



ASHEVILLE 5x5

Interim Metrics and Economic Impact Analysis (FY 2015-2019)



Avadim Health Announcement, September 2016

THE MAJORITY OF SECTORS
IN THE LOCAL ECONOMY ARE
BOOSTED AT SOME POINT BY THE
EDC AND PARTNERS' STRATEGIC
JOB CREATION EFFORTS.

Coalition has strengthened the economic confidence of the region, and expanded economic opportunity for our residents and families. It took the collective support of our City and County leadership, more than 85 private sector investors, and numerous community partners, as well as the determined focus of the EDC staff and board, to achieve these results.

In 2015, local leadership doubled down on the strategies of the initial AVL 5x5 with the Vision 2020 Plan; expanding our key industries, recruiting high potential new employers, and catalyzing strategic growth in our entrepreneurial sector through the innovative programs of Venture Asheville. In the interim 5 years, our region has led all regions of North Carolina with GDP growth topping 37% (2012-2017) and manufacturing jobs growth of 17% (2013-2018). Your meaningful investment of time and financial resources demonstrated to our region and to our state that effective public and private sector partnership could move us forward in Western North Carolina.

As we build on this strategy over the next five years, our community relies on your continued support and leadership to keep the momentum alive. With changing times come exciting new opportunities as well as serious challenges to our capacity to build the future we want for our current residents – and our next generation. We invite you to join us again in investing in the shared vision of the AVL 5x5 2025 Plan, and a more prosperous future for all families and neighborhoods of Buncombe County.

Since the launch of the first AVL 5x5 strategic plan in 2010, the EDC has announced 3,912 new jobs and \$1.2 Billion in new capital investment in Buncombe County. Through the challenges of recessionary years to the momentum of economic recovery that followed, your investment in the work of the Economic Development



KIT CRAMER
President & CEO of Asheville
Area Chamber of Commerce

Kit Cramer



CLARK DUNCAN
Senior Vice President of
Economic Development

Clark Duncan

Table of Contents

Thank You	2
Executive Summary	3
EDC Announcements.....	4-5
Economic Impact.....	6-9
Venture Asheville Metrics.....	10
Definitions and Methods.....	11
AVL 5x5 Investors.....	12



Healthcare



Advanced
Manufacturing



Science &
Technology



Talent
Development



Entrepreneurship
& Innovation

AVL 5x5 Overview:

In its second five-year iteration, the AVL 5x5 Strategic plan for economic development continued to move the community forward with goals to diversify the economy and add jobs that pay higher than the county’s average wages. Noting that the plan would focus on the region’s greatest potential to affect positive change, goals advanced five strategic areas: Healthcare, Advanced Manufacturing, Science & Technology, Talent Development, and Entrepreneurship & Innovation. *The plan recognized at the time that “the largest risk to the region is not a decline in jobs or economic activity but a failure to capitalize on new opportunities for economic development”.*

In Buncombe County:

As of October 2019 with eight months left in the plan, the Economic Development Coalition for Asheville-Buncombe County (EDC) provided significant (not exclusive) assistance in the attraction of two new companies and seven expansions generating **1,052** newly announced direct jobs. These new jobs will increase opportunity for both residents and the economy, going far beyond the companies and industries that created them. Industries that supply goods and services in the supply chain will be impacted, as will income generation for households and associated local spending. The majority of sectors in the local economy are boosted at some point by the EDC and partners' strategic job creation efforts.

- Wages for new jobs announced spanned a broad spectrum with an overall average of **\$48,317**. An estimated **34%** of jobs announced paid a wage **greater than \$50K** per year.
- In addition, new business and expansions announced **\$179 Million** in capital expenditures, including strategic investments in property, machinery and equipment.
- *Once all jobs are in place, the Total Output, (Direct, Indirect, and Induced Effects) is estimated at \$950 Million in Buncombe County and is annually recurring.*

Return on Investment:

The Return on Investment (ROI) helps further quantify the EDC’s attraction and expansion accomplishments. These efforts have generated prominent local economic activity and investors have realized a positive return on investment.

