

**TOWN OF MOUNT PLEASANT, SOUTH CAROLINA
ECONOMIC DEVELOPMENT COMMITTEE
Monday, November 5, 2018
Municipal Complex, Committee Meeting Room, 3rd Floor
100 Ann Edwards Lane, Mount Pleasant, SC 29464**

MINUTES

Members Present: Kathy Landing, Chair; Bob Brimmer and Joe Bustos
Members Absent: Rick Crosby (MPW)
Staff Present: Eric DeMoura, Town Administrator
Also Present: Merle Johnson, Director of Operations; Jennifer Brown, Director of Retention and Expansion; Ashley McKenzie, Director of Marketing and Communications – Charleston County

Ms. Landing called the meeting to order at 12:05 p.m.

1. Approval of Minutes from the [October 1, 2018](#) meeting

*Ms. Landing stated that she would like to amend the October 1, 2018 minutes. On page 10, paragraph #2, she would like to add the word “necessarily” so that the sentence will now read: “Ms. Landing stated that if we are able to bring businesses into the community, they not only provide services for the people that live in that vicinity, but also employment and it does not **necessarily** create additional traffic.”*
Seconded by Mr. Brimmer. All present voted in favor.

Mr. Brimmer moved for approval of the October 1, 2018 minutes, as amended; seconded by Mr. Bustos. All present voted in favor.

2. Public Comments

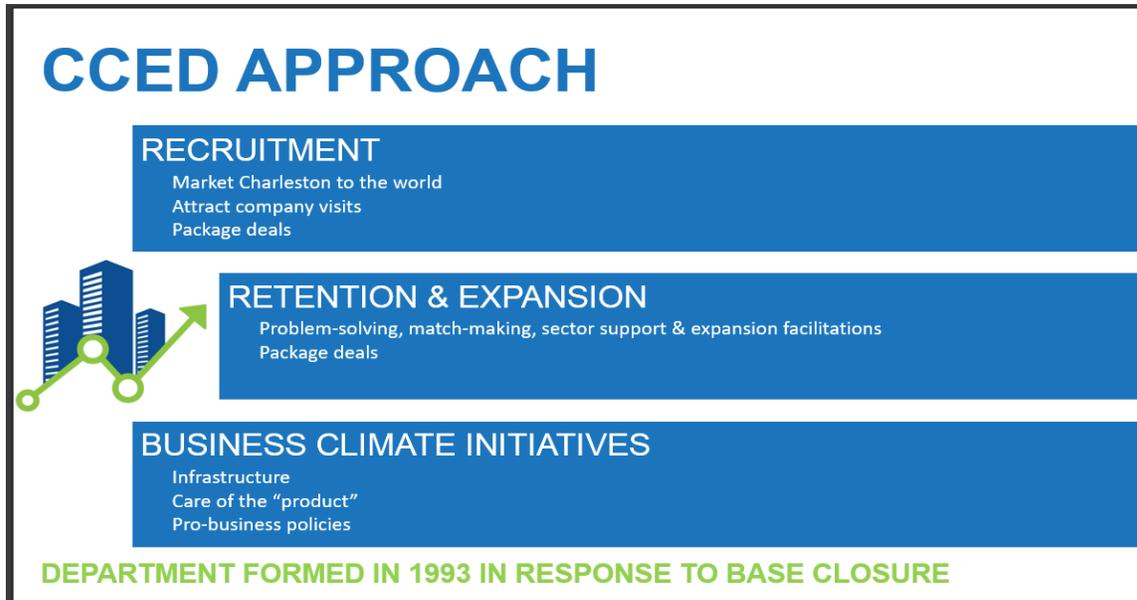
[None]

