

Feasibility study findings outlined

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JEFFERSON — The findings of a capital campaign feasibility study were presented to the Jefferson County Economic Development Consortium Thursday.

Based on the results of the study, conducted by Power 10 of Atlanta, Ga., the consortium also unanimously voted to move forward with the campaign, which is intended as an alternative to the organization's current funding structure.

The feasibility study provided feedback from both the private and public sectors on their perceptions of the JCEDC, as well as valuable input on a proposed five-year plan and associated work program.

The JCEDC was formed about 10 years ago through an inter-governmental agreement to work on several different economic programs on behalf of the county. Since 2014, it has been working toward increased engagement of the private sector in promoting economic development in Jefferson County, which included creating a five-year economic development strategic plan.

The objective of the plan is to increase economic development responsiveness; improve the visibility of Jefferson County statewide, regionally and globally; and align area communities, businesses and economic development partners with the significant benefits outlined in the plan.

Because this capital campaign will be the JCEDC's first venture into formally engaging the private sector in area economic development, the Jefferson County Board of Supervisors in March approved hiring Power 10 as a consulting firm specializing in economic development capital campaigns and feasibility studies.

In addition to gauging the private sector's knowledge of the JCEDC, the feasibility study provided an estimate in the amount of funding attainable through a capital campaign, identified potential public and private leaders for such a campaign, and offered guidance on governance and oversight functions to help implement the work program.

Throughout the past three weeks, 71 interviews of 100 people were conducted.

"When we embarked on this process about two months ago, we were aiming to do about 40 to 50 interviews with area businesses to find out their feedback on the capital campaign strategic plan ... we were able to actually get 71 interviews scheduled," said Genevieve Coady, JCEDC executive director.

Power 10 Chief Executive Officer Sean Mikula presented the feasibility study Thursday, breaking it up into two parts — the first being feedback from the interviews and the second an analysis and questions about the campaign.

In the first set of questions, the study focused on whether there was an actual need for the JCEDC and what the state of the economy looked like in Jefferson County.

Mikula noted that no one said the county's economic outlook was excellent, although only a few said it was extremely poor. Each person interviewed also added that the need to accelerate economic growth in the county is absolutely necessary.

"If we had heard a substantial number of 'nos', then maybe we wouldn't have this program and wouldn't have a need for it, but that's not what we heard," Mikula said.

Those interviewed also were asked to name the county's greatest assets, which included items such as land and location.

"A lot of people thought the area is really poised for growth; that there is a lot of opportunity here ... we just have to capitalize on what we have to offer."

The JCEDC is seeking \$3.25 million over five years in its initial capital campaign, with the study estimating about \$2 million in contributions from the private sector.

During the course of the interviews with private sector businesses, Mikula said, 39 offered potential contributions with another 12 interested in the investment, but unable to give a number.

He said that, additionally, 14 businesses did not give a definitive indication of investment, but still are considered possible prospects.

"Pretty much everyone we met with either gave us a number, said they'll invest but couldn't give us a number, or (said) at least there's a chance," Mikula added.

On the public sector side, the study suggests about \$1.25 million in contributions could be expected over five years, with every public sector interview suggesting a number that was at least \$1 per citizen.

"A lot of time, especially for first-time efforts of getting the private sector, the public sector really needs to go out in front. However, that is not what we are articulating here," Mikula noted.

A typical capital campaign takes about eight to 10 months to complete. The JCEDC hopes to implement the asking process in August, but a series of educational briefings throughout the county will need to be completed beforehand. Mikula said the JCEDC's five-year plan also will need to be refined before it is presented, comparing it to a product into which potential investors are buying.

“The more people understand how the money is going to be spent, the more willing they are to fund it,” the consultant added.

If the campaign is unable to raise the targeted \$3.25 million, Coady noted, there are places the JCEDC can cut in its five-year plan, mostly in the areas of marketing and advertising.

“We’ve got quite a bit of wiggle room,” she added, noting, “But based on the interviews, I feel comfortable in what we are embarking on.”

In conclusion, Mikula said the interview feedback provided the JCEDC a mandate “to move forward with a unifying countywide economic development initiative.”

“No one said, ‘you’re way off base here.’ This is just a first step,” he added. “Folks were largely supportive of the total project.”