CATAWBA REGION COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY

2015

Prepared By:

Catawba Regional Council of Governments
Serving Chester, Lancaster, Union, & York Counties

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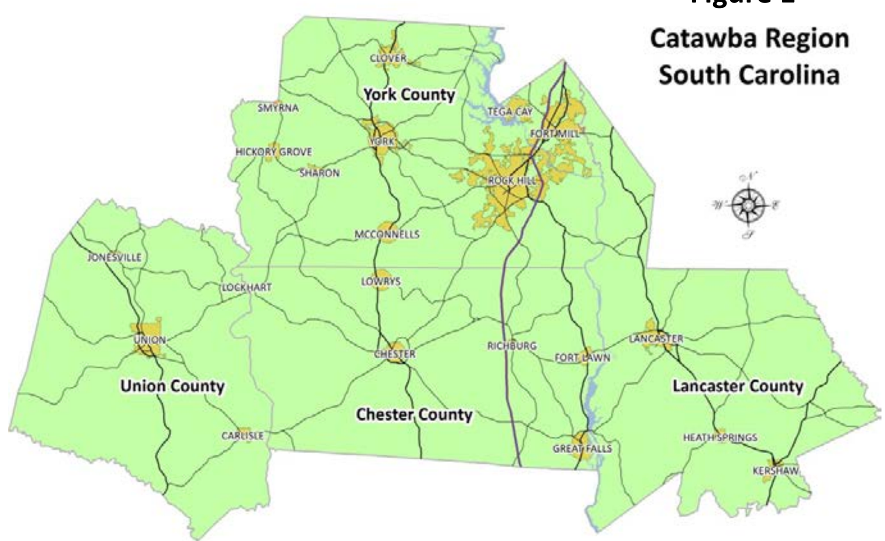
INTRODUCTION

This document presents the most recent update to the Catawba Region's Comprehensive Economic Development Strategy (CEDS). The CEDS is a formalized planning process developed by the federal Economic Development Administration (US EDA) to promote an area-wide assessment of economic trends and infrastructure needs within multi-county districts such as the Catawba Region.

The CEDS also reviews the various programs and activities of the Catawba Regional Council of Governments in promoting economic progress within the district. In addition, this document contains a current listing as of September 2014 of needed capital improvement projects within the region.

Figure 1



Background

The Catawba Region is an area that encompasses the four South Carolina counties of Chester, Lancaster, Union, and York (Figure 1). Economic potential in this region is promising, due largely to the fact that location, existing development, labor force, educational institutions, and natural and cultural resources provide a sound foundation for economic growth. In order to take advantage of this potential and alleviate persistent problems with low-income levels and unstable employment patterns, a mutual effort is needed from both public and private sectors. Local governments working together through a coordinated economic district planning program is an important step in this direction.

DESCRIPTION OF DISTRICT ORGANIZATION

The Catawba Regional Council of Governments (CRCOG) is one of ten regional councils in South Carolina. Established in 1971, the Council serves Chester, Lancaster, Union, and York counties.

Catawba Regional is a Council of Governments since more than half of its thirty-six member governing body consists of local government elected officials primarily from city and county councils. All Board members are appointed by either the respective county councils in accordance with a membership formula or the county legislative delegations. The Council Board oversees a twenty-three person professional staff with varied backgrounds in planning, economic and community development and finance.

The Catawba Regional Council of Governments serves local governments and communities in many ways. Through use of the Council, local governments have an avenue to:

- Pool resources to support an organization with a professionally trained staff, thereby reducing the financial burden of maintaining some permanent local staff or retaining consultants;
- Obtain and administer federal and state grants;
- Have a forum through which to meet and exchange ideas;
- Promote economic development and community plans;
- Influence state and federal program funding decisions.

In 1976, the Catawba Regional Council of Governments was designated an Economic Development District by the federal Economic Development Administration (EDA). Participation in this program has enabled local governments within the four counties to avail themselves of regional planning assistance for economic development as well as insuring access to EDA's grant assistance programs. These grant funds, in combination with other local financial resources, have helped this region develop a number of the necessary facilities and infrastructure upon which current growth relies.

Development Corporation - In 1983, the Council of Governments established an affiliated regional development corporation to help small businesses and industries access capital sources that are otherwise unavailable through conventional lenders. The Development Corporation utilizes the Small Business Administration's 504 Loan Program and the United States Department of Agriculture's Intermediary Relending Program to provide gap financing to business throughout the region. Additionally, the SC Department of Health and Environmental Control has contracted with Catawba Regional to be the state-wide fund manager for an EPA funded Brownfield Cleanup Revolving Loan Program.

Census Information - The Council of Governments serves as a state designated Affiliate U. S. Census Data Center. In this capacity, it responds to numerous inquiries from agencies and individuals about Census information, especially population and housing forecasts.

Management, Technical Assistance, Information Dissemination, and Project Coordination - This service provides management and technical assistance to local governments and agencies for many community needs. The Council also distributes timely information about grant programs through agency newsletters, reports, news articles and website posts. The Council serves as a state recognized clearinghouse to insure that local governments and agencies are informed about planned state or federal projects.

Workforce Investment Act/Workforce Innovation and Opportunity Act - On July 1, 2000, the Council became the program administrator for the Workforce Investment Act (WIA/WIOA) in Chester, Lancaster and York counties. To achieve the goals of the Act, the Council has contracted with ResCare, a private corporation, to operate "One Stop – SC Works" service centers which are designed to help applicants find jobs. Additionally this contractor provides more intensive services, such as job training to under-skilled workers seeking employment. Also as a part of its WIA/WIOA responsibilities, Council staff continues working with Communities in Schools and Adult Education programs to help increase high school matriculation rates.

Geographic Information System - The Council of Governments has developed a comprehensive Geographic Information System (GIS) leveraging ESRI's state of the art software along with a wide array of local, regional, and statewide spatial and demographic data. The GIS greatly enhances the ability of the Council to assist local governments in planning and economic development decision making as well as providing a valuable tool for servicing and recruiting local industry.

Recreation - The Council helps communities plan for and identify recreation needs and prepare grant applications.

Historic Preservation - The Council has assisted the region's local governments with the nomination of sites for the National Register of Historic Places for Archives Development grants.

Transportation - Council staff continues to work on a variety of transportation related programs for the region including the development of a State Multi-

modal Plan and the development of various transportation studies for local governments. Catawba Regional also supports the expansion and improvement of public transportation in the region through the efforts of its Regional Transit Management Agency (RTMA). Working with the SC Department of Transportation, Catawba Regional RTMA acts as the formal organization within the region to provide a multi-jurisdictional, coordinated approach for the provision of transit services. Catawba Regional RTMA also assists with transit development plans and feasibility studies.

Regional and Multi-State Cooperative Initiatives - Catawba Regional has been an active advocate for regional cooperatives that coordinate economic development efforts. Examples of key regional cooperative projects include the coordinated acquisition of regional aerial imagery which resulted in significant cost savings, and the utilization of regional South Carolina Department of Commerce planning grant funds to update GIS water and sewer line databases for every utility within the region on a biennial basis.

In addition to numerous region-wide projects, Catawba Regional is involved in multi-state initiatives such as CONNECT and the Carolina Thread Trail which involve a number of counties in the greater bi-state Charlotte Metropolitan Region. Council staff has served as technical advisors and grant coordinators for The Carolina Thread Trail, a network of greenways and trails that span 15 counties in North and South Carolina.

Catawba Regional is the lead partner for the CONNECT initiative which involves 14 counties in North and South Carolina. CONNECT is funded through a HUD grant secured by the Centralina Council of Governments in Charlotte to conduct a regional visioning process that will promote sustainable communities in the region.

COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY COMMITTEE

This year's CEDS document was assembled with the input of a variety of people and organizations who are involved in economic development at either the local, regional or state level. This group identified factors that impede economic development within the region and has developed ongoing strategies for overcoming these obstacles.

The Catawba Region's CEDS Strategy Committee consisted of the following members:

Bruce Barre
Procter & Gamble-Duracell
Amy Harned
Springs Memorial Hospital
Mark Cable
Resolute Forest Products, Inc.
Lucille Mackey
Omnova Solutions
Karen Craig
Schaeffler Group USA, Inc.
Monica Graham
Phillips Staffing
Teresa Curtice
York County Economic Dev. Corp.
Tom Drumwright
Arvin Meritor, Inc.
Diana Eastep
Atlas Copco
Dean Faile
Lancaster Co. Chamber of Commerce
Sandy Andrews
Rock Hill Adult Education
J Monique Ramsuer
Robinson Funeral Home
Walter Kellogg
Carolina Community Actions, Inc.

Vacant
McClean Power Systems
Vacant
Chester County DSS
Tommy Pruitt
Springs Creative
Michael Rallings
Resolute Forest Products, Inc.
Tammy Davis
PPG Industries
Vacant
SC Dept. of Employment & Workforce
Vacant
York Technical College
Ernest Chisholm
AARP Senior Employment Services
Elaine McKinney
Lancaster County Economic Dev. Corp.
Kathleen Allen
SC Vocational Rehabilitation
Constance Larson
SC Indian Development Council, Inc.
Joanie Winters
Attorney-at-Law
Jerry Witherspoon
Lancaster Housing Authority

In addition to the Strategy Committee, the regional strategies were reviewed and commented on by a variety of key leaders in the economic development arena. In all, this group included the following members:

- Local Elected Officials
- Municipal and County Government Administrators and Managers
- Local Economic Development Recruiting Staff
- Local Business Owners and Managers

The Strategy Committee identified a number of strengths that continue to encourage economic development within the Catawba Region. These include:

- Access to a variety of transportation resources including an international airport, interstate and US Highway routes and rail service;
- Attractive communities that offer a variety of "quality of life" attributes;
- An available labor force with ongoing worker training to provide the necessary skills for today's job market;
- Available land for development or redevelopment along with adequate infrastructure resources;
- Existing anchor industries in several industrial clusters to serve as catalysts for new economic development; and
- A wide variety of tourist and recreational attractions and amenities including nearby professional sports teams.

To maximize these assets, CRCOG needs to continue addressing certain impediments to economic development. They are:

- The need to continue diversification of the region's manufacturing base to safeguard against a continually changing economic climate and to replace jobs lost, particularly in the textile manufacturing area;
- The need to further upgrade the knowledge, skills, and abilities of displaced workers;
- The need to continue to improve the quality of education in the region's public schools;
- The need to provide a wider range of housing opportunities;
- The need to expand and upgrade public infrastructure and transportation systems;
- The need to provide job opportunities that result in higher wages and per capita income;
- The need to redevelop abandoned former textile mill sites and their surrounding mill villages; and
- The need to economically revitalize local downtowns and center city areas that have languished due to the advent of suburban shopping malls and business parks on the community fringe.

The following strategies are being implemented to overcome these obstacles and to promote economic development:

- Expanding and upgrading to current standards the local infrastructure of the region, including water and sewer services, transportation facilities, telecommunications systems, affordable housing, recreation sites, educational facilities and other public facilities;
- Assisting in the financing of new businesses and the retention and expansion of existing businesses, through such programs as EDA's Revolving Loan Fund and SBA's 504 Loan Program. Developing a Micro-Enterprise program to help small business and start-ups access capital amounts that are smaller than the minimums for traditional business loan programs.

- Supporting local planning and economic development programs through technical assistance, and work with local Planning staff to update zoning and similar codes to reflect the latest innovative and creative design concepts such as encouraging the development of a mix of employment and residential uses (office, research, light industrial, limited commercial and high density residential) at appropriate locations or urban villages which would encourage the development of compact mixed use, small-lot, pedestrian-oriented communities;
- Encouraging public/private sector partnerships in economic development efforts, such as the creation of business incubators and the promotion of the region's industrial clusters as a way of attracting new business;
- Undertaking special economic research and development studies upon requests from local governments or agencies within the region;
- Assisting local governments in economic development and industrial development-related activities (including helping to secure federal assistance, such as EDA grant financing, Rural Development Administration grant/loan funds, HUD Community Development Block Grants (CDBG), and other economic development related initiatives such as the Environmental Protection Agency's Brownfields Program);
- Increasing the awareness and usage of the Catawba Regional Council of Governments and the Catawba Regional Development Corporation in economic development activities;
- Sponsoring job training and retraining programs through the federal Workforce Innovation and Opportunity Act (WIOA) or other types of workforce development programs such as Work Keys to increase training opportunities and skills assessment for adults and nontraditional workers. Increase the cooperation between the area's high schools, vocational centers, colleges and industries in job training and workforce development to close any gaps and create a 21st Century talent pipeline that will attract and retain talented workers;
- Creating competitive strategies for responding to the impacts of technology and globalization on the local economy, particularly to increase the gains made in new

manufacturing jobs through increased collaboration and communication between economic development partners;

- Assisting with increasing the quality of life in the region's communities to attract and retain the "creative class" of young workers through investments in higher and continuing education, historic preservation, entertainment/arts/culture, sports/tourism and alternative transportation options; and
- Assisting with the redevelopment of abandoned industrial sites through grant support for environmental, historical and market assessment activities.
- Expand and broaden the local economy through such activities as the promotion of tourism, including cross-marketing of cultural, artistic and natural beauty attractions in addition to traditional tourism.

REGIONAL SOCIO-ECONOMIC ANALYSIS

Data Sources, Partners, and Analysis Strategy

The Catawba Region's Comprehensive Economic Development Strategy document includes a wide range of demographic and socio-economic data paired with detailed analysis of the impact of the data presented; additionally the geographic scope of analysis includes counties outside the Catawba Region.

With an understanding that the economy of the Catawba Region's four counties of Chester, Lancaster, Union and York is influenced by surrounding counties' economies, three additional regions and data sets are included in the scope of analysis:

- Union / Spartanburg - includes employment data for the South Carolina counties of Union, Cherokee, and Spartanburg;
- Catawba Region Commuter Shed - includes a full suite of socio-economic and projected employment data for the Catawba Region and the North Carolina counties of Gaston, Mecklenburg, and Union;
- Greater Charlotte Region - includes a full suite of socio-economic and projected employment data for the Catawba Region plus the South Carolina county of Chesterfield in addition to the twelve North Carolina counties of Alexander, Iredell, Catawba, Rowan, Cleveland, Lincoln, Gaston, Mecklenburg, Cabarrus, Stanly, Union, and Anson.

Catawba Regional also partnered with Avalanche Consulting of Austin, TX, a leading firm of economic strategists who have worked directly with numerous regional entities including the South Carolina Economic Development Association and the Upstate South Carolina Alliance, of which Union County is a member. In addition, Economic Modeling Specialist International (EMSI) was utilized via Avalanche Consulting for the development of growth forecasts and the Regional Cluster Analysis which begins on page 58.

Data sets utilized for regional socio-economic analysis –

- US Bureau of Labor Statistics BLS Covered Employment Series, Local Area Unemployment Statistics (LAUS), and Quarterly Census of Employment and Wages
- US Census Bureau Decennial Census 2010, American Communities Survey 2010, and Small Area Income and Poverty Estimates (SAIPE)
- US Bureau of Economic Analysis Regional Economic Accounts
- EDA Cluster Mapping Website

Catawba Regional's intimate knowledge of the region's historical, existing and emerging economic development trends in conjunction with the Council's diverse areas of expertise provide a unique platform for analysis of the regional socio-economic factors presented.

Historic downtown Fort Mill in York County.

Population Growth

The Catawba Region experienced dynamic population growth between 2000 and 2010. The region's population increased from 289,914 in 2000 to 368,460 in 2010. This represented a 27.1% increase for that time period. The United States as a whole grew by 9.7% during that same period. Figure 2 shows the population of the region from 1910 to 2010.

Figure 2

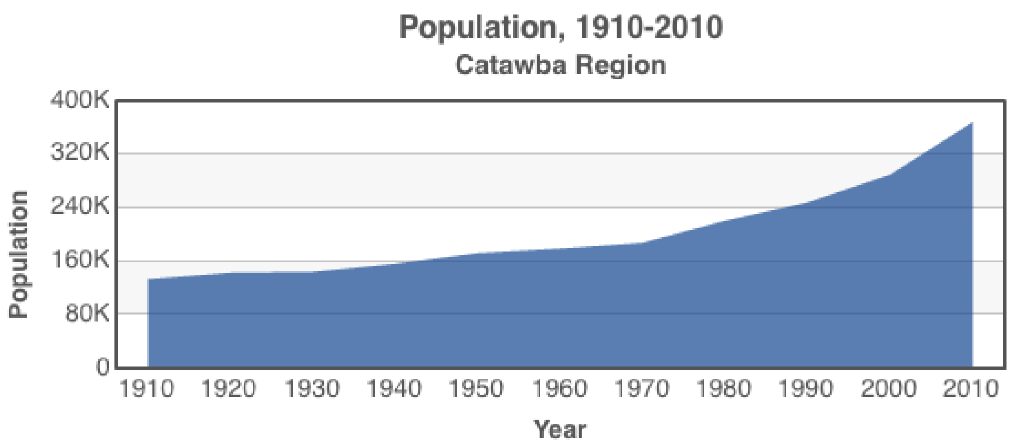


Figure 3 shows the net new population by decade between 1920 and 2010.

Figure 3

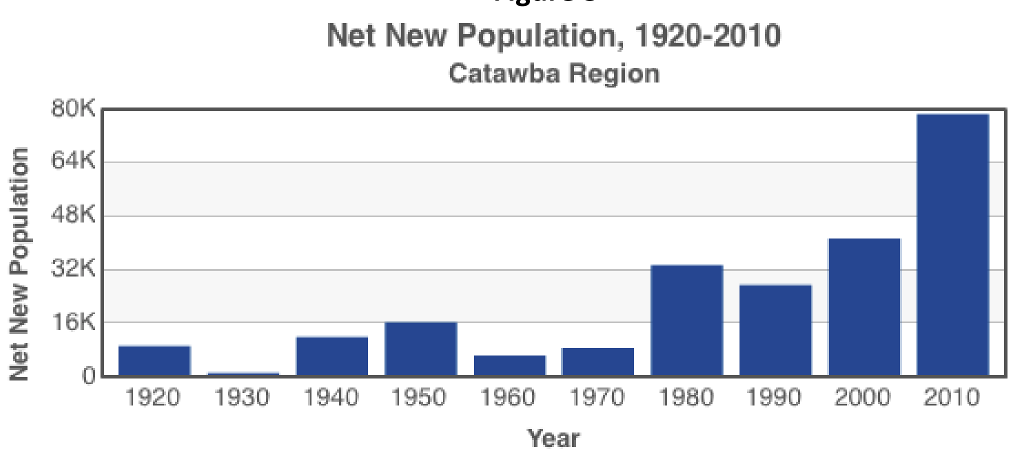


Figure 4 shows that the region has grown at a higher rate than the US for much of the last decade. The period between 2004 thru 2008 saw population increases that were unprecedented. The impact of the nation-wide recession that began in 2007 was fully realized within the region by 2009 when growth rates in the region returned to historically normal levels and dipped below the US average by 2011.

Figure 4

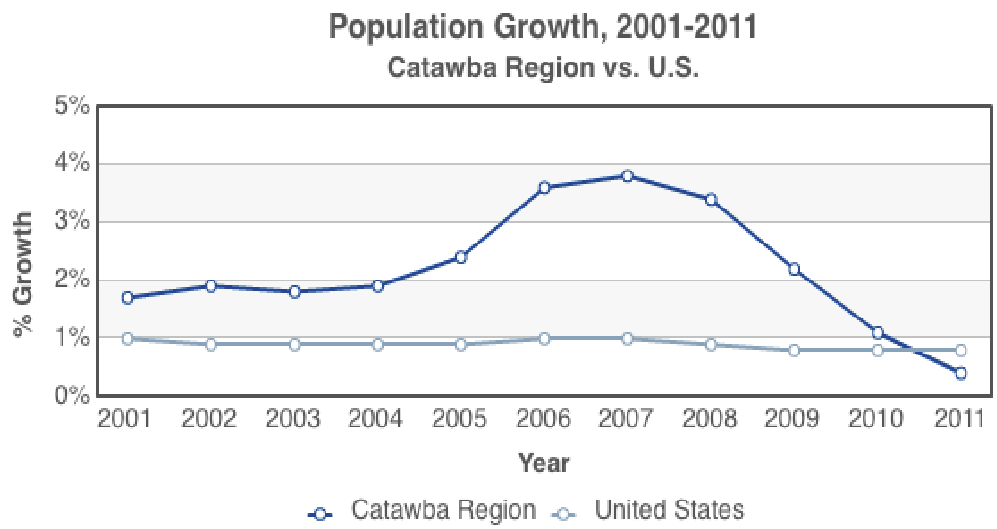
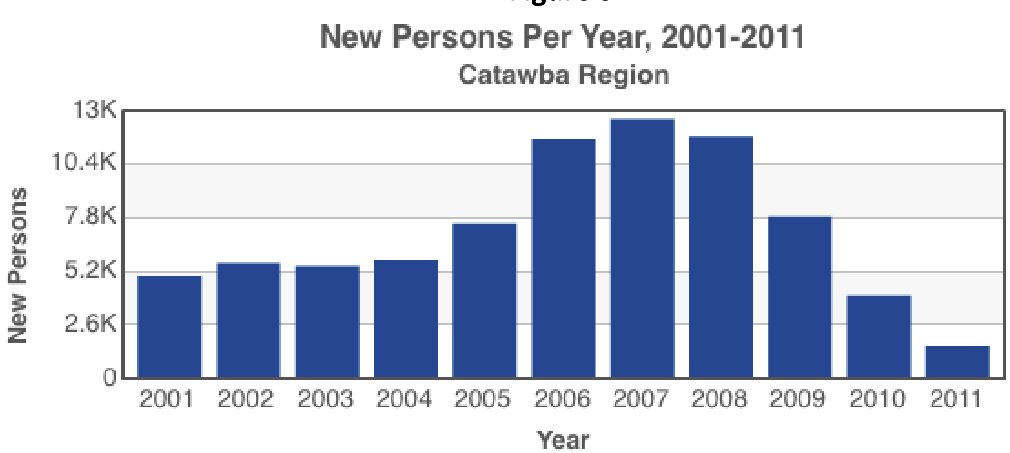


Figure 5 shows that much of this new population growth occurred in the pre-recession years prior to 2008.

Figure 5



Although the Catawba Region has experienced significant population growth between 2000 and 2011, the distribution of that growth has been uneven within the region. York and Lancaster counties grew at an accelerated rate of nearly four and two times the national rate, respectively, while Chester and Union counties experienced small population declines. For the foreseeable future Lancaster and York counties are expected to continue to grow while Chester and Union counties are predicted to roughly maintain their existing population levels. This could change, however, with the recent economic development announcement of a $600 million tire plant which is coming to Chester County. Figure 6 shows the populations of each county as of 2011.

Figure 6

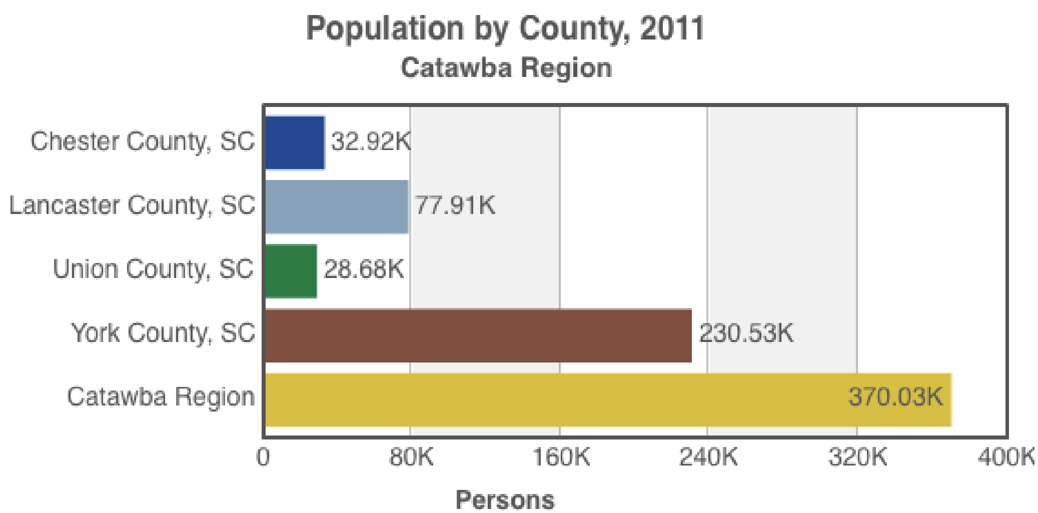
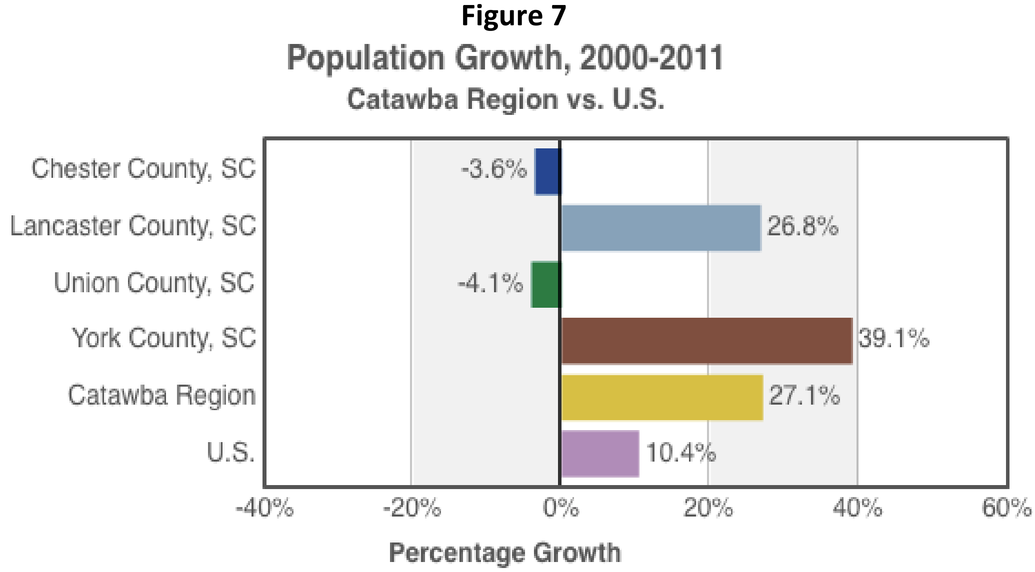


Figure 7 shows individual county growth rates between 2000 and 2011.

Figure 7



As has been highlighted, this unprecedented growth within the Catawba Region has primarily been driven by two of the region's counties, Lancaster and York, which are closest to the greater Charlotte metropolitan area. In addition, a few key areas of these counties have contained a majority of this growth. In York County, the high level growth areas were found in the northeastern portion of the county surrounding Fort Mill, Rock Hill, Tega Cay, and the Lake Wylie area. In Lancaster County, a vast majority of the growth took place in the northern Indian Land "panhandle" area.

The Charlotte urban area was the fastest growing urban area with 1 million or more people in the US between 2000 and 2010, growing at an astonishing 64.6% during that time period to a total population of 1.25 million people. The magnitude of this growth is underscored by the Austin, TX urban area and Las Vegas, NV urban area trailing Charlotte at 51% and 43.5% respectively in the one million people or more categories.

The lower cost of living, enhanced transportation infrastructure, and explosive affordable housing development between 2000 and 2007 within the Fort Mill and Rock Hill areas of York County and the Indian Land area of Lancaster County make these areas attractive alternatives for residences within the Charlotte area.

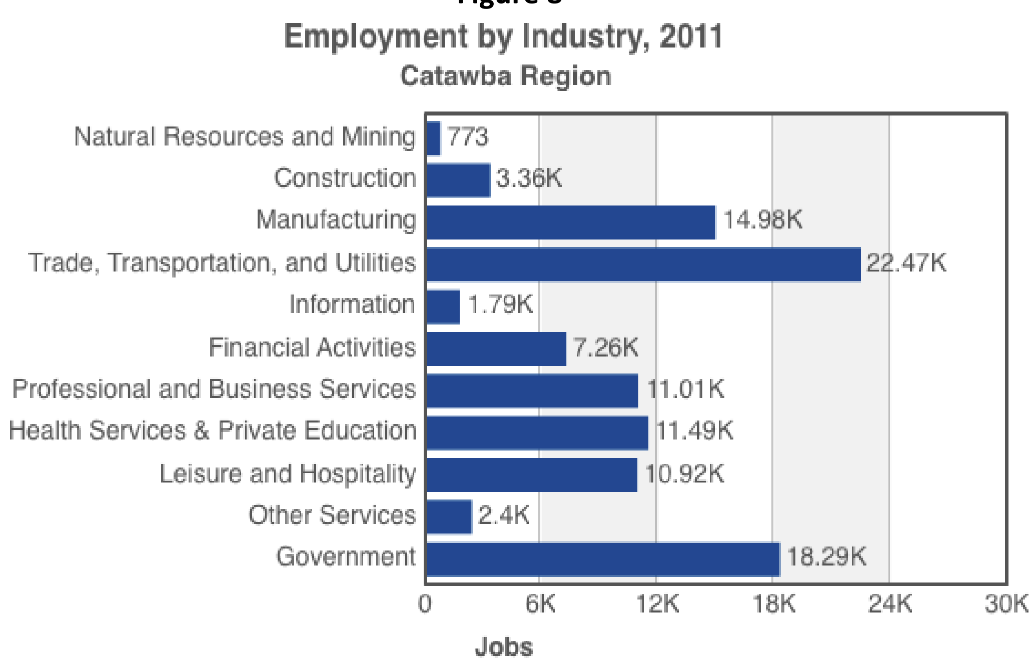
Sun City community in Lancaster County.

Catawba Region - Employment by Industry

The data in this section is based on the standard employment categories used by the US Census Bureau. These categories are more concentrated than those used for the cluster analysis to follow on page 58.

As shown in Figure 8, currently the three industrial sectors with the largest employment in the Catawba Region are Trade, Transportation, and Utilities, Government, and Manufacturing.

Figure 8



According to the Bureau of Labor and Statistics, the category of Trade, Transportation and Utilities includes wholesale and retail trade, transportation and warehousing, and utilities.

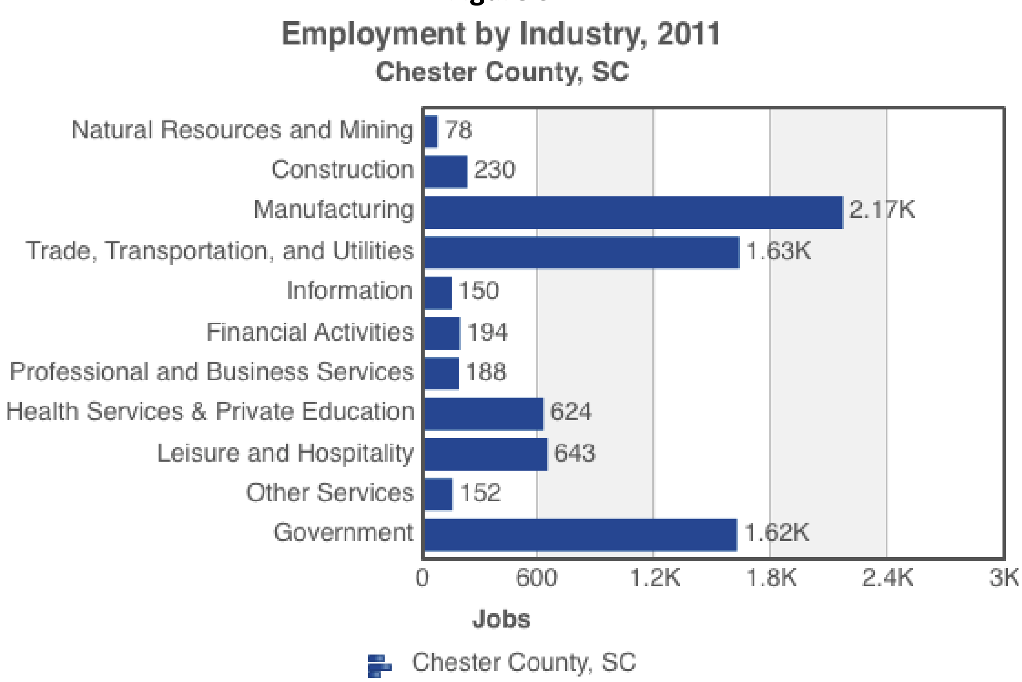
While the Bureau of Labor and Statistics does not delineate it as such, it is important to note that there has been a transition within the region away from the manual labor intensive manufacturing of the textile era to a more technical and skilled manufacturing process requiring a more technically proficient workforce.

It also should be noted that the Government category includes all levels of federal, state, and local government inclusive of law enforcement, social and housing services, emergency services, public education, emergency response, as well as federal, state, and local governmental support.

Just as population trends varied county by county within the region, likewise employment sectors vary as well. This is primarily due to the same factors that impacted population trends within the region coupled with the more rural nature of Union and Chester counties.

