
Best Practices in Regional Economic Development: A View from South Carolina

Windsor Chamber
November 2, 2005

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Chairman, SCEDC Board of Directors

Today's Roadmap

- South Carolina:
County/Regional/State Economic Development
- Spartanburg County Economic Development Corporation (SCEDC):
Model for Public/Private Organizations
- Best Practices
- Deliverables

Comparison of Windsor/Essex and Spartanburg Resident Population

SPARTANBURG POPULATION STATISTICS

County 261,281
City 39,673

Gender Total 253,791
➤ Male 123,338 (48.6%)
➤ Female 130,453 (51.4%)

Median Age 36.1

WINDSOR CMA POPULATION STATISTICS

Windsor 307,877
Essex 20,085

Gender Total 208,405
➤ Male 101,925 (50.0%)
➤ Female 106,475 (51.1%)

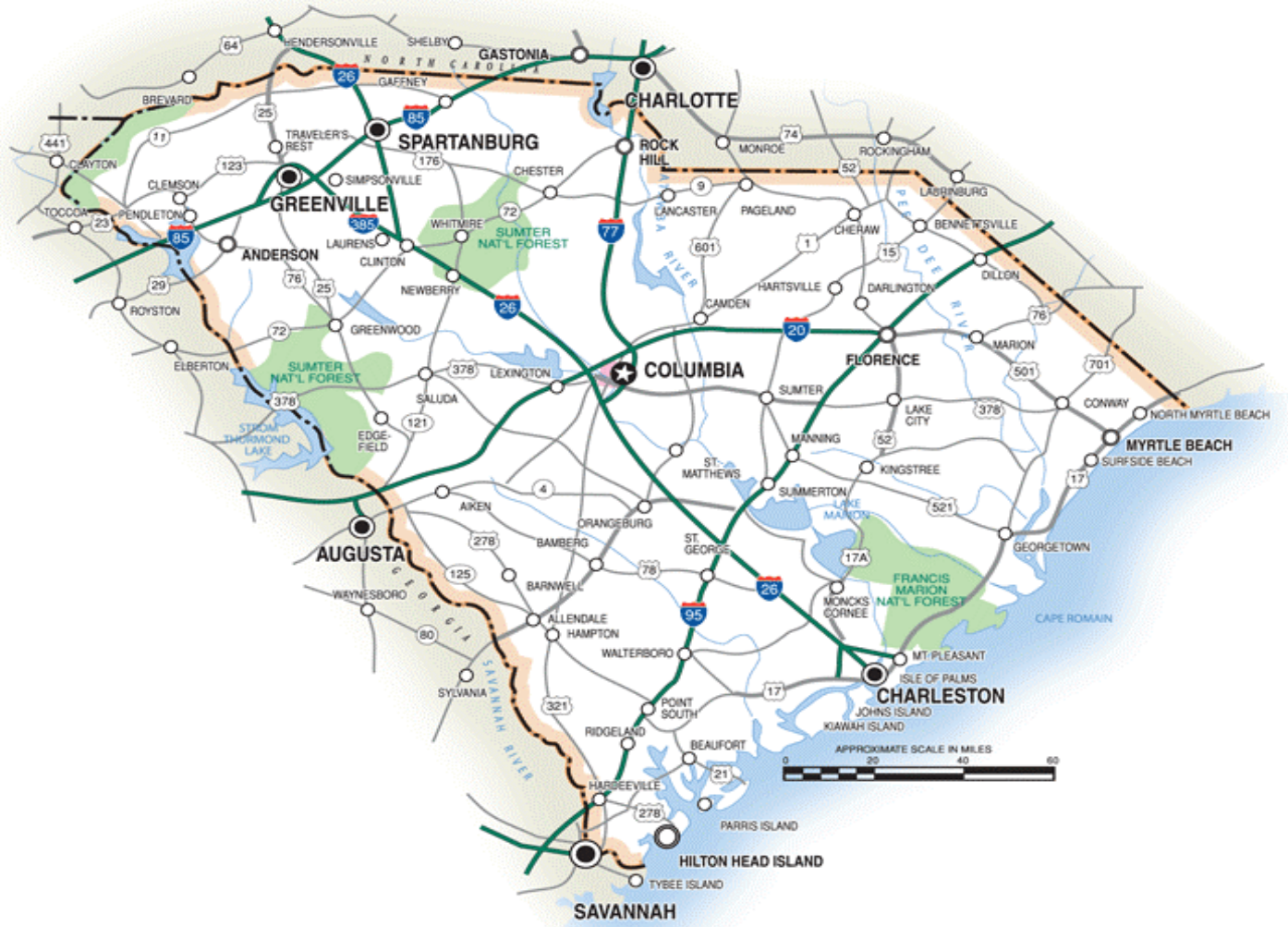
Median Age 36.0

Major Cities of the United States



Major Cities

State of South Carolina



South Carolina Definitions

- **Local Economic Development :**
Organizations which usually operate at the County level -- with or without city involvement -- the county owns the franchise.
- **Regional Economic Development:**
Groups of counties from 2 to 22 that join together, typically for marketing/branding.
- **State Department of Commerce:**
Arm of State Government responsible for marketing, project management, and other state-wide activities.

