

LEADERSHIP FOR THE NEXT GREAT ERA

DURHAM 2.0

ECONOMIC DEVELOPMENT STRATEGY

Greater Durham Chamber of Commerce

Be a key part of the next great era in Durham.



LEADERSHIP FOR THE NEXT GREAT ERA

Greater Durham Chamber of Commerce

Thanks in large part to the leadership, creativity and hard work of our business community, we've all been witness to a uniquely Durham success story – a story about economic growth, community involvement and amazing forward momentum. Simply put, Durham is on the move. And with Durham 2.0, the Chamber intends to keep it that way.



The Key Goals of the Strategy

1 A healthy mix of vibrant large, mid and small companies in complementary industry clusters

2 A connected system to develop, retain and recruit Durham's workforce

3 A welcoming community that attracts and retains high-quality companies and individuals

GOAL 1 BUILD

A healthy mix of vibrant large, mid and small companies in complementary industry clusters that:

- are compatible with Durham's economic and social assets
- are located in a mix of settings including the city center, research and business park campuses and new urban settings, all of which include or are linked to housing, recreational and shopping venues by effective transportation systems
- employ Durham's citizens at median wages that exceed State and National averages and at rates that equal or exceed Durham's representation in the labor market shed
- actively engage in supporting the Durham business ecosystem to nurture and grow the regional economy



GOAL 1 BUILD

Durham and the Research Triangle Park region have many assets but none better than its educated and creative talent pool. Building on that asset is the most efficient and most logical strategy for growing the business opportunities in Durham. The regional universities have been increasing their emphasis on entrepreneurial activity and are already top 10 in the nation in research funding. Finding ways to improve the ecosystem in which these entrepreneurs and researchers work will help increase and expedite the successful launch of new enterprises, and provide a business environment ripe for recruiting related industries interested in locating near the activity and talent.

Durham continues to see growth in the technology and life sciences clusters. Life science has seen increases in medical related research and product development, but funding cuts at the national level may require a more entrepreneurial approach to its development and commercialization. Technology is rapidly evolving and Durham has been one of the leaders in creating a technology entrepreneurial ecosystem that continues to spin out startups and related talent. Finding ways to appropriately scale these startups are important to the continued success of this cluster. Even more importantly, finding ways to connect technology and life science talent and ecosystems to each other could be the secret sauce to Durham evolving from a startup hub to commercialization hub.



To successfully accomplish this, the Durham 2.0 strategy will take the following actions:

(1) Create a data warehouse on the Durham Chamber website that provides a one-stop shop for key industry clusters that have been identified as important to the healthy mix of vibrant complimentary companies we wish to foster.

With limited resources and a regionally focused marketing initiative, Durham's best option for recruiting new and growing existing companies is to engage them as a key source of data for decision making. While there is a tremendous amount of data that has been accumulated and utilized through our traditional economic development efforts, there is no central depository of cluster based data for Durham. The Durham economic development staff is engaged in many decisions, but there are many others where we are never contacted because the decision was made to eliminate Durham during the data filtering process. While this endeavor would be a huge undertaking for all industry clusters in the region, key clusters could be tackled and relevant data mined over time.

(2) Assist the Research Triangle Park in accomplishing its Re-master Plan of the Park and its REIMAGINE strategy for the State of North Carolina.

With approximately 80% of the RTP located in Durham, increased density and uses within the Park, as proposed by the Re-master Plan, will create greater product and opportunity for recruitment and expansion of companies. A more attractive environment for creative class employees to live, work, learn and play will increase Durham's overall competitiveness. As the Park actively engages in a REIMAGINE strategy aimed at once again positioning the Park as a world thought leader, Durham can simultaneously brand itself as the place where such leaders live, work, learn, play and gather.

(3) Work with Durham and RTP regional businesses to create stronger international opportunities for investment in Durham.

As over 40% of the companies in the RTP are foreign owned, Durham and the region are more frequently faced with the need to convince foreign headquarters that this region is their best investment decision. Creating a more focused and aggressive strategy to proactively engage in that dialogue early in the decision making process will be key to our success. An integral part of the strategy is mapping and engaging the many foreign assets Durham has at its disposal for this initiative, such as the foreign campus and connections of Duke University.



(4) Work with our economic development partners to create a long term plan for building and infrastructure needs of growing and relocating businesses.

As infill continues in downtown Durham, and the RTP works to create new urban working spaces, Durham will be best served by looking at opportunities to connect these two key investment hubs for Durham. These connections should be both physical, as they grow towards each other, and co-branded, as they create the next iteration of innovation and discovery. Discussing the long term land and infrastructure needs along this corridor would make sense right now as the two locations are currently discussing these investments independently.

(5) Build on the ongoing entrepreneurial success; elevate Durham to one of the top five startup communities in the country.