Chester County – Employment by Industry

Figure 9

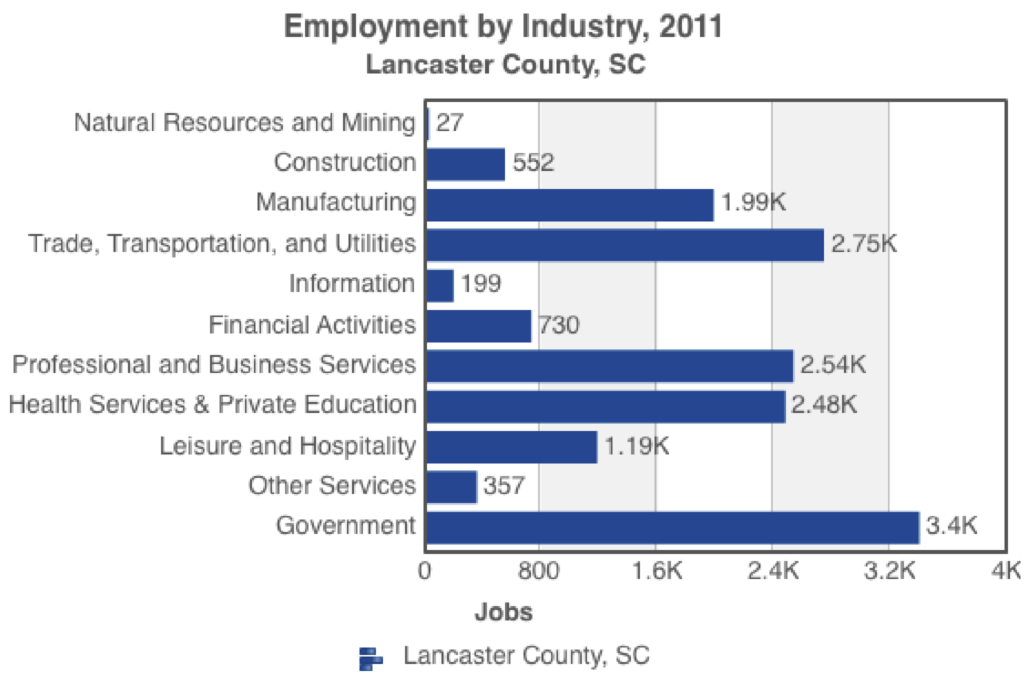


Approximately 7.3% of the region's non-farm workforce is in Chester County. As seen in Figure 9, the county's largest employment sector is Manufacturing, followed by Trade, Transportation, and Utilities, and Government.

While not contiguous with Charlotte, Chester is well connected by virtue of Interstate 77 which bisects the county heading north toward Charlotte and south toward Columbia and the coast.

Lancaster County – Employment by Industry

Figure 10

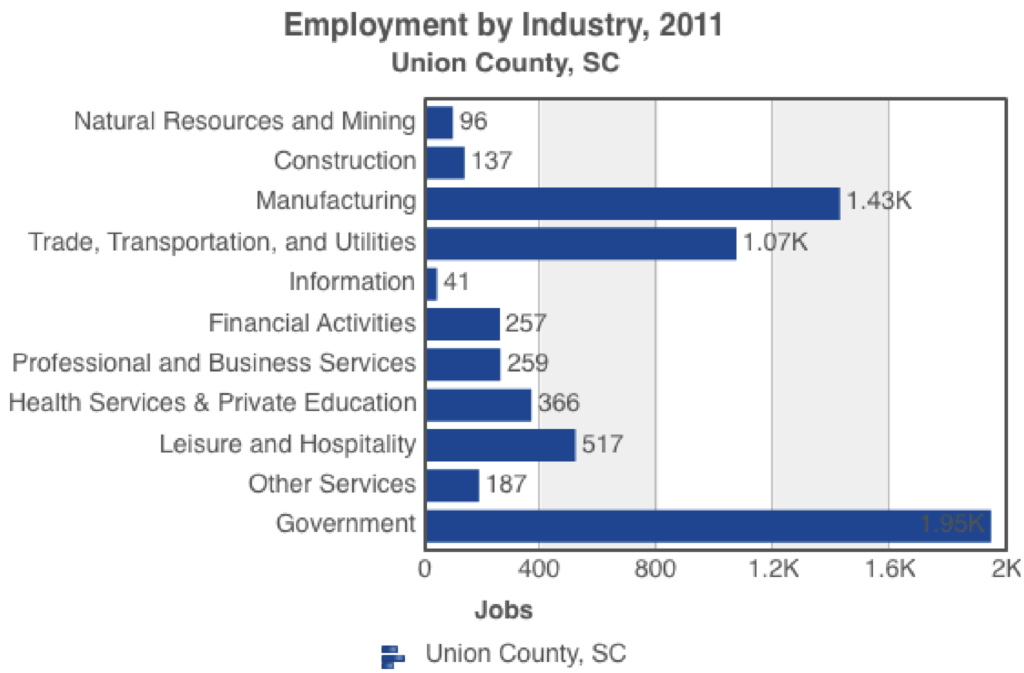


With 15.5% of the region's non-farm workforce, Lancaster County's largest employment sector is Government, followed by Trade, Transportation, and Utilities, and Professional and Business Services as shown in Figure 10.

As detailed in the Population Growth section, the Indian Land area of Lancaster County experienced dramatic growth between 2000 and 2010. Indian Land is bordered by Charlotte's Mecklenburg County to the north and the Fort Mill / Interstate 77 area of York County to the west as well as Union County, NC to the east, which also experienced a high level of growth during this same time frame. In addition, the major transportation corridors of US Highway 521 and South Carolina Highways 5, 9, and 161 greatly enhance this connectivity.

Union County – Employment by Industry

Figure 11



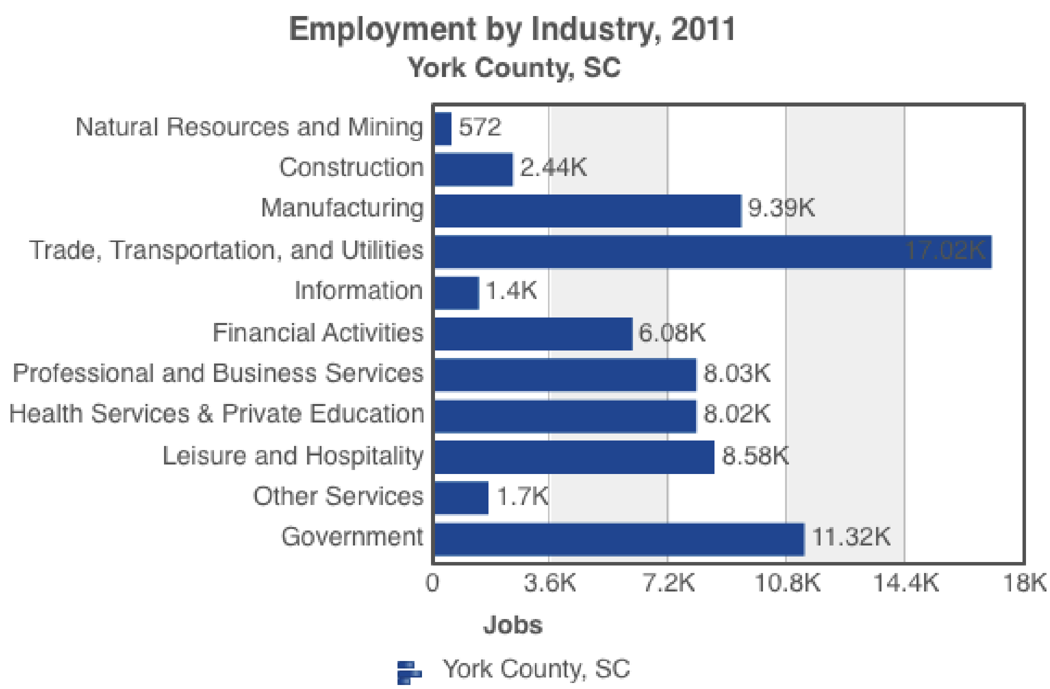
With 6% of the region's non-farm workforce, Union County's largest employment sector is Government, followed by Manufacturing, and Trade, Transportation, and Utilities, as shown in Figure 11.

Union County's closest major economic center is Spartanburg, SC which experienced 12% growth between 2000 and 2010. Union is connected to Spartanburg via US Highway 176 which also connects Union to the Interstate 85 corridor that serves as a major artery between Charlotte, NC and Atlanta, GA. A majority of existing and expanding industrial opportunities within Union County can be found along the US Highway 176 corridor in the northwestern portion of the county. This concentration also is enhanced due to approximately 40% of the county in the southeastern area residing within the protected boundaries of the Sumter National Forest.

Union County is an active participant in the Upstate South Carolina Alliance, a public/private partnership of ten counties focused on economic development. The Alliance counties' existing high tech industries include advanced materials, biosciences, automotive, energy, and aerospace.

York County – Employment by Industry

Figure 12

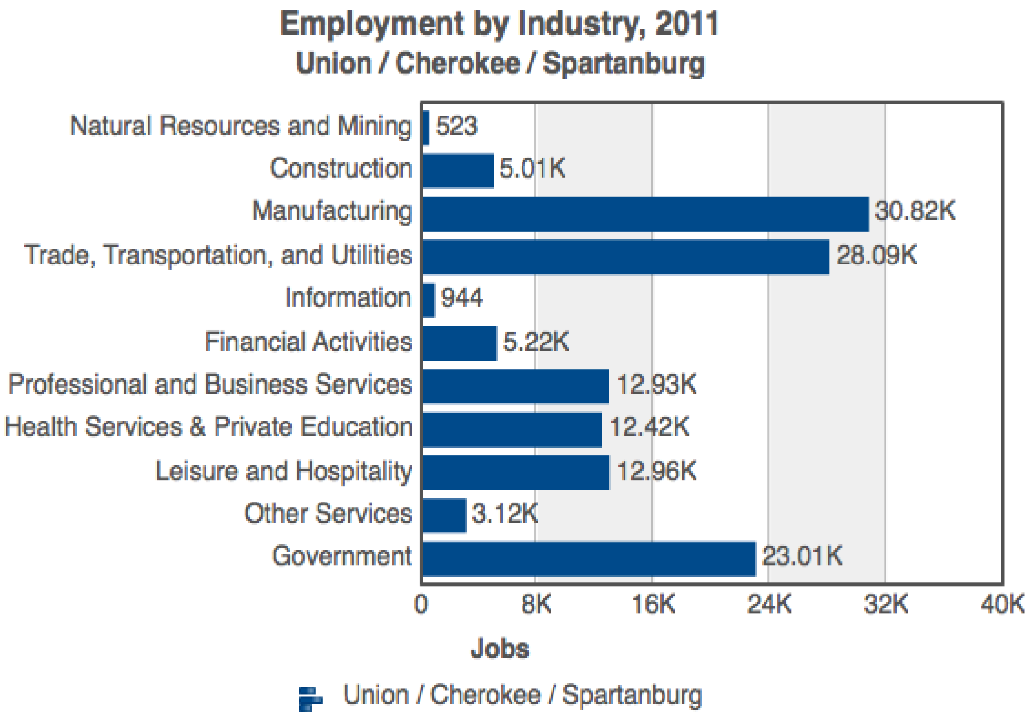


As shown in Figure 12, 71.2% of the region's non-farm workforce is found in York County with the county's largest employment sectors being Trade, Transportation, and Utilities, followed by Government, and Manufacturing.

York County is bordered to the north by Mecklenburg County and is directly connected to Charlotte via Interstate 77. As detailed in the population section, the area in close proximity to Charlotte saw explosive growth between 2000 and 2010 which greatly enhanced the available workforce during this period. The relative ease of access to major transportation hubs such as the Charlotte International Airport and close proximity to the Interstate 85 corridor running between Charlotte and Atlanta have each contributed to the dynamic growth of the county.

Union/Spartanburg Commuter Shed – Employment by Industry

Figure 13



As Union County is in close proximity to the Spartanburg Metropolitan Statistical Area (MSA), analysis of employment within that areas commuter shed is useful.

With an employment base of 135,039 jobs in the sectors shown, the Union/Spartanburg Commuter Shed offers a variety of diverse opportunities. The area's largest employment sector is Manufacturing, followed by Trade, Transportation, and Utilities, and Government as shown in Figure 13.

The influence of Spartanburg County on employment in this three county area can be seen in comparing employment numbers within these top three sectors to Union County. Manufacturing, for example, provided 1,430 jobs in Union County alone.

The area is intersected by both the Interstate 85 corridor that serves as a major artery between Charlotte, NC and Atlanta, GA, and the Interstate 26 corridor that connects Asheville, NC and Charleston, SC.   Spartanburg County is also home to the BMW Manufacturing facility along with a large number of automotive feeder industries.

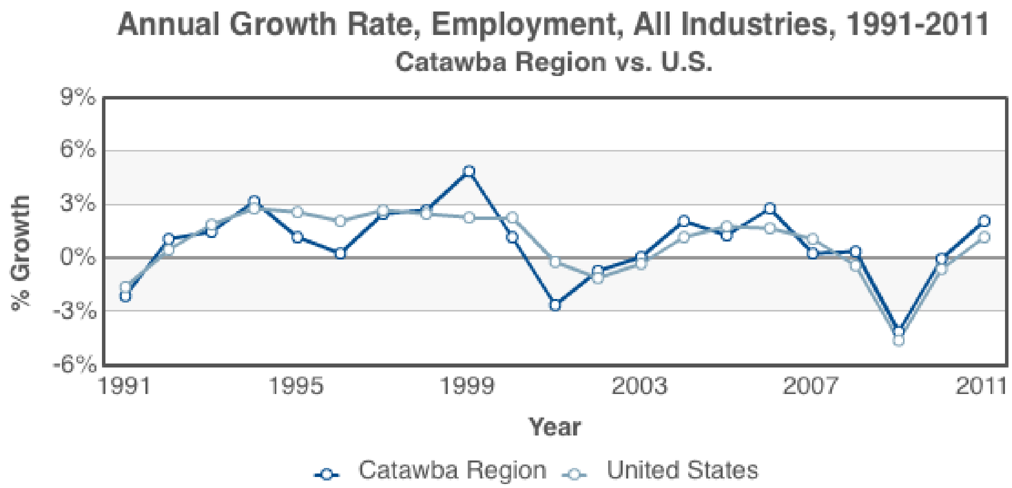
BMW Manufacturing Facility in Spartanburg County, SC.

Historic Downtown Union, SC.

Catawba Region - Employment Growth and New Job Creation

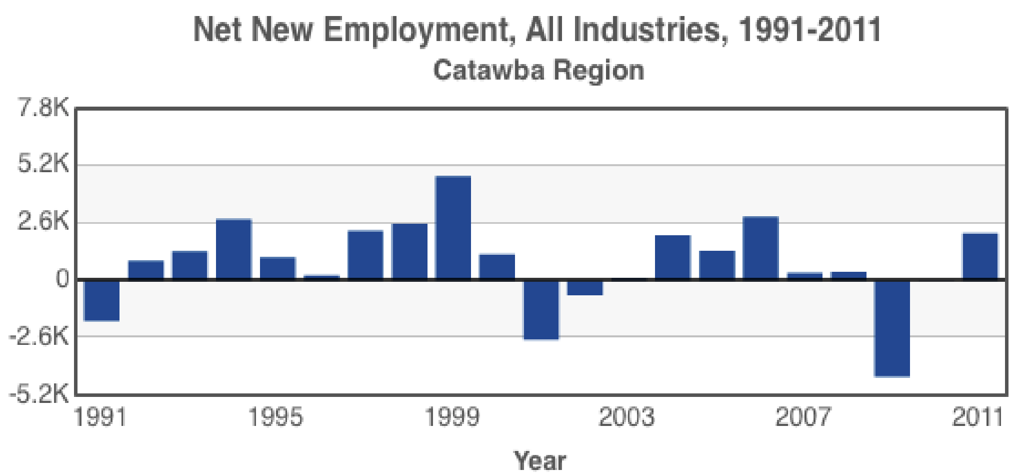
Following job losses and stagnation from 2008 to 2010, Figure 14 shows that in 2011 the Catawba Region experienced job growth in excess of the US rate.

Figure 14



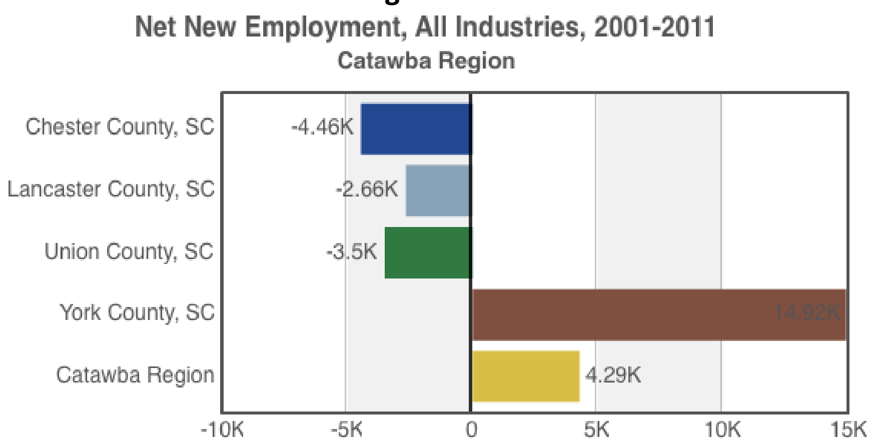
This recovery was more rapid than the US and resulted in the net creation of 2,200 jobs. However, as can be seen in Figure 15, it did not offset the 4,400 jobs lost in 2009.

Figure 15



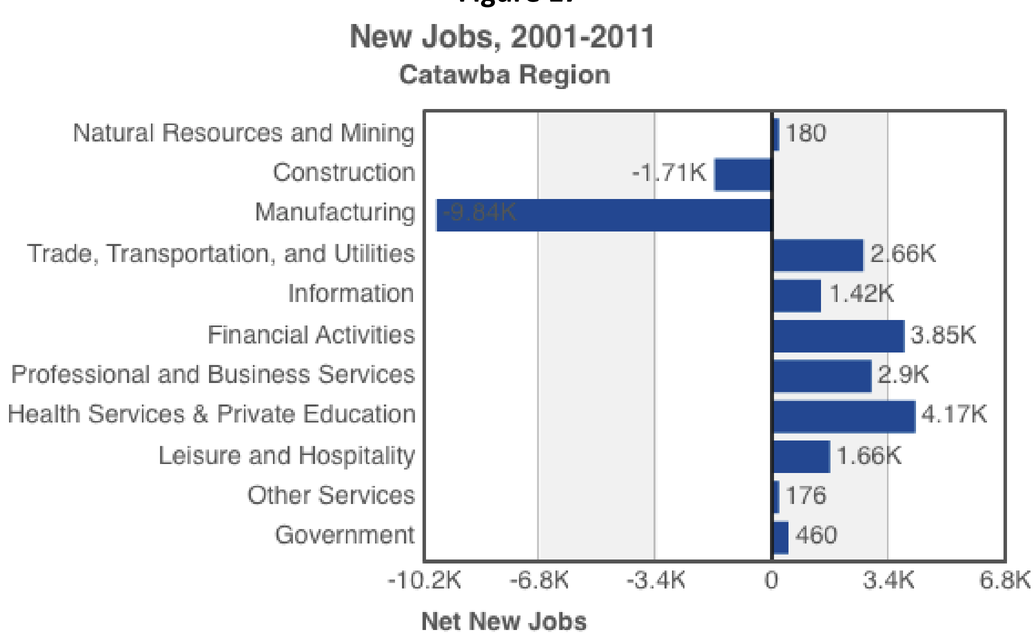
Between 2001 and 2011, Figure 16 shows that York was the only county in the region to experience positive net new employment. While Chester, Lancaster and Union counties also saw jobs created during this period, the net increase was not enough to offset the number of jobs lost during the recession in the latter part of the decade.

Figure 16



As illustrated in Figure 17, the leading sectors creating new jobs within the last decade were Health Services, Financial Activities, and Trade, Transportation and Utilities. Most of the job loss within the region occurred in the Manufacturing sector which can be greatly attributed to the continued decline of the textile industry. The Catawba Region's entire Manufacturing sector experienced a net loss of 9,841 jobs region-wide between 2001 and 2011.

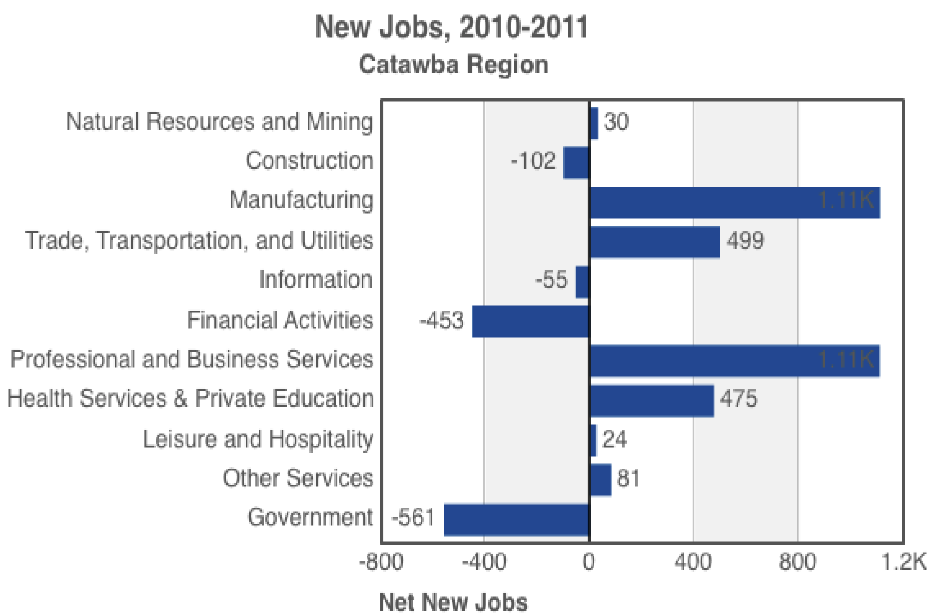
Figure 17



Recent Trends - Employment Growth and New Job Creation

While the region experienced substantial job losses in the manufacturing sector between 2001 and 2011, manufacturing accounted for the greatest number of new jobs created region-wide between 2010 and 2011 as can be seen in Figure 18. All four counties within the region experienced positive net new job creation in the Manufacturing sector with Chester being responsible for 7% of the growth region-wide, Lancaster 12%, Union 46%, and York 35%.

Figure 18

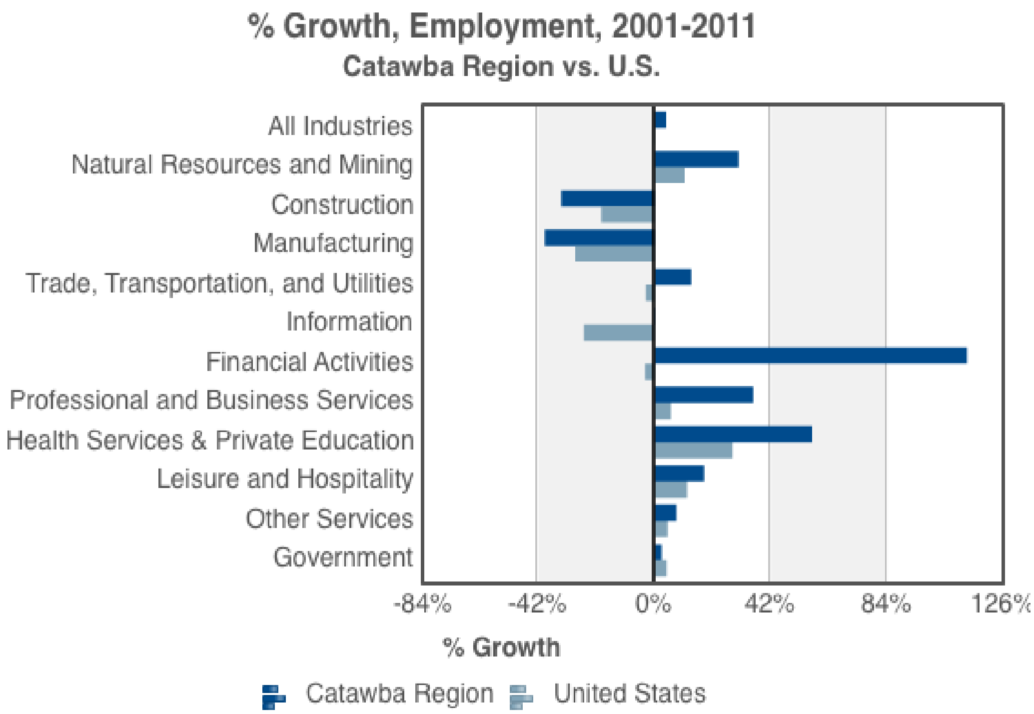


Other leading creators of new jobs in the Catawba Region between 2010 and 2011 were Professional and Business Services, and Trade, Transportation, and Utilities. New job creation within Professional and Business Services was exclusively within Lancaster and York counties while Trade, Transportation, and Utilities occurred primarily in York with 84% of the region's new jobs within that sector being created within York County.

Catawba Region – Comparative Analysis of Employment Growth versus US

Between 2001 and 2011 the fastest growing employment sectors in the Catawba Region were Financial Activities, Health Services & Private Education, and Professional and Business Services. These employment sectors all gained substantial employment within the region. Comparative losses, however, were experienced in the Construction and Manufacturing sectors.

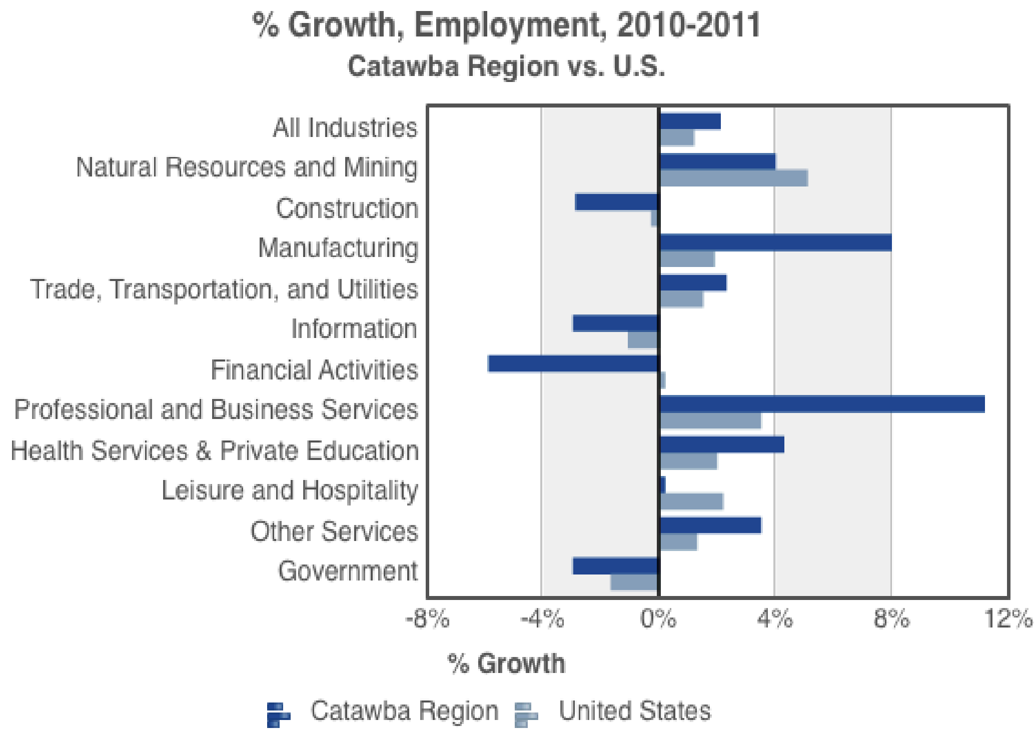
Figure 19



It is important to note that the region-wide growth in the Financial Activities sector can be attributed to a reported 4,289 new jobs created in York County between 2001 and 2011. During that same period, Chester, Lancaster, and Union all lost jobs in the Financial Activities sector resulting in a combined loss of 438 jobs. New jobs created in the Professional and Business Services sector were confined to Lancaster and York counties with 1,412 and 2,316 new jobs created, respectively. Chester and Union both lost jobs in that sector for a combined loss of 832 jobs. As previously mentioned, it also should be noted that the loss of manufacturing jobs during this period can be greatly attributed to the continued decline of the textile industry in the region.

Recent Trends– Comparative Analysis of Employment Growth versus U.S

Figure 20



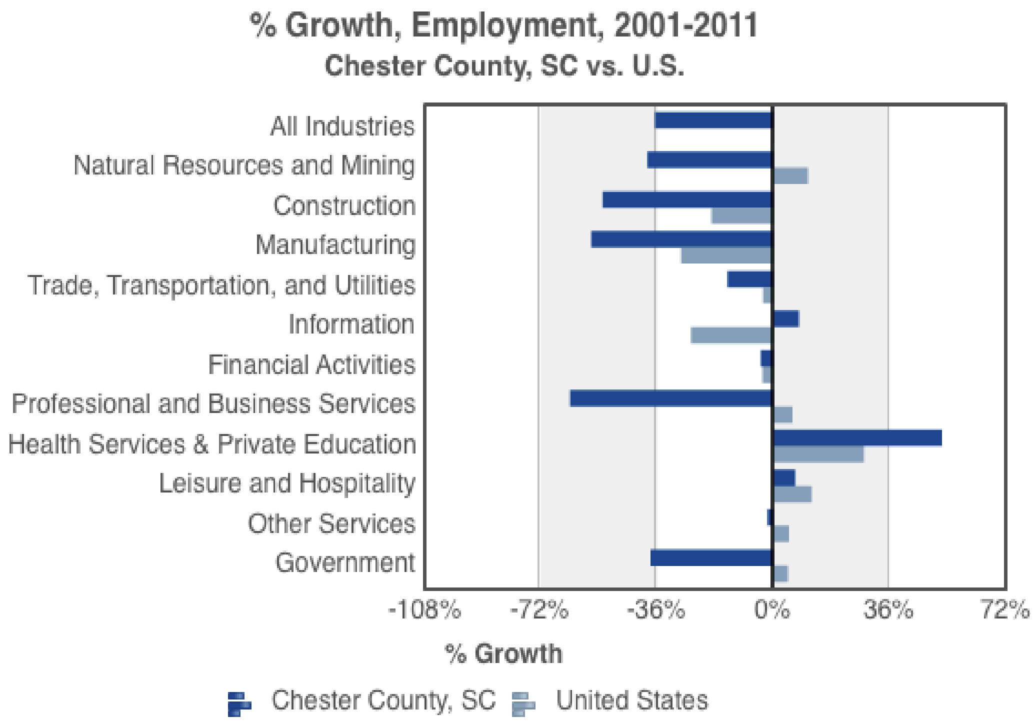
Between 2010 and 2011, Professional & Business Services was the fastest growing sector in the Catawba Region, creating 1,110 jobs and growing 11.2%. Positive job growth in this industry only occurred in Lancaster and York counties, with job losses in this sector in Chester and Union counties.

Manufacturing, the second fastest growing regional sector, created 1,111 jobs and grew at a rate of 8% region-wide. Each county saw positive employment growth in Manufacturing, but Union accounted for 505 (46%) of these new jobs. Health Services & Private Education employment growth occurred in Lancaster, Union and York counties at a rate of 4.3% for a gain of 475 new jobs.

Financial Activities and Government employment experienced decline in all four counties during this period, declining at a rate of 5.9% and 3%, respectively.

Chester County – Comparative Analysis of Employment Growth versus US

Figure 21



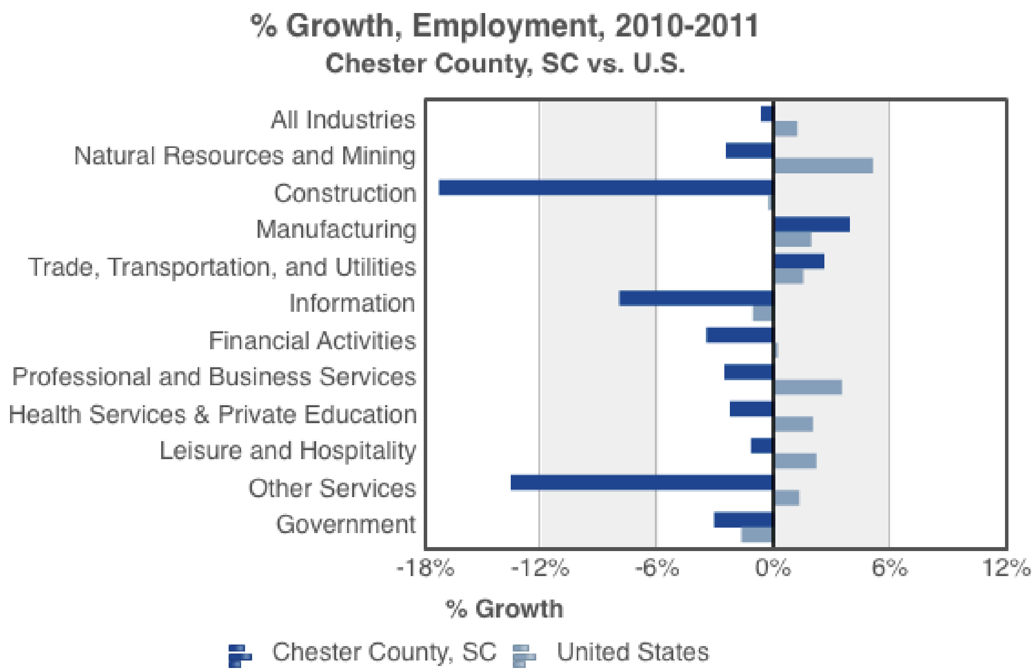
Between 2001 and 2011, Chester County experienced a 36.7% decline in employment resulting in a net loss of 4,452 jobs. This net job loss is the most severe in the region with a majority of the jobs lost being in the Manufacturing sector. The impact of the decline of the textile industry in Chester County during this period was a major contributor to the resulting loss of 2,810 jobs in the Manufacturing sector for the county.

Other significant areas of decline between 2001 and 2011 included Government, down 38.1%, resulting in a loss of 997 jobs and a loss of 900 jobs in Construction, Professional and Business Services, Natural Resources and Mining, and Trade, Transportation, and Utilities, combined.

Areas of employment growth between 2001 and 2011 included Health Services & Private Education, Information, and Leisure and Hospitality and resulted in a total of 266 new jobs.

Health Services & Private Education accounted for a majority of the growth sector with a growth rate of 59.1% resulting in 214 new jobs.

