemarle Commission
- ✓ Northeastern Workforce Development Board
- ✓ National Sailing Center
- ✓ Small Business Providers (SBTDC, Cooperative Extension, Industry Expansion Solutions)

Existing efforts to maintain and improve infrastructure, educate and train the workforce, and support entrepreneurship each involve a combination of organizations. Opportunities for economic diversification such as developing enhanced shoulder season tourism drivers, expanding the impact of seafood and boatbuilding industries, and attracting more research dollars and complementary services to the Coastal Studies Institute will take more resources. New marketing and client management efforts, and the exploration of increased focus on retirees, business and professional lifestyle firms, and the National Sailing Center will require investments to create new capacity.

To fully implement the recommended strategies, we are recommending a two-step approach over the next three years. We believe that it is important to begin implementation immediately.

In year one we recommend focusing on some of the high priority strategies:

- Appoint or hire a county employee to focus on economic development. Specifically, the new resource would coordinate strategies that improve Dare County's infrastructure, pursue grants, review regulations and codes and coordinate any affordable housing efforts.
- Develop a two-year performance contract with the Outer Banks Chamber of Commerce to provide new targeted marketing, client management and entrepreneurial space development. In addition, the Chamber would act as the point of contact for clients from the regional and state economic development organizations.
- Provide resources to the Outer Banks Visitors Bureau to develop a new shoulder season strategy with implementation in year two or three
- Establish an economic development coordinating council with representatives of all the stakeholders for shared communication and ongoing alignment.
- Develop a public economic development dashboard to measure progress and identify ongoing areas of concern.

In year two we recommend that Dare County build on the effort of year one and focus on aligning activities for collective impact. Working together, while it often happens now, to achieve the advantages of collective impact, will require the development of more formalized collaborative capacity. The [Stanford Social Innovation Review](#) first examined the concept of "collective impact" in 2011 and identified five key elements:

1. "All participants have a **common agenda** for change including a shared understanding of the problem and a joint approach to solving it through agreed upon actions.
2. Collecting data and **measuring results consistently** across all the participants ensures shared measurement for alignment and accountability.
3. A plan of action that outlines and coordinates **mutually reinforcing activities** for each participant.
4. Open and **continuous communication** is needed across the many players to build trust, assure mutual objectives, and create common motivation.
5. A **backbone organization(s)** with staff and specific set of skills to serve the entire initiative and coordinate participating organizations and agencies."

In year two we also recommend that in addition to continuing all activities from year one that additional potential partnerships be prioritized.

- Attracting more research dollars and complementary services to the Coastal Studies Institute.

- Supporting the development of the National Sailing Center
- Position the Outer Banks Hospital as a regional hub for medical service
- Maximize the services of the SBTDC, Cooperative Extension and Industry Expansion Solutions to support new flexible spaces that may be developed by the Chamber of Commerce.
- Create a work group to explore the development of a Public-Private Partnership for delivery of economic development services. (At this time, we have no recommendation on whether this new organization would be part of the chamber, stand-alone or part of a bigger organization.)

By year three we would expect that there will be enough evidence from the efforts of the first two years to establish a solid approach to provide economic development professional services. Several of the programs and efforts that were established in year one should be producing results. Entrepreneurial space, targeted client marketing, and shoulder season tourism marketing should each be established.

- Finalize a delivery system, probably some form of public-private partnership with participation by many stakeholders.

### **Additional Recommendation**

There is a national economic development trend to better measure activities and outcomes. Return on Investment has become a common discussion among economic development boards and among public boards that provide economic development funding. Earlier this year the International Economic Development Council published *Making It Count - Metrics for High Performance Economic Development Organizations*. This extensive study examines current best practices around metrics.

The existence of an organizational strategic plan is the key determining factor in whether an organization measures performance. Over 80% of the organizations that track their performance have a strategic plan. Organizations use agreed upon metrics to track performance over time and against goals that have been developed. Business and elected leaders are usually instrumental in the insistence on and development of the measurements.