- Including both private and public investments, the EDC estimates an overall return of **\$35** for every \$1 invested over the course of the plan for new job announcement impacts alone.

FOR EVERY DOLLAR INVESTED
BY PRIVATE INDUSTRIES,
EDC ESTIMATES A RETURN OF

\$64
PRIVATE
ROI

FOR EVERY DOLLAR INVESTED
BY THE CITY OF ASHEVILLE
AND BUNCOMBE COUNTY,
EDC ESTIMATES A RETURN OF

\$76
PUBLIC
ROI

EDC ANNOUNCEMENTS: JULY 1, 2015 - JUNE 30, 2019

January 6, 2016	September 21, 2016	October 24, 2017	September 12, 2018	November 19, 2018
17 Jobs \$1.8M Investment	551 Jobs \$25.4M Investment	47 Jobs	15 Jobs \$10.9M Investment	75 Jobs \$2.5M Investment



EAST FORK



May 20, 2016

41 Jobs
\$4.2M Investment

May 22, 2017

15 Jobs
\$9.5M Investment

March 1, 2018

131 Jobs
\$105M Investment

September 21, 2018

160 Jobs
\$19.6M Investment

ALL EDC ANNOUNCEMENTS

1,052 JOBS

\$178.9 MILLION INVESTMENT

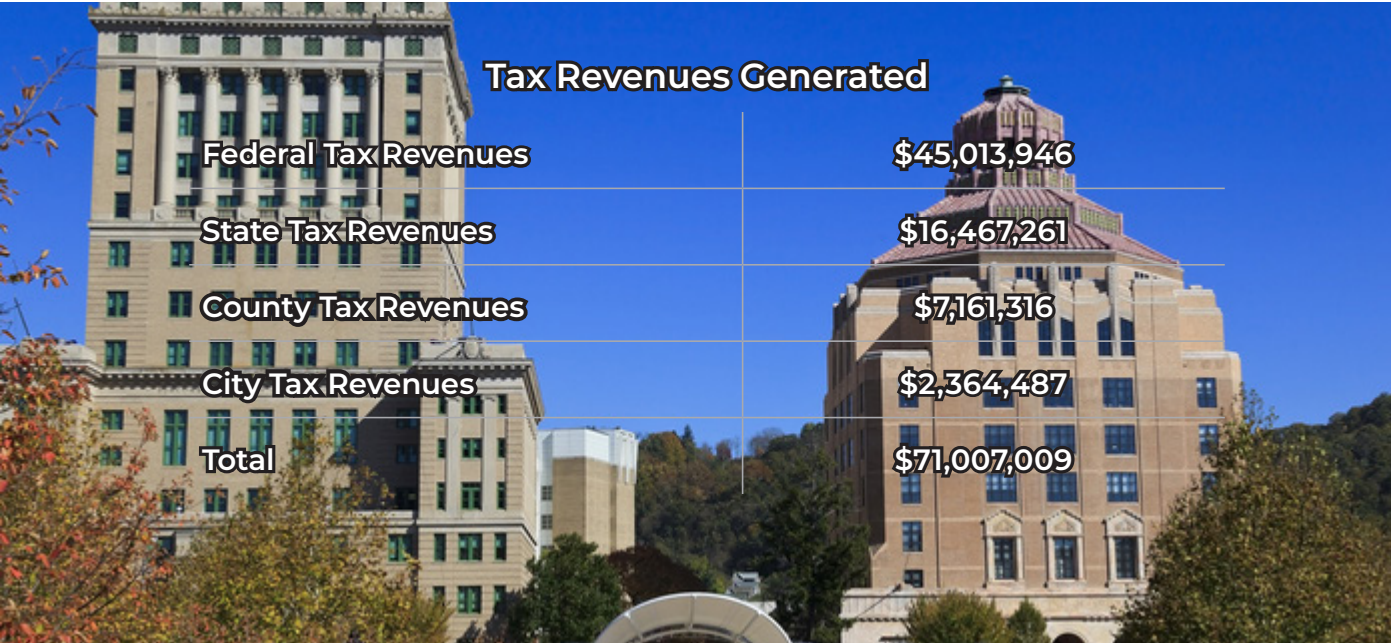
CITY-LIMIT ANNOUNCEMENTS

238 JOBS (23% OF TOTAL)

\$118.8 MILLION INVESTMENT
(66% OF TOTAL)

Economic Impact Summary

	Direct Impact	Indirect Impact	Induced Impact	Total Impact
Jobs	1,052	912	464	2,428
Labor Income	\$50,828,570	\$47,497,332	\$18,675,873	\$117,001,775
Value Added	\$298,283,302	\$70,816,232	\$32,301,994	\$401,401,528
Output	\$755,046,295	\$137,831,302	\$56,975,215	\$949,852,812



2,428 New Jobs

Total of direct, indirect, and induced jobs

Additional Economic Activity: Construction

Not including labor impacts, new construction activity planned by Avadim Technologies and Haakon Industries was projected to be approximately \$38 Million combined. New construction includes site preparation, building construction, and interior installation such as machinery and equipment.

- Construction activity is estimated to support an additional 475 jobs and \$22.8 Million labor income
- Construction impacts are one-time impacts (for the life of the construction project)

For every 1 job created, an additional 1.31 jobs was supported in Buncombe County.

For every \$1 of Labor Income earned, an additional \$1.30 is generated.

New Labor Income is Projected to Generate:

Disposable Personal Income	\$90,044,566
Deposit Potential for Area Financial Institutions	\$11,302,371

AVL 5x5 estimates **\$11,302,371** in additional deposit potential as a result of new labor income generated from economic impacts. Deposit potential is allocated in accordance with each bank's share of total deposits in Buncombe County.