Figure 22



Recent Trends – Chester County

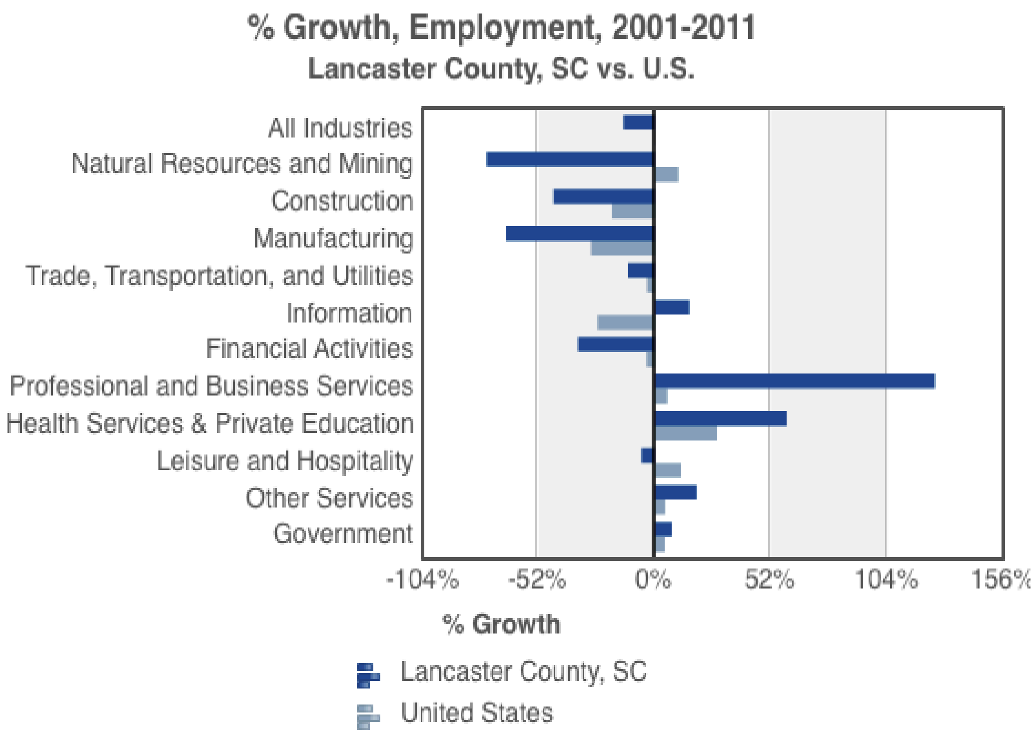
Chester County was the only regional county to lose jobs between 2010 and 2011 with a 0.7% net loss accounting for a net reduction of 51 jobs county-wide. The most significant contributor to job losses in Chester County was the Construction industry, which declined 17% resulting in a loss of 48 jobs. The growth sectors within the county during this time period were Manufacturing and Trade, Transportation, and Utilities which accounted for 123 combined new jobs in those sectors.

Recent industrial developments in Chester County include the opening of the Institute for Business and Home Safety (IBHS) Research Center in October 2010 which drew nationwide coverage for Chester County and the region.

New industries announced in the recent years include Jones-Hamilton Chemicals, Rolled Alloys and JN Fibers, and GiTi Tire. In addition, several industries in Chester have expanded capabilities or announced expansions within the last year including Ring Container Technologies, Boral Stone Products, Chester Wood Products, and Guardian Industries. These expansions and new industries underscore the growth that is taking place in current technical manufacturing.

Lancaster County – Comparative Analysis of Employment Growth versus US

Figure 23



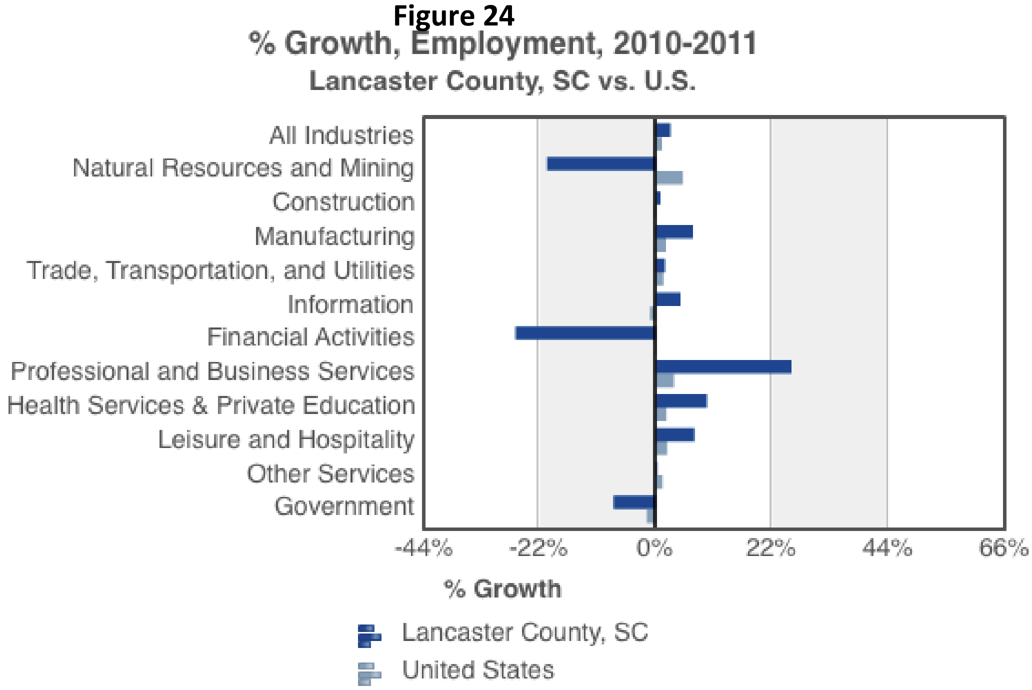
Lancaster County experienced a 14.1% decline in employment between 2001 and 2011 resulting in a net loss of 2,644 jobs. Of all the counties in the Catawba Region, Lancaster was hit the hardest by the decline of the textile industry contributing to a net loss of 3,936 jobs in the Manufacturing sector for the county between 2001 and 2011, more than any other county in the region.

Other significant areas of decline between 2001 and 2011 included Construction, down 45.5%, resulting in a loss of 461 jobs. This loss can be attributed to the sharp decline in housing development beginning with the recession in 2007 on the heels of unprecedented growth in the Indian Land area of the county between 2000 and 2006. Trade, Transportation, and Utilities saw an 11.9% reduction which resulted in a loss of 370 jobs. Other notable areas of decline were Financial Activities at -34.3% resulting in a loss of 381 jobs and Natural Resources and Mining at -75.2% for a loss of 82 jobs.

The most significant sector of employment growth in Lancaster between 2001 and 2011 was Professional and Business Services at 125.6% resulting in a net gain of 1,412 jobs. This gain may be partially attributed to Red Ventures, a high tech direct marketing company, moving its headquarters to the Indian Land area of the county. Health Services & Private Education also saw significant job growth during this period at 59.1%, resulting in the net addition of 921 jobs.

Recent Trends – Lancaster County

Figure 24



Between 2010 and 2011 Lancaster County experienced a 2.8% growth in employment accounting for a net increase of 442 jobs county-wide. The most significant contributor to job growth in Lancaster County was the Professional and Business Services sector, which increased

26% and brought 518 new jobs to the county. Other significant growth sectors within the county during this time period were Health Services & Private Education, and Manufacturing which accounted for 351 new jobs in those sectors.

Areas showing significant decline included Financial Activities, down 26.6%, for a loss of 264 jobs, and Government, down 8%, with a loss of 298 jobs. Natural Resources and Mining also suffered a decline of 20.6% but resulted in a nominal loss of 7 jobs.

As identified above, Red Ventures, a direct marketing technology company, opened its Lancaster operation in December 2009, enhancing the Professional and Business Services sector within the county. Red Ventures announced in August 2012 that it would be expanding its facility to roughly double its number of employees over the next 5 years. In 2013, Fancy Pokket, a specialty bakery company, broke ground on a new facility that will employ 35 persons initially. In 2014, Keer, a Chinese textile manufacturer, announced a new facility with 500 new advanced manufactured jobs.

In addition, Lancaster industries that have either announced expansions or expanded capabilities include Continental Tire and Honeywell.

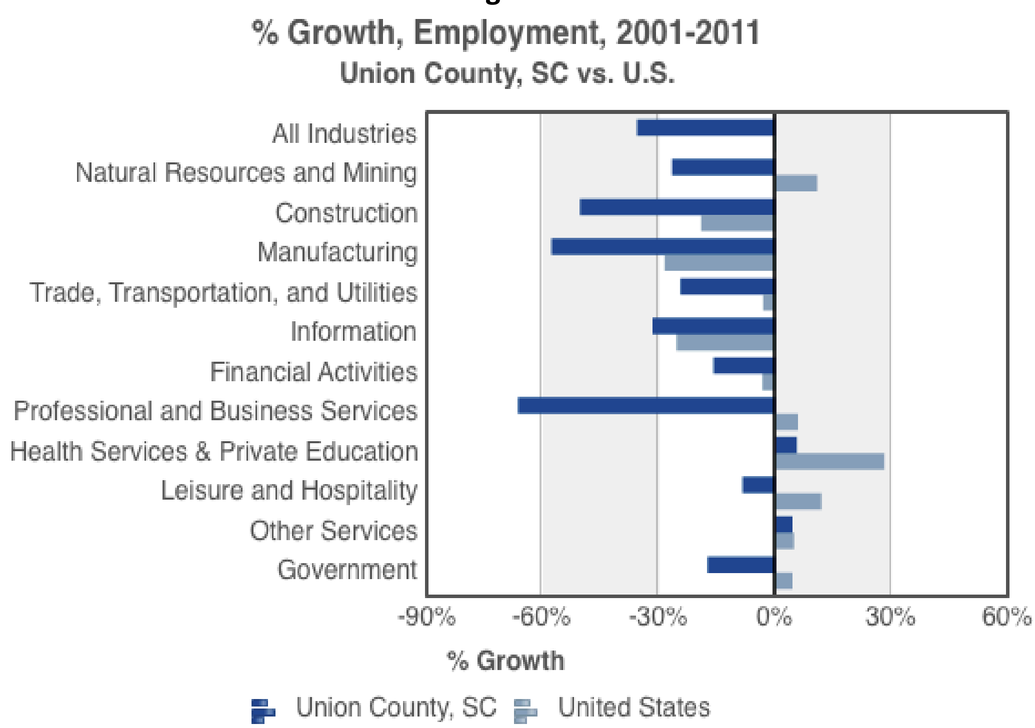
Union County – Comparative Analysis of Employment Growth versus US

Union County was second only to Chester in jobs lost between 2001 and 2011, experiencing a decline of 35.7% in employment resulting in a net loss of 3,502 jobs. As with all the counties in the Catawba Region, the decline of the textile industry in Union during this period contributed to a net loss of 1,966 jobs in the Manufacturing sector.

While almost every sector experienced decline in Union County during this period, significant areas of job loss included Professional and Business Services, down 66.4%, with a net loss of 511 jobs. Trade, Transportation, and Utilities, down 24.6%, also experienced a net loss of 349 jobs. The Government sector, down 17.5%, resulted in a net loss of 412 jobs. Natural Resources and Mining and Financial Activities also experienced declines resulting in the cumulative net loss of 84 jobs.

The only notable areas of employment growth in Union between 2001 and 2011 were Health Services & Private Education and Other Services, which grew 5.5%.

Figure 25



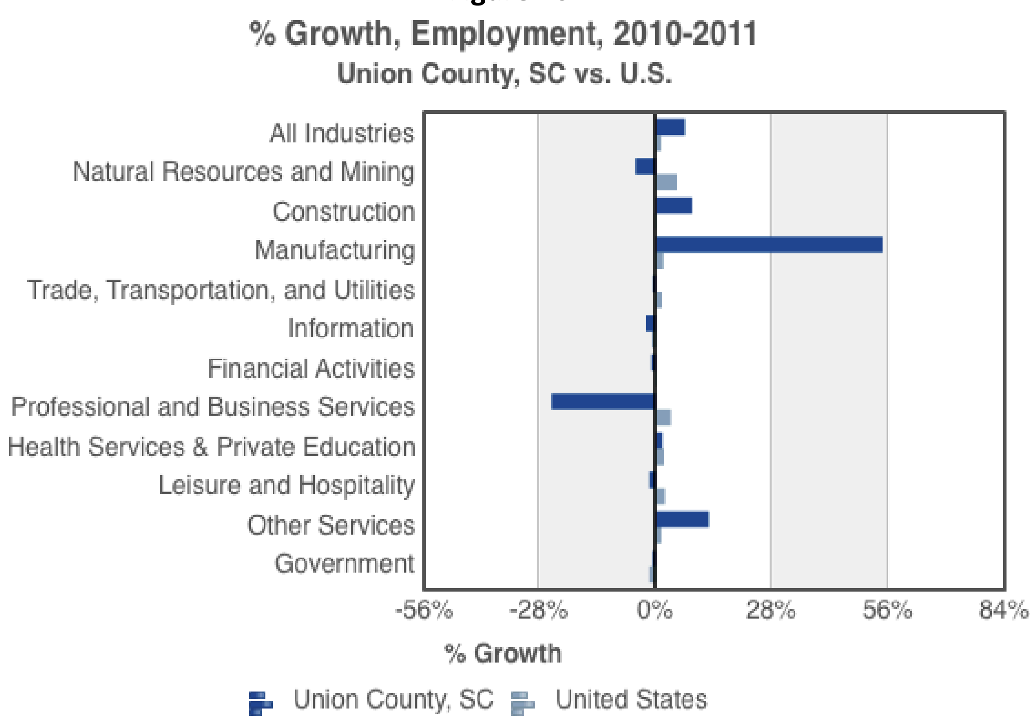
Recent Trends – Union County

Between 2010 and 2011, Union County experienced 7% growth in employment, accounting for a net increase of 411 jobs county-wide. The most significant contributor to job growth in Union County was the Manufacturing sector, which increased 55% and created 505 new jobs. While the sectors of Construction and Other Services also experienced growth, it is important to note that growth in these sectors accounted for a total of only 32 new jobs in those sectors.

The Professional and Business Services sector was the only area showing significant decline, down 25.1%, for a net loss of 87 jobs. While Natural Resources and Mining also suffered a 5% decline, the reduction resulted in a loss of only 5 net jobs.

Recent industrial developments in Union County include the opening of Belk, Inc.'s e-commerce and fulfillment distribution center in June 2012 and ESAB Welding and Cutting Products in July 2012. In addition, other new industries in Union County include Allied Industries International, Textile Trends, and Gonvarri Steel Services. Union industries that have either recently announced expansions or expanded capabilities include Gestamp South Carolina and Dollar General Distribution. In 2013, Standard Textile Company announced it was expanding its operation in the County.

Figure 26

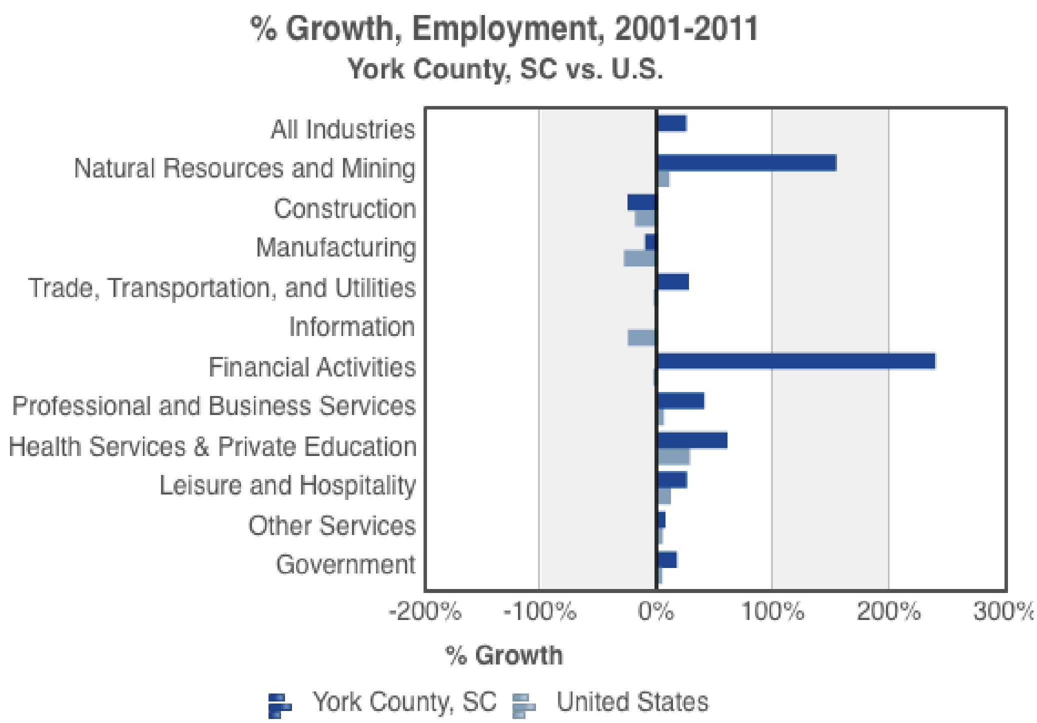


York County – Comparative Analysis of Employment Growth versus US

York County was the only county in the Catawba Region to see positive employment growth between 2001 and 2011, experiencing 25% growth in employment resulting in a net gain of 16,522 jobs. Financial Activities saw 239.6% growth during this period netting 4,289 new jobs in that sector. Primary contributors to this growth were Citi Financial and Wells Fargo Home Mortgage, two of the largest private sector employers in the county.

Other significant growth sectors were Health Services & Private Education, with 60.3% growth netting 3,017 new jobs, and Trade, Transportation, and Utilities, growing 27.3% and netting 3,645 new jobs. Natural Resources and Mining experienced 154.2% growth with a net of 347 new jobs.

Figure 27

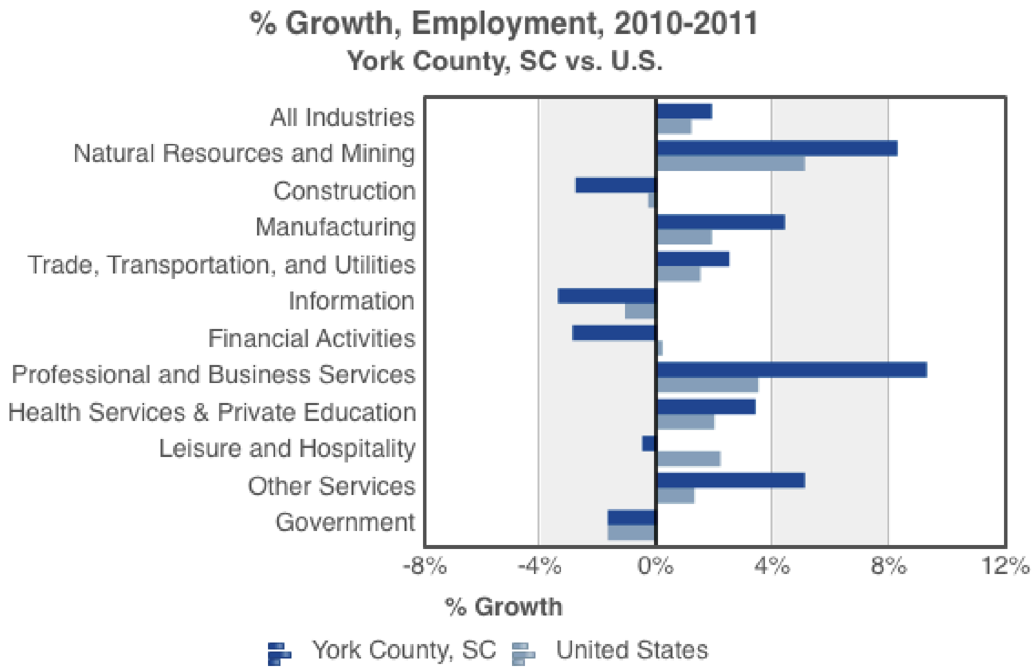


York County was not immune to the impact of the decline in the textile industry during this period with Manufacturing showing a decline of 10.7%, resulting in a net loss of 1,128 jobs. Construction, however, experienced a decline of 25.8% resulting in a net loss of 847 jobs in that sector. Like Lancaster, the area saw explosive housing development prior to 2007 which sharply declined throughout the recession.

Recent Trends – York County

York County's employment growth between 2010 and 2011 netted 1,357 new jobs resulting in a growth rate of 1.9% for that period. The most significant contributor to job growth in York County was the Professional and Business Services sector, which increased 9.3% and created 684 new jobs. Manufacturing also grew at a rate of 4.4% resulting in 393 net new jobs.

Figure 28



While the sectors of Natural Resources and Mining and Other Services also experienced growth, these sectors accounted for 127 new jobs combined while the slower growing sectors of Health Services & Private Education, and Trade, Transportation, and Utilities netted 265 and 420 new jobs, respectively.

The declining sectors of Information, Financial Activities, and Construction sectors combined for a loss of 299 jobs while Government, down 1.7%, experienced a loss of 193 jobs county-wide.

Recent industrial developments in York County include Ross Stores, developing a 1.2 million square foot distribution center in Rock Hill, which is expected to generate 550 new jobs. York

County also retained Bluestar Silicones that had outgrown its existing facility and announced an expansion in York County by combining production and research facilities.

Other new industries in York County include the groundbreaking for Permashrink, Inc., Britix Child Safety, Keller USA Inc., Centrex Plastics, Coroplast and Silcotech. Shutterfly relocated to York County with the purchase of a facility in Fort Mill. Other York County industries that have either recently announced expansions or expanded capabilities include AJAX Rolled Ring & Machine, Nation Ford Chemical, and Oerlikon Balzers. In 2014, the Lash Group and LPL Financial announced a combined 5,400 jobs in the Kingsley Park development in Fort Mill.

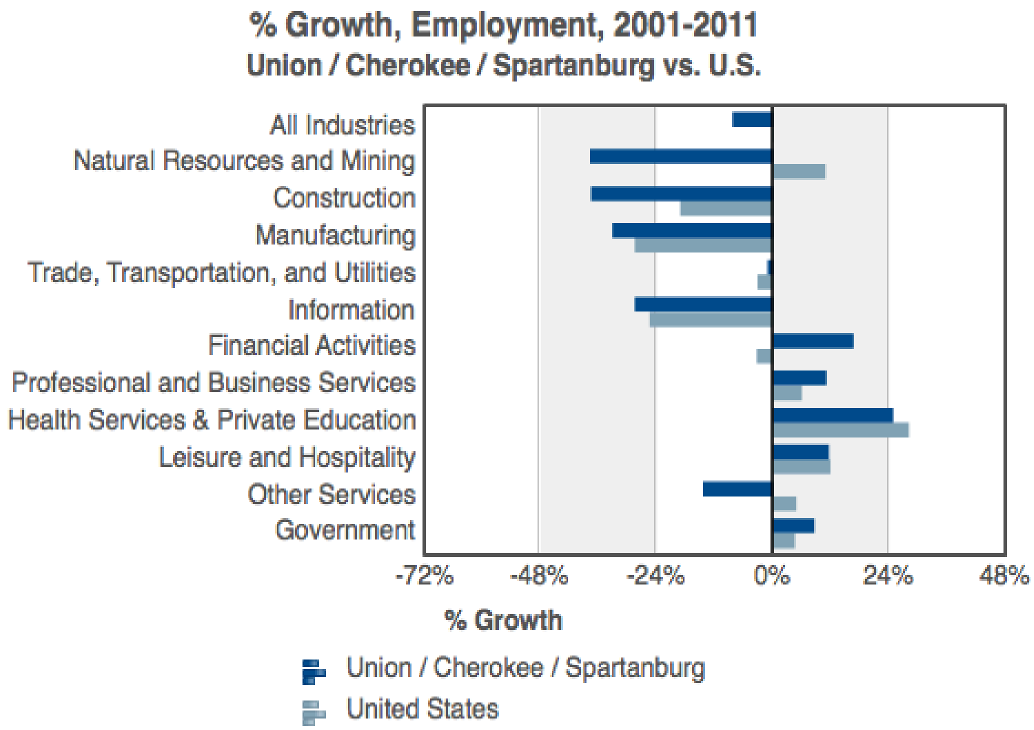
Union/Spartanburg Commuter Shed - Comparative Analysis of Employment Growth versus US

The Union / Spartanburg area experienced a decline of 8.4% in employment between 2001 and 2011 resulting in 12,200 job losses. Union County saw jobs decline 35.7% during this same time period.

While many sectors experienced job losses in the area during this period, sectors experiencing significant decline included Construction, down 37.6%, with a net loss of 3,011 jobs, and Manufacturing, down 33.2%, with a net loss of 15,348 jobs. Natural Resources and Mining and Information also experienced declines resulting in the net loss of 696 jobs.

Notable areas of employment growth in the Union/Spartanburg Commuter Shed between 2001 and 2011 were Health Services & Private Education which grew 24.8% and added 2,466 jobs, and Leisure and Hospitality which grew 11.6% and added 1,348 jobs.

Figure 29

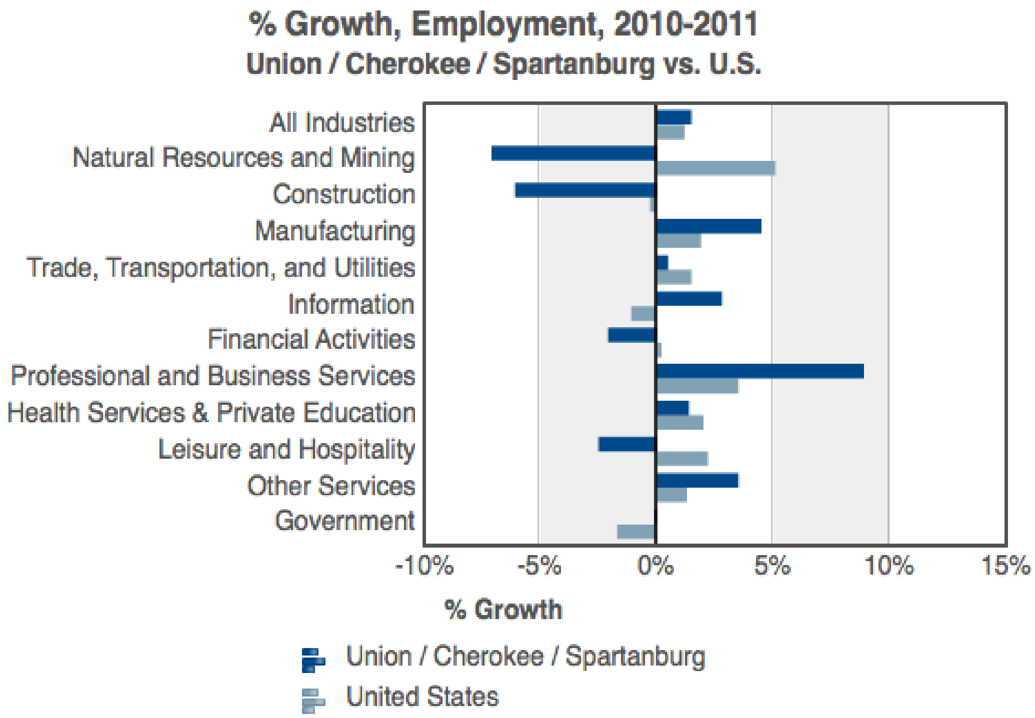


Recent Trends – Union / Spartanburg Commuter Shed

Between 2010 and 2011, the Union / Spartanburg area experienced 1.5% growth in employment, accounting for a net increase of 1,974 jobs region-wide. The most significant contributor to job growth in the region was the Manufacturing sector, which increased 4.5% and created 1,318 new jobs, 505 (38%) of which were created in Union County. Professional and Business Services was also a significant contributor growing 8.9% and adding 1,055 jobs.

The Construction sector continued to decline at a rate of 6.1% with a loss of 325 jobs, and Leisure and Hospitality declined 2.5%, losing 332 jobs. While Natural Resources and Mining experienced a 7.1% decline, the reduction resulted in a loss of only 40 net jobs.

Figure 30

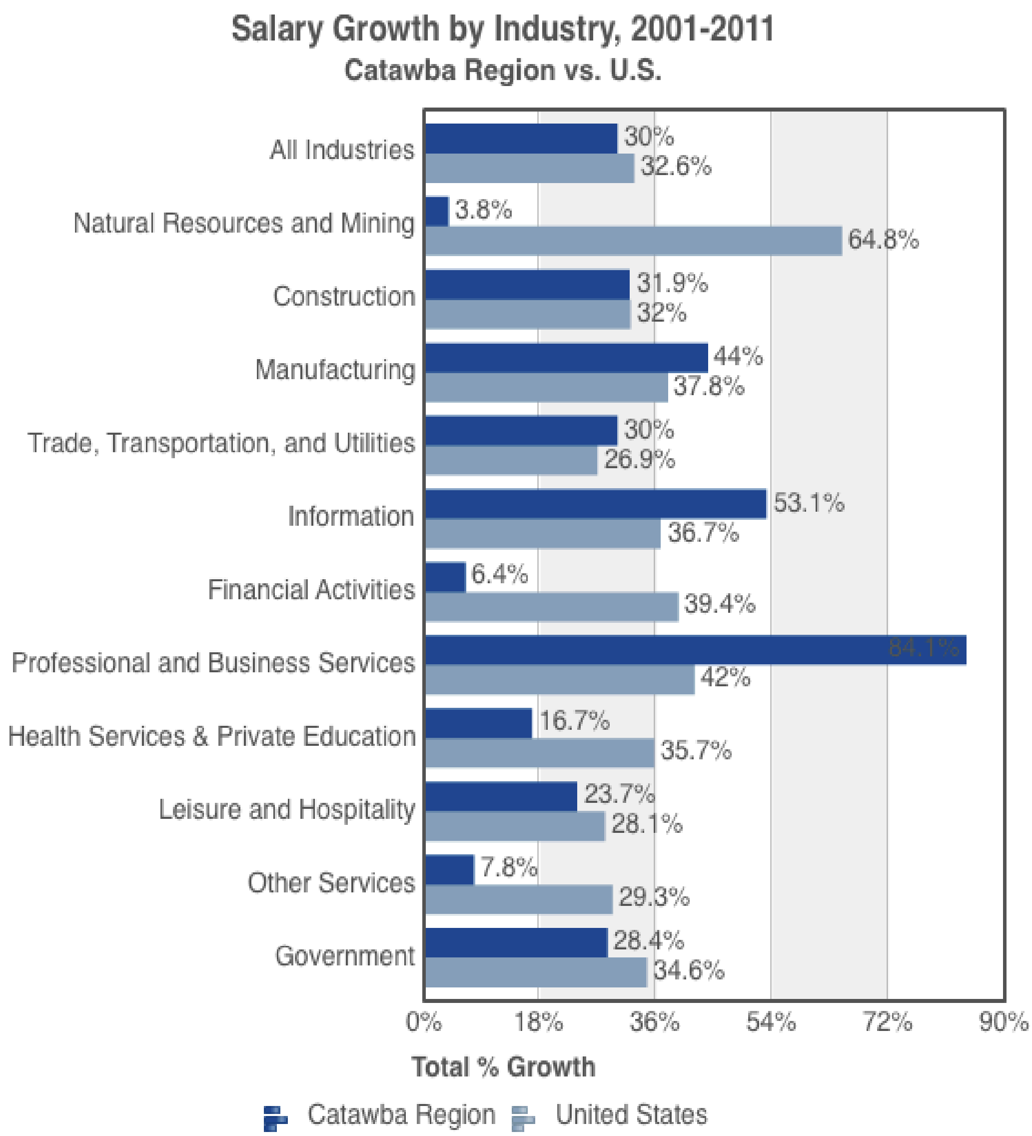


Gestamp Automocion in Union County.

Catawba Region - Comparative Analysis of Salaries versus US

The data in this section is based on the Department of Labor and Statistics Census of Employment and Wages (CEW). The CEW is conducted quarterly and covers 98% of jobs in the US. Major exclusions from the CEW include self-employed workers, most agricultural workers on small farms, all members of the Armed Forces, elected officials in most states, most employees of railroads, some domestic workers, most student workers at schools, and employees of certain small nonprofit organizations.

Figure 31



CEW data is collected from employers within a county, not employees living in that respective county. Average compensation therefore may not be reflective of mean/average earnings within that county due to employees who may be commuting in or out of the county to work.

It is important to note that the term "salary" in this section refers to all employees subject to state and federal Unemployment Insurance laws and includes all earnings inclusive of hourly and part-time wages.