Durham's success in entrepreneurial activity has been one of the most significant visible changes that has brought not only national attention to its startup scene, but has helped craft the "cool" Durham brand. Creating increased density in this arena will help drive the additional ecosystem boosters such as venture capital funding, and provide a constant pipeline of talent attraction for the more mature companies.

- (6) Support ongoing research efforts at area institutions in the hopes of **increasing technology transfer opportunities and more successful commercialization of innovation.**

Creating connections between the incredible groundbreaking research at institutions such as Duke University, North Carolina Central University, the University of North Carolina at Chapel Hill and NC State University, and the commercialization opportunities with existing RTP companies and entrepreneurs could provide a much more robust business development strategy for both Durham and the institutions. This is especially true in clusters that Durham has a strong.

- (7) Support a more **robust system of regional marketing and branding** that aligns with Durham's strategy and utilizes limited resources most effectively.

The Research Triangle Regional Partnership (RTRP) has for many years provided economic development prospect marketing and branding services in a premier fashion for the Triangle region. Continued cuts in state funding and increased demands from local counties have decreased RTRP's ability to serve that function at the highest level. Determining the most appropriate and efficient method of delivering regional economic development marketing and recruitment that aligns with local needs and expertise is critical to Durham's strategy. RTRP is currently reviewing its operating model as it attempts to determine the most appropriate and effective way to provide these services to its funding partners, including Durham.

The RTRP and the Department of Commerce provide approximately 80% of the business leads that Durham receives. An active and efficient system of marketing and lead generation saves Durham a considerable amount of time and money that we would not be in a position to easily replace. Finding a way to continue a larger more regional system is in Durham's best interest for success in its recruitment efforts.



GOAL 2 LINK

A connected system to develop, retain, and recruit Durham's workforce and talent that:

- Begins with a K-12 system that employs an experiential learning based curriculum designed to prepare students for success in credentialed skill sets of the future or secondary education
- Actively recruits secondary educational institution graduates within the region in employment or entrepreneurial opportunities
- Support efforts to recruit talent identified as needed by Durham employers necessary for the growth of the current and emerging industry clusters.
- Aligns its ongoing workforce development programs with current and emerging industry clusters in Durham and the region, creating a full and appropriate talent pipeline for employers and employment for its citizens



GOAL 2LINK

While Durham is well known for its talent pool, Durham's long term future depends on its ability to continue to develop and keep that talent. The single most important aspect of this talent pipeline is connecting a system of programs that currently exist directly to the industry clusters and the skill sets they will need for the jobs they are projecting to create in the next few years. The current workforce development system is a federal program that while implemented locally, serves only a small portion of the employers in Durham. Funding of services is departmentalized by federal funding streams and specific population groups determined nationally. Funding for training and skill certifications is also dictated by available grants and not aligned to the economic development strategy regionally or locally.

The Durham Public School System excels in some areas and lags far behind in others. While a five year strategic plan for improving the school system has been adopted and just completed its first year, there is much more yet to be done to develop and connect the students to become the most important part of our workforce and talent pool.

Durham also sits in a community with two universities and a community college that develops and graduates some of the smartest, eager, diverse, and passionate people in the world. Connecting that talent to possibilities for their future here in Durham is also something that requires a more intentional effort.



To successfully accomplish this, the Durham 2.0 strategy will take the following actions:

- (1) Create a system to capture data from area employers and employees to help determine the short term supply and demand side of the system.**

In order to create a connected workforce system, developing methods to more adequately capture the data on both the employer and employee side is needed. Short-term (two year) job projections and corresponding required job skills and certifications would allow us time to develop or identify existing training programs that potential workers could be connected to, quickly gearing up the inventory of available skilled workers in those areas.

- (2) Support experiential based learning experiences in K-12 that prepares children for future work environments.**

Employers are looking for employees with skill sets that are both technical and soft. The soft skill sets include team problem solving, creativity, and adaptability. These are skill sets missing in standardized school environments, but are dominant in many charter and private schools. Elected leadership at the state level is expected to continue to support charter school development. As such, it would behoove Durham to support collaborative best practice sharing between Durham Public Schools and area charter and private schools, in addition to aligning and supporting the career based systems inside the Durham public schools.

- (3) Work with area community colleges and technical schools to **align training certification programs with the economic development growth strategy.**

Engaging and connecting all training and education partners in the economic development job growth landscape will only enhance their opportunities for growth as well as our opportunity for alignment. Chamber of Commerce members are uniquely qualified to collaborate with training providers on curriculum needs and emerging job opportunities.

- (4) Work with our regional economic development partners to **continue ongoing and innovative recruitment** of talent identified as critical to the regions industry clusters.