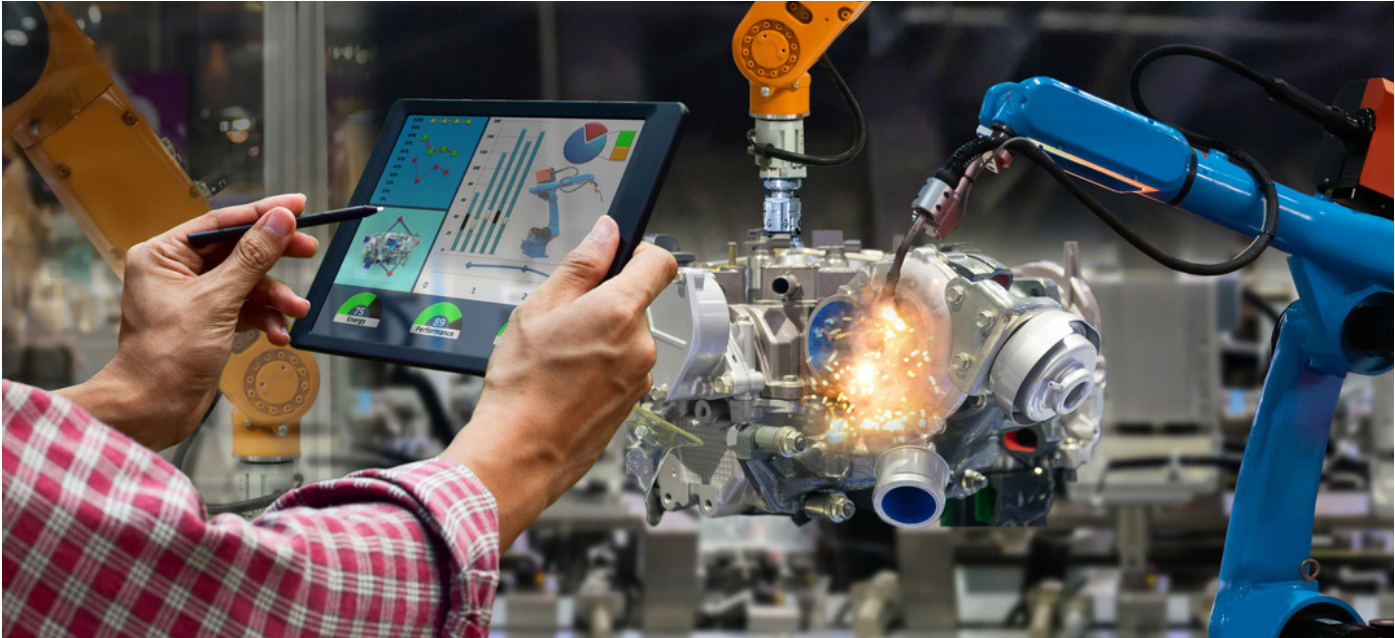
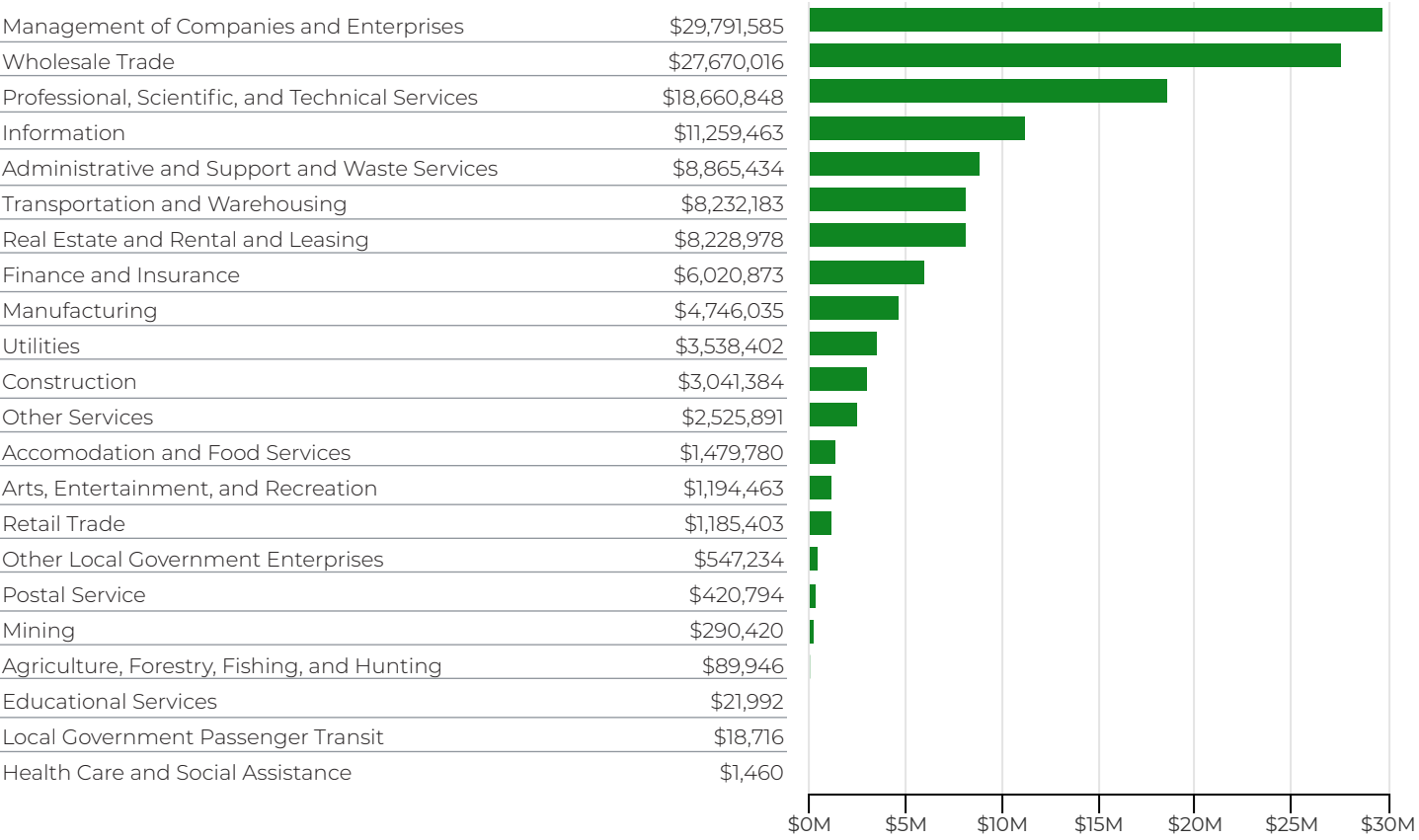
Estimated Consumer Deposits in Local Banks