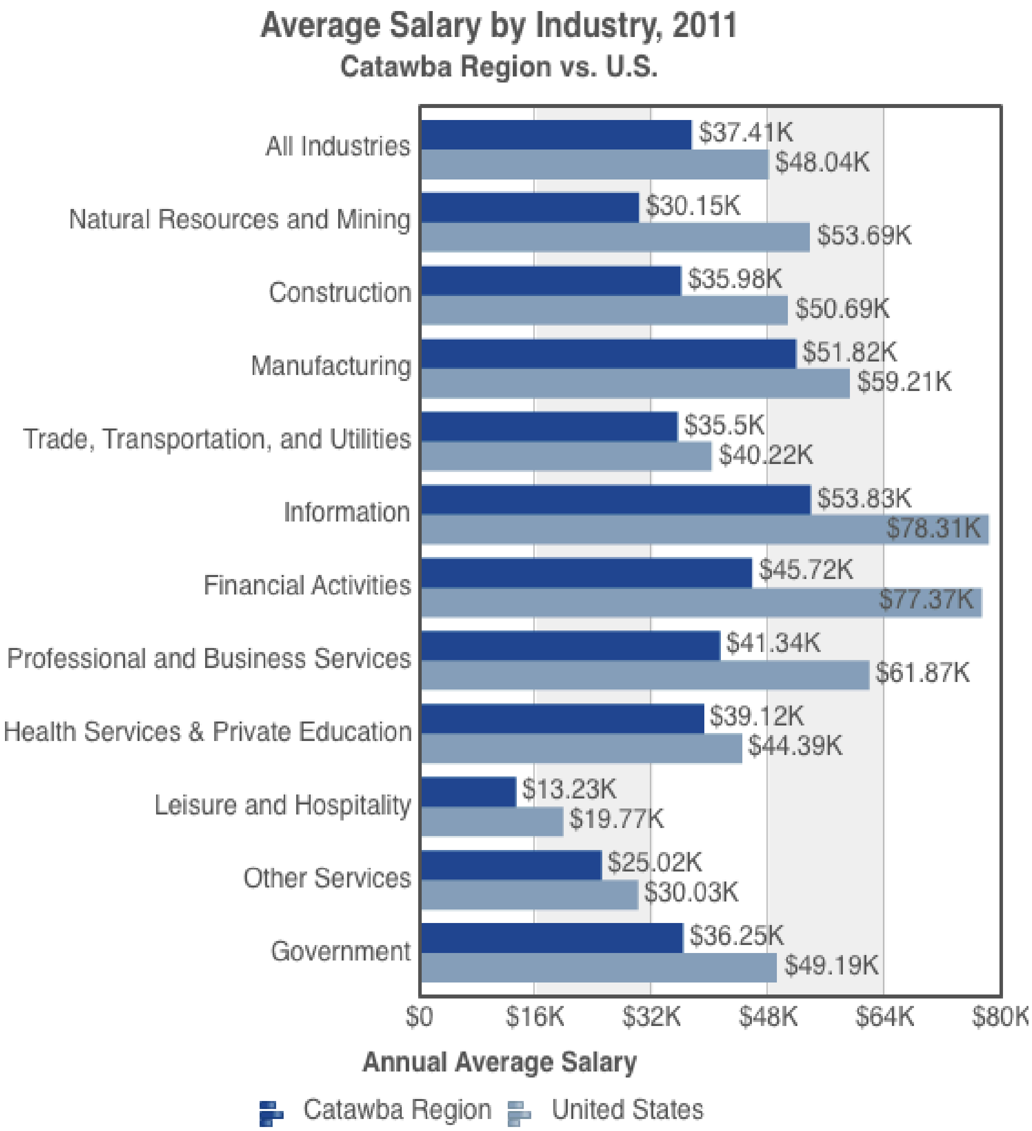
Overall salaries in the region grew slightly slower than the US from 2001 to 2011. The only industries that saw salary growth exceed the US were: Professional & Business Services (84% growth); Information (53%); Manufacturing (44%); and Trade, Transportation, & Utilities (30%). Figure 31 shows the salary growth by industry for the Catawba Region and the US.

Recent Trends - Comparative Analysis of Salaries versus US

In 2011, the average salary for all industries in the Catawba Region was $37,412, approximately 78% of the US average salary of $48,040. The highest paying industries in the region were Information (average salary of $53,829), Manufacturing ($51,820), and Financial Activities ($45,721). Figure 32 shows 2011 Average Salaries by Industry for the region versus the US.

The industries with the highest salaries relative to the US average were Manufacturing, Health Services & Private Education, and Trade, Transportation & Utilities, all of which were 88% of US salary level. A consideration when comparing salaries in the region to the US is that the Kiplinger 2012 Cost of Living Index for the Charlotte Metro area was 93% of the US Average.

Figure 32



Average Salary by Industry, 2011
Catawba Region vs. U.S.
All Industries
$37.41K
$48.04K
Natural Resources and Mining
$30.15K
$53.69K
Construction
$35.98K
$50.69K
Manufacturing
$51.82K
$59.21K
Trade, Transportation, and Utilities
$35.5K
$40.22K
Information
$53.83K
$78.31K
Financial Activities
$45.72K
$77.37K
Professional and Business Services
$41.34K
$61.87K
Health Services & Private Education
$39.12K
$44.39K
Leisure and Hospitality
$13.23K
$19.77K
Other Services
$25.02K
$30.03K
Government
$36.25K
$49.19K
$0
$16K
$32K
$48K
$64K
$80K
Annual Average Salary
Catawba Region
United States

Recent Trends - Comparative Analysis of Salaries in the Catawba Region

At the county level, York County had the highest average salary within the Catawba Region at $38,379. Chester and Lancaster counties were slightly below the regional average with salaries at $35,760 and $36,105, respectively. At $31,357, Union County had the lowest average in the region.

Table 1
Average Salary by County for the Catawba Region

	2011 Average Salary			
	Chester County	Lancaster County	Union County	York County
All Industries	$35,760	$36,105	$31,357	$38,379
Natural Resources and Mining	$40,497	$37,534	$35,316	$27,527
Construction	$38,887	$30,204	$25,495	$37,600
Manufacturing	$50,295	$50,548	$43,970	$53,634
Trade, Transportation, and Utilities	$27,915	$27,672	$22,702	$38,300
Information	$52,120	$49,555	$28,868	$55,350
Financial Activities	$36,226	$40,982	$35,732	$47,015
Professional and Business Services	$32,726	$40,310	$21,643	$42,506
Health Services & Private Education	$31,477	$44,966	$35,735	$38,056
Leisure and Hospitality	$13,956	$12,740	$12,558	$13,286
Other Services	$19,176	$21,026	$16,123	$27,356
Government	$34,201	$33,719	$33,469	$37,782

Interestingly, the industry sector with the highest average salary in the region is Manufacturing. As previously cited, Manufacturing was the sector with the sharpest decline in employment between 2001 and 2011, yet during the 2010-11 year it was shown to rebound mainly due to sector growth in Union County as the second fastest growing sector that year. These data would seem to be a clear indicator of the radical change that sector has had in the region over the last decade.

In all but York County, Manufacturing was the sector with the highest average salary. In York County, the Information sector surpassed Manufacturing by a marginal amount. The sector with the lowest average salary in all four counties was Leisure and Hospitality.

In most sectors, individual sector salaries follow the average for all industries in regard to county by county comparisons with York typically having the highest average salary followed by Lancaster, Chester, and Union, respectively. Notable exceptions to this are Construction, Leisure and Hospitality, and Natural Resources and Mining in which Chester County offers the highest average salary. In all but Natural Resources and Mining, and Health Services and Education, Union County had the lowest average salary region-wide.

Insurance Institute for Business and Home Safety research facility in Chester County.

Catawba Region - Comparative Analysis of Per Capita Income and Mean Earnings

The Catawba Region consistently lags behind the US national average for per capita income. Table 2 shows the Per Capita Income levels for the region and the US between 2000 and 2010.

Table 2
Per Capita Income
Catawba Region and the US
2000 – 2010

Year	Catawba Region	United States
2000	$24,137	$30,319
2001	$24,696	$31,157
2002	$25,321	$31,481
2003	$25,794	$32,295
2004	$26,872	$33,909
2005	$28,184	$35,452
2006	$29,634	$37,725
2007	$30,464	$39,506
2008	$30,962	$40,947
2009	$29,517	$38,846
2010	$30,223	$39,937

This trend is mirrored at the county level where three (Chester, Lancaster and Union) of the region's four counties trail the US and state Median Household Income. Table 3 shows the 2010 Median Household Income and Mean Individual earnings for counties in the Catawba Region as well as the US and South Carolina.

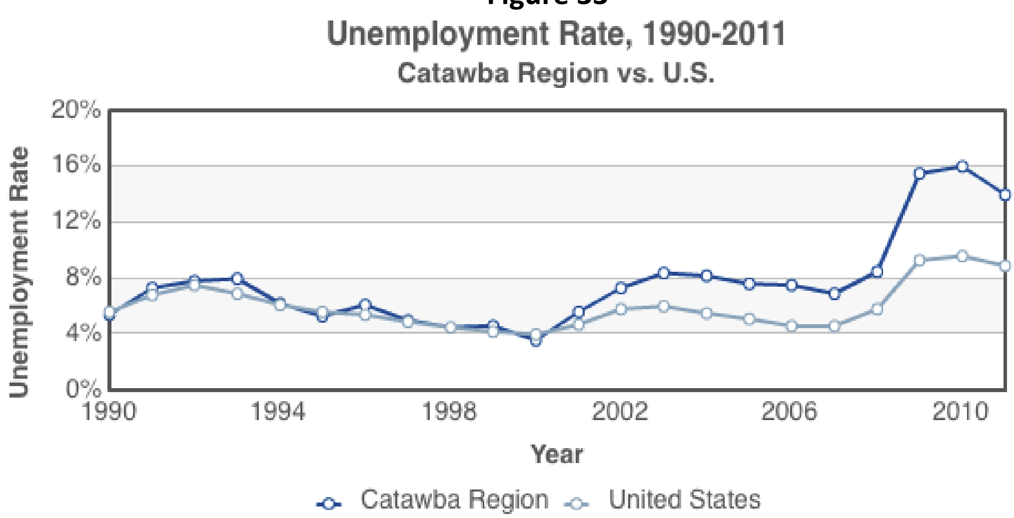
Table 3
Median Household Income / Mean Annual Earnings & Pay
Chester, Lancaster, Union and York Counties
South Carolina and the US 2010

	Median Household Income	Mean Individual Earnings
Chester County	$32,307	$39,221
Lancaster County	$38,905	$40,987
Union County	$31,223	$37,141
York County	$51,217	$51,045
South Carolina	$43,208	$46,506
United States	$51,222	$55,061

Catawba Region - Comparative Analysis of Unemployment

Figure 33 shows that the Catawba Region had unemployment rates similar to the US national rate from 1990 to 2000.

Figure 33

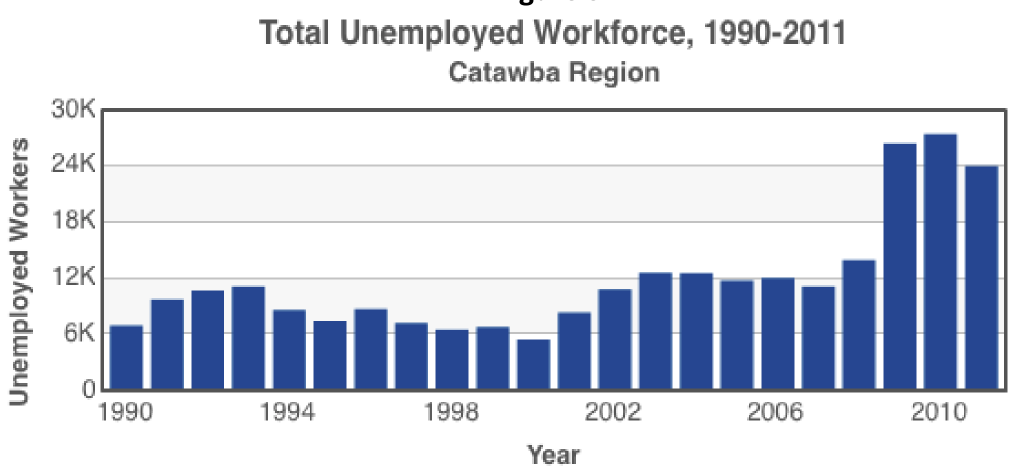


Beginning in 2001, however, as the remainder of the major textile industry locations within the region began to shut down, the gap began to widen with unemployment rates remaining approximately double that of the US between 2003 and 2008. With the added impact of the recession being fully realized in the area by 2008 and the collapse in population and housing growth in the region, unemployment rates rose in line with the US between 2009 and 2011, but the gap between the regional rate and the US rate widened greatly to average a 64% greater regional unemployment rate than that of the nation.

Between 2009 and 2011, the regional unemployment rate averaged 15.2% which represented a 122% increase in the average unemployment rate of the prior decade.

The total unemployed workforce, as seen in Figure 34, also reflects this marked increase beginning in 2009.

Figure 34



Catawba Region - Comparative Analysis of Poverty

Figure 35 shows that the percentage of people in poverty in the Catawba Region closely matches the rate for the US as a whole between 2000 and 2010.

Figure 35

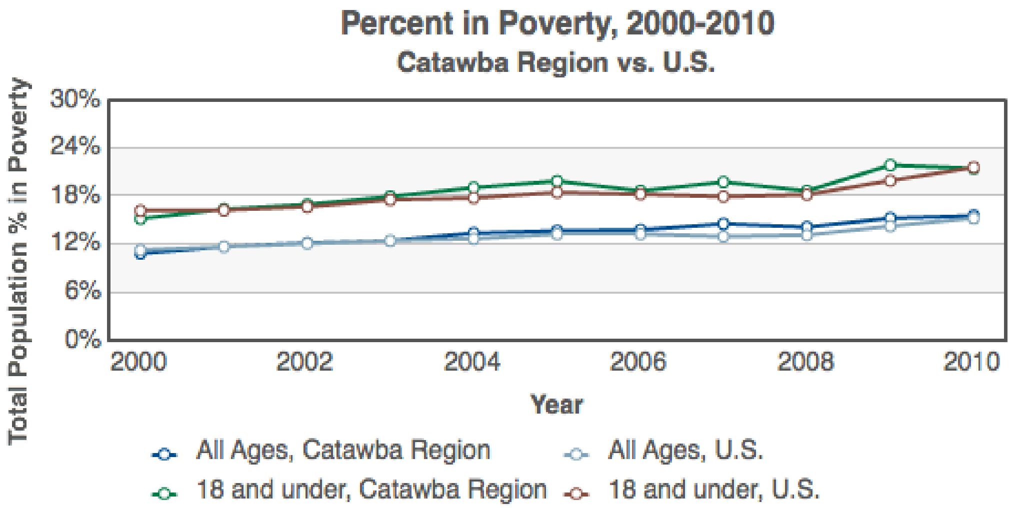
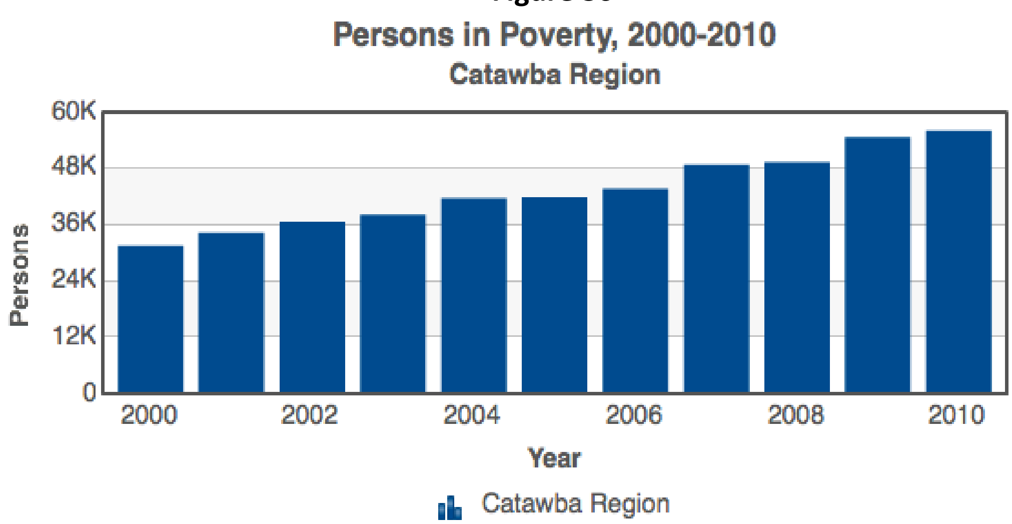


Figure 36 shows that the number of people in the Catawba Region below the poverty level increased steadily between 2000 and 2010. Not surprisingly, the largest increase in people below the poverty level occurred after 2006 as the latest recession began.

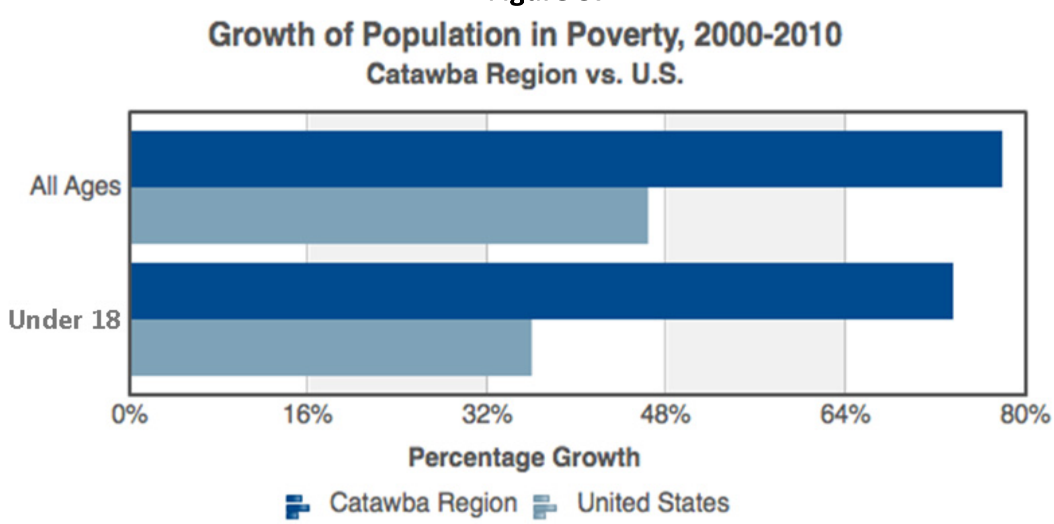
Figure 36



It is important to note, however, that while the overall poverty rate within the region has remained in line with the US rate, the regional growth in population in poverty between 2000 and 2010 was dramatically greater within the region in comparison to the US.

Figure 37 reflects this showing the regional population in poverty growing by 78% within the region during this period in contrast to a US rate of 46%. Additionally, the growth in children under 18 in poverty grew by 74% between 2000 and 2010 while the US grew at 36%. This is largely due to the regional population growth rate when compared to the US as a whole.

Figure 37



__Catawba Region - Comparative Analysis of Educational Attainment__

The Catawba Region has made advancements since 2000 with regard to the percentage of residents who have graduated from high school or obtained a college degree. As Table 4 illustrates, however, the percentage of people with less than a high school degree remains notably high in every county but York. The region as a whole is remarkably consistent with the state levels in every category, yet still lags behind the US in regard to people who have earned a high school degree or higher as well as those holding a Bachelor's Degree or higher.

When analyzing the percentages in Table 4, it is important to note that the US Census Bureau only counts an individual who is over 25 years of age in one category and counts them according to their highest education attained. If a person holds a Bachelor's Degree, for example, they are only represented in the “Bachelor’s Degree” category even though they also would hold a high school degree or equivalent. The “high school or higher” category represents all individuals who hold a high school degree or higher and the “bachelor’s or higher” category combines the “bachelor’s degree” and “master’s/professional degree or higher” categories.

As can be noted, there is county by county variation showing Chester, Lancaster, and Union counties generally having higher rates of high school graduates but a significantly lower rate of college graduates with a Bachelor’s degree or higher when compared with the state and nation. York County exceeds both the state and national averages for persons with a Bachelor’s degree which contributes to the county’s lower percentage in the “high school degree or equivalent” category due to the aforementioned method by which an individual is categorized.

Table 4
Educational Attainment of
Percentage of Persons 25 and Older - 2010

	Chester County	Lancaster County	Union County	York County	Catawba Region	South Carolina	United States
Less than high school degree	23.3	20.0	23.7	13.5	16.7	16.3	14.7
High school degree or equivalent	39.5	34.5	34.6	28.5	31.3	30.5	28.4
Some college, no degree	18.3	21.2	20.6	21.5	21.1	20.5	21.3
Associate’s degree	8.4	8.3	9.2	8.9	8.7	8.5	7.6
Bachelor’s degree	8.4	10.8	8.4	18.7	15.2	15.6	17.6
Master’s/Professional degree or higher	2.1	5.1	3.4	8.9	7.0	8.6	10.4
High school or higher	76.7	79.9	76.4	86.5	83.3	83.7	85.3
Bachelor’s or higher	10.5	15.9	11.8	27.6	22.2	24.2	28.0

Source: US Census Bureau, ACS 2010.

Regional Economic Cluster Analysis

Analysis Variables

Economic analysis aims to describe the trends and relative condition of variables related to an industry or occupation cluster. Avalanche Consulting's industry cluster analysis examines 29 broad industry clusters composed of related industry subsectors (compiled at the 4-digit NAICS level).

The primary variables examined for each industry and occupation cluster include size, concentration, and growth and are described as:

- **Size** simply means the total number of employees in an industry or occupation cluster;
- **Concentration** in this study is measured through Location Quotients (LQs). LQs compare the per capita concentration of a cluster in a local economy with the average concentration seen at the national level.
    - LQ of 1.5 indicates that the local economy has 50% more jobs per capita in that cluster than witnessed at the national level;
    - LQ of 1.0 indicates comparable number of jobs per capita versus the national level;
    - LQ below 1 indicates a below-average number of jobs per capita versus the national level.
- **Growth** measures the change in employment in a cluster. This study examines local trends from 2007 to 2012 in conjunction with projected growth for specific clusters from 2012 through 2017.

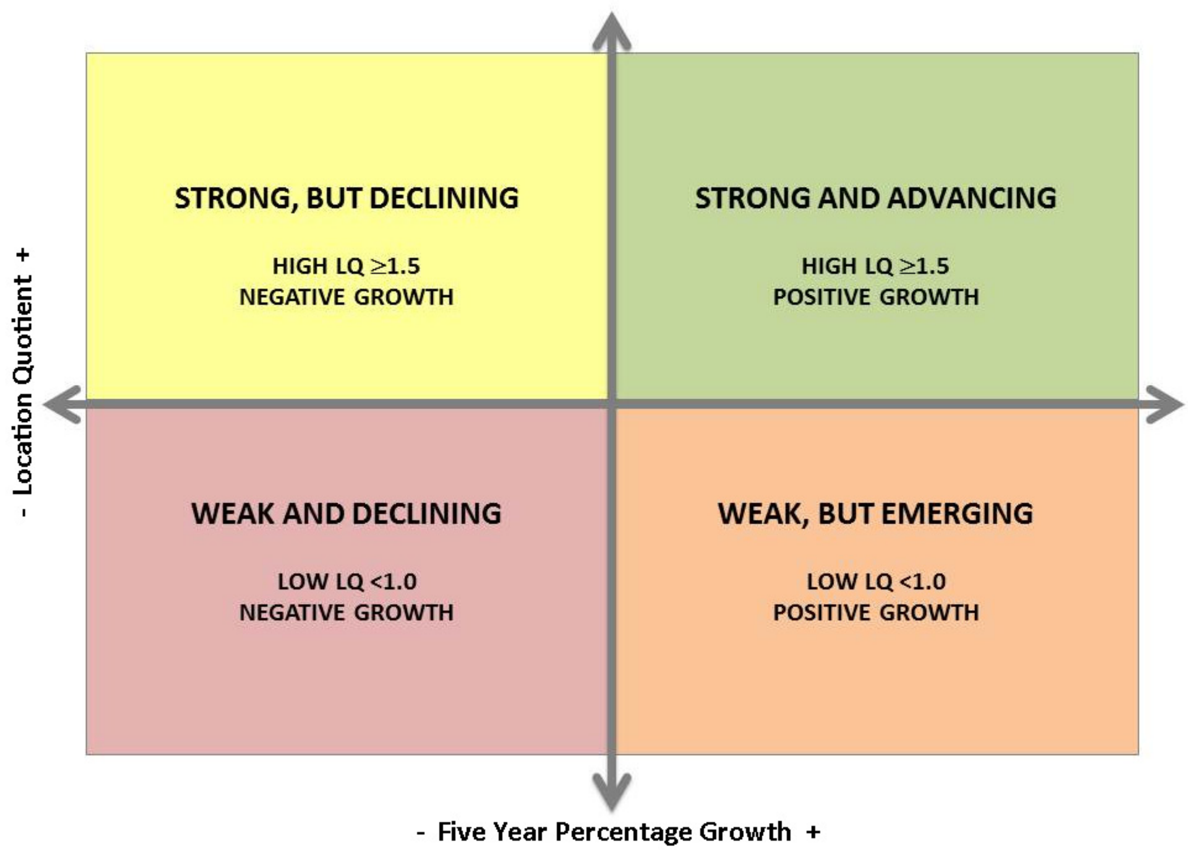
Location quotients provide a quick snapshot of which industries are concentrated in the region, with strong clusters generally having LQ's above 1.2.

<u>Cluster Charts and Quadrants</u>

The Cluster Charts to follow give a picture of industry trends and a general forecast of potential job growth / reduction over the next five years (2012-2017). The foundations for the development of the Cluster Charts are the three aforementioned variables of size, growth, and concentration (LQ). The size and concentration (LQ) are indicative of 2012 numbers while the growth percentage is a five year forecast for 2012 to 2017.

The five-year growth forecast is modeled on data from EMSI (Economic Modeling Specialist, International). EMSI is widely regarded as a lead data source for the Economic Development Industry. EMSI supplements data not represented in the Department of Labor and Statistics Census of Employment and Wages (CEW), and adds a ten-year annual forecast for industry growth. This forecast is modeled on <u>local trends in conjunction with national and regional industry sector growth forecasts</u>.

Figure 38
Cluster Chart Quadrants



The Cluster Charts show the 2012 concentration LQ of each major industry/occupation cluster on the vertical axis, the five-year (2012-2017) projected percentage growth for the cluster on the horizontal axis, and the 2012 relative employment of the cluster in the size of the bubble. Each chart included shows the top 25 industrial clusters based on year 2012 employment and therefore the clusters represented may vary somewhat from chart to chart due to changes in the top 25 clusters in each respective geographic region analyzed.

Each Cluster Chart is broken down into quadrants. The quadrants clarify the relative vitality of each industry cluster. The quadrants are detailed below:

Strong, but Declining Quadrant – High LQ and Negative Growth

The upper left quadrant contains industries that are more concentrated in the region than average, but whose concentration is declining due to below average or negative growth rates. If a mid-size or large industry or cluster is in this quadrant, this is an important warning that the region is losing a major part of its export base and should form planning and investment priorities accordingly, or even consider providing assistance (provided there is a reasonable expectation of long-term success). If the region does not bolster these industries or replace them with other export industries, then it will likely suffer significant job losses. A large industry in this quadrant usually indicates that layoffs are occurring and worker transitioning programs will be needed.

Strong and Advancing Quadrant – High LQ and Positive Growth

A sector in the upper right quadrant is more concentrated in the region than average and also is becoming more concentrated over time due to above-average growth rates. These industries are standouts that distinguish the regional economy and are typically doing better every year. They represent immediate opportunities for economic development (a "build on your strengths" strategy). They are especially important if they also are large in terms of sheer numbers of jobs. Large industries in this quadrant are both important and high performing, which means they will have increasing workforce demand. Small industries in this quadrant are emerging and may have high-potential regional export capabilities and should be developed further.

Weak and Declining Quadrant – Low LQ and Negative Growth

The lower left quadrant contains industries that are less important regionally than nationally and also are declining in employment. Industries here may represent warning signs that the region needs to attract more businesses in those industries in order to maintain an economy that is sufficiently balanced and diversified in comparison to the national economy. In general, industries in this quadrant indicate a lack of competitiveness and should not be targeted.

Weak, but Emerging Quadrant – Low LQ and Positive Growth

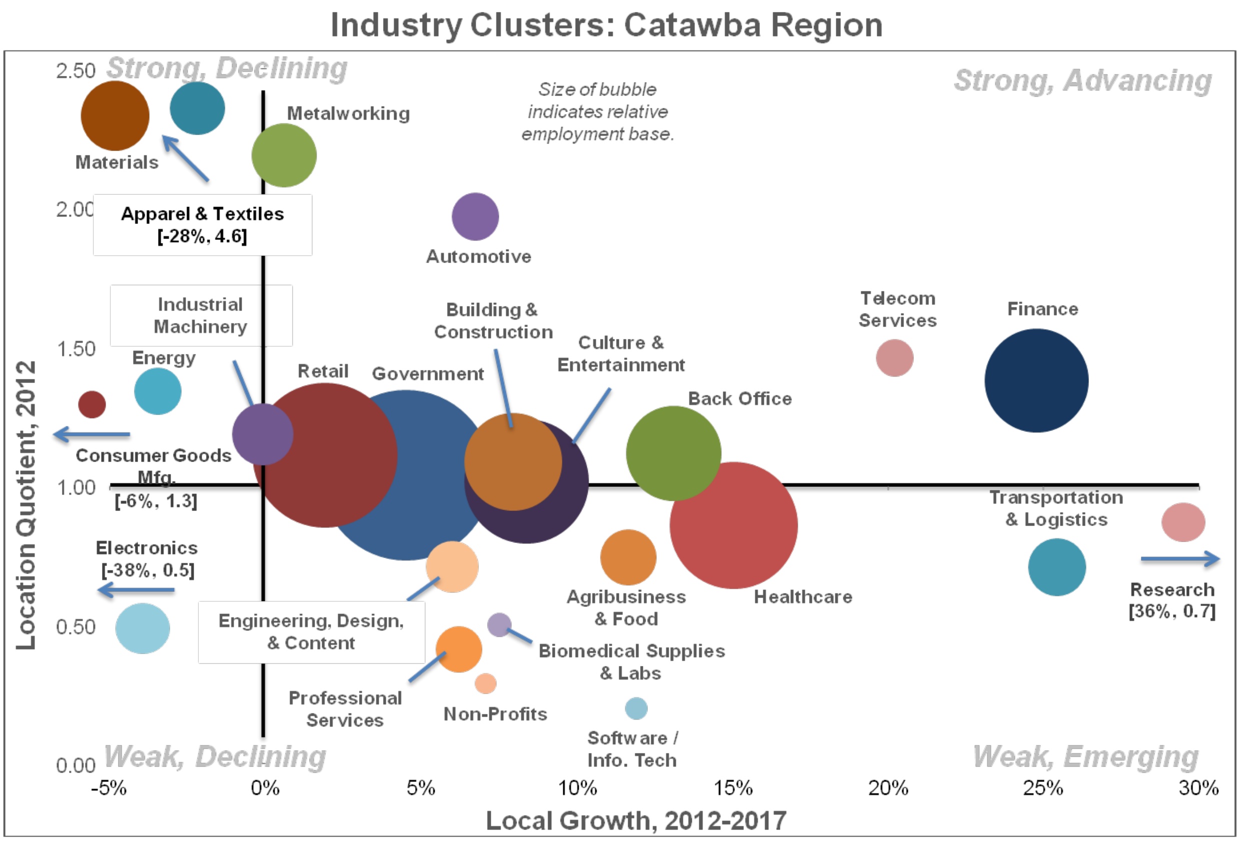
Finally, the lower right quadrant contains industries that are not yet as concentrated in the region as they are at the national level, but they are becoming more concentrated over time. If they continue this trend, they will eventually move across the horizontal axis into the upper right-hand quadrant (imagine a counter-clockwise swirl as emerging sectors become strong and then lose their strength as the economy shifts into another stage of the business cycle for the industry). Industries in the lower-right quadrant also can be called "emerging" industries, having the potential to contribute more to the region's economic base in the mid-term and long-term. They can be new sectors of the economy or support sectors that are historically under-represented in the region. These sectors require special attention from economic developers, such as entrepreneurial assistance and new workforce training programs.

Catawba Region - Cluster Analysis

The four-county Catawba Region of South Carolina has several high potential economic clusters. These clusters include a variety of allied industries involved in the manufacture or distribution of various types of auto parts, transportation and logistics companies, telecom, finance, and research related companies. The region's original economic cluster, the textile industry, has been in rapid decline though still has a concentration LQ well above the national average. Region-wide, the Apparel & Textile Industry continued to employ 1,879 people in 2012.

It is extremely important to note that the Avalanche Consulting defined Research Cluster includes industries assigned a NAICS Code of 5416, "Management Scientific and Technical Consulting Services". Red Ventures, a technology based marketing company headquartered in the Indian Land area of Lancaster County, is categorized under NAICS 5416.

Figure 39



Cluster Size – Catawba Region

As can be seen in Figure 39 and evidenced via the size of each cluster's respective bubble, currently the largest employment clusters in the Catawba Region are Government, which includes workers at the federal, state, regional and local levels (20,815 jobs), Retail (15,042 jobs), Healthcare (11,625 jobs), and Culture & Entertainment (11,142 jobs). The Culture & Entertainment cluster includes industries such as Amusement Parks, Bars and Taverns, Museums, and full-service Restaurants among others.

Cluster Concentration (Location Quotient) – Catawba Region

The Location Quotient represents the local concentration of employment within a cluster relative to the average per capita concentration of jobs within the respective cluster nationally. Clusters with an LQ higher than 1.2 (120% of the national average concentration) are generally considered regionally important industry clusters due to their high concentration of jobs within that cluster versus the US. The most concentrated clusters in the Catawba Region are Apparel & Textiles (LQ of 4.59), Materials (LQ of 2.33), Metalworking (LQ of 2.18), Automotive (LQ of 1.97), Telecom Services (LQ of 1.46), and Finance (LQ of 1.38).

Cluster Growth – Catawba Region

Emerging and advancing clusters are clusters that are expected to experience a relative high level of growth over the next five years (2012-2017). Emerging and advancing clusters of note in the region include Research (projected 36% growth, LQ of 0.74) and Transportation and Logistics (projected growth of 25%, LQ of 0.71). Transportation and Logistics includes Rail, Freight, Warehousing and Storage, and Express Delivery Services, among others and is projected to add 607 jobs. The Research cluster includes Management, Scientific, and Technical Consulting as well as Scientific Research and Development Industries and is projected to bring an additional 394 jobs to the region between 2012 and 2017.

Other emerging and advancing clusters include Finance (projected growth of 25%, LQ of 1.38) which is projected to add 1,896 jobs, and Telecom Services (projected growth of 20%, LQ of 1.46) adding 199 jobs. The Automotive cluster, while not projected to grow as quickly as many other clusters, should be noted due to its high Location Quotient (LQ of 1.97) coupled with a projected growth of 7% resulting in a projected 108 additional jobs between 2012 and 2017.

As evidenced in Figures 39 and 40, there are numerous other clusters that are projected to grow at rates in excess of 10% over the next five years though not as quickly as the clusters cited above. The most significant of these clusters is Healthcare due to its large employment base of 11,625 employees in 2012. At a projected growth rate of 15%, the Healthcare cluster is expected to grow by 1,748 jobs between 2012 and 2017.