Job creation and retention is the most common metric, but comes with many problems. Assigning causal credit for the creation of specific jobs, especially indirectly generated jobs, is a problem. Economic developers understand that their efforts are part of a team.

Performance measurement is not for the faint of heart. It takes resources to regularly track performance and there are always challenges. Assigning credit, getting timely and accurate data, and quantifying results can each be difficult.

Despite the challenges, there is a clear and rapid movement toward more metrics in the economic development field. Best practices suggest starting small with a few metrics, having both activity and outcome metrics, creating simple, broadly available dashboards, and getting Board buy-in throughout the development process.

We strongly recommend that the Dare County develop a set of metrics that would be reviewed regularly. These metrics should include both actions such as trade shows attended, client contacts, site visits and others, plus outcomes of actions such as direct jobs created, and tax base additions. Finally, Dare County should also monitor broader economic metrics such as jobs changes by sector, wages, gross county product, exports and business formations.



## 8. CONSULTING TEAM

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### NC State University

**Dan Parks**, Associate Executive Director of Strategy & Innovation, NC State Industrial Extension Service (IES) & Senior Director for the Office of Outreach & Engagement (O&E)

Dan served as project leader.

For NC State, Dan's key responsibility is to help lead the development of new products, new markets, and new business models that can enhance service to industry-based, community-based, and government organizations. He helps facilitate strategic alliances and initiatives that result in economic impact.

Dan is an economic development and business strategist. He has helped lead major strategic economic development initiatives including planning for regional partnerships, counties, small towns, and chambers of commerce.

He has also designed and conducted strategy initiatives for the Governor's Office, UNC-GA, Chancellors, the Department of Commerce, and other public sector entities. Notably, he worked with the Research Triangle Regional Partnership Cluster and the Piedmont Triad WIRED initiatives. With in-depth experience translating strategy into action, Dan also adds his experience in leadership development and marketing consulting to strategic planning.

**Rex Raiford**, Northeast Regional Manager, Industry Expansion Solutions (IES)

Rex serves as an IES regional manager for the northeast region of North Carolina. He is closely connected to community and industry leaders throughout the region and currently serves on the Albemarle Commission Economic Development Committee. Rex focuses on developing economic impact as a key part of this work.

Rex has 23 years of manufacturing experience with a Fortune 500 company in the paper industry. He held various manufacturing management positions, including operations manager, customer/quality director and project manager. Rex has used Six Sigma and lean manufacturing techniques to increase productivity, improve quality and reduce costs in several manufacturing operations.

He was project manager for implementation of a quality system that was registered under ISO 9002. He also served as safety coordinator for a large manufacturing department and has experience in recycling and packaging. Rex has a B.S. in pulp and paper science and technology from NC State University.

**Paul Zimmerman**, Director, Strategy & Innovation, IES & O&E

Paul helps lead university economic and community development initiatives. He is currently co-leading the NC State "Ultimate Community Partnership" initiative with Rutherford and Polk Counties. He is an experienced business and marketing leader who is responsible for providing recommendations for additional business services and products for IES, as well as improvements and innovations within the organization that would help to generate positive cash flow and new revenue generation. Paul has developed strategic action plans, market analysis, and financial projection scenarios, identified business model drivers and helped develop enterprise-wide business plans.

As a Marketing Manager for SONY Corporation of America, Paul was responsible for market success of all Sony Professional display products. He developed the marketing and promotional plans, directed PR, advertising, rolled out sales incentive programs, sales training, product launch, trade shows and sales forecasting for the \$60 million display division. Paul holds a BSEE from Clarkson University and an MBA from Western Carolina University.

**Samantha Graham**, AICP, Project Manager, Strategy & Innovation, IES & O&E

Samantha manages internal and external strategic planning projects for the Industrial Extension Service and the Office of Outreach and Engagement. Prior to joining NC State University, Samantha worked for over four years as a

community outreach specialist at the North Carolina Department of Commerce where she oversaw broadband and economic development plans for local governments and other entities.