Bank Name	Local Offices	Deposits (\$000) for June 30, 2018	Market Share	Estimated Impact on Deposits
Wells Fargo Bank	12	\$1,237,432	23.3%	\$2,627,801
First-Citizens Bank & Trust Company	11	\$712,692	13.4%	\$1,513,388
First Bank	8	\$544,564	10.2%	\$1,156,233
Bank of America	7	\$539,974	10.2%	\$1,147,191
HomeTrust Bank	5	\$483,570	9.1%	\$1,027,386
SunTrust Bank	8	\$465,426	8.8%	\$988,958
TD Bank	4	\$423,790	8.0%	\$899,669
Branch Banking and Trust Company	5	\$349,246	6.6%	\$741,436
PNC Bank	5	\$189,534	3.6%	\$402,364
First Tennessee Bank	3	\$162,564	3.1%	\$344,722
Carolina Alliance Bank	1	\$89,855	1.7%	\$191,010
Pinnacle Bank	1	\$45,564	0.9%	\$97,200
Fifth Third Bank	1	\$36,658	0.7%	\$77,986
Black Mountain Savings Bank	1	\$33,563	0.6%	\$71,205
TruPoint Bank	1	\$4,161	0.1%	\$9,042
Woodforest National Bank	2	\$2,912	0.1%	\$5,651
Capital Bank	1	\$527	0.0%	\$1,130
Totals	76	\$5,322,032	100.0%	\$11,302,371

Market share and estimated deposits have been rounded.