Figure 40

Cluster	2012 Employment	2012 LQ	Forecast, '12-'17 Growth	
			New Jobs	Local %
Aerospace	5	0.01	0	0.0%
Agribusiness & Food	2,212	0.74	258	11.7%
Apparel & Textiles	1,879	4.59	(530)	-28.2%
Automotive	1,598	1.97	108	6.8%
Back Office	6,425	1.11	844	13.1%
Biomedical Supplies & Labs	412	0.50	31	7.5%
Building & Construction	6,826	1.08	544	8.0%
Consumer Goods Mftg	661	1.29	(41)	-6.2%
Culture & Entertainment	11,142	1.01	935	8.4%
Education	303	0.14	28	9.2%
Electronics	1,740	0.88	(231)	-13.3%
Energy	1,589	1.34	(55)	-3.5%
Engineering, Design, & Content	1,951	0.71	117	6.0%
Finance	7,649	1.38	1,896	24.8%
Furniture	194	0.57	36	18.6%
Government	20,815	1.04	940	4.5%
Healthcare	11,625	0.86	1,748	15.0%
Industrial Machinery	2,743	1.18	3	0.1%
Logging & Metal/Mineral Mining	259	1.69	(39)	-15.1%
Materials	3,160	2.33	(154)	-4.9%
Metalworking	2,953	2.18	22	0.7%
Non-Profits	311	0.29	22	7.1%
Professional Services	1,513	0.41	94	6.2%
Research	1,086	0.74	394	36.3%
Retail	15,042	1.10	305	2.0%
Shipbuilding	11	0.11	(6)	-54.5%
Software / Info. Tech.	361	0.20	43	11.9%
Telecom Services	984	1.46	199	20.2%
Transportation & Logistics	2,386	0.71	607	25.4%
Total	107,788	1.00	8,101	7.5%

Source: Avalanche Consulting using data from EMSI

Two of the clusters with the highest LQ concentrations are projected to lose employment over the next five years. Apparel & Textiles (LQ of 4.59) is projected to lose 28% employment resulting in a loss of 530 jobs, and Materials (LQ of 2.33) is expected to lose 5% resulting in the loss of 154 jobs. The Materials cluster includes pulp and paper mills, chemical manufacturing, plastics, as well as other related industries. Electronics, Consumer Goods Manufacturing, and Energy also are projected to lose significant employment in the next five years.

Figure 40 shows all of the clusters for the Catawba Region along with each respective 2012 employment base, 2012 LQ, and projected 2012 – 2017 growth. Dark green indicates a higher potential growth rate.

Catawba Region Commuter Shed - Cluster Analysis

As has been previously mentioned, the economy of the Catawba Region is highly influenced by the region's proximity to the Charlotte / Mecklenburg area of North Carolina. According to the US Census Bureau's American Community Survey (ACS) 3-year Estimates of workers over the age of 16, the following commuter patterns exist in the region's counties:

Table 5
Commuting Patterns for the Catawba Region Counties

	Chester	Lancaster	Union	York
16+ Working Population	12,392	29,348	10,645*	105,973
Work in County of Residence	44.7%	52.0%	58.4%	62.4%
Work In State and Outside County	42.3%	20.6%	40.4%	4.1%
Work Outside State	13.0%	27.5%	1.3%	33.6%

*This number may be slightly understated as it does not include workers in Union who work out of the home.

Chester County has the lowest percentage of residents remaining in the county for employment. An assumption can be made that most of those workers leaving the county but remaining in state are working in the more industry dense York County or may be commuting to Columbia, SC which is approximately 50 miles south of Chester and easily accessible via Interstate 77. This is substantiated by the Census Bureau ACS estimate that 23.7% of commuters in Chester travel more than 45 minutes to work.

Lancaster and Union retain slightly more than 50% of their respective residents for employment with Lancaster's residents fairly evenly splitting working in state and outside the county and working out of state. It could be assumed that most of those working out of state are commuting to adjacent Mecklenburg and Union, NC counties. Likewise, a majority of those working in state and outside of the county in Union, SC could be assumed to be commuting to Spartanburg and Cherokee counties in SC.

York County has the largest percentage of residents remaining in the county to work and has the largest percentage of workers leaving the state for employment, presumably commuting to Gaston and Mecklenburg Counties.

In consideration of the number of residents in the region commuting outside the state for employment, additional cluster analysis has been done for the Catawba Region Commuter Shed, which includes all four counties in the Catawba Region plus Gaston, Mecklenburg, and Union counties in North Carolina.

Data was not available via EMSI for Spartanburg and Cherokee counties which prohibited detailed industry cluster analysis and growth projections for the aforementioned Union/Spartanburg Commuter Shed. The Union/Spartanburg area is detailed in the *Union/Spartanburg Commuter Shed - Employment by Industry* (page 21) and *Union/Spartanburg Commuter Shed - Comparative Analysis of Employment Growth versus US* (page 37) sections of this document. The 2010-2011 employment data for the Union/Spartanburg Region does, however, indicate substantial growth in the Manufacturing

(1,320 net new jobs) and Professional and Business Services (1,060 net new jobs) sectors. These could be potential emerging and advancing sectors for the Union/Spartanburg area.

The Catawba Region Commuter Shed's economic clusters show several notable differences and similarities when compared to the previously presented clusters for the Catawba Region. Of particular note are the Research, Finance, and Apparel & Textile clusters, all of which present in a similar manner at the Commuter Shed as they did for the Catawba Region.

Cluster Size – Catawba Region versus the Catawba Region Commuter Shed

As can be seen in Figure 41 and evidenced via the size of each cluster's respective bubble, currently the largest employment clusters in the Catawba Region Commuter Shed are similar to those found at the Catawba Region level with the top four clusters mirroring one another. These four largest clusters are Government, which includes workers at the federal, state, regional and local levels (113,205 jobs), Retail (94,298 jobs), Culture & Entertainment (84,025 jobs), and Healthcare (70,755 jobs).

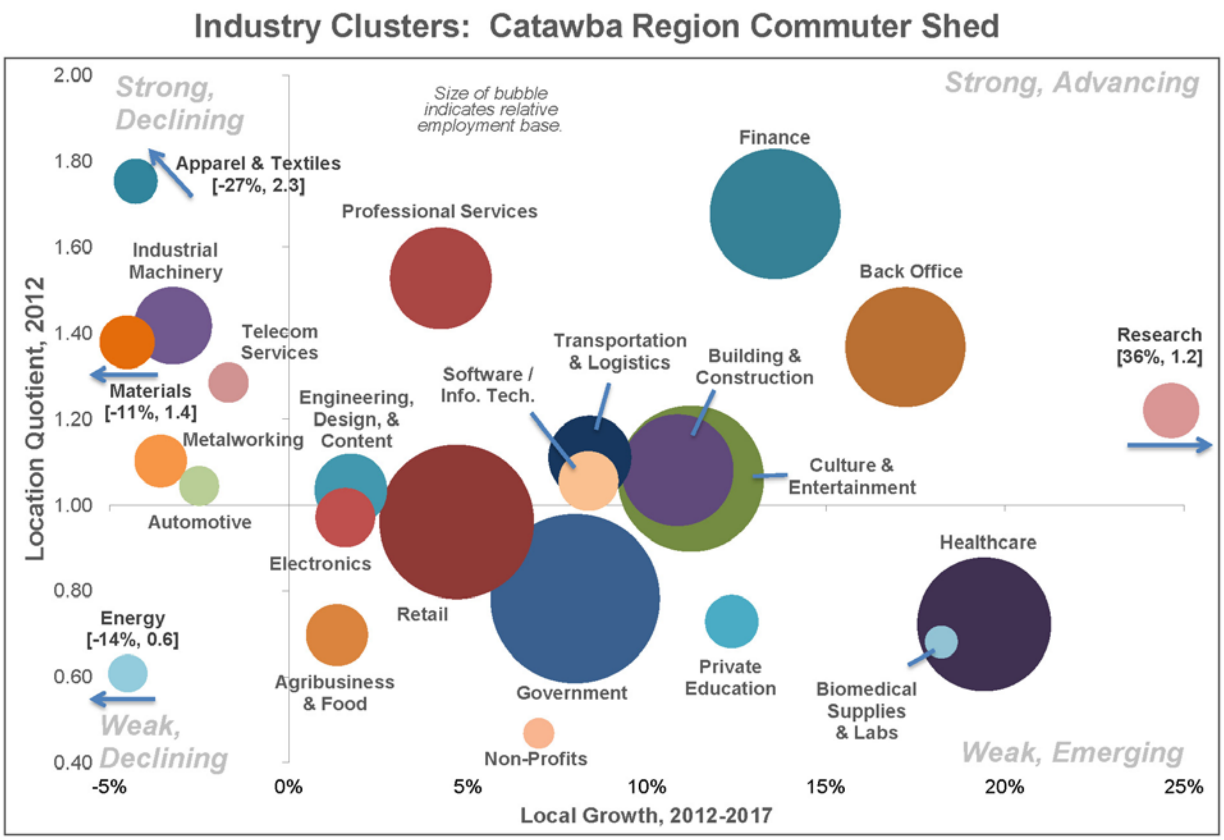
Cluster Concentration – Catawba Region versus the Catawba Region Commuter Shed

The Location Quotient (LQ) represents the concentration of employment within a cluster relative to the average per capita concentration of jobs within the respective cluster nationally. The highest LQ clusters in the Catawba Region Commuter Shed are Apparel & Textiles (LQ of 2.32), Finance (LQ of 1.68), Professional Services (LQ of 1.53), Industrial Machinery (LQ of 1.42), Materials (LQ of 1.37), and Back Office (LQ of 1.37).

Back Office includes office administrative and facilities support services, business support and employment services, among other related industries. Professional Services includes legal, accounting, and corporate management services.

The influence of the Mecklenburg / Charlotte area can be seen within the Commuter Shed via shifts in concentration toward Finance, Professional Services, and Back Office in comparison with the four-county Catawba Region. This is supported by the significant presence of financial institutions and financial corporate headquarters within Charlotte.

Figure 41



Cluster Growth – Catawba Region versus the Catawba Region Commuter Shed

Emerging and advancing clusters are clusters that are expected to experience a relative high level of growth over the next five years (2012-2017). Emerging and advancing clusters of note in the Catawba Region Commuter Shed include Research (projected 36% growth, LQ of 1.22), Healthcare (projected growth of 19.4%, LQ of .72) and Biomedical Supplies & Labs (projected growth of 18.2%, LQ of .68).

Research was the most significant projected growth cluster at both the four-county Catawba Region and seven-county multi-state Catawba Region Commuter Shed level. While at the regional level the Research cluster was estimated to add 394 jobs, within the Commuter Shed the cluster is projected to create 4,605 new jobs between 2012 and 2017. The intertwined Healthcare and Biomedical Supplies and Labs clusters are projected to create a combined 14,482 jobs within the commuter shed over the next five years compared to 1,779 within the four-county Catawba Region.

Other emerging and advancing clusters in the Commuter Shed include Finance (projected growth of 13.6%, LQ of 1.68) adding 9,124 jobs and Back Office (projected growth of 17.2%, LQ of 1.37) adding 9,784 jobs over the five year period. Professional Services should be noted even though its projected growth is only 4.2%, bringing 1,727 new jobs in that cluster due to its relatively high concentration (LQ of 1.53) within the Commuter Shed.

As evidenced in Figures 41 and 42, there are numerous other clusters that are projected to grow at rates in excess of 10% over the next five years though not as quickly as the clusters cited above. The most significant of these clusters is Culture and Entertainment due to its large employment base of 84,025 employees in 2012. At a projected growth rate of 11.2%, the Culture & Entertainment cluster is expected to grow by 9,435 jobs between 2012 and 2017.

Two of the clusters with the highest LQ concentrations are projected to lose employment over the next five years. Similar to the Catawba Region, Apparel & Textiles (LQ of 2.39) is projected to lose 26.7% employment resulting in a loss of 1,822 jobs and Materials (LQ of 1.37) is projected to decline by 11.4% for a loss of 1,530 jobs within the Commuter Shed.
The percentage of Apparel & Textile jobs projected to be lost within the Commuter Shed is similar to the percentage at the Catawba Region level (28.2%). The impact to the Catawba Region, however, could be significantly more meaningful due to the higher concentration of jobs within the sector at the Catawba Region (LQ of 4.59) versus the Commuter Shed (LQ of 2.32).

Figure 42 shows all of the clusters for the Catawba Region Commuter Shed along with each respective 2012 employment base, 2012 LQ, and projected 2012 – 2017 growth. Dark green indicates a higher potential growth rate.

Figure 42

Cluster	2012 Employment	2012 LQ	Forecast, 2012-2017 Growth	Forecast, 2012-2017 New Jobs
Aerospace	282	0.10	6.7%	19
Agribusiness & Food	15,004	0.70	1.3%	202
Apparel & Textiles	6,836	2.32	-26.7%	(1,822)
Automotive	6,116	1.04	-2.5%	(153)
Back Office	56,819	1.37	17.2%	9,784
Biomedical Supplies & Labs	4,072	0.68	18.2%	742
Building & Construction	48,983	1.08	10.9%	5,319
Consumer Goods Mftg	3,354	0.91	2.4%	81
Culture & Entertainment	84,025	1.06	11.2%	9,435
Private Education	11,100	0.73	12.4%	1,373
Electronics	13,797	0.97	1.6%	218
Energy	5,164	0.60	-14.3%	(739)
Engineering, Design, & Content	20,577	1.04	1.7%	357
Finance	67,185	1.68	13.6%	9,124
Furniture	2,607	1.05	6.1%	159
Government	113,205	0.78	8.0%	9,054
Healthcare	70,755	0.72	19.4%	13,740
Industrial Machinery	23,703	1.42	-3.2%	(766)
Logging & Metal/Mineral Mining	549	0.50	-3.8%	(21)
Materials	13,371	1.37	-11.4%	(1,530)
Metalworking	10,770	1.10	-3.6%	(385)
Non-Profits	3,652	0.47	7.0%	255
Professional Services	40,665	1.53	4.2%	1,727
Research	12,819	1.22	35.9%	4,605
Retail	94,298	0.96	4.7%	4,424
Software / Info. Tech.	13,890	1.06	8.4%	1,163
Telecom Services	6,250	1.28	-1.7%	(105)
Transportation & Logistics	27,015	1.11	8.4%	2,271
Total	776,370	1.00	8.8%	68,377

Source: Avalanche Consulting, EMSI Covered

Greater Charlotte Region - Cluster Analysis

The Greater Charlotte Region is comprised of 17 counties in North and South Carolina. The South Carolina counties include the four counties that are the Catawba Region (Chester, Lancaster, Union, and York, SC) plus Chesterfield County, SC. The 13 North Carolina counties in the region are Alexander, Iredell, Catawba, Rowan, Cleveland, Lincoln, Gaston, Mecklenburg, Cabarus, Stanly, Union, and Anson. The region's population is approximately 2.7 million people.

The Greater Charlotte Region as defined for this study is coincidental to the region served by the Charlotte Regional Partnership (CRP) with the exception and addition of Union, SC. According to the Charlotte Regional Partnership the projected population of the CRP area will top 3 million people by 2015. In 2010, the CRP area had a labor force of 1.28 million people with a Median Household Income of $56,501.

The Charlotte Regional Partnership cites the top five major nongovernmental/retail employers of the area as Carolina's Health Care System, Wells Fargo / Wachovia Corp., Bank of America, Novant Healthcare, and Delhaize America Inc. / Food Lion. Table 6 provides additional details for the top five employers.

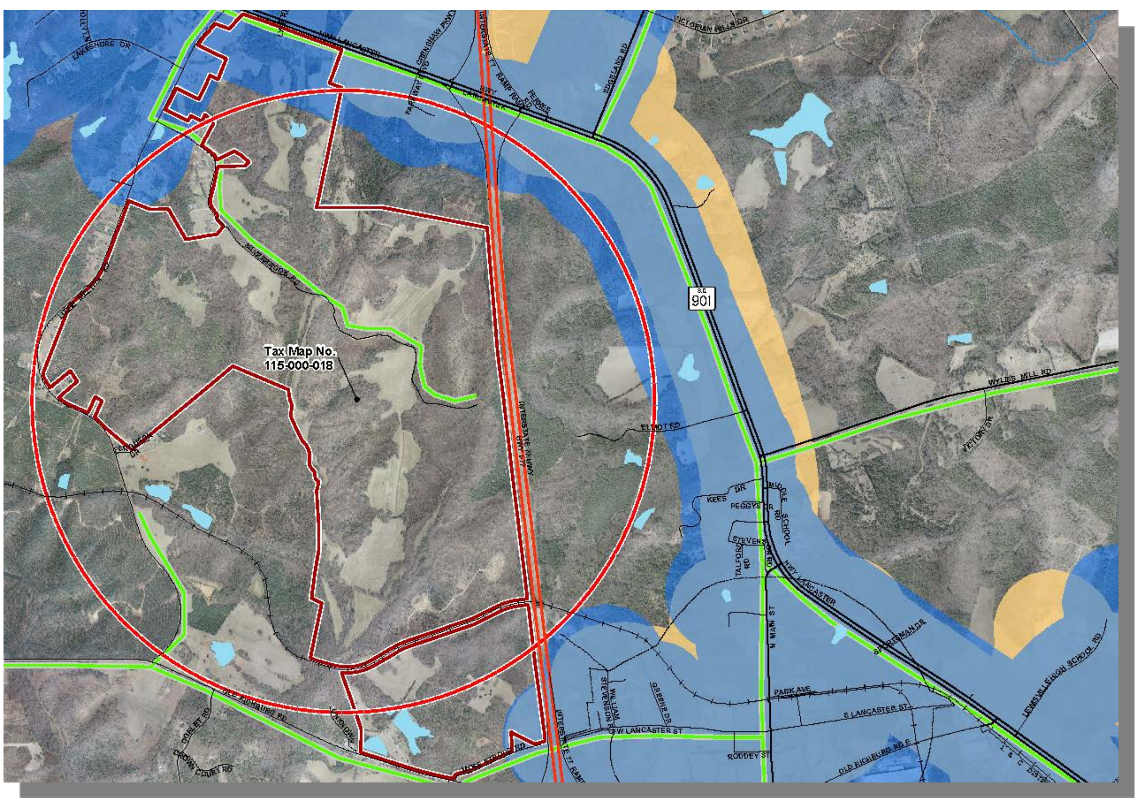
Table 6
Major Nongovernmental/Non-retail Employers
Carolina Regional Partnership

	Major Product	Employees
Carolinas Health Care System	Health Care Provider	32,500
Wells Fargo/Wachovia Corp.	Financial Services	20,000
Bank of America	Financial Services	15,000
Presbyterian Healthcare	Health Care Provider	10,676
Delhaize America/Food Lion	Grocery Sales/Distribution	8,658

In comparing the data sourced from the Carolina Regional Partnership and the Industry Cluster data cited in this study sourced from EMSI and Avalanche Consulting, it is apparent the profound impact a few major employers can have on the Greater Charlotte, and Catawba Region, areas.

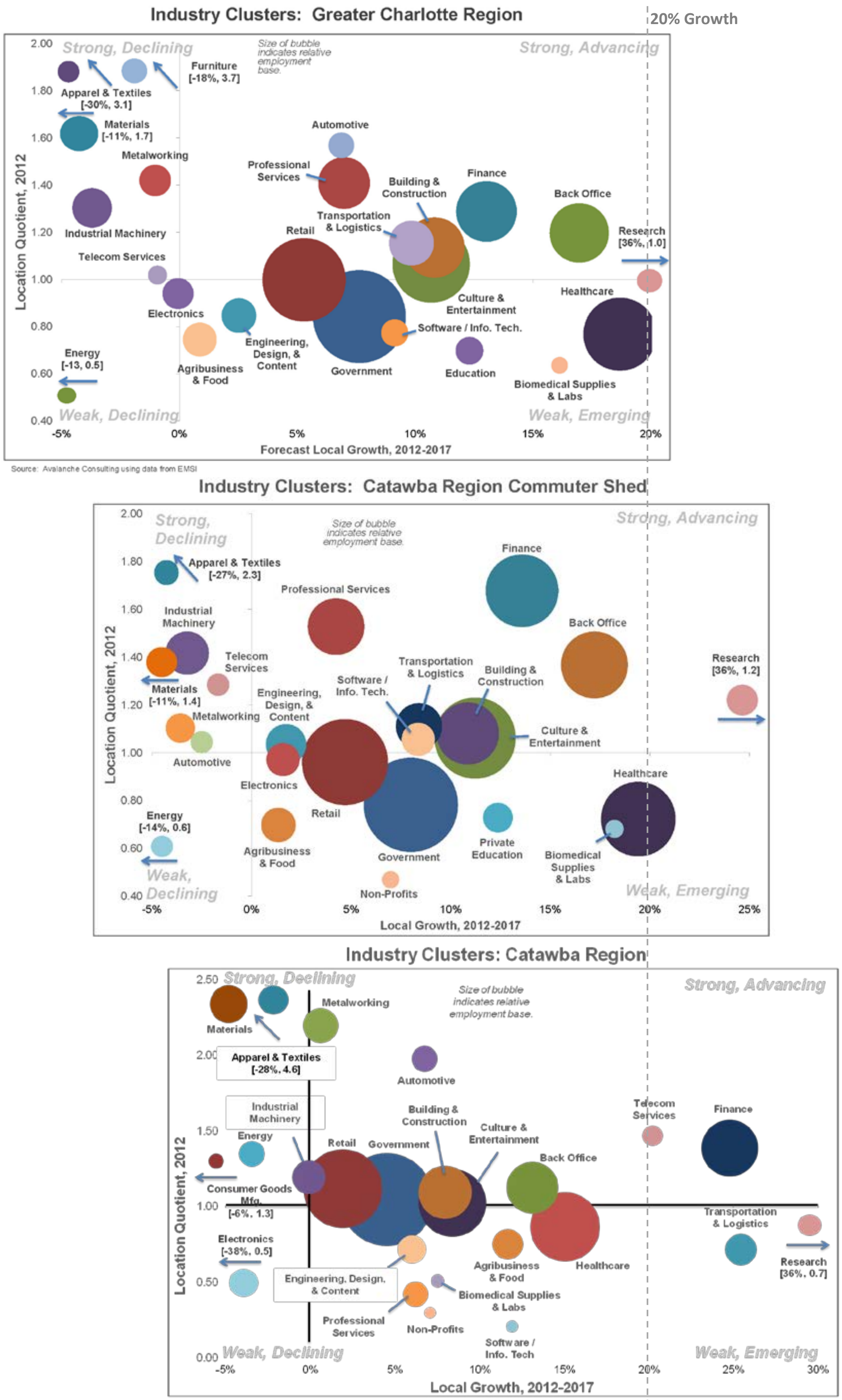
The top five largest employment clusters in 2012 for the Greater Charlotte Region are Government (176,400 jobs), Retail (141,718 jobs), Culture & Entertainment (121,988 jobs), Healthcare (108,750 jobs), and Finance (74,617 jobs). As Table 6 and the cluster employment numbers illustrate, nearly 34% of the people employed in the Healthcare cluster and 54% of the people employed in the Finance cluster within the Greater Charlotte Region are employed by the two major employers in each of the respective clusters cited.

Figure 43 shows the 17-county Greater Charlotte Region in comparison with the 7-county Catawba Region Commuter Shed and the 4-county Catawba Region. The individual charts are staggered and aligned at 20% growth in order to accommodate for the variance in scale along the horizontal Forecasted Local Growth 2012-2017 axis. This variance is expected due to the fact that as the geographic scope of the region is increased, the impact of a single industrial location within its respective cluster becomes less significant.



1,151 acre Carolinas I-77 Industrial Megasite in Chester County, SC

Figure 43


20% Growth
Industry Clusters: Greater Charlotte Region
Strong, Declining
Strong, Advancing
Weak, Declining
Weak, Emerging
Size of bubble indicates relative employment base.
Furniture [-18%, 3.7]
Apparel & Textiles [-30%, 3.1]
Materials [-11%, 1.7]
Metalworking
Industrial Machinery
Telecom Services
Electronics
Energy [-13, 0.5]
Agribusiness & Food
Engineering, Design, & Content
Automotive
Professional Services
Building & Construction
Finance
Back Office
Transportation & Logistics
Retail
Research [36%, 1.0]
Healthcare
Culture & Entertainment
Software / Info. Tech.
Government
Education
Biomedical Supplies & Labs
Location Quotient, 2012
Forecast Local Growth, 2012-2017
Source: Avalanche Consulting using data from EMSI
Industry Clusters: Catawba Region Commuter Shed
Strong, Declining
Strong, Advancing
Weak, Declining
Weak, Emerging
Size of bubble indicates relative employment base.
Apparel & Textiles [-27%, 2.3]
Professional Services
Finance
Industrial Machinery
Back Office
Telecom Services
Transportation & Logistics
Building & Construction
Research [36%, 1.2]
Materials [-11%, 1.4]
Software / Info. Tech.
Engineering, Design, & Content
Metalworking
Culture & Entertainment
Automotive
Electronics
Healthcare
Energy [-14%, 0.6]
Retail
Agribusiness & Food
Government
Private Education
Biomedical Supplies & Labs
Non-Profits
Location Quotient, 2012
Local Growth, 2012-2017
Industry Clusters: Catawba Region
Strong, Declining
Strong, Advancing
Weak, Declining
Weak, Emerging
Size of bubble indicates relative employment base.
Metalworking
Materials
Apparel & Textiles [-28%, 4.6]
Automotive
Industrial Machinery
Building & Construction
Culture & Entertainment
Telecom Services
Finance
Energy
Retail
Government
Back Office
Consumer Goods Mfg. [-6%, 1.3]
Transportation & Logistics
Electronics [-38%, 0.5]
Agribusiness & Food
Healthcare
Research [36%, 0.7]
Engineering, Design, & Content
Biomedical Supplies & Labs
Professional Services
Non-Profits
Software / Info. Tech
Location Quotient, 2012
Local Growth, 2012-2017

Cluster Size – Greater Charlotte Region

As has been stated, the largest employment clusters in the Greater Charlotte Region are Government, which includes workers at the federal, state, regional and local levels (176,400 jobs), Retail (141,718 jobs), Culture & Entertainment (121,988 jobs), Healthcare (108,750 jobs), and Finance (74,617 jobs). These are similar clusters to those cited as the largest at the Catawba Region and Catawba Region Commuter Shed levels.

Cluster Concentration – Greater Charlotte Region

The Location Quotient represents the per capita concentration of employment within a cluster relative to the average per capita concentration of jobs within the respective cluster nationally. The most concentrated clusters in the Greater Charlotte Region differ slightly when compared to the Commuter Shed and Catawba Region with Furniture (LQ of 3.68) exhibiting the highest concentration, followed by Apparel & Textiles (LQ of 3.09), Materials (LQ of 1.65), Automotive (LQ of 1.57), and Metalworking (LQ of 1.42).

High concentrations of employment in the Furniture cluster could be inferred to be due to the furniture manufacturing industry that has historically existed in the counties north of Mecklenburg/Charlotte. The high concentration within the Automotive Cluster likewise could be assumed to be due to the vibrant presence of NASCAR and its automotive oriented feeder industries within the same area in combination with the automotive industries found in the western Catawba Region, especially Union County, SC, which support the BMW Manufacturing complex in Spartanburg, SC.

Cluster Growth – Greater Charlotte Region versus Commuter Shed and Catawba Region

In comparing the three cluster geographies, two industries whose growth trends appear to be in parity across all three regions are Research and Apparel & Textiles. Apparel & Textiles are projected to lose 27-30% in every region and within the Greater Charlotte Region the projected job losses total 3,928 between 2012 and 2017 with 530 projected jobs lost in the Catawba Region.

Likewise, research is projected to grow consistently by 36% in every region resulting in the addition of 5,421 new jobs in the Greater Charlotte Region over the same five years, with 394 projected new jobs in the Catawba Region.

The Telecom cluster is projected as a strong advancing growth cluster within the Catawba Region but is projected as declining at the Commuter Shed and Greater Charlotte level. Comporium Communications, headquartered in York County, SC has provided telecom services in the York and Lancaster County area for decades. In recent years they have expanded their scope of services and geographic presence in other areas of North and South Carolina.

The importance of the Finance cluster in every region is evidenced by its relatively high concentration of jobs coupled with its large employment size. In the Greater Charlotte Region, the cluster exhibits a Location Quotient of 1.29 with an expected growth rate of 13% resulting in the addition of 9,725 jobs. The projected growth rate, however, within the Catawba Region is significantly higher, at 25%, than the projected growth rate within the Commuter Shed and the Greater Charlotte Region which are both in the 13% range. This variance could be inferred to be the result of the higher LQ and number of jobs in Mecklenburg County which makes additions to the employment base less statistically significant in Mecklenburg than similar additions at the Catawba Region level.

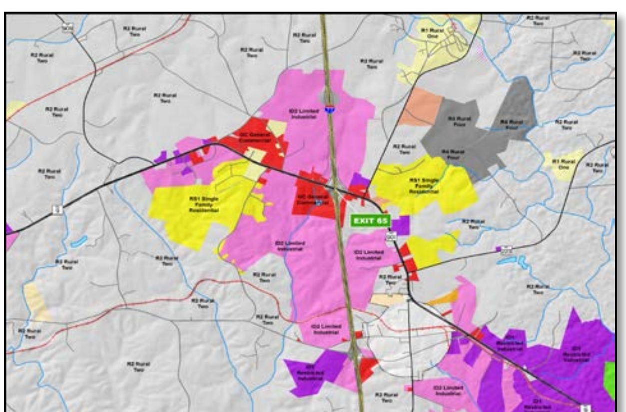
County Economic Cluster Analysis

The U.S. Cluster Mapping Project which is led by the Institute for Strategy and Competitiveness, Harvard Business School, provides current and historical industry cluster data at the county level. These data sets allow looking at changes in employment within industry clusters for individual counties over specified periods of time.

The following industry cluster graphs look at industry growth and decline in the three years prior to and following 2009 at the height of the recession. Additionally, clusters are broken out into two distinct groupings, Traded Clusters and Local Clusters.

Traded Clusters are comprised of industries that are located within the respective county and primarily export their goods and services to other regions or nations. Local Clusters, however, are industries that are located within the respective county and produce goods and services that primarily stay within their county or region.

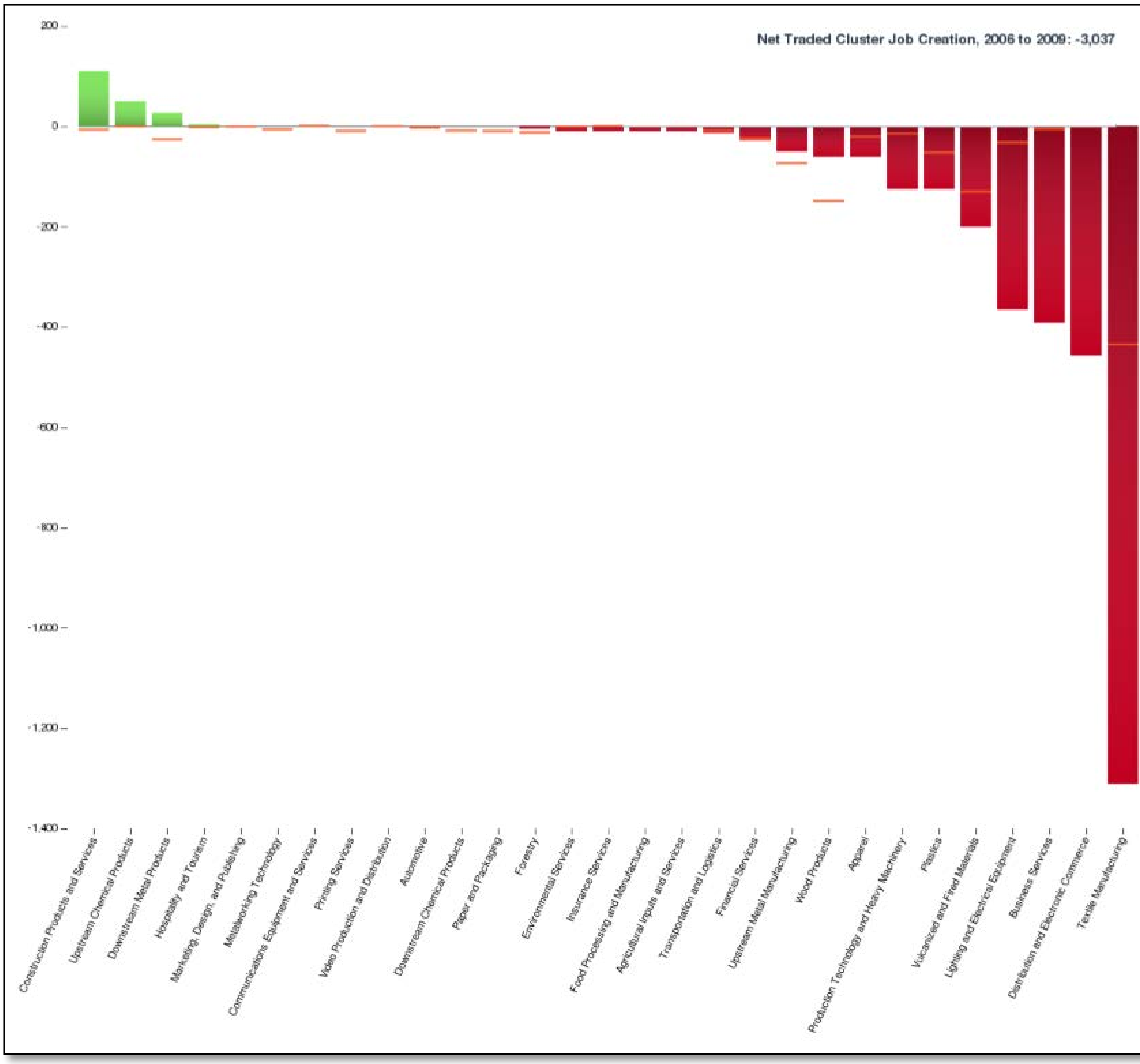
Just as with the regional cluster data provided in the prior section, it is important to understand that the industry clusters are developed based upon an industries' self-reported NAICS code. The data should therefore be treated as directional in nature as providing an indicator of industry clusters that are experiencing a recovery from the recession or new industries that are emerging in the wake of the recession.