3. Presentation on Charleston County Economic Development's Business Concierge program

Ms. Landing stated that she brought this up at last month's Committee meeting because this is new for the Town of Mount Pleasant's Economic Development Committee. She stated that Charleston County has a wonderful model already in place that has been working very well. She said one of the differences she hopes to add is, if a property owner wishes to bring a business to Mount Pleasant, a Council member will be involved in the process from the very beginning, with the idea to enhance and improve economic development for Mount Pleasant. She stated that Councilman Bustos asked a very good question after last month's meeting: What does economic development really mean – what are we focusing on when we talk about economic development. She said the confusion is that most believe economic development brings "growth" which worries residents, because everything has grown so rapidly in terms of residential development, which creates traffic and infrastructure issues. She said this is not economic development. She said the true definition, according to the Town's own Economic Development Strategy guidelines is: *Economic Development pertains to value-added businesses that derive a significant portion of revenues from outside the tri-county area. By their nature, they are a particular value to the community due to their capital investment potential, substantial number of high paying quality jobs and their minimal impact to the environment or Town services.* She said Economic Development is bringing businesses who want to be in Mount Pleasant and will bring both jobs and capital money into Mount Pleasant that is not already circulating here in the Town. She stated that Charleston County will advise how to bring businesses that will truly choose Mount Pleasant because they want to be here and bring both money and jobs without hurting infrastructure.

Merle Johnson, stated that Steve Dykes, who is their director, sends his regards, as he is currently receiving advanced training at Clemson University. He said what Steve Dykes started back in 1993 when he formed this department, following the response to the Base Closure, is

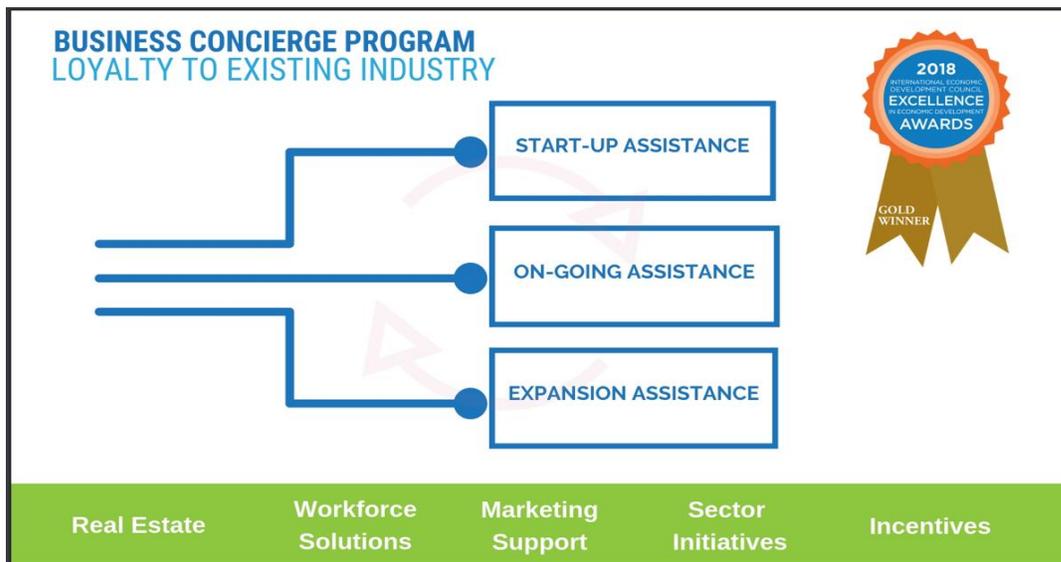
looked at based on the strategic assessment he did back in 1995. He said they have a three-pronged approach.



Mr. Johnson said the first is recruitment which is accomplished in partnership with the Charleston Regional Development Alliance. SCDRA was formed around the same time as they were. He said that the SCRDA markets the region and Charleston County to the world in the hopes of attracting companies outside of the area that want to do business and locate in Charleston County. He said that Mr. Dykes has the ability with the Department of Commerce and their Workforce Training Allies to package a deal in hopes of recruiting them here. He said the second piece will be reviewed by Jennifer Brown, who is the Director of Business Retention and Expansion, which is also known as “existing industry”. He said Retention and Expansion is the second prong of their three-pronged approach and as Committee is aware, Charleston County recently celebrated their 15th Annual Luncheon that they put on for existing industry. He stated that retention and expansion is priority #1 for Charleston County. These businesses tend to grow the quickest and because of the relationship, it is fairly easy to convince them why they should stay in Charleston County and do business here. He said the last piece is Business Climate Initiatives and what they do with this is help with infrastructure. He said, in particular, hanging traffic lights in the