The regional economic development organizations have collaborated on national talent recruitment initiatives such as Work in the Triangle: Smarter from Any Angle during 2012. Response to the campaign has been good, but more could be done to add a more intentional and visible connection in the Durham portion of the Triangle. The Durham Chamber and its partner organizations can play an active role in that connection.

GOAL 3 GROW

A welcoming community that attracts and retains high quality companies and individuals.

- A quality of life driven by cultural, recreational, sports, shopping and dining venues that exceed those of comparable sized areas.
- An affordable cost of living, diverse housing options, quality healthcare, low crime rates, good public schools, and responsive, efficient and responsible local governments.
- Strong support for the diversity and creativity of all of its citizens.



GOAL **3**GROW

Communities play a critical role in managing the talent pool that drives successful economic development. Individuals today make life location decisions prior to or at the same time as a career location decisions. Just as they value creative, fulfilling jobs, they want those same opportunities in creative, vibrant communities in which they live. Durham's brand has evolved in the last several years into not just a diverse community of smart, talented people; but into a community that welcomes creativity in all its forms and one that values the economic opportunity that creativity can bring. Blending Durham's organic gritty feel, with its corresponding corporate success is integral to continuing its positive brand recognition.

The best opportunities to blend these brands can be found in the arts, sports, culture and food and entertainment venues that are now starting to grow in abundance and form in Durham. Recognizing the importance they play in our community growth cycle, quality of life indicators, and as economic drivers must be an important part of our economic development strategy. Ensuring that there is an abundant and diverse supply of each, will ensure our diverse talented population of community benefits that they may not otherwise find.

All of the new "coolness" that is now Durham, must also still be supported by appropriate community infrastructure such as diverse housing options, quality schools, low crime, shopping venues and responsive and efficient local government systems. Public education and support of local government in public policy decisions that provide leadership in Durham in order to achieve all of these staples of a community's quality of life will important to ensure there appropriate growth.

Durham's business brand must reflect the authenticity of the community and also appeal to the top business factors, (talent, the cost of doing business, infrastructure, markets and regulatory environment.)



In order to achieve this welcoming and attractive community, the Durham 2.0 strategy will take the following actions:

- (1) Partner with existing community organizations to **create a more cohesive strategy for promoting Durham's unique brand** of arts, culture, sports and entertainment as both quality of life attributes and economic engines.**

Organizations in these areas are numerous and duplicative. Finding ways to creatively collaborate will strengthen and provide direction.

- (2) Institutionalizing **a system of educating prospective and existing elected officials** in Durham about the connection of public policy decisions to business and economic development outcomes, including accountability ratings once elected.

The early success of the Chamber's first candidate's economic development forum clearly indicates that prospective and existing elected leadership are not fully aware of the business implications of their public policy decisions. Standardizing this presentation for use in all election cycles would create both a more informed candidate and a better working relationship with an eventual elected official. Coupling this new initiative with the Chamber's position ratings of candidates and existing officials would create a consistent message of the importance of the Chamber's economic development strategy.

- (3) Successful communities use various means to brand themselves. The Chamber will consider **developing a signature** event that highlights the cultural coolness and entrepreneurial business momentum of the community.

Summary of Durham 2.0 action items

GOAL **1**BUILD

A healthy mix of vibrant large, mid and small companies in complimentary industry clusters

- (1) **Create a data warehouse on the Durham Chamber website** that provides a one-stop shop for key industry clusters that have been identified as important to the healthy mix of vibrant complimentary companies we wish to foster.
- (2) **Assist the Research Triangle Park in accomplishing its Re-master Plan** of the Park and its REIMAGINE strategy for the State of North Carolina.
- (3) Work with Durham and RTP regional businesses to **create stronger international opportunities** for investment in Durham.
- (4) Work with our economic development partners to **create a long term plan for building and infrastructure** needs of growing and relocating businesses.
- (5) Build on the ongoing entrepreneurial success; **elevate Durham to one of the top five startup communities in the country.**
- (6) Support ongoing research efforts at area institutions in the hopes of **increasing technology transfer opportunities and more successful commercialization of innovation.**
- (7) Support a more **robust system of regional marketing and branding** that aligns with Durham's strategy and utilizes limited resources most effectively.



GOAL **2LINK**

A connected system to develop, retain, and recruit Durham's workforce and talent

- (1) Create a system to **capture data from area employers and employees** to help determine the short term supply and demand side of the system.
- (2) **Support experiential based learning experiences in K-12 that prepares children for future work environments.**
- (3) Work with area community colleges and technical schools to **align training certification programs with the economic development growth strategy.**
- (4) Work with our regional economic development partners to **continue ongoing and innovative recruitment** of talent identified as critical to the regions industry clusters.

GOAL **3GROW**

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