Industrial Mega-Site – Future Home of GiTi Tire – Chester County, SC

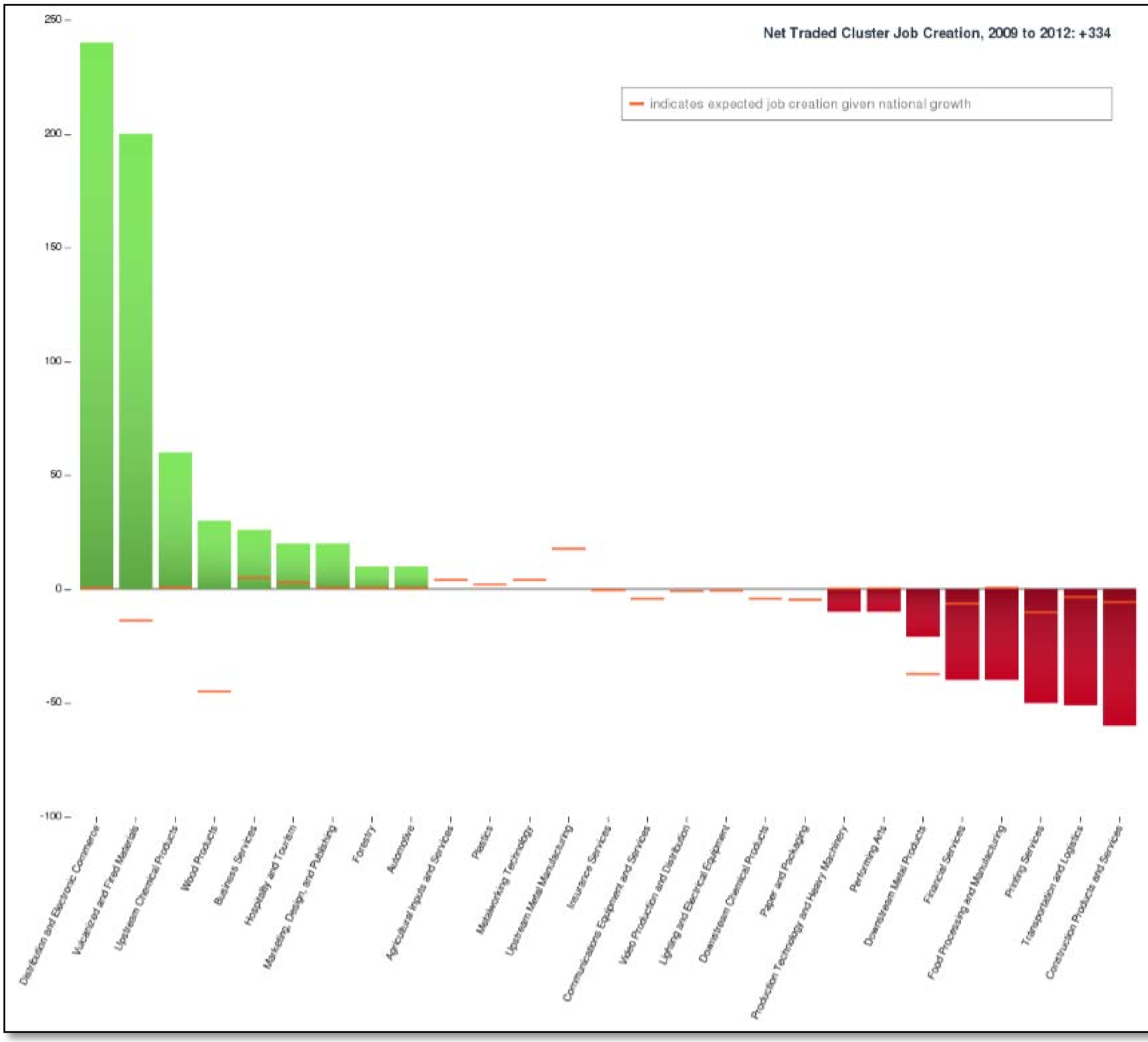
Chester County

Figure 44
Chester County <u>Traded</u> Clusters: 2006-2009



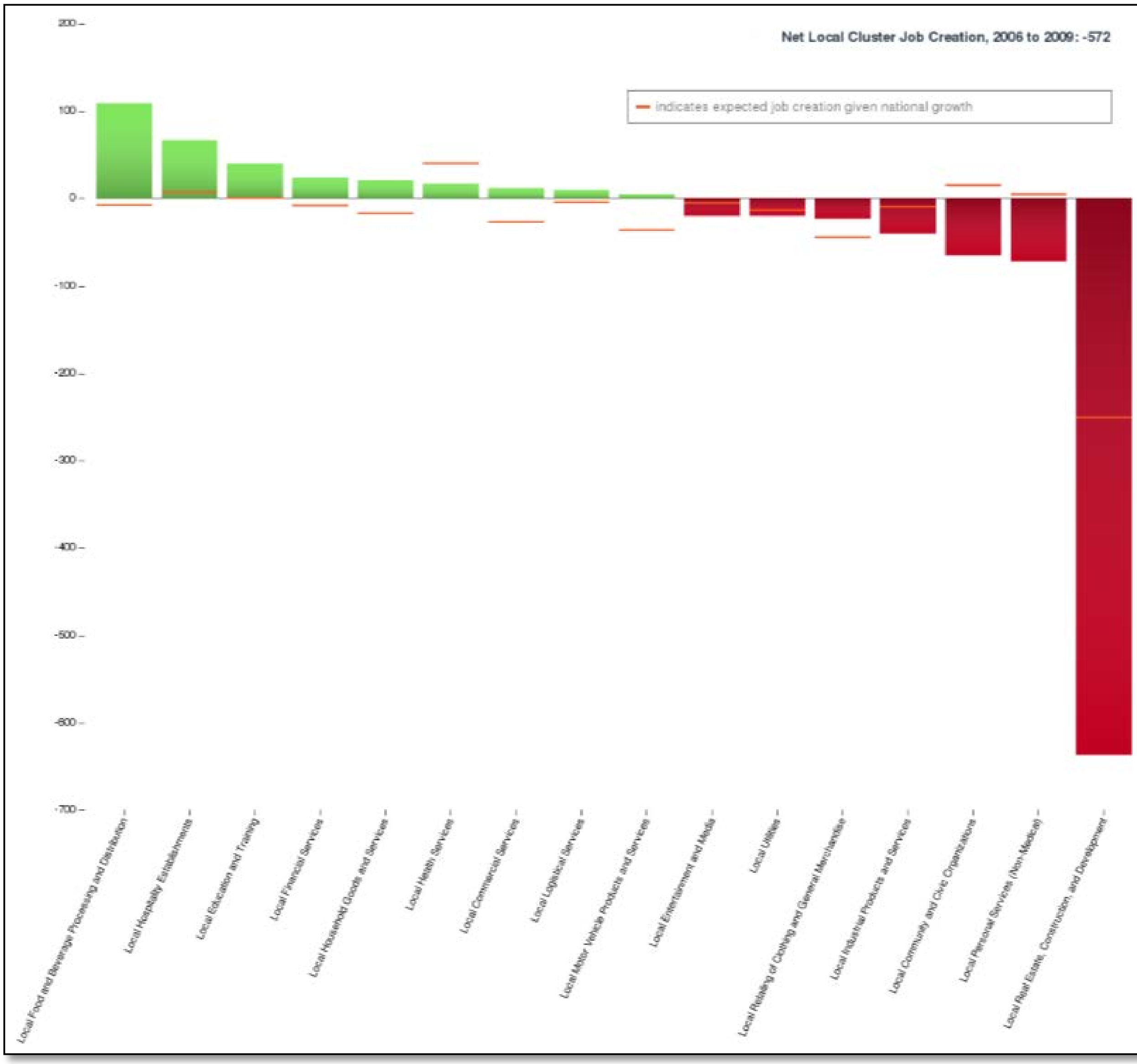
In Chester County between 2006 and 2009, Construction Products and Services, Upstream Chemical Products, and Downstream Metal Products all saw slight gains in employment in the years leading into the height of the recession within Traded Clusters. Textile Manufacturing continued to show massive decline during this period and there were significant job losses noted in the Traded Clusters of Distribution and Electronic Commerce, Business Services, and Lighting and Electrical Equipment. The total net jobs lost within the Traded Clusters for Chester County totaled -3,037 jobs resulting in a county unemployment rate of over 20%.

Figure 45
Chester County Traded Clusters: 2009-2012



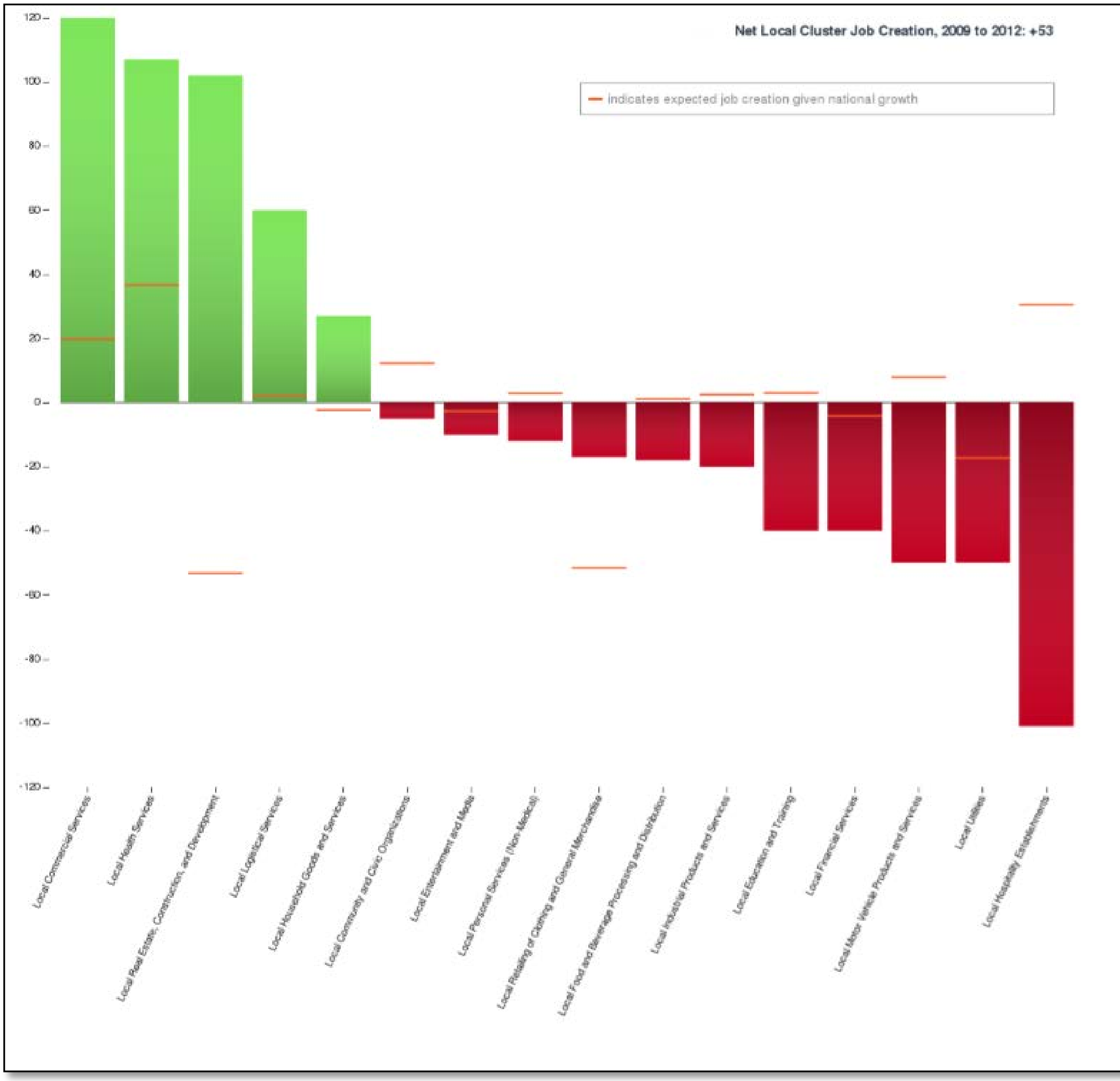
Chester County began to recover from the recession between 2009 and 2012, showing a net gain of +334 jobs within the Traded Clusters. Distribution and Electronic Commerce, and Vulcanized and Fired Materials both had significant job losses between 2006 and 2009, yet led in job gains within Chester County between 2009 and 2012. Upstream Chemical Products continued in its job growth during this period as well. Job losses were indicated within the Construction Products and Services, Transportation and Logistics, and Printing Services Traded Clusters.

Figure 46
Chester County Local Clusters: 2006-2009



Between 2006 and 2009, Chester County experienced slight gains in employment within the Local Clusters of Local Food and Beverage Processing, and Local Hospitality Establishments. Significant job losses were experienced within the Local Real Estate, Construction, and Development cluster when residential and commercial construction within the region saw massive decline. Local Personal Services (non-medical), and Local Community and Civic Organizations (which includes non-profit organizations and religious facilities) Local Clusters also experienced losses in employment. These losses resulted in a net Chester County job loss of -572 jobs between 2006 and 2009 within the Local Clusters.

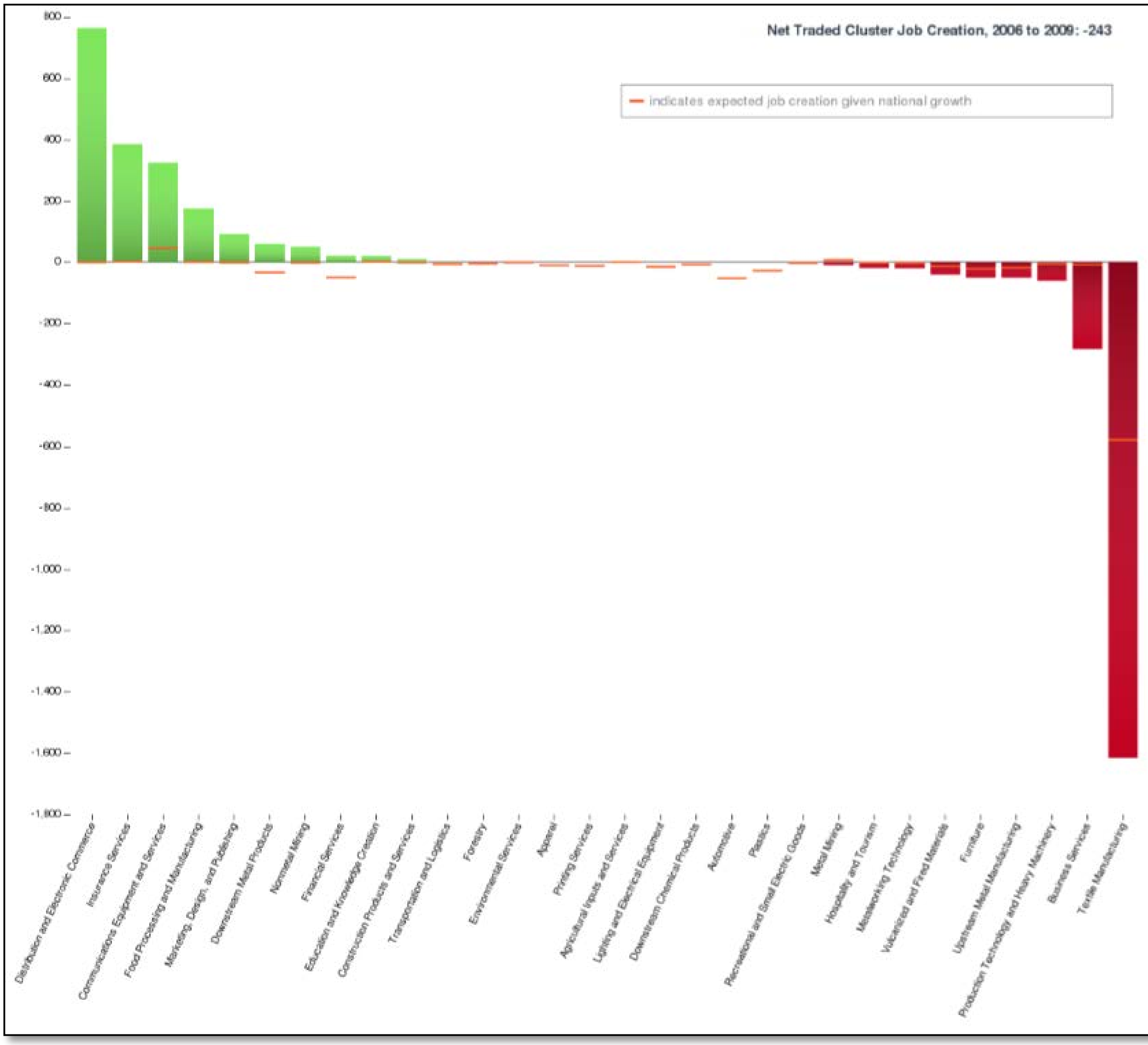
Figure 47
Chester County Local Clusters: 2009-2012



Between 2009 and 2012 the Local Clusters within Chester County began to recover with a net gain of +53 jobs. Local Commercial Services, and Local Health Services both saw significant gains during this period while Local Real Estate, Construction, and Development began to rebound in sharp contrast to national trends. Local Hospitality Establishments, which had seen slight gains between 2006 and 2009, experienced a decline in jobs, counter to national trends. Local Utilities and Local Motor Vehicle Products and Services also experienced job losses.

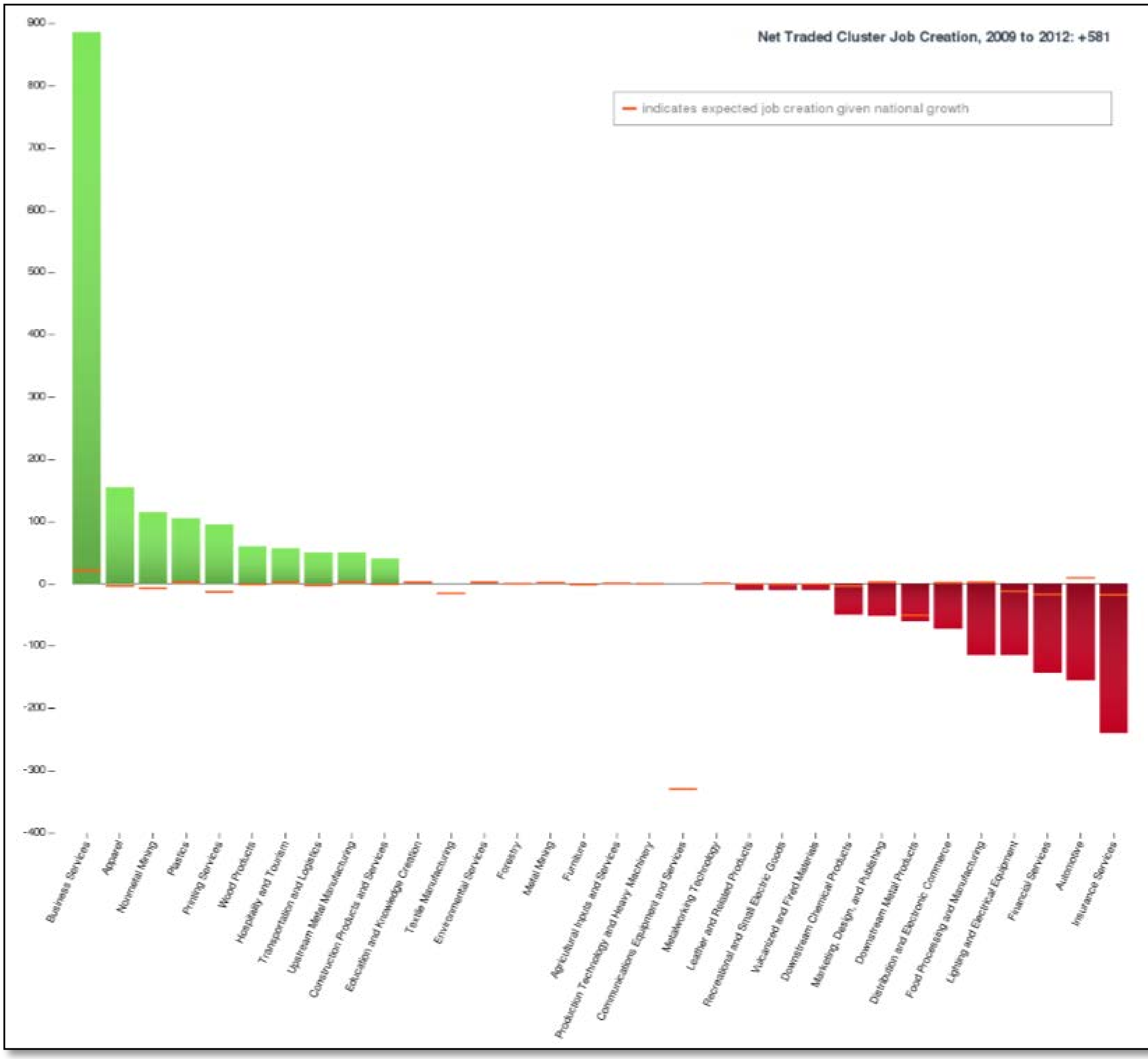
Lancaster County

Figure 48
Lancaster County <u>Traded</u> Clusters: 2006-2009



In Lancaster County between 2006 and 2009, Textile Manufacturing experienced massive declines in employment, continuing the trend that began prior to 2000. In addition, significant job losses were also experienced in the Business Services Traded Cluster. Distribution and Electronic Commerce, Insurance Services, and Communication Equipment and Services all saw significant gains in employment at the height of the recession. These job gains, however, were not enough to offset the Textile Manufacturing losses within the Traded Clusters and resulted in a net loss of -243 jobs between 2006 and 2009.

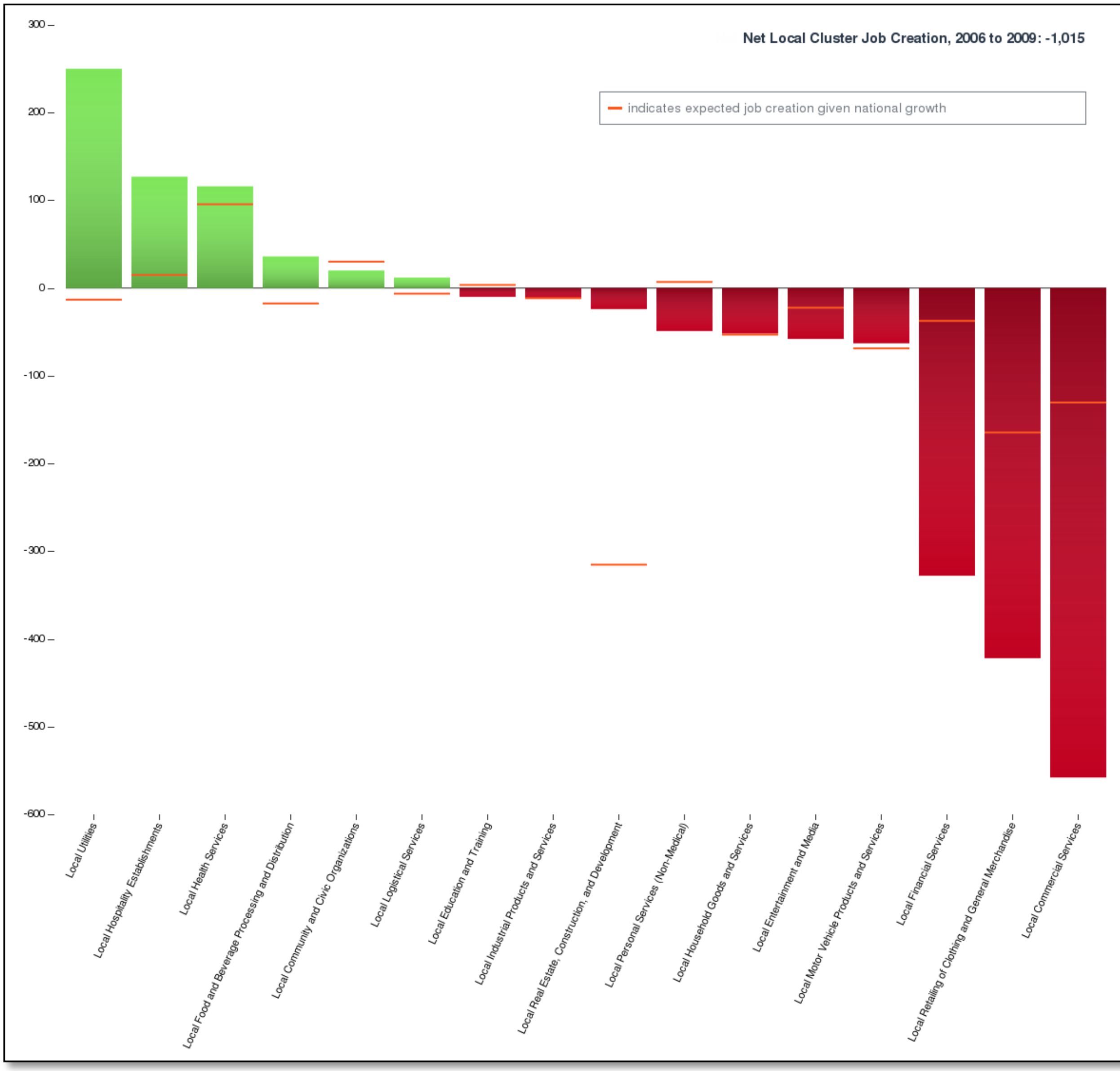
Figure 49
Lancaster County Traded Clusters: 2009-2012



Significant job gains in the Business Services Traded Cluster between 2009 and 2012 well outpaced the national trend. Job losses were noted primarily in the Insurance Services, Automotive, Financial Services, Lighting and Electrical Equipment, and Food Processing and

Manufacturing. Between 2009 and 2012, Lancaster County experienced net growth of +581 jobs.

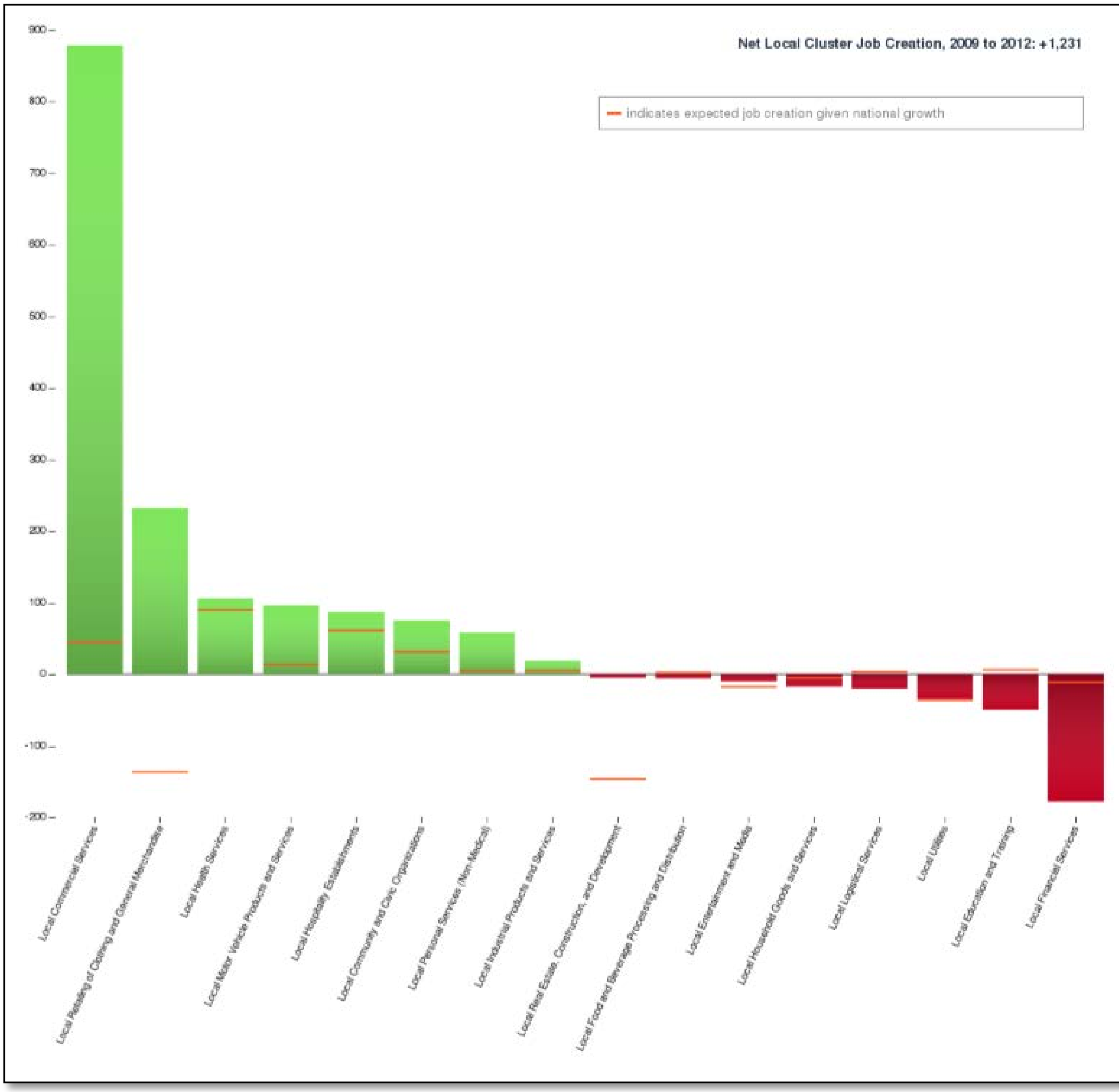
Figure 50
Lancaster County Local Clusters: 2006-2009



Within Lancaster County's Local Clusters between 2006 and 2009 there were significant job losses in Local Commercial Services. Additional job losses were also experienced Local Retailing of Clothing and General Merchandise, and Local Financial services. These job losses resulted in a net loss of -1,015 Local Cluster jobs.

Figure 51

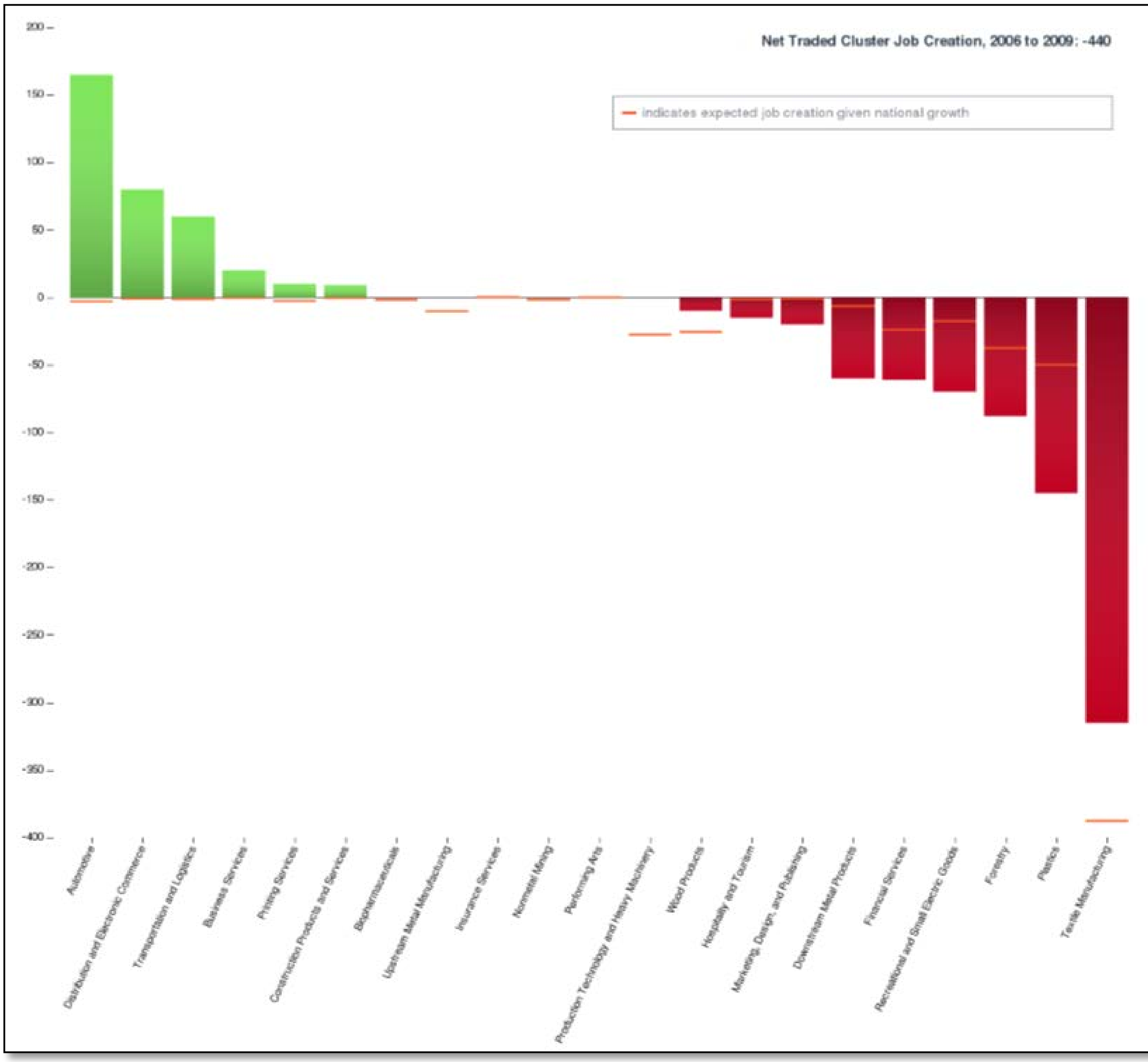
Lancaster County Local Clusters: 2009-2012



Between 2009 and 2012 net Local Traded Cluster job creation resulted in a net gain of +1,231 jobs. Local Commercial Services was the most significant Local Cluster to contribute to the gains while Local Retailing of Clothing and General Merchandise bounced back from the job losses experienced in the prior years in sharp contrast to national trends. Losses were experienced within the Local Financial Services, Local Education and Training, and Local Utilities.