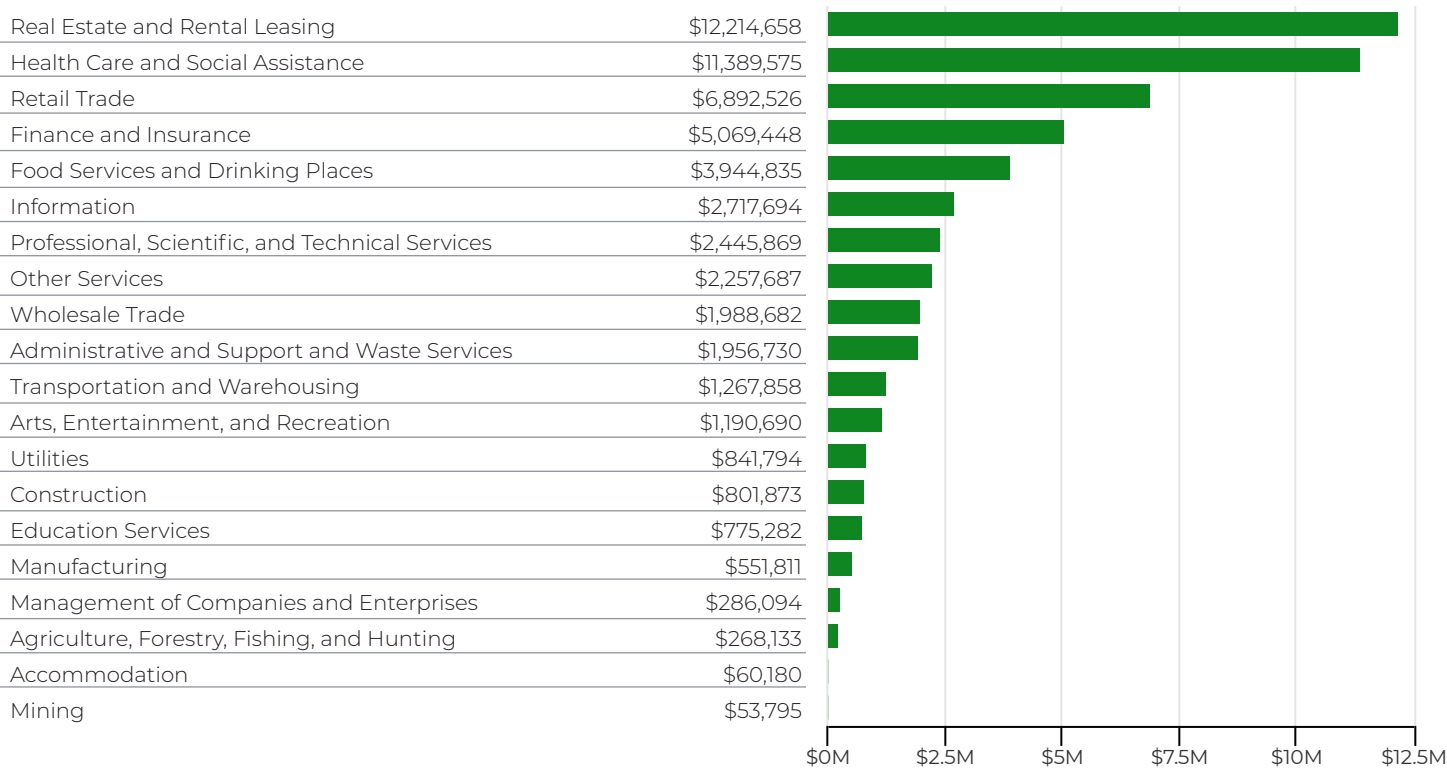
Business-to-business transactions resulting from new job announcements took place among the industries below. Incorporating a broad economic supply chain, activity included increased organizational management, wholesale, banking, real estate, trucking, attorneys, accounting, engineering, information technology, utilities, employment services, and other manufacturing.

Business to Business Transactions
The industries that benefited the most are as follows:



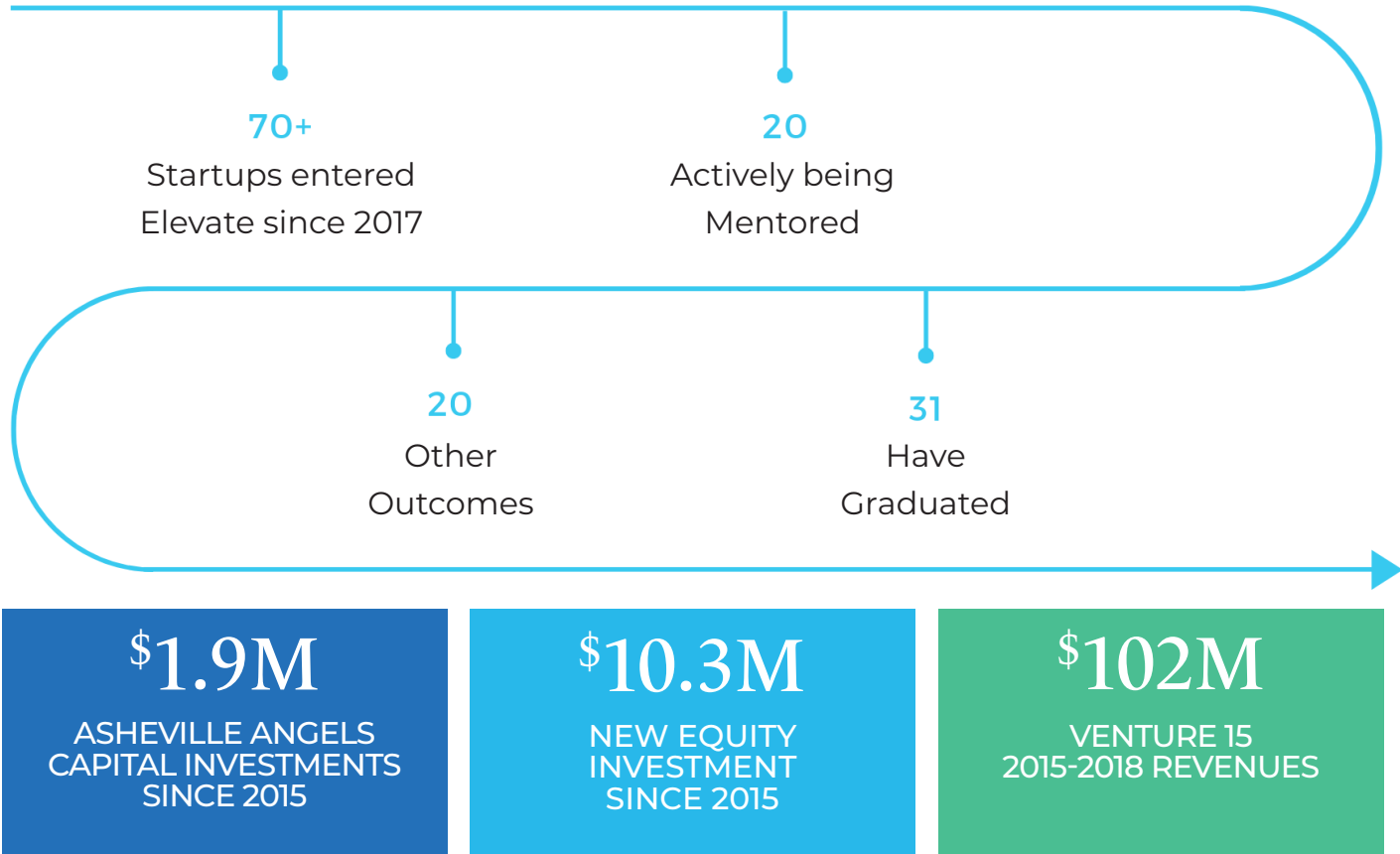
Household spending resulting from new job announcements show income going towards housing, medical care, child care, banking, cell phones, eating out, retail purchases, purchases for gas and car maintenance, and education.

Household Spending
The industries that benefited the most are as follows:



Venture Asheville Elevate Companies

Venture Asheville is a core service of the EDC that advances Entrepreneurship and Innovation in the Asheville area. Venture Asheville's program, Elevate, is supported by long-term relationships that founders build with a team of mentors. These experienced mentors guide entrepreneurs through the flexion points of their startup journey. The program is based on M.I.T.'s Venture Mentoring System.



Venture Asheville reports on a calendar year basis



Venture Asheville Micro Grant Awards, April 2019

Average Wage represents the overall average of announced jobs.

Deposit Potential for Area Financial Institutions is calculated by utilizing the savings rate in Buncombe County for 2017 and multiplying labor income generated in the impact results.

Direct Effects report initial change. In this economic impact summary, the initial change is new jobs (labor income associated with new jobs). Jobs may include full time, part time, and temporary positions.

Disposable Personal Income is money that households have available for spending and saving after taxes. The estimate is calculated by utilizing a disposable income factor and multiplying labor income generated in the impact results.

Indirect Effects result from stimulated purchases of goods and services that support the initial change or direct effect. These are impacts of local industries buying goods and services from other local industries.