business parks as needed and requested and also working with private developers and municipalities when they have a business park, to help them market and hopefully land businesses in those business parks. He said they also partner with the Charleston Metro Chamber of Commerce, as it relates to pro-business policies, in hopes of working with the municipalities on permitting, business licensing, etc. He said this is their approach and the only other piece he would add is that the County is now approaching 25 years since they have done their strategic assessment. They have just closed the RFP for a strategic plan that they will begin next year in hopes of creating a new five-year strategic plan for Charleston County as it relates to Economic Development. He said they are hoping to broaden their approach and have the consultant advise them of what they are possibly not doing that they should be doing. He stated that whomever assumes the role of Business Development Manager at the Town of Mount Pleasant will be invited to be a stakeholder in those meetings.

Jennifer Brown, Director of Retention and Expansion, stated that from an existing industry standpoint, business retention and expansion is truly a business concierge program.



She stated that similar to a hotel concierge, when you are new in Town and have a number of questions, they are doing the same thing with

businesses. She said once they are recruited, they are passed off to their existing industry program for the life of the company. She said from the moment they are recruited to as long as they stay in Charleston County. She said they are the one stop shop and assist with anything from start-up assistance; working with municipalities for permitting issues or questions. She said they have liaisons with the various cities and municipalities that work in similar roles, where a company that needs to build a building or improve their land, do a sit-down prior to starting so they have an overview approach working collaboratively with the municipalities. This alleviates having to go back and correct any issues with code enforcement, fire inspection, permitting, etc. She said this is where they really dig in with the start-up assistance working with the municipalities. She said with on-going assistance, they typically visit companies once a year, but see them frequently throughout the year. She said there are approximately 200 companies across Charleston County that they call upon. This is a face-to-face visit, receiving an update on their headcount, workforce challenges, plant expansion opportunities and where they may assist with problem solving. She said they focus primarily on industries that are in certain sectors that align with their recruitment strategy, so everything from advanced manufacturing, heavy focus on aerospace and automotive, IT High Tech, Warehouse Distribution and Logistics, Back-office Headquarters, Call Centers and Bio and Life Sciences. She said these are the companies they call upon and makes up the bulk of the 200 companies.

Mr. Brimmer asked how they determine which of those companies fall into those categories they serve and is there criteria.

Ms. Brown stated that it can be a large company or a small /medium size enterprise. She said there are some IT companies that only have five people but have the potential to grow eventually. They try to focus on companies that stay in those industry buckets. She said the root of this is because those are the types of companies that can be incentivized when they expand and grow. She said from a capital investment standpoint with their property taxes and the state from a job tax credit standpoint /

job development credit standpoint. She said the IT High Tech companies are slightly different because their taxation from a County standpoint is not like a manufacturer, so they are not trying to lower their property tax, but their jobs are typically large in mass with high-paying wages and the state really focuses a lot on them as well. She said it is easy once they are recruited and land here, then they are handed off to their department, so it is a seamless transition and they are now a part of an existing industry. She said there are a lot of new companies that will approach Charleston County that have been in the area for quite a while or are in a small manufacturing association, especially when they are going to build a new building or purchase land, they understand that there may be some potential for financial incentives.

Mr. Johnson stated that Steve Dykes operated in an office for over 20 years with only five people and has just recently expanded, and through this expansion, Jennifer Brown came on board which is when the Business Concierge's Program took off. He said Jennifer began to uncover many of the family owned businesses with five people but growing to 10 or 15. He said it was five or six years ago that they began to see this program take off.

Mr. Brimmer asked of the 200 companies, how many of these are located in Mount Pleasant.

Ms. Brown responded in the affirmative; however, said the bulk of the 200 are manufacturing, so the number is small. She said there are approximately 20 businesses. She said the main manufacturer in Mount Pleasant is Hubner and they work with them very closely. She said they are going through an expansion. She said Mediterranean Shipping is another large company they work with, and Jear Logistics was recruited and moved further into Mount Pleasant. She said they recently helped MTAG with their grand opening on Shem Creek in the new office building. She added that a lot of Tech companies which have great potential from EGroup to STEM Premier, ESite Analytics, Golfbreaks, so there are great opportunities for different types of a focus on different companies.

