



State of Our Community Remarks

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August 2008

Good afternoon – it is a pleasure to be with you today to talk about the state of our community in Greensboro and Guilford County. As chairman of the Greensboro Chamber of Commerce Operating Group, I want to share the perspective of the Chamber and the Greensboro Partnership.

Since 2000, Greensboro and Guilford County have been challenged to change the course of our local economy. Turning the economic ship for our region has been difficult because it has been severely impacted by the loss of basic manufacturing jobs as industries moved to low-cost countries around the world. Remarkably, our local unemployment rates have been consistent with North Carolina and US averages, suggesting that our economy was more diverse and resilient than many thought. The bad news, however, is that per capita income from 2000 to 2006 saw almost no growth and over these six years, the Guilford County tax base has grown only 10%, equating to about 1.5% per year. Our tax base has not grown at a rate that keeps up with even moderate inflation or the need for new roads, water and sewer as well as the services that the city and county provide.



Even with significant economic development announcements like the addition of FedEx, Dell, Honda, Lenovo, and local companies that have continued to grow and add quality jobs such as New Breed, adding over 400 jobs in the last five years, Timco, who has recently grown by more than 800 employees, Lincoln Financial, who after acquiring Jefferson Pilot has added 200+ new people, VF, one of America's Most Admired Companies, P&G, Trans Tech Pharma, the list goes on...even with this influx of household names and growth of our own companies, our tax base and per capita income has remained stagnant. According to UNCG Professor, Dr. Keith Debbage in a State of the City Report based on 2006-2007 data, there are many economic indicators demonstrating that Greensboro is still lagging behind. Poverty rates and infant mortality rates are increasing, while population growth remains sluggish. We must be aware of what these statistics tell us when evaluating the economic health of our city and county.

Collectively, our community is moving in the right direction to overcome barriers to growth and capitalize on our strengths. Over the past two years, we have made progress towards transforming Greensboro and Guilford County in tangible ways. For example, in 2007, a coordinated



effort across our entire community delivered a \$58 million investment by the state legislature to build the Joint School for Nanoscience and Nanoengineering at the Gateway University Research Park. This is an example of what can be accomplished when our community works together to achieve a common goal. The FedEx Mid-Atlantic Hub is another *excellent example* of progress locally over the last few years. It is nearing the end of the construction phase and is gearing up for operation in 2009. Also, recently local voters approved bonds for new school construction, signaling that this community understands the value of improving K-12 education. We need to establish a ¼ cent sales tax to take some of the heavy burden for paying for these bonds off of the property tax. *It is imperative that we explore alternative forms of raising revenue for our targeted investments.* The Greensboro Bicentennial celebration is *yet another step* in the right direction. The city celebrated its two hundredth birthday in grand style and adopted the Downtown Greenway as its signature project and legacy for the next 100 years.

One of the most significant accomplishments of the city over the last year was securing adequate water and sewer capacity with the completion of Randleman Dam and the groundbreaking for the water treatment plant.



This investment into the future will help Greensboro *confidently grow* – something we have not had the ability to do in the recent past. And...a very new victory...the Wyndham Championship was a resounding success. The benefit from working together across the region resulted in attracting approximately 80,000 patrons over four days and showing the Triad at its best to a national TV audience. These are all successes on the road to building a stronger Greensboro, *but we have to more powerfully and collaboratively pursue the purposeful growth of our community.*

Greensboro and Guilford County are building momentum – even in difficult economic times. We need to focus, believe, and invest in the future. Our economic development strategy has been organized according to five industry clusters, which is generating positive return on investment. Also, many well-known corporations operate in Greensboro and Guilford County such as Procter & Gamble, RFMD, Gilbarco Veeder-Root, Cessna, Volvo, and our newest corporate citizen, Mack Trucks. Announcements such as the one that Volvo-owned Mack Trucks made last week resonate internationally with Greensboro bylines appearing in publications around the world. Another piece of the momentum locally is that we are beginning to fully capitalize on the enormous resources of our



colleges and universities. There are few cities of our size that have six institutions of higher education and five more within a 30 minute drive. Gateway University Research Park and the Joint School of Nanoscience and Nanoengineering, both joint projects of NC A&T and UNCG have amazing potential for Greensboro in the future. The new Transportation & Logistics Institute, a collaboration between Guilford Technical Community College and other colleges and universities also promises to have a transformative impact on our area.