Samantha holds a B.A. from UNC- Chapel Hill and Master of City and Regional Planning from Clemson University.

**Teresa Bradford**, Director of Marketing, IES & O&E

Teresa is a strategic marketing executive who helps communities with branding-marketing plans and enhancement of marketing tools (such as websites). She has led marketing initiatives for major fortune 100 companies including DuPont and IBM. At DuPont, Teresa was responsible for the marketing strategy of five product lines within the Electronics Division of the company. Prior to joining DuPont, Teresa held multiple senior marketing roles at IBM for 10 years and holds a US Patent for a Risk and Compliance Framework.

Prior to joining IBM, Teresa founded and was President of Bradford Marketing Communications for five years and built an agency that served for profit businesses as well as regional, state and national non-profit associations, including the International Society of Pharmaceutical Engineers (ISPE), the North Carolina Chapter of the American Society of Landscape Architects (NCASLA) and American Institute of Architects, Triangle Section. Teresa holds a B.A. in journalism and a B.S. in education from the Ohio State University.

## RTI

**Zachary Oliver** is an economist in RTI's Innovation Economics program. His current project work at RTI focuses on understanding patterns of regional economic development, analyzing the effectiveness of programs, benefit-cost analysis, and analysis of energy efficiency initiatives. Zack has a thorough understanding of publicly available data sources that can be leveraged to inform regional economic development strategy.

Prior to joining RTI, Mr. Oliver worked as a staff economist for the North Carolina Department of Commerce where he was engaged with a variety of research topics relevant to North Carolina's economic development. He led a team that analyzed the fiscal and economic impact of a major state tax credit. He also conducted research on North Carolina's industry clusters for the state economic development board and was involved in a legislatively required study that involved gathering qualitative information through interviews with community and business stakeholders.

**Sara Lawrence** is a Senior Manager of Economic Development with 15 years of experience in economic development diversification strategy and evaluation. Ms. Lawrence has expertise in industry cluster analysis, entrepreneurship, business start-ups, regional innovation systems, metrics, and best practice research. Recent project work includes managing an economic development dashboard for the state of North Carolina; assessing the potential clean technology growth sectors; and evaluating a university's economic, innovation, and social impacts in a regional economy.

Prior experience at North Carolina State University's Institute for Emerging Issues focused on the intersection of economic development and leadership engagement. She also has state-by-state benchmarking experience with the Corporation for Enterprise Development where she managed the annual Development Report Card for the States.

**Mike Hogan** is a researcher in RTI's economic development group. His current work at RTI includes research and program evaluation for telecommunications, advanced manufacturing, workforce development, innovation-led economic development, and rural development. He led RTI's workforce and talent survey for the Research Triangle Cleantech Cluster in 2015. His academic work focuses on industry cluster analysis, value chain mapping, regional workforce strategies, economic diversification, and the intersection between economic development, real estate, and transportation.

Prior to his work at RTI, Mr. Hogan managed small business incubation and industry diversification projects for the copper mining industry in Chile, focusing on strengthening all levels of the value chain, improving process and energy efficiency, and reaching new markets for copper products. He holds a BA in economics from the University of Notre Dame and is currently pursuing a master's in City and Regional Planning at UNC Chapel Hill, specializing in urban and regional economic development.

## Economic Leadership, LLC

**Ted Abernathy:** Ted is the economic development policy advisor to the Southern Governors Association, and the Managing Partner of Economic Leadership LLC, a consultancy that is currently working in more than a dozen states to develop economic strategies. Ted has 35 years of experience in directing economic development and workforce development programs. In the past two years Ted has worked with state Chambers of Commerce in North Carolina, Arkansas, Missouri and Kentucky to develop economic development plans and with another dozen regions, counties and organizations on strategic plans.