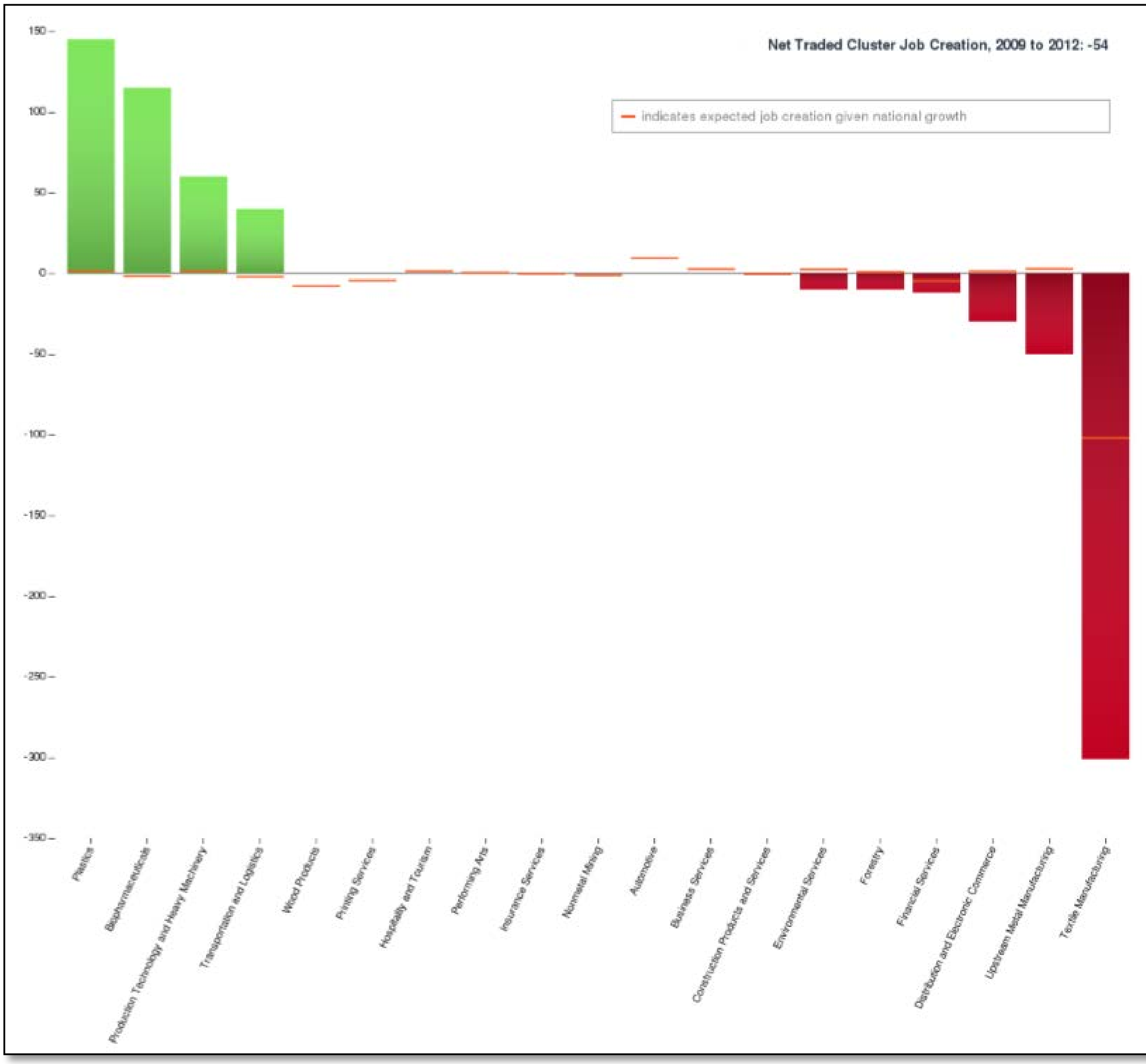
Union County

Figure 52
Union County Traded Clusters: 2006-2009



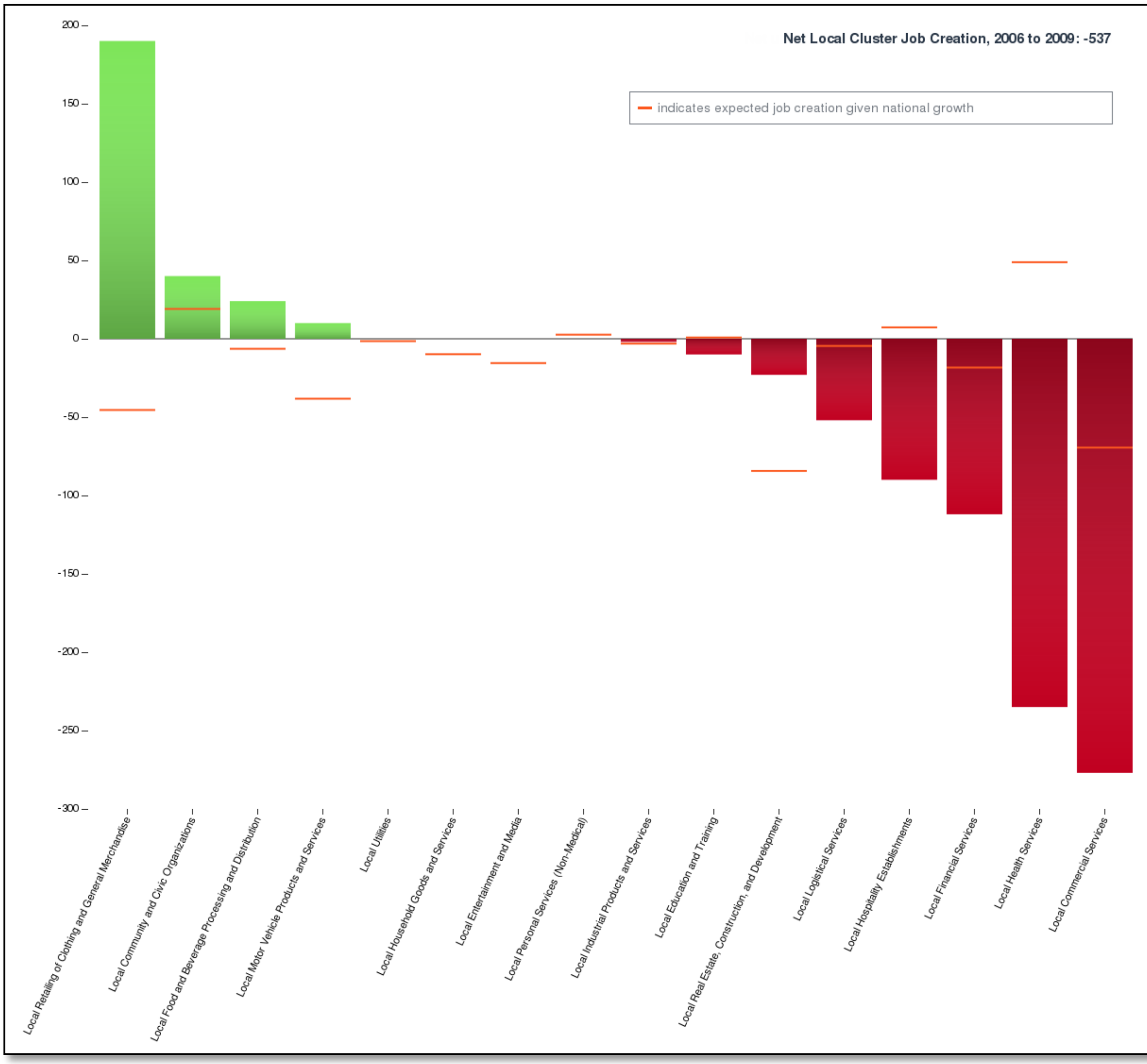
Between 2006 and 2009, Union County saw continued losses in the Textile Manufacturing cluster with additional losses in the Plastics and Forestry Traded Clusters. In contrast, Automotive, Distribution and Electronic Commerce, and Transportation and Logistics all saw gains in sharp contrast to stagnant national trends within those clusters. Union County saw a net loss of -440 jobs within the Traded Clusters between 2006 and 2009.

Figure 53
Union County <u>Traded</u> Clusters: 2009-2012



Following the height of the recession, between 2009 and 2012, job gains in Union County were experienced in the Traded Clusters of Plastics, which had seen significant losses between 2006 and 2009, as well as Biopharmceuticals. Job gains were also seen in the clusters of Production Technology, Heavy Machinery, and Transportation and Logistics. Significant losses continued in the Textile Manufacturing cluster while Upstream Metal Manufacturing, and Distribution and Electronic Commerce also saw losses resulting in a net job loss of -54 jobs.

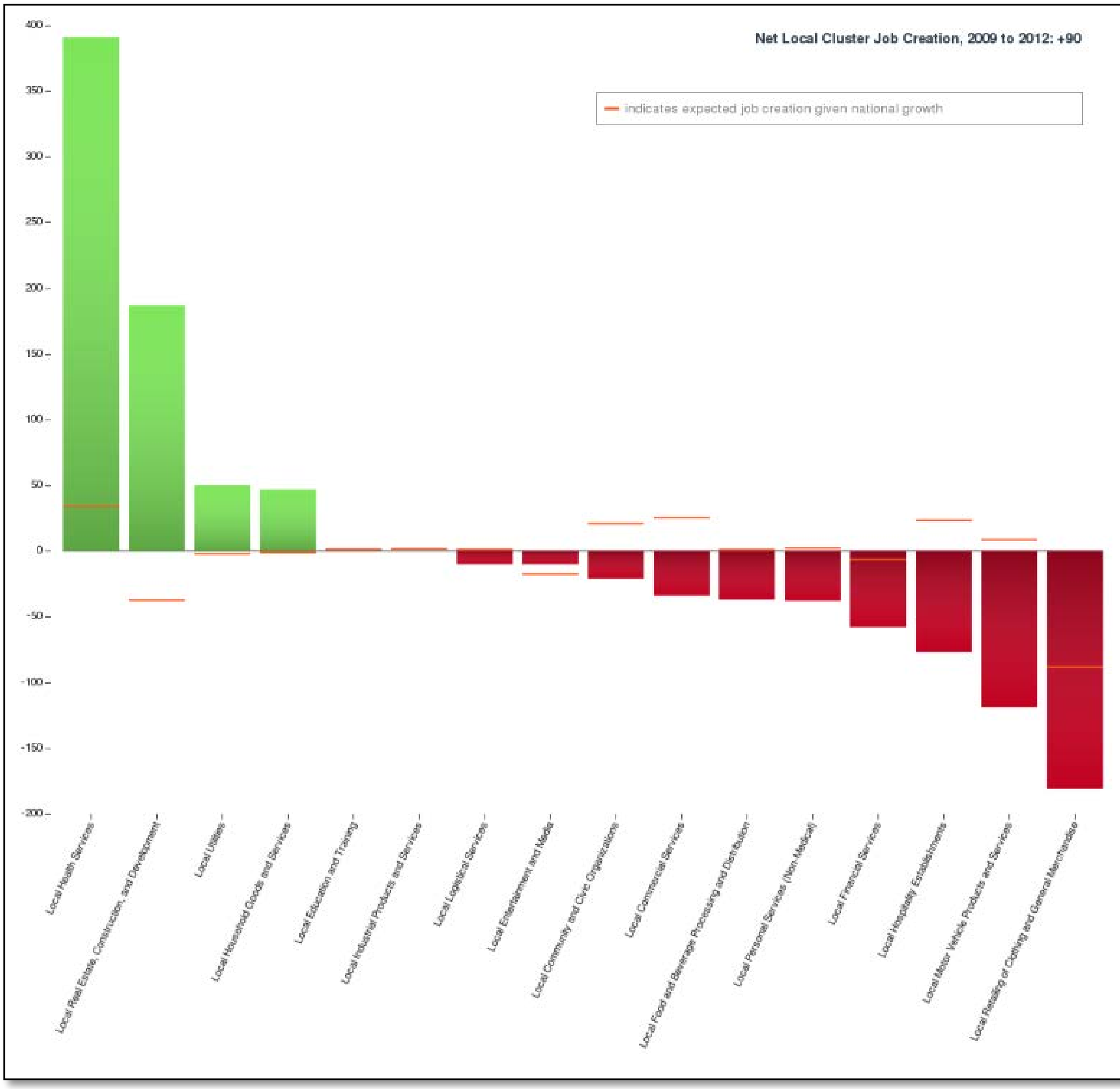
Figure 54
Union County Local Clusters: 2006-2009



Among the Local Clusters between 2006 and 2009, significant job losses were experienced in Union County in Local Commercial Services and Local Health Services. Local Financial Services and Local Hospitality Establishments also had losses in employment leading to a net loss of -537 jobs among the Local Clusters during this time period. Local Retailing of Clothing and General Merchandise saw significant gains during this period, counter to national trends. Growth was also seen in the Local Clusters of Local Community and Civic Organizations, and Local Food and Beverage Processing and Distribution.

Figure 55

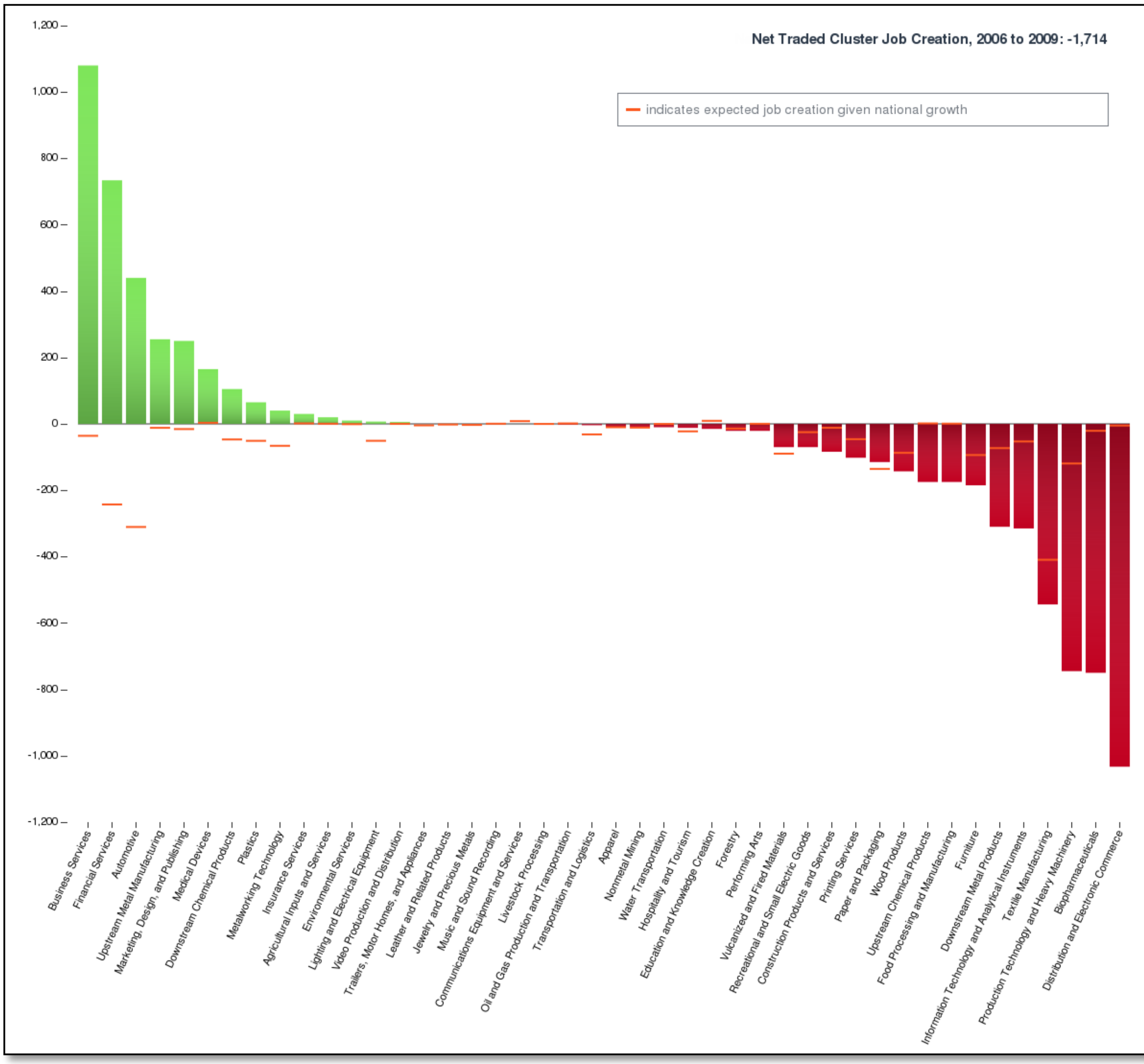
Union County <u>Local</u> Clusters: 2009-2012



A net gain of +90 jobs in Union County was experienced among Local Traded Clusters in Union County between 2009 and 2012. A vast majority of these jobs were in Local Health Services, and Local Real Estate, Construction, and Development. Losses were seen in Local Retailing of Clothing and General Merchandise, and Local Motor Vehicle Products and Services, and Local Hospitality Establishments.

York County

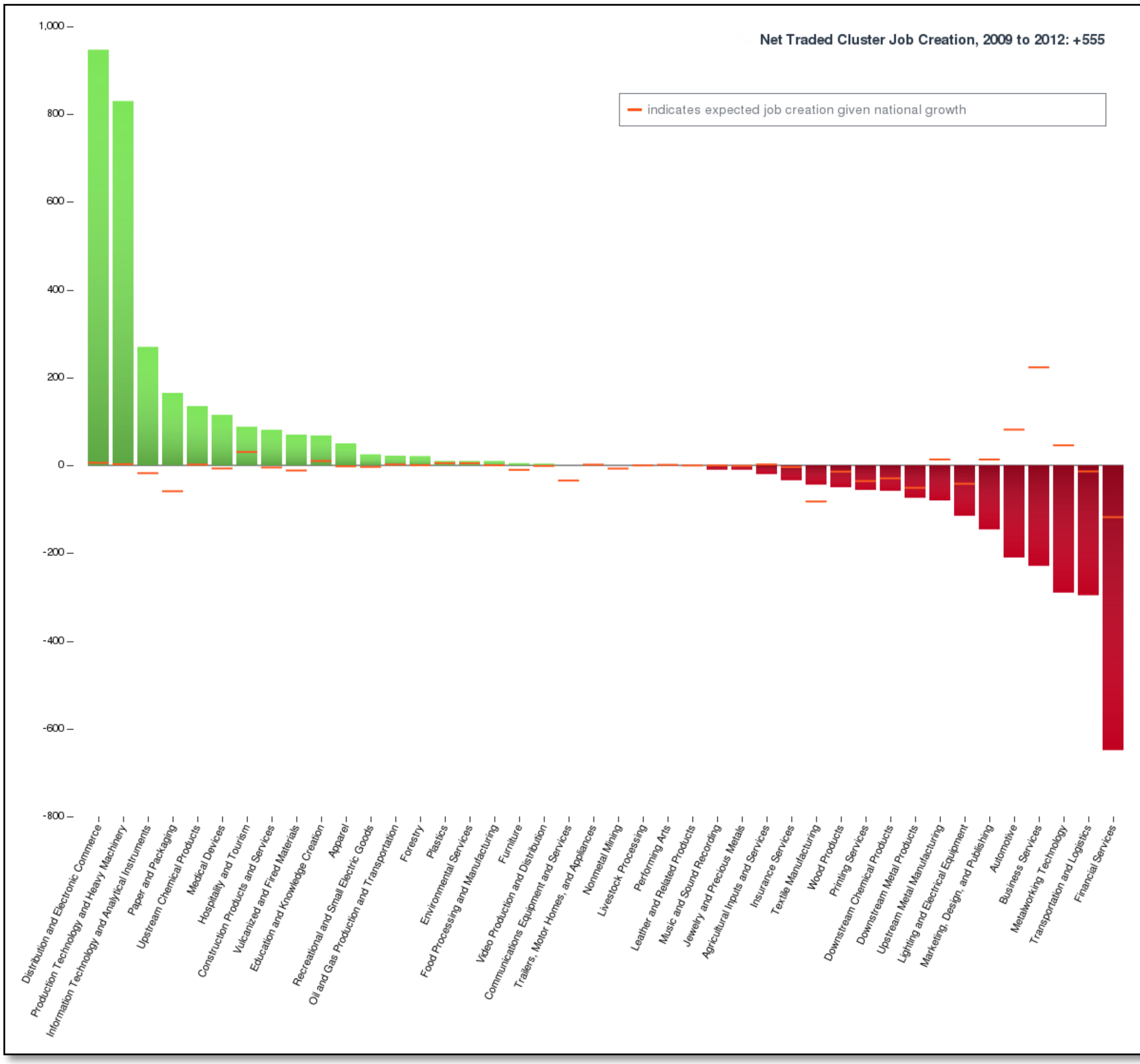
Figure 56
York County Traded Clusters: 2006-2009



In York County between 2006 and 2009, massive losses in Distribution and Electronic Commerce and significant job losses in the Traded Clusters of Biopharmaceuticals, Production Technology and Heavy Machinery, and Textile Manufacturing resulted in a net loss of -1,714 Traded Cluster jobs. Business Services, Financial Services, and Automotive, however, all saw significant gains in sharp contrast to national trends during this period.

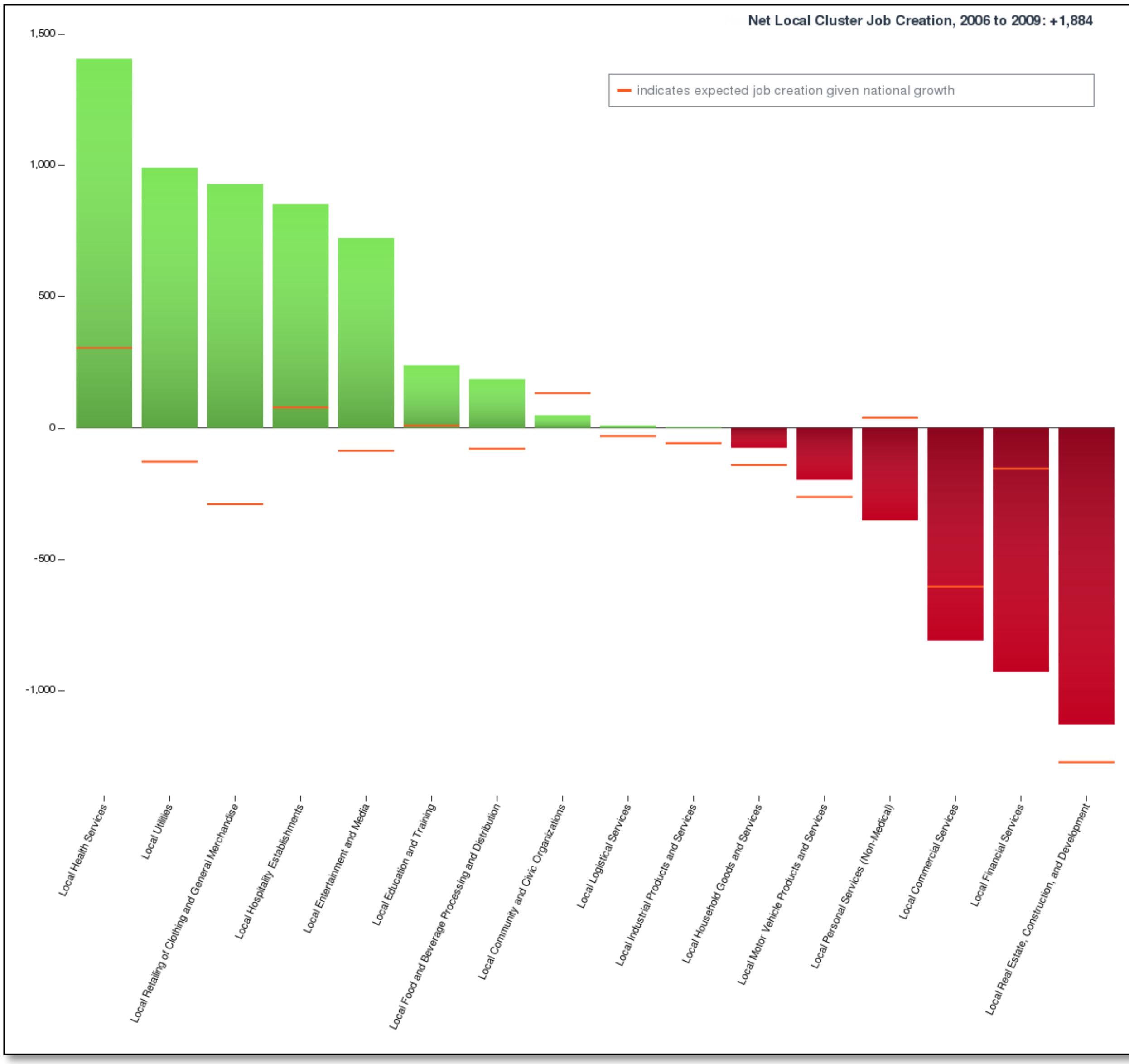
Figure 57

York County <u>Traded</u> Clusters: 2009-2012



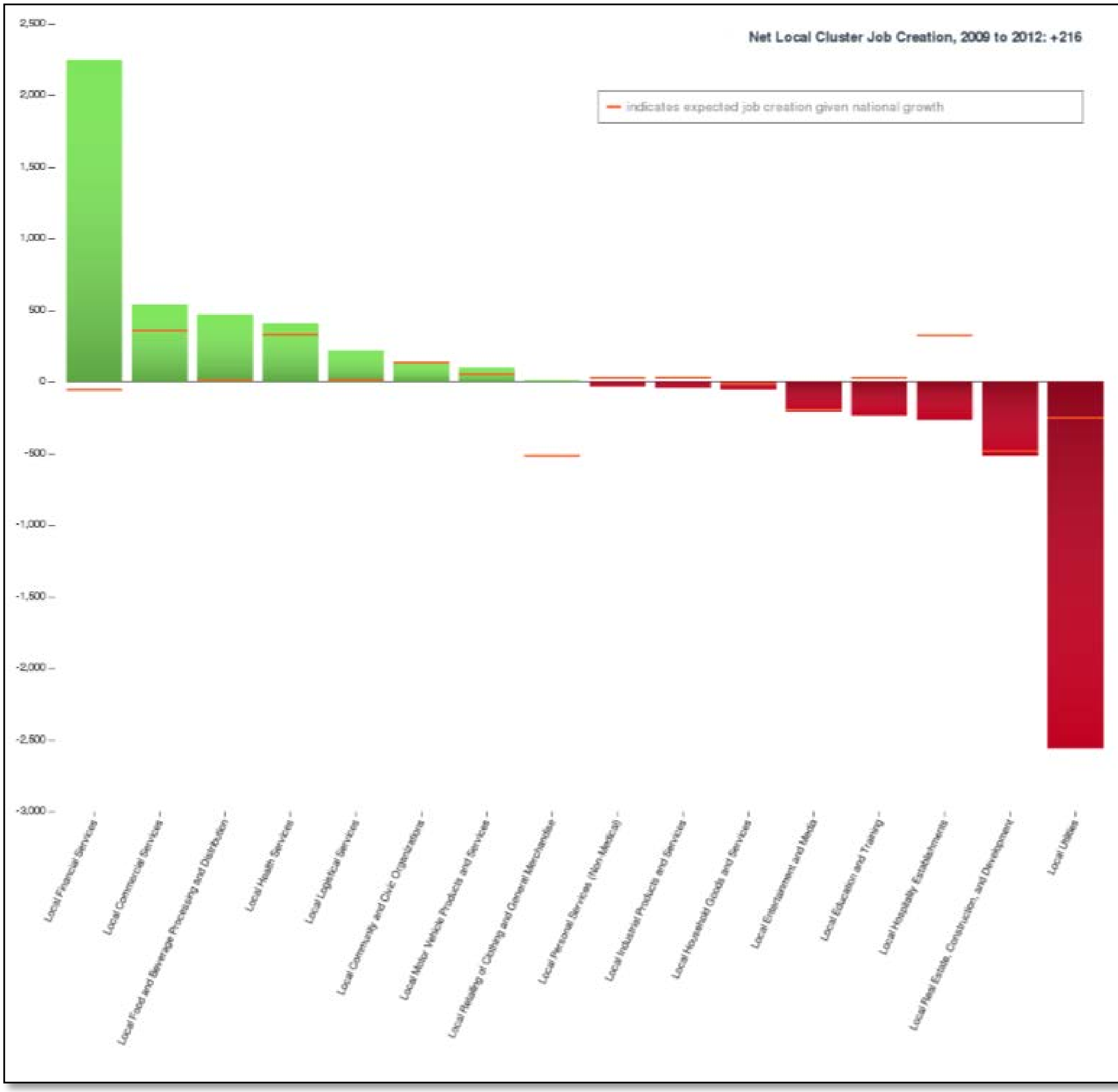
York County began to recover from the recession between 2009 and 2012, showing a net gain of +555 jobs within the Traded Clusters. Distribution and Electronic Commerce, and Production Technology and Heavy Machinery both had significant job losses between 2006 and 2009, yet led in job gains within Chester County between 2009 and 2012. Job losses were indicated within the Financial Services, Transportation and Logistics, and Metalworking Technology Traded Clusters.

Figure 58
York County Local Clusters: 2006-2009



Between 2006 and 2009, York County experienced significant gains in employment within the Local Clusters of Local Health Services, Local Utilities, Local Retailing of Clothing and General Merchandise, Local Hospitality, and Local Entertainment and Media. These gains resulted in a net York County job gain of +1,884 jobs between 2006 and 2009 within the Local Clusters. Significant job losses were experienced within the Local Real Estate, Construction, and Development cluster when residential and commercial construction within the region saw massive decline. Local Financial Services, and Local Commercial Services also experienced losses in employment.

Figure 59
York County Local Clusters: 2009-2012



Between 2009 and 2012 the Local Clusters within York County continued to grow with a net gain of +216 jobs. Local Financial Services saw massive gains, and Local Commercial Services, Local Food and Beverage Processing and Distribution, and Local Health Services all saw significant gains during this period. Local Utilities are indicated as having massive losses between 2009 and 2012 in excess of -2,000 jobs after seeing significant gains during the 2006-2009 period. Local Real Estate, Construction, and Development also experienced significant job losses.

FUTURE GROWTH POTENTIAL

The economic landscape in the Catawba Region continues a transformation that began three decades ago with the beginning of the decline of the textile industry. While manufacturing continues to be a major employer in the region, the impact of a global economy is reshaping economic expansion in the future. The days of low-skilled, labor intensive manufacturing are largely over as that type of industry has moved offshore or technology has automated processes and production. What remains is a growing manufacturing base that is greatly automated and requires a technically trained, highly skilled workforce. While large scale manufacturing operations continue to locate regionally, much of the new manufacturing is anticipated to be smaller entrepreneurial firms that will require a computer literate, technically trained workforce, along with access to capital. Other sectors that will drive where future economic expansion takes place include major distribution facilities, information-based support technologies and marketing services, and research and development facilities.

The Catawba Region has many of the necessary pieces to encourage and accommodate future economic growth but will need to pay particular attention to certain factors such as making sure that worker retraining programs are targeting skills relevant to current and future employer needs, maintaining necessary public infrastructure to support growth, increasing the quality of the local educational system, preserving the natural environment and expanding cultural opportunities. To follow is a more detailed assessment of each of the region's four counties.

It is noteworthy that EDA grants funded key capital improvement projects in all four of the region's counties and helped to offset the continuing loss of textile related manufacturing jobs to the region's economy. The Catawba Regional Council of Governments has effectively layered multiple funding sources, including EDA and CDBG, to facilitate economic development and infrastructure improvements throughout the region.

Chester County

In Chester County, the manufacturing sector, particularly in the Richburg area near the economically vital Interstate 77/ S.C. Highway 9 interchange, has helped the county begin to recover some of the thousands of jobs it has lost in the textile industry in recent years. The County has several excellent transportation routes including I-77 and US Highways 21 and 321. Rail service is provided by the Lancaster and Chester, CSX, and Norfolk Southern railroads. Air transport is provided by the Chester County Airport.

The County currently has the largest industrial site in the Carolinas – the Carolina I-77 Mega Site near Richburg. This site was announced in June of 2014 as the future location of GITI Tire who is building a $560 million manufacturing plant and create 1,700 new jobs. The GITI Tire announcement was the largest in the state of South Carolina in recent history. In addition to the Mega Site, the County also has a number of available industrial sites served by public infrastructure. Additionally, the Chester County labor force now has enhanced access to technical training programs through the EDA and CDBG funded branch of York Technical College which is located outside the City of Chester. The City of Chester's downtown historic district and Landsford Canal State Park, which has an annual blooming of the endangered Spider Lily, are two of the main tourist attractions in the County. Recreational opportunities include paddling the Catawba River from Landsford Canal State Park and hiking Dearborn Island near Great Falls.

EDA recently approved a technical assistance planning grant for a small area plan encompassing Exits 62 and 65 on Interstate 77. This plan will allow for effective land use surrounding the GITI industrial site and the county's economic development land and facilities.