Downtown Greensboro continues to become a vibrant center of culture, nightlife, and urban living with NewBridge Baseball Park, Center City Park, and a variety of distinctive restaurants, galleries, clubs, and other arts venues. It is becoming a college town that you can live in for a lifetime. We need to constantly examine what makes Greensboro livable and what will positively shape our quality of life. We are working to improve public school performance, arts and entertainment planning, and working to implement the plan for the Downtown Greenway. All of these aspects of our community have a direct impact on the types of jobs we can recruit and on developing a workforce equipped for a knowledge-based economy that can compete on a global level.



We, as a community, must keep this positive momentum going. We must keep our focus on creating more and better-paying jobs, growing our tax base at least 3 to 4% per year, and always nurturing a better quality of life for everyone. To do this, Greensboro and Guilford County need to execute the following:

- 1) One...We need to continue attracting young professionals at a greater rate to fuel a more creative, knowledge-based economy, nurture entrepreneurial activity, and ensure that we have the right kind of workforce to attract major investment in our targeted clusters.
- 2) Two...We must complete the International Civil Rights Center and Museum. This is both an international symbol for freedom and equality and an economic development opportunity for our city. Can you imagine what having a museum recognized by the Smithsonian Institute right on Elm Street will do for tourism, downtown businesses, and civic pride? We have to make this museum a reality.
- 3) Three...The Interstate Loop around Greensboro needs to be completed. The southern portion is complete, opening up a new



- level of transportation connectivity and shortening commute times.
- By gaining support for the northern portion of the loop, we could open up the northern half of the county for investment and development.
- 4) Four...Public education must be absolutely top quality in Guilford County. If we cannot demonstrate to companies considering a new location or expansion locally that their own children can succeed in our school system or that our public schools can adequately prepare the future workforce, we will be bypassed on new jobs and tax base growth. We all must support our teachers, our administrators, and our children and expend time and energy on behalf of Guilford County Schools.
 - 5) Five...We have to connect local companies with our colleges and universities - to reinforce our industry cluster strategy, yes, but also to make sure that we don't miss opportunities locally for intellectual property to be commercialized by Guilford County companies and for new technology to change the way that our companies compete on a global playing field.
 - 6) Six...The airport submarket has to be developed for the long-term benefit of the Triad. We cannot opt for short-sighted development



in this area or we will miss many economic opportunities. The Aerotropolis concept popularized by Dr. Jack Kasarda from UNC Chapel Hill is one we all need to be familiar with. *We need to look at our airport with new eyes as a center of commerce and transportation connectivity that will radiate for miles.*

- 7) Seven... corridor development so our community can continue vibrant growth. We have to be consistent and faithful in its execution.
- 8) Finally...and this is a critical point...the private sector, including businesses and foundations and the public sector – the city, county, and state MUST COLLABORATE. We do not have a choice. A high degree of collaboration is the only way Greensboro can be set apart from other cities.

My challenge to every person in this room is – *what are each of you and the organizations you work for going to do about the challenges and opportunities for Greensboro, Guilford County, and the Triad?* We have exceptional resources for growth here and no excuse for burying our talents in the ground, we must put them to work. I want you all to examine how as individuals and as a collective community we are going



to boldly exploit our resources and turn them into job opportunities and a flourishing tax base. To put a finer point on what you can do - create internships and hire local college students, buy from locally-owned businesses and restaurants, read the paper, get engaged with local and state politics and encourage others to vote, commit your time and the time of your employees on boards and commissions, or volunteer in a public school. *There are so many ways to have an impact, just resolve that you will be a part of Greensboro's very bright future.*

Thank you!



Now we would like to honor a company that was listed among America's Most Admired companies in Fortune Magazine earlier this year. VF Corporation is one of our community's leaders. They moved their Corporate Headquarters to Greensboro without requesting incentives. They have successfully transformed from the best apparel manufacturing company in the world to the best brand marketing company in the world, controlling well-known brands like Reef, North Face, Wrangler, Nautica, and Jansport among many others. They have a stellar commitment to their shareholders, employees, and business constituents and manage all relationships well. They faithfully support the community – a prime example of that support is their investment in Greensboro's bicentennial celebration, serving as a lead sponsor earlier in the year. To formally honor VF as one of America's Most Admired Companies is Bill Riegal, a partner at the Hay Group, which has worked with FORTUNE Magazine since 1997 to identify the World's and America's Most Admired Companies. Bill, would you please come up....