Types of County/Local Economic Development Organizations

- County government agency, possibly part of planning or other.
- County-chartered Economic Development Commission with County-appointed board.
- Chamber of Commerce function with funding from County government.
- Public/Private Partnership with funding from public and private sectors.

Economic Development Program Focus

- Establishment of an Expanded but Focused Economic Development Program for Spartanburg County.
- Implementation of Economic Development “Best Practices.”
- A Public/Private Partnership

Economic Development Program Capacity

- The “Best Practices” self assessment identified three major issues:
 - Organizational Structure
 - ED Program needed a specific policy focus within the Chamber structure.
 - Staffing Resources
 - Existing staff could not support an aggressive program.
 - Funding
 - Overall level of funding and private sector support would not support an aggressive program.

Priority Issues

- Increase the Capacity of the Economic Development Program
- Expand the External Marketing Focus
- Implement an Internal Marketing Program
- Expand the Product Offering

State & Local Incentives

■ STATE:

- IRB
 - Industrial Revenue Bond
- JEDA
 - Job Economic Development Association
- JTC
 - Job Tax Credit
- JDC
 - Job Development Credit
- CATT
 - Center for Accelerated Technology Training

■ LOCAL:

- SSRC
 - Special Source Revenue Credit
 - FILOT
 - Fee-In-Lieu of Taxes
 - MCIP
 - Multi-County Industrial Park
 - Private Sector Industrial Park Development
 - Property Tax Abatements/Exemptions
 - Utility Grants
-

SCEDC Board of Directors

COUNTY APPOINTEES:

- 1 Head of County Council ED Committee
(Member of County Council)
- 1 Appointee
(Non-elected Official & Member of Investment Group)
- 1 Ex-officio
(Chairman/Administrator)

CITY APPOINTEES:

- 1 Head of City of Spartanburg ED Committee
(Member of City Council)
- 1 Appointee
(Non-elected Official & Member of Investment Group)
- 1 Ex-officio
(Mayor/Administrator)

CHAMBER APPOINTEES:

- 2 Appointees
(Recommended by Chamber Executive Committee & Approved by Chamber Board & Members of Investment Group)
- 1 Ex-officio
(Chamber President)

INVESTOR APPOINTEES:

- 3 Appointees
(Members of Investment Group, chosen from the Investor Group)
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Classification of Investors

Platinum, Gold & Silver

- Platinum Investor:
 - Invest \$10,000 or more
 - More frequent meetings among other Platinum and Gold investors.
 - Liberal Sharing of Information
 - Spring/Fall Investor Meetings
 - Monthly Project Activity Update
 - Press release/fax/e-mail

- Gold Investor:
 - Invest \$5,000 minimum
 - More frequent meetings among other Platinum and Gold investors.
 - Liberal Sharing of Information
 - Spring/Fall Investor Meetings
 - Monthly Project Activity Update
 - Press release/fax/e-mail

- Silver Investor:
 - Invest \$1,000 minimum
 - Spring/Fall Investor Meetings
 - Monthly Newsletter
 - Press Release /fax/e-mail