From 2008-2013, Ted was the Executive Director of the Southern Growth Policies Board, a 42-year old public policy think tank that provided economic development research, strategy and marketing advice, to states and communities across the South. Before coming to Southern Growth, Ted was a practicing economic developer for 28 years. Most recently, he served as Executive Vice President and COO for the Research Triangle Regional Partnership. During his eight years directing RTRP's operation he worked with hundreds of clients and helped generate 65,000 new jobs and almost \$10 billion in investment.

Ted's current projects include developing a new rural economic strategy for the North Carolina Chamber of Commerce, developing economic development plans for the 8 states that comprise the Mississippi Delta, creating new economic strategies in North Carolina for the Research Triangle Regional Partnership and the Piedmont Triad Partnership, conducting a national citizen input process on building community economic vitality, developing best practices in manufacturing and innovation for the U.S. Economic Development Administration and helping the Organization for International Investment create an economic development coalition to better attract foreign investment.

## The Hayes Group

**Acknowledgement:** Charles Hayes of The Hayes Group gave generously of his time in reviewing this plan and making insightful suggestions.

**Charles Hayes:** Charles is the Managing Partner of the Hayes Group, an economic development consultancy, educational, and advocacy firm. From 1996 to 2016, Charles was the President & CEO of the Research Triangle Regional Partnership (RTRP). During his tenure at RTRP, he provided strategic and operational oversight to an award-winning 15-county regional partnership. Charles served as primary liaison to a 68-member board of directors, executive committee, and numerous development, financial management, and partnership-building initiatives. He has further provided executive management for the RTRP Foundation, Research Triangle Cleantech Cluster, Triangle Tomorrow and Triangle Air Awareness.

Charles has been a leader and served on several high-level organizations including the UNC Board of Governors, NC Economic Developers Association, International Visitors Council, East Carolina University Board of Visitors, NC State Kenan Fellows Board, RTI International, the International Economic Development Council, and the American Economic Development Council.

Charles has also served as a county economic developer (Moore County) and a county manager (Warren County).

## 9. APPENDICES

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The following documents were used for discovery and research throughout this process. They are reproduced with permission and contained in this section for ongoing reference.

#	APPENDIX	SOURCE
1.	SUMMARY OF EXISTING PLANS AND STUDIES	
	<ul style="list-style-type: none"> <li>▪ 2014 National Park Visitor Spending Effects: Economic Contributions to Local Communities, States, and the Nations</li> </ul>	National Park Service
	<ul style="list-style-type: none"> <li>▪ A Study of the Economic Impacts of Oregon Inlet Navigability to Dare County, the Surrounding Region, and the state of NC</li> </ul>	Moffat & Nichol
	<ul style="list-style-type: none"> <li>▪ Comprehensive Economic Development Strategy</li> </ul>	Albemarle Commission
	<ul style="list-style-type: none"> <li>▪ Impact of Tourism on Community Life in Dare County</li> </ul>	East Carolina University
	<ul style="list-style-type: none"> <li>▪ Marine Trades Training Boosts Coastal Economy</li> </ul>	<i>Coastwatch</i>
2.	Dare County Profile	NC Dept. of Commerce
3.	Economic Development & Sustainability (White Paper)	Outer Banks Chamber
4.	Outer Banks Visitors Bureau Strategic Plan	Outer Banks Visitors Bureau
5.	Sail NC Draft Business Plan	Sail NC
6.	Dare County Financial Report (S&P)	Standard & Poor's
7.	Strategic Interviews (Summary Report)	NC State
8.	County-Wide Strategic Web Survey (Summary Report)	NC State
9.	Best Practice for Diversifying and Stabilizing Regional Economies	RTI
10.	Affordable Housing Best Practice	RTI
11.	Attracting Talent that can Live and Work Anywhere	RTI
12.	Community Leader Forum (Transcribed Notes)	NC State
13.	Strategic Plan Overview (Vision, Mission, Goals, Strategies)	NC State
14.	Strategic Plan Implementation	Economic Leadership, LLC