Ms. Landing stated that she met with the founder of Jear Logistics, which is a company that does cold shipping. They ship freight via trucks all over the country and decided to headquarter here, because the founders liked the idea of living here. She said this is the #1 reason companies choose a location, which is because the CEO desires to live there. She said they had a small group, hired some people, had revenue the first year and 4 years later, they are doing eleven times what they were doing the first year and have well over 100 employees in Mount Pleasant. She said many of the employees live in Mount Pleasant, because their average income allows them to live in Mount Pleasant. She said if the Town can attract more companies such as Jear Logistics, who have a compact building, do not use much water supply or create much burden on infrastructure and their work is all over the country, this would be true economic development. She said they are bringing money in from all over that is benefitting the Town, and this helps build roads and schools.

Ms. Brown stated that their main goal is to be helpful with the Business Concierge program and attempt to do their meetings in less than 30 minutes and identify any issues they have. She said it is primarily workforce development resources and hiring talent. She said once they visit with companies they try and assess if there is a potential for an expansion opportunity and look at three to five years for new employees, higher wages, building expansion and additional equipment. This is how they are able to put together a package for an expansion and lead to a press release and announcement, similar to recruitment of companies. She said there is no limit to what a company can do if they expand every five years for the next 20 years. She said they will celebrate it the same and put the resources towards helping make it lucrative for them. She said they also do marketing support and sector initiatives. She added that they are very dialed into the Manufacturer's Council, the South Carolina Automotive Council, South Carolina Aerospace and Logistics. She stated that there is such a large concentration in Charleston County of all the state entities, that it makes sense for them to be connected with them and connect them to the existing industries to ensure they are aware of what the state is doing. She stated that they attend many of their

conferences and help support that as well. She said there are a number of companies that do not have the time or resources to attend a conference, so they attend on their behalf.



Ms. Brown stated that since she came on board in 2013, there have been 29 total announcements in Charleston County and 3,451 jobs, with \$715 million total in capital investment. She said these are expansions of existing companies. She stated that the most recent expansions in Mount Pleasant are MTECH Services, ANZ Pharmaceutical nutrition shop and warehouse off Long Point Road, Heatworks, Jear Logistics, Golfbreaks, Hubner Manufacturing and the Choate Construction Gateway Office Park. She stated that her partner in the office is Jay Kramer, who is attending an Economic Development training this week. She said he is their Existing Industry Specialist.

Ms. Landing stated that in summary what the Town would like to do is create a definable, repeatable process. She said Council members come and go and people come and go, so there needs to be a process in place. She said there was a process on the Town's staff level that is excellent; however, there was a disconnect between when a property owner wants to develop the land for a business to when it reaches Council where it all falls apart. She said the Town needs to have a much smoother transition so that businesses know that Mount Pleasant is "open for business" and

genuinely want great companies to locate here. She said there are some real “on-the-ground projects” that are being worked on at this time and one is involving a digital campus. She would really like to reproduce the digital campus concept that is in downtown Charleston and has been very successful. She said there are other areas as well that are being worked on. She said she has already reached out to the owners of the Peach Orchard Plaza on Coleman Boulevard, as well as the Mayor and Councilman Bustos, to discuss annexation in an economic development package that will make an attractive business that the Town needs in that area of Mount Pleasant, as opposed to another business that residents are worried about.

Mr. Bustos stated that when discussing the Concierge Program and having a Council member accompany a business through the process, there needs to be the right person. He said it would be difficult when it reaches Council for a vote, and it is voted down. He said this happens because of the Town’s form of government. He said we are currently at 85,000 to 86,000 residents and quickly approaching the idea that the Town may need a full-time Mayor. He believes this would be an assistance to economic development because people could come and talk to a Mayor like they do in Charleston and North Charleston. He feels the Town is slightly behind because of this.

Ms. Landing stated that this is why she believes there should be a dedicated council member involved, so the problems can be resolved ahead of time and the public is already aware. She said their responsibility as elected officials is to represent the citizens; business owners are citizens, too. Because the Town has limited space and land, the Town wants to bring the best businesses possible.

4. Adjourn

There being no further business, the meeting adjourned at 12:33 p.m.

Respectfully submitted,
Barbara Ashe, November 7, 2018