

Community Assessment of Rabun County, Georgia

Prepared & presented by:



Sponsored by:



Janus Economics

- Economic development, business location and related consulting services
- Founding Principals Robert Pittman and Jennifer Tanner
- Some clients:

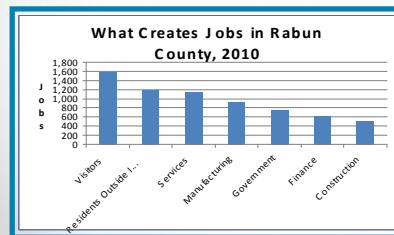
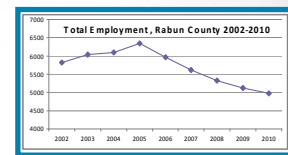


Introduction and Scope

- Community economic development assessment
- Company/Consultant perspective
 - o ED strengths and weaknesses
 - o Recommendations
 - ED resources, target industries, marketing
- Information sources for study
 - o EMSI data (provided by Georgia Power)
 - o Response to RFI by DARC
 - o 2-day visit and tour
 - o Professional judgment, experience, best practices



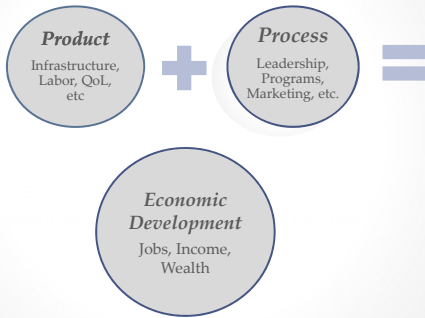
22% decline in employment from 2005 peak



75% of jobs in top 5 sectors

Manufacturing down 64% since 2002

Formula for Success



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Product: Some Strengths to Build On

- Quality of Life and Place
- K-12 Education
- North GA fiber optics (coming)
- Rabun Business Park
- North/south highway access
- Labor Force
- Brand (name) recognition
- Strong tourism assets
- Diverse population



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Product: Some Weaknesses to Address

- Water and sewer
- No rail service
- Scarce flat land and high cost
- Aging health care facilities
- No community college in County
- Limited main street redevelopment
- No public general aviation airport in County
- No available industrial land and building space



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Process of Economic Development



Source: Georgia Power

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Process: Leadership

- Successes
 - Rabun Business Park
 - Joint Development Authority (Habersham and Banks)
- Issues
 - Limited communication and cooperation for ED
 - Political disputes can hurt investor confidence
 - No public/private partnership for ED
- Recommendations
 - Develop Rabun's young leaders
 - Establish communication networks for ED

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Process: Strategy

- No shared vision for economic development
- No long-term strategic plan
 - A hallmark of successful communities
 - Helps set priorities and resource allocation
 - ED budgets are not firmly set; inhibits long-term planning
- Example: What is Tupelo, MS famous for?



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Strategy Recommendation

- Engage in a county-wide facilitated strategic planning process
 - Structured process over several months
 - Inclusive: all stakeholders have a say
 - Establish vision for County's future
 - Set ED goals and objectives, action plans, milestones
 - Committees and task forces
 - On-going process for setting priorities and resolving conflicts
 - Tourism included



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Process: Services

- DARC has made progress with few resources
- DARC staff and budget are below best practice levels
 - Full-time director is a must
 - Staff and budget resources to support
 - No financial contribution from private sector or cities
- Some best practice ED functions not performed
 - Business retention and expansion
 - New business start-up program



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Services: Recommendations

- Bring DARC staff and budget resources more in line with best practices (industry standards)
 - At least two FTE persons
 - Financial contributions from private sector and cities



ED Budgets in the South (SEDC)

- ✓ Median \$350,000
- ✓ Only 15% of EDOs have budgets less than \$200,000

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Tourism

- Biggest job generator in Rabun County
- Potential not being met
 - Capturing only a small % of through-traffic
 - No destination marketing campaign
- Tourism marketing not coordinated
 - Cities market on their own and do not contribute to CVB - only Dillard pays any \$\$ to CVB
 - Uncertainty over tourism marketing roles: Chamber, CVB, cities

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Tourism Recommendations

- Develop a unified plan to destination marketing
- Better coordination of marketing among CVB, Chamber and cities
- High payoff from efforts
 - 20% increase in tourists would create 300 jobs, \$8 MM in income



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Local Incentives

- Local incentives are necessary to compete
- DARC offers many key incentives
 - Free or reduced rent for the right projects
 - Property tax exemptions (DARC owns building)
- DARC does not have "deal closing" fund like many EDOs



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Target Industries

- Best practice to increase likelihood of recruiting success
- Identify industries that are:
 - Good location fit for County
 - Growing in surrounding states
 - Diversify economy
- Data analysis and professional judgment
- Existing industry targets
 - Tourism
 - Retirees, part-time residents and related
 - New small businesses (entrepreneurs)



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Target Industries

- Manufacturing and services
 - Contact centers (customer support, call centers)
 - Back office operations
 - Food products
 - Metal fabrication (Gap Partners)
 - Misc advanced manufacturing (e.g. aircraft parts)
 - Order fulfillment (electronic shopping, mail-order)
 - Plastic products
 - Industrial warehousing and storage

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Marketing

- "If you build it, they won't necessarily come"
 - Have a good product now, including land and building
 - This is just the first step to success
- Strong marketing program now required
 - Marketing message and materials
 - Identify and contact marketing audience
 - State ED organizations
 - Develop own direct marketing program
 - Written marketing plan
- Marketing message and program for tourism, retirees, manufacturing, service, etc can be consistent and synergistic

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Concluding Observations

- Rabun Co. has very strong ED potential
 - Address remaining Product issues (e.g. water/sewer)
- A new, more proactive formula for ED is needed
 - Old industries and jobs are not coming back
 - Tourism, 2nd home, new entrepreneurs can co-exist with advanced manuf and service jobs to diversify economy
 - Address Process issues, e.g. ED resources, cooperation
- Strategic planning process (on-going) is key to resolving barriers to ED success

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Proven Keys to ED Success in Rural Areas

- Community development is economic development
- Proactive, future-oriented, embrace change, assume risk
- Guided by broadly held local vision
- Capitalized on assets and opportunities
- Innovative local government and organizations
- Identified, measured and celebrated short-term success
- Comprehensive approach, not piecemeal

University North Carolina study of 50 communities

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Discussion



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