SCEDC Investor Group

- ADVANCE AMERICA/ CASH ADVANCE CENTERS, INC.
- BB&T
- BAILEY AND SON ENGINEERING, INC.
- BANK OF AMERICA
- THE BARNET COMPANY
- BELLSOUTH
- BMW MANUFACTURING COMPANY, LLC
- THE CAPITAL CORPORATION
- CHERRY, BEKAERT & HOLLAND, LLP, CPA
- CINTAS CORPORATION
- CITY OF SPARTANBURG
- CORPORATE CENTER
- DUKE POWER
- EXTENDED STAY AMERICA
- FIRST NATIONAL BANK OF SPARTANBURG
- FOUNDER'S FEDERAL CREDIT UNION
- GIBBS INTERNATIONAL, INC.
- GRAMLING BROTHERS, INC.
- HAYNSWORTH SINKLER BOYD, PA
- HOLMES SMITH DEVELOPMENTS, INC.
- JOHNSON DEVELOPMENT ASSOCIATES
- JOHNSON SMITH HIBBARD & WILDMAN LAW FIRM, LLP
- LOCKWOOD GREENE ENGINEERING & CONSTRUCTION
- MARY BLACK HEALTH SYSTEM
- MCMILLAN SMITH & PARTNERS ARCHITECTS, LLC
- MCNAIR LAW FIRM, PA
- THE MERIT GROUP
- MICHELIN TIRE CORPORATION
- MILLIKEN & COMPANY
- MORGAN CORPORATION
- NATIONAL BANK OF SOUTH CAROLINA
- NELSON MULLINS RILEY & SCARBOROUGH LLP
- PSI CUSTOM HOMES, LLC
- THE PALLADIAN GROUP

DEVELOPMENT

EDUCATIONAL

FINANCIAL

GOVERNMENTAL

HEALTH CARE

LEGAL

63 Investors

- PARKER POE ADAMS & BERNSTEIN, LLP
- PINEG LINE ENERGY CORPORATION
- PIEDMONT NATURAL GAS COMPANY
- QS/1 NETWORK SOLUTIONS GROUP
- RAYMOND JAMES FINANCIAL SERVICES
- REGIONS BANK
- RENNOW BROTHERS, INC.
- ROBLE LANGFORD DE KOCK, LLP
- S&ME, INC.
- SC HONDROS & ASSOCIATES, INC.
- SYS CONSTRUCTORS
- SPARTANBURG AREA CHAMBER OF COMMERCE
- SPARTANBURG COUNTY
- SPARTANBURG COUNTY SCHOOL DISTRICT 1
- SPARTANBURG COUNTY SCHOOL DISTRICT 2
- SPARTANBURG COUNTY SCHOOL DISTRICT 7
- SPARTANBURG REGIONAL HEALTHCARE SYSTEM
- SPARTANBURG TECHNICAL COLLEGE
- SPARTANBURG WATER SYSTEM/ SPARTANBURG SANITARY SEWER DISTRICT
- STEINER/HINES PROPERTIES, INC.
- TRINTUST
- TRELHEL CORPORATION
- UNIVERSITY OF SOUTH CAROLINA UPSTATE
- VIC BAILEY AUTOMOTIVE SUPER STORES
- WACHOVIA BANK, NA
- WALBRIDGE SOUTHERN, LLC
- WEICHERT REALTORS PEGGY
- WILSON & ASSOCIATES, LLC
- WILLIAM BARNET AND SON, LLC
- WSPA-TV/ MEDIA GENERAL
- YOUNG OFFICE SUPPLY



SCEDC Staff

- **R. Carter Smith**
CEcD & CEO & Manufacturing Project Manager
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Existing Industry Project Manager
- **Carrie Coleman**
Marketing & Research Coordinator
- **Katherine Wilber**
Marketing & Research Assistant

Target Groups

Manufacturing & Non-Manufacturing*

- ❑ Automotives
- ❑ Plastics
- ❑ Advanced Manufacturing
- ❑ Textiles

**Non-manufacturing: distribution, office, and technology*



Deliverables: Project Announcements

January – October 2005

- **Raynor USA**
- **Benteler Automotive**
- **Firestone Building Products, Co.**
- **Draexlmaier Automotive of America**
- **Intier Automotive Interiors**
- **INVISTA S.a.r.l.**
- **MPI International, Southern Fineblanking**
- **Waltonen Engineering**
- **Spartanburg Steel Products, Inc.**
- **Cryovac**
- **Schwan's Bakery, Inc.**
- **Plastic Omnium Auto Exteriors, LLC**
- **Morrisette Paper Co.**
- **Magna Donnelley**
- **BMW Manufacturing Company, LLC**
- **Confidential (2 Projects)**



Capital Investment - \$151,000,000

Jobs Created - 530

Economic Development Defined

- In theory, what is economic development?
 - More than simply the process of attracting industry. It is an entire process of developing suitable economic, social, and political environments in which attractive, progressive, constructive, balanced growth over a period of years may be realized. This process involves the operational integration of all levels of government, civic groups, special interest groups, and private investors – all orchestrated to produce the harmonious business climate which attracts investment.

Economic Development Defined

- In essence, what is economic development?
 - The creation of jobs and capital investment.

Economic Development Defined

- In reality, what is economic development?
 - The creation of wealth and tax base.

Web References

- SCEDC
 - www.spartanburgscedc.com

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- Upstate Alliance
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