Induced Effects stem from household spending of labor income. The activity represents the spending of additional household labor income generated by direct and indirect activity.

Labor Income includes employee compensation, or wages and benefits paid to wage and salary employees, as well as proprietor income or profits earned by self-employed individuals.

Output is the value of industry production and is equal to Value Added plus monies spent purchasing goods and services to create an industry's production. Total Output may include instances of duplicative counting of goods and services at different points in the production stage, whereas Value Added does not.

Return on Investment equals labor income generated divided by total investment. Does not include construction impacts.

Value Added is the combination of labor income, other property type income, and taxes on production and imports less subsidies. Value Added is analogous to GDP (gross domestic product) for the region. Value Added + Intermediate Expenditures = Output.



EDC and Partners in Action

Notes: To produce economic impact estimates, the EDC utilizes Implan software and the most current data available specific to Buncombe County. All data reflects available and known quantities at a point in time. Margins of error may apply and adjustments may occur as new data is made available. Outputs and results of the analysis are estimates that provide supplemental information about projects but do not claim to capture every aspect of projects or their costs. This report is as of September 2019.

ASHEVILLE 5x5 INVESTORS



<< Photography: Courtesy of Asheville Airport Authority

Asheville Eye Associates
Asheville Merchants Corporation
Asheville-Buncombe Technical Community College
Assured Partners of NC
AT&T North Carolina
Avista Business Development Corporation
AvL Technologies, Inc.
Bankers Insurance
BB&T
Beverly-Grant, Inc.
Beverly-Hanks & Associates, REALTORS
Bhuna Corporation
Biltmore
Biltmore Farms, LLC
Blue Ridge X-Ray Co., Inc.
Boys Arnold & Company
Brick Street Equity Management
Brumit Restaurant Group
Bunnell-Lammons Engineering
Carolina Alliance Bank
Cintas - The Uniform People
City of Asheville
Coldwell Banker King
Colton Groome & Company
Constangy, Brooks, Smith & Prophete, LLP
David Gantt Law Offices
DHG
Diamond Brand Gear
Dominion Energy
Duke Energy

ECS
Element-360
ERC Broadband
Fifth Third Bank
FIRC Group North Carolina Inc.
First Bank
First Citizens Bank
Friday Staffing Services
GFoss Consulting, LLC
Goldsmith Molis & Gray
Greater Asheville Regional Airport Authority
Harper General Contractors
Highland Brewing Company
HomeTrust Bank
Hyatt Place Asheville-Downtown
Insurance Service of Asheville, Inc.
Jacob Holm Industries (America), Inc.
Johnson Price Sprinkle PA
Lenoir-Rhyne University Center for Graduate Studies of Asheville
Lewis Real Estate
Linamar
MB Haynes Corporation
McGill Associates, P.A.
McGuire, Wood & Bisette, PA
John McKibbin
McMillan Pazdan Smith Architecture
Mercy Urgent Care
MHAworks Architecture
Mills Manufacturing Corp.

Mission Health
Moog Music Inc.
moon io media, inc.
New Belgium Brewing
The Omni Grove Park Inn
Parsec Financial Wealth Management
Pearsall Operating Company
Pepsi Cola Bottling Co. of Asheville
Pulliam Properties, Inc.
Renaissance Asheville Hotel
Roberts & Stevens
Senator Terry Van Duyen
Silver-Line Plastics Corporation
Skyland Distributing Company
South Asheville Hotel Associates
TD Bank
Tennoca Construction Company
Thermo Fisher Scientific
Tops for Shoes, Inc.
Troy and Sons Distillers
TSACHoice
UNC Asheville
The Van Winkle Law Firm
Vannoy Construction
WeaverCooke-Kirkland Construction Companies
Webb Investment Services, Inc.
Wells Fargo Bank, NA
Western Carolina University
Worley, Woodbery, & Associates, PA