Lancaster County

Lancaster County is bordered by York and Chester counties to the west and Charlotte Mecklenburg and Union County, NC to the north and east, and has experienced rapid growth in two primary areas – Indian Land in the north and the City of Lancaster and its periphery. The county's proximity to Charlotte and the availability of water and sewer along the U. S. Highway 521 corridor are two likely reasons for growth in Indian Land. High tech service companies, such as Red Ventures, are becoming important to the northern Lancaster economy by employing large numbers of highly skilled workers. The county has available industrial sites and public infrastructure in Indian Land for new manufacturing such as the Keer Inc. plant along with potential sites for corporate headquarters such as Continental Tire, information based service and telemarketing companies such as the Inspiration Networks, and research and manufacturing facilities such as URS Nuclear.

The County has excellent highway transportation routes. SC Highway 9, which connects Lancaster to Chester and intersects with Interstate 77, provides access to the Charlotte (NC) and Columbia (SC) metro areas. US Highway 521 connects Lancaster with Charlotte. A major corridor study was completed in 2010 for the US Highway 521 and SC Highway 9 corridors. The study will be used as a guide for future development and infrastructure needs along both transportation routes. The county is served by the Lancaster and Chester short-line railroad, CSX and Norfolk Southern Railroads, and a regional airport, McWhirter Field.

In southwest Lancaster County, the Lancaster County Water and Sewer District has extended water and sewer infrastructure into the Catawba Ridge development along the shores of the Fishing Creek Reservoir. Catawba Ridge is a mixed-use development that could accommodate hundreds of new residential units, a business park, and industrial sites. Despite the current economic climate, some residential development is underway.

The District is getting ready to go out to bid on an EDA funded project to provide infrastructure and road improvements to Keer Inc., a Chinese textile company that intends to build a $55 million manufacturing plant in Indian Land and hire several hundred new workers.

The City of Lancaster has a two-year branch of the University of South Carolina to provide post secondary educational opportunities to local residents. York Technical College operates a satellite training facility in the Town of Kershaw and is opening a new facility in Indian Land.

Andrew Jackson State Park provides a variety of recreational opportunities, and the Forty Acre Rock Historic Preserve and the City of Lancaster's downtown historic district are two of the main tourist attractions in the county.

The possibility for continued economic growth in and around Lancaster County and the City of Lancaster looks promising. The county entered joint industrial park development agreements with both Chesterfield County in 2008 and Chester County in 2006. The Lancaster Business Park, developed through a city/county partnership, has attracted several industries with additional lots available for development. The City continues to expand its existing industrial base as evidenced by the expansions at Metso Power and Duracell which led to a now completed EDA project funding the upgrade of the City's wastewater treatment plant effluent pump station. The project has created 34 new jobs and a capital investment of $16 million at the plants.

Union County

Union County has the continued potential to benefit economically from its direct linkage to Spartanburg, South Carolina, via US Highway 176 which is a four-lane divided highway. Proposed improvements in infrastructure and roads in the County are making it more attractive to industrial clients. The County has expanded the Union Commerce Industrial Park adjacent to the US Highway 176 corridor and has entered into joint industrial park agreements with neighboring counties to increase the tax credits the County can offer. Gestamp Automotive, a major auto parts supplier for the BMW facility, is one of the latest employers to locate in the Union Commerce Industrial Park.   The company is continuing to expand its employment by announcing that it would hire 100 additional workers and invest $51 million at the plant. When operational these facilities will covert landfill gas to electricity that will be sold to Duke Energy for reuse.

The EDA and CDBG funded QuickJobs facility which is staffed by Spartanburg Community College is now providing the high tech robotics training needed by Gestamp workers along with other industrial and academic curricula.   Another recent project involves re-use of the former Walt Disney distribution center in Jonesville which closed in 2011. Charlotte-based department store chain Belk opened an eCommerce and fulfillment distribution facility and completed a recent building expansion bringing total capital investment to over $50 million. Total employment at the center exceeds 300 people. In 2012 Gonvauto Inc. located in the County on a 24 acre site north of the City of Union on SC Highway 18, building a $35 million facility and employing 40 workers.

In addition to the QuickJobs facility (a satellite of Spartanburg Community College), the City of Union has a campus of the University of South Carolina offering two year associate's degrees.

The County has a variety of recreational opportunities to offer at the John D. Long Lake (temporarily closed) and the Sumter National Forest along with team sports venues at the Timken Sports Complex. Major tourist attractions include the City of Union's downtown district and the Rose Hill Plantation Historic Site.

York County

As expected, York County continues to experience the largest increase in population. As of 2010, the County is the second largest population center in the Greater Charlotte region trailing only Mecklenburg County. Its proximity and connection via Interstate 77 and US Highways 21 and 321 to the rapidly growing Charlotte metropolitan area ensures continued future growth. In addition to these transportation routes, the County has rail service provided by CSX and Norfolk Southern and a regional airport, Bryant Field. The County also has a variety of post secondary educational opportunities to offer at Winthrop University and Clinton College and a wide range of technical education and training at York Technical College. Infrastructure expansions, particularly in the Fort Mill Township and around the City of Rock Hill, have created additional opportunities for York County to benefit from the residential and economic development spillover from Charlotte/Mecklenburg. One area of concern in the county is that new commercial and industrial growth is not keeping pace with residential growth, thus creating a disparity in the local tax base. This imbalance is most obvious in the Fort Mill Township and the northern area of the county around Lake Wylie. This may be somewhat offset in the future, however, as the Healthcare Services sector in the county will expand as a major new hospital has been approved by SC DHEC to locate in the Fort Mill Township; additionally, new job announcements in 2014 of over 5,000 jobs associated with two companies relocating to Fort Mill may help with commercial / residential balances in the short term.

York County has a variety of options to consider as recruiters target companies for future expansion. There are adequate sites and public infrastructure to support a wide range of manufacturing operations. Because of its proximity to Charlotte, the county can offer an attractive alternative to corporations looking to relocate headquarters, telemarketing and information services and research facilities. The relocation of Shutterfly Inc., from Mecklenburg County (NC) to a vacant warehouse building north of Fort Mill is an example of that type of recruitment. The company has created several hundred new jobs. Other previous announcements include Lash Group, LPL Financial and UC Synergetic. The Lash Group and LPL

Financial new facilities are under construction. UC Synergetic is up and running in their new facility in Fort Mill.

Tourist attractions include Historic Brattonsville and the historic downtown districts. These recreational and tourist opportunities complement similar amenities offered in Charlotte. The county offers some unique recreational opportunities such as the Giordana Velodrome along with team sports facilities such as Manchester Meadows Soccer Complex and Cherry Park in Rock Hill. It should be noted that the cluster analysis does not directly include sports tourism which has been a focus of the City of Rock Hill over the past two decades. The city has made significant infrastructure investments for sports facilities, contributing to growth in the retail and service sectors, particularly related to hospitality.

Following are examples of recent York County economic development projects in which the Council of Governments has participated:

The City of York has completed an EDA project to make needed improvements to its wastewater treatment plant that will result in increased capacity to serve American Eagle Wheel, the Filtration Group and MacLean Power. The project has resulted in the creation of approximately 500 new jobs. The Council is now working with the City on an EPA project to connect its water system to Rock Hill's. The first phase of this project that resulted in the construction of an elevated and ground water storage tanks is now complete. The next phase of the project to construct the waterline connection between York and Rock Hill will begin later this year.

Rock Hill is nearing completion on an EDA funded project to realign Paddock Parkway to serve a major new distribution facility for Ross Stores. Ross is creating 550 new jobs and investing $150 million in the facility.

Rocky Shoals Spider Lilies – Chester County

Forty Acre Rock – Lancaster County

Timken Sports Complex – Union County

Historic Brattonsville – York County

PUBLIC/PRIVATE PARTNERSHIPS

Public/private partnerships abound throughout the region. Examples of these include the Carolinas Regional Partnership (CRP), the Carolina Thread Trail, the CONNECT Regional Initiative, and others.

CRP is a public/private non-profit economic development organization that provides site location assistance for new industry and commerce, business leads to local economic development professionals and selective research for prospects considering the area for location.

The Carolina Thread Trail Initiative is working to network a series of public trails throughout 15 counties in the greater Charlotte region. The Timken Sports Complex in the City of Union is a partnership between private industry and local government. The City of Rock Hill continues to work with private partners to help redevelop the "Textile Corridor," a series of abandoned textile mill properties along West White Street near downtown. The "Cotton Factory," a $12 million remodeled office complex project, anchors the eastern end of the Textile Corridor and is an excellent example of a textile facility conversion. The City of Rock Hill also is partnering with Comporium Communications to redevelop the east end of Main Street. The "Downtown East" project would redevelop several blocks of downtown Rock Hill into a 1.8 acre park, along with new retail/office space, condominiums and a full service hotel. During this year the City of Rock Hill and Comporium completed construction on Fountain Park Place a "green" 48,000 square foot building that houses office and retail space and may be adaptable to other uses. The actual fountain at the park has been completed and has become a destination for visitors and residents alike coming to the downtown area.

The City of Rock Hill has also partnered with Clemson University and a local technology firm, Stark Lean Marketing Communications, to create a technology incubator within the Citizens

Building on Main Street. The incubator provides business “know how” and other resources to local technology startups.

Comporium Communications expanded Zipstream broadband connectivity has proven to be very beneficial to several area business parks in the City and will aid in the development of Knowledge Park.

CEDS GOALS AND OBJECTIVES FOR THE CATAWBA REGION

As indicated by the strategies cited earlier in this report, Council of Governments staff is employed in a wide range of activities that help promote economic development in the Catawba Region. To follow are the goals and objectives staff, working in concert with other local economic development professionals, expect to achieve over the next five years.

Goal 1:	To promote job creation and lower unemployment in the region.

Strategies

- Assist local governments in economic development and industrial development-related activities. This includes helping to secure federal assistance, such as EDA grant financing, Rural Development Administration grant/loan funds, or HUD Community Development Block Grants (CDBG), and through other economic development related initiatives such as the Environmental Protection Agency's Brownfields Program;
- Assist in the financing of new businesses and the retention and expansion of existing businesses, through such programs as EDA's Revolving Loan Fund and SBA's 504 Loan Program; and
- Sponsor job training and retraining programs through the federal Workforce Investment Act and develop additional labor force data regarding the skills, experience and availability of workers.

Objectives

- To fund one new EDA Public Works projects annually resulting in the creation of 300 or more new jobs;
- To fund 10 new loans resulting in the creation of 100 new jobs; and

- To retrain 500 displaced workers with relevant job skills allowing them to re-enter the workforce in concert with the local Workforce Investment Board's five targeted demand occupations:
    - Healthcare / Early Childhood Education
    - Maintenance / Manufacturing
    - Transportation / Logistics
    - Building / Construction
    - Office / Computer Technology

Goal 2: **To assist local governments in their industrial recruitment efforts by maintaining and supplying needed social/economic data and conducting relevant economic studies as requested.**

Strategies

- Increase the awareness and usage of the Catawba Regional Council of Governments and the Catawba Regional Development Corporation in economic development activities;
- Encourage public/private sector partnerships in economic development efforts; and
- Undertake special economic research and development studies upon requests from local governments or agencies within the region.

Objectives

- To continue publishing building permit reports region-wide on a quarterly basis showing permit statistics by type and value while identifying growth areas within each of our counties using GIS technology; and
- To maintain and disseminate new or existing census information to local economic development professionals or prospects interested in the region.

Goal 3:	**To assist state and local governments with environmentally related studies and plans to preserve air and water quality as the region continues to grow and urbanize.**

Strategy

- Assist local planning and economic development programs through technical assistance such as participating in local strategic planning processes and environmentally related or growth management studies.

Objectives

- To work with the basin wide Water Management Group to develop a water supply conservation strategy for the Catawba Basin.
- To participate with other local government organizations in working with the Catawba-Wateree Basin Advisory Commission;
- To continue to work with the SC Department of Health and Environmental Control (DHEC) and local government, private, and non-profit sectors to develop a Regional Air Quality Consortium as a forum to educate and inform the region on legislation and best practices regarding air quality and EPA air quality regulations; and
- To continue to work with the “CONNECT” initiative to promote sustainable growth.

VITAL PROJECTS, PROGRAMS AND ACTIVITIES

Project: Continue environmental assessment and redevelopment of abandoned textile sites into viable commercial/industrial uses or mixed use developments featuring retail space, residences and recreation facilities.

Job Creation: Up to 300 new jobs projected region wide over five years.

Lead Organizations

The cities of Rock Hill, Fort Mill, York, Lancaster, Chester and Union, the towns of Great Falls, Clover and Jonesville, the Catawba Regional Council of Governments, the SC Department of Commerce, the Catawba Regional Development Corporation, and SC Department of Health and Environmental Control, US Environmental Protection Agency.

Former Rock Hill Printing and Finishing Faciility site remediation partially funded by the Brownfields Revolving Loan Fund which is managed by Catawba Regional Council of Governments.

Project: Continue the expansion and enhancement of area water and wastewater treatment facilities to meet growth demands and to preserve the environment.

Job Creation: Up to 1,000 new jobs projected over five years at new and existing businesses.

Lead Organizations

Local water and wastewater treatment providers, the Catawba Regional Council of Governments, the SC Department of Commerce, the SC Rural Infrastructure Authority, and federal agencies such as EDA.

Project: Expand the availability of mass transit within the region's larger cities and enhance access to the City of Charlotte.

Job Creation Up to 100 new jobs projected over five years.

Lead Organizations

The SC and NC Departments of Transportation, local public transit agencies, and the Catawba Regional Council of Governments.

LARS
LANCASTER AREA RIDE SERVICE

YORK COUNTY ACCESS

Project: Promote the expansion of technical training opportunities in the region's four counties particularly at the Chester Technology Center (York Technical College) in Chester County, the QuickJobs Center (Spartanburg Community College) in Union County and York Technical College in York County.

Job Creation: Up to 1,000 new jobs projected over five years.

Lead Organizations

Chester, Union and York counties, York Technical College, Spartanburg Community College, Catawba Regional Council of Governments, and the SC Department of Commerce.

Union County QuickJobs Center

These efforts along with efforts of other economic development partners in the region are needed to address the economic challenges the region faces including:

- Growing infrastructure needs (particularly water/sewer and roads) due to population growth;
- Declining municipal and county revenues in part due to state and federal distribution policies and to legislative mandates;
- Shrinking commercial and industrial tax bases in portions of the region coupled with growing service delivery needs for residential areas; and
- Declining state and federal grant funds to supplement local funds for a variety of economic related projects and initiatives.

Local governments have responded to these challenges by retraining displaced workers, upgrading and expanding critical infrastructure when possible and by initiating their own efforts to promote economic development. The cumulative results of these efforts, however, have not fully met the significant needs identified, and despite the recent reduction in the unemployment rate region wide the area continues to have unemployment issues with too few net new jobs created to offset chronic problems.

CEDS PLAN OF ACTION

The Council of Governments will continue to implement the goals and objectives of the CEDS by providing needed technical assistance to citizens and governments throughout the Catawba Region in a variety of ways. These include:

- Securing state and federal grant funds for major infrastructure projects;
- Providing socio-economic demographic data and GIS mapping as required by local planning and economic development staff; and
- Working with environmentally related organizations such as
  - Catawba-Wateree Water Management Group
  - Catawba-Wateree Basin Advisory Commission
  - Carolina Thread Trail
  - SC Department of Health and Environmental Control

Another important function of the Council of Governments is the implementation of the Workforce Investment Act Program. Working with local industrial partners, COG staff is able to identify needed job skills necessary to secure employment with local industry and commerce. Through contractual relationships with the SC Department of Employment and Workforce (SCDEW) and ResCare, CRCOG is able to provide displaced workers with critical job skills through WIA retraining programs.

Finally, the Catawba Regional Development Corporation continues to provide gap financing to small businesses and local governments from a variety of sources, helping to create new jobs and capital investment in the region.

Catawba Regional will continue to work with state and local economic development professionals to recruit additional high wage, high technology jobs for the region. New higher wage jobs, expansion of private investment and retraining of displaced workers are all priorities of the state and regional economic development programs.

REGIONAL PERFORMANCE EVALUATION

The goals and objectives for this year's CEDS remain the same as the previous year. Reducing unemployment and creating new jobs through the recruitment of new industry and the expansion of existing industry remain the highest priorities. The Council of Governments met its FY 14/15 goals.

Goal 1:	To promote job creation and lower unemployment in the region.

- A new public works project was submitted to EDA for the Chester Sewer Distict. The funding would be used to bring sewer infrastructure and to the GITI Tire Company site. The company intends to create 1700 new jobs and invest $560 million at the plant. The project was funded by EDA early in 2015.
- The Council and Development Corporation had 7 new loans resulting in the creation of 77 new jobs. These companies will create over $6.7 million in new capital investment;
- Over the course of the last two years, Catawba Regional also assumed the EDA Revolving Loan Portfolios of Lower Savannah, Santee-Lynches and Lowcountry COGs, increasing the total RLF capitalization to over $6 million; and
- Retraining programs have served 915 persons by preparing them to learn skills that will allow them to enter the work force.

The net result of these activities, along with the efforts of the region's other economic development partners, is that new opportunities for employment are being created during this difficult economic time. Through these efforts, each of the region's four counties experienced decreases in their unemployment rates during the past year.

Goal 2: To assist local governments in their industrial recruitment efforts by maintaining and supplying needed social/economic data and conducting relevant economic studies as requested.

- The Council of Governments assisted local governments and the private sector in industrial recruitment by supplying socio-economic data and by providing quarterly building permit reports showing permit totals countywide, by municipality and census track; and
- On a monthly basis the Council of Governments received numerous requests for socio-economic data. To make this data more easily accessible, the Council of Governments provides this data via its website at www.catawbacog.org.
- The Council also provided updated Economic Development Cluster data for each of the region's counties to COG Board Members, private sector, and local elected officials.

Goal 3: To assist state and local governments with environmentally related studies and plans to preserve air and water quality as the region continues to grow and urbanize.

- Council staff continued to meet with various organizations promoting clean air and water and sustainable growth. Included among these organizations were local and state governments involved in the "CONNECT" project, SC DOT, the Catawba Wateree Basin Advisory Commission, and SC DHEC. Council staff met with most of these organizations on a quarterly basis.

REVIEW OF COUNCIL OF GOVERNMENTS ACCOMPLISHMENTS AND ACTIVITIES

This section summarizes significant Council of Governments' activities through September 2015.

Economic Development

In Chester County, an EDA approved project is complete to upgrade a pump station and install a new force main serving the economically important Lando Wastewater Treatment Plant near the Town of Richburg. The project has allowed for the creation of over 45 new jobs at Guardian Industries. Guardian has invested $45,000,000 in a new glass manufacturing process at the Richburg plant.

The City of Rock Hill is nearing completion of an EDA Public Works project to serve a new Ross Stores distribution facility which is creating 550 new jobs and a $150,000,000 of investment by the company by realigning Paddock Parkway.

The Council of Governments staff submitted an application for the Lancaster County Water and Sewer District and Lancaster County to provide water, sewer and road improvements for Keer Inc., a Chinese textile company that intends to build a $55 million manufacturing plant in Indian Land and hire several hundred new workers. This application was funded by EDA early in 2014 and the project is now getting ready to go out to bid.

In early 2015, EDA funded an application for the Chester Sewer District to provide sewer infrastructure to serve GITI Tire who plans to create over 1,700 new jobs and invest over $560,000,000 in the Richburg area. This project is now in the design phase.

Staff continues to work with the City of York on a $1.8 million EPA funded project to connect its water system with the City of Rock Hill. Phase 1 of the project to construct elevated and ground water storage tanks is now complete. Work on the waterline connection between York and Rock Hill should begin by early next year.

Community Development

The Council of Governments is actively involved in the SC Community Development Block Grant (CD) program as administered by the SC Department of Commerce. The Council of Governments helps local governments identify project needs, prepares CDBG applications and administers awarded grants.

As usual, there are several CDBG projects in various stages that are upgrading water and sewer infrastructure in low and moderate income areas. Other projects include upgrading sidewalks and demolishing vacant houses. Staff also has completed SC Rural Infrastructure Authority grants in the Town of Sharon and the City of York. The Town of Heath Springs, Town of Great Falls, and the City of Union currently have open projects.

The Council of Governments also received funding SC State Housing in the summer of 2015 to aquire vacant and dilapidated residential properties from willing landowners. Once ownership is attained, the structures will be demolished an disposed of properly and the site will be re-greened.

In May of 2012, the Council was certified as an intake agency for the SC Mortgage HELP Program, a foreclosure prevention program. To date, over 834 applications have been taken to assist struggling homeowners in the region and over 248 persons have been approved for assistance.

Loan Programs

The Council began its EDA Revolving Loan Fund (RLF) in August 1986 and by June 1988 had fully committed its initial capitalization of $700,000. Later that year, a recapitalization of $450,000 was added. In 1993, the Council of Governments was awarded an additional recapitalization of

$300,000. To date, the Council has loaned over $12.8 million through the EDA RLF program resulting in the creation of over 1,036 new jobs. These loans have leveraged private investments of over $59.3 million.

In 2014, Catawba Regional assumed the EDA RLF portfolio of Pee Dee Council of Governments. In 2012 Catawba Regional assumed Lower Savannah, Santee Lynches and Lowcountry COGs. Total RLF Loan capitalization is $6.4 million.

The COG serves as the statewide administrator for the SC DHEC's Brownfields Cleanup Revolving Loan Fund (BCRLF). To date 16 loans and sub grants have been made totaling over $7.5 million. These loans have leveraged an additional $7 million in private investments.

The Council's Development Corporation operates an SBA 504 Fixed Asset Loan Program serving the entire state of South Carolina. The Development Corporation is one of the most active SBA 504 lenders in the State with over $36.7 million of SBA 504 loans originated since inception. One thousand twenty nine (1,035) new jobs have been created, leveraging over $62.2 million in private investment. The Rural Development Intermediary Relending Program (IRP), in which the Development Corporation also is participating, has resulted in loans totaling $3.1 million and the creation of 126 jobs. Finally, the Council's Community Development Financial Institution (CDFI) program has made loans of $523,403 leveraging $475,000 in private investment. Ten new jobs were created through this program.

Information Technology and Geographic Information System

The Council of Governments continues to expand the growing use of its in-house GIS system which uses ArcInfo software. Current projects include developing traffic count maps for the region, providing transportation maps for mass transit and long-range transportation plans, land-use scenario modeling via CommunityViz, and ArcGIS web map development and deployment. Staff continues to update a water/sewer infrastructure database for the SC Department of Commerce. Other GIS projects include updating of base maps for Chester and

Union counties' E-911 programs and various maps for the SC Department of Commerce. The database which has been developed for these projects will greatly enhance the Council's ability to assist in future planning and economic development projects.

Staff also is working onsite with various local government GIS departments to further develop their GIS capacities. The COG website, built in 2011, continues to be enhanced and expanded with new utility and information. This enhances information dissemination throughout the region.

Finally, the Council of Governments continues to update the zoning maps for the cities of Chester and York and Chester County. These maps contain information on roads, parcel boundaries and zoning districts. Zoning maps for Lancaster County, the Towns of Fort Mill and Great Falls and the Cities of Union and York also have been created containing similar information.

Other Technical Assistance

The Council of Governments provides a variety of technical assistance services to its member and local governments.

Council staff continues to serve as supplemental planning staff for the City of Union and now has a new contract with Union County. Staff is currently working on updates of the Comprehensive Plans in Chester County and has completed updates for Lancaster County the City of Tega Cay. In regards to EDA funded planning projects, planning staff is working on a Small Area land Use Plan for Interstate 77 exits 62 and 65 adjacent to the GITI Tire Plant property. They are also working to complete a SC Economic Indicators Project.

Census

Catawba Regional is continuing to serve as a regional data center for demographic and economic statistics. Data has been researched and provided, on request, to local governments, chambers of commerce, social service agencies, the business community and the general public. The Council of Governments continues to disseminate data upon request from the 2010 census.

Workforce Investment Act

Beginning July 1, 2015, the Council became the program administrator for the Workforce Innovation and opportunity Act in Chester, Lancaster and York counties. This program replaced the previous WIA (Workforce Investment Act) program the Council administered. In the last year, over 900 persons received intensive and job retraining services. The Council also manages the operation of the three SC Works / Re-employment Centers in the region.

Transportation and Air Quality

Staff also is working as a liaison between local governments and SCDOT to identify local road construction projects within the region and to provide grant support for such projects. Recent projects include several Enhanced Mobility of Seniors and Individuals with Disabilities transportation projects for Lancaster and York Counties, valued at $229,141. Staff continues to support and coordinate mass transit Demand-Response service in Chester, Lancaster and York Counties. In Union County staff helped obtain a $43,750 grant from SC DOT to do a Transit Feasibility Study.

Staff is working with the SC Department of Health and Environmental Control (DHEC) to coordinate a regional Air Quality Consortium to serve as a vehicle for education and collaboration on regional air quality issues and to collectively respond to EPA air quality standards and findings.

Community & Economic Development Outreach Meeting – July 23, 2015

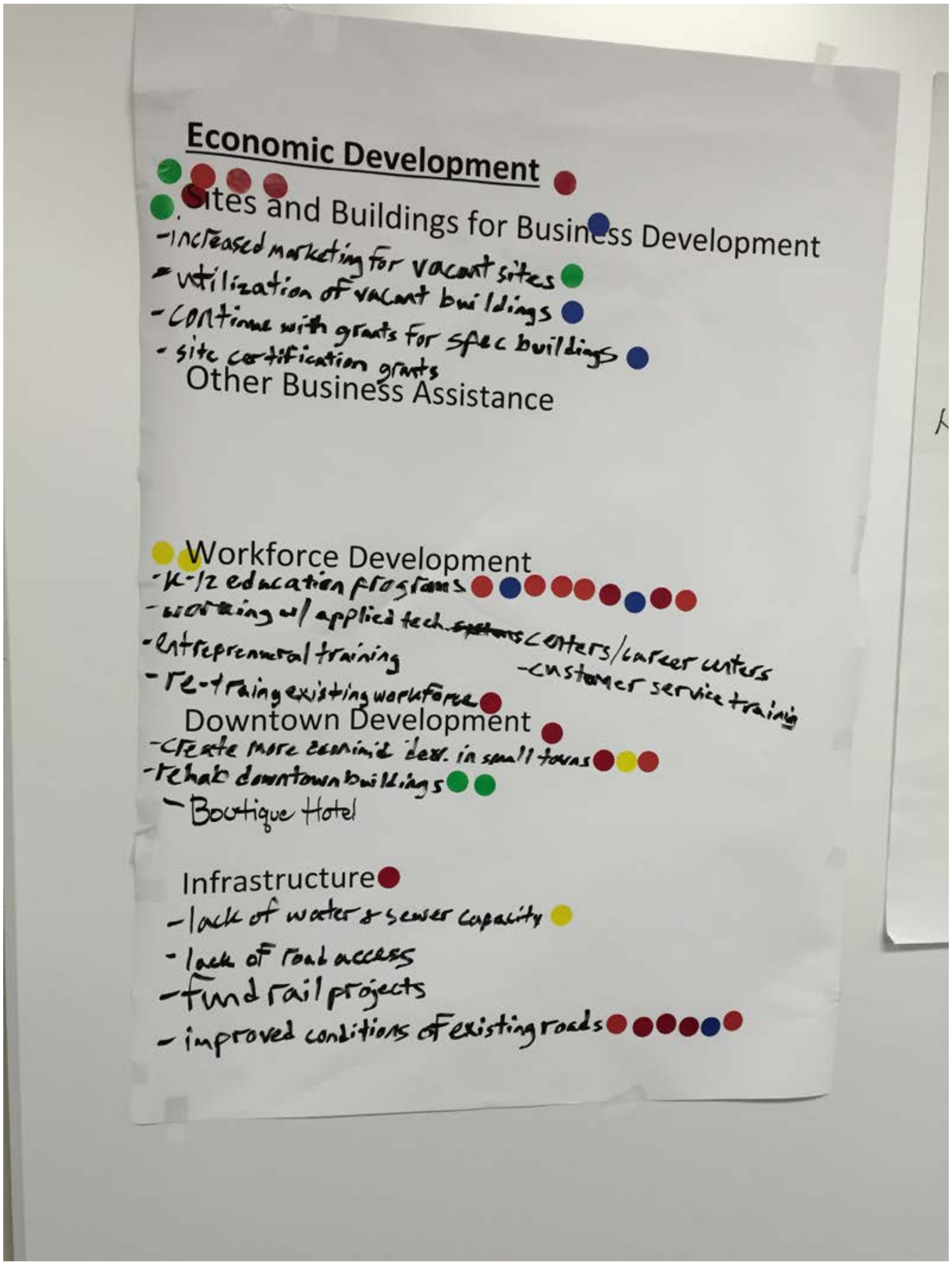
Catawba Regional Council of Governments hosted a focus group meeting to discuss community and economic development needs and priorities for our region. This meeting helped us gather valuable input for our Comprehensive Economic Development Strategy Plan and SC Department of Commerce's Consolidated Plan for Housing & Community Development.

Local elected officials, county and town staff, and economic development staff throughout the four county region were invited to participate in the meeting. A sign-in sheet is enclosed that indicates the representation present at the meeting. An agenda of the meeting is also enclosed and it details the topics that were covered with an extensive amount devoted to economic development in the region. Staff from Catawba Regional Council of Governments (COG) lead and facilitated the meeting.

Input was solicited from the group to identify economic development needs and opportunities in the region. All of the comments from the group were written on large paper sheets and each attendee was given two dots. They were asked to put there red dot beside their first priority and the other colored dots represent their second priority. A photo of the chart is enclosed. The highest ranking priority occurred under Workforce Development and the group said that there was a need for more K-12 education programs. The two needs that tied with next highest count were improve conditions of existing roads and increased sites for building for business development.

This meeting proved to be a very valuable tool in ranking the needs as they relate to economic development.

Input received regarding needs and opportunities



LETTERS

OF

CONCURRENCE

THE CATAWBA INDIAN NATION
OFFICE OF TRIBAL GOVERNMENT
996 AVENUE OF THE NATIONS ROCK HILL, SOUTH CAROLINA 29730
TELEPHONE (803) 366-4792 FACSIMILE (803) 366-0629

September 3, 2015
H. Phillip Paradise, Regional Director
Economic Development Administration
401 West Peachtree Street, NW, Suite 1820
Atlanta, GA 30308-3510

Dear Mr. Paradise,

This letter is to indicate the Catawba Indian Nation's concurrence with the Comprehensive Economic Development Strategy (2015) as prepared by the Catawba Economic Development District.

Of the 566 federally recognized tribes in the United States, the Catawba Indian Nation is the only one located in the state of South Carolina. The modern day tribal lands are located in York County, South Carolina. There are currently over 2800 enrolled members of the Nation. The tribe has a long history and a rich culture that lives on today. The Catawba Indian Nation seeks to promote economic development activities that will create jobs and diversity to our economic base. The programs of the Economic Development Administration (EDA) could prove to be an important component of our economic initiatives in the future. We recently submitted an EDA grant application for predevelopment funds pertaining to our Catawba Studio Project and look forward to working with EDA on future projects.

Thanks again for your commitment to the Catawba Indian Nation and the Catawba Economic Development District.

Sincerely,

Jackie Canty

Jackie Canty

Director of Economic Development

Wayne George
Assistant Chief

William Harris
Chief

Roderick Beck
Secretary/Treasurer

Chester County, South Carolina

CHESTER COUNTY SUPERVISOR
POST OFFICE DRAWER 580
CHESTER, SOUTH CAROLINA 29706

September 1, 2015

H. Phillip Paradise, Regional Director
Economic Development Administration
401 West Peachtree Street, NW, Suite 1820
Atlanta, GA 30308-3510

Dear Mr. Paradise,

This letter is to indicate Chester County's concurrence with the Comprehensive Economic Development Strategy (2015) as prepared by the Catawba Economic Development District.

Chester County continues to deal with high levels of unemployment and low per capita income. Past assistance from the Economic Development Administration (EDA) has helped us plan and implement needed public works and economic development projects. EDA's Revolving Loan Fund also has been a very useful resource. These efforts have led to important new investments in the County's economy and new employment opportunities. The Chester Sewer District completed an EDA project to construct a new pump station and force main to serve Guardian Industries who have expanded their production. Working with the Catawba Regional Council of Governments, EDA funds were recently secured to construct sewer improvements for the GITI Tire facility to be built near Richburg. The continued assistance of EDA will enable us to broaden and promote additional economic development in Chester County.

Thank you again for your concern for the future of Chester County and the Catawba Economic Development District.

Sincerely,

Shane Stuart
County Supervisor

Lancaster County

P.O. Box 1809
101 N. Main St.
Lancaster, SC 29721

Telephone:
803-285-1565

Fax:
803-285-3361

lancastercountysc.net

September 1, 2015

H. Phillip Paradise, Regional Director
Economic Development Administration
401 West Peachtree Street, NW, Suite 1820
Atlanta, GA 30308-3510

Dear Mr. Paradise,

This letter is to indicate Lancaster County's concurrence with the Comprehensive Economic Development Strategy (2015) as prepared by the Catawba Economic Development District.

In Lancaster County, we are continuing to experience low per capita income and unemployment rates higher than the state and national averages. In addressing these issues, we are taking steps to diversify our industrial base. We are currently experiencing rapid residential growth in the northern panhandle area of our county. The Lancaster County Water and Sewer District was awarded Economic Development Administration (EDA) funding to construct a new sewer line and make road improvements to serve Keer, Inc. This work should be underway in the first quarter of 2016. Keer, Inc. will provide much needed job creation and capital investments for the local economy.

We thank you again for your commitment to Lancaster County and the Catawba Economic Development District.

Sincerely,

Steve Willis
County Administrator

Frank Hart
Union County Supervisor
210 West Main Street
Union, SC 29379
(864) 429-1600
Fax (864) 429-1603

September 1, 2015

H. Phillip Paradise, Regional Director
Economic Development Administration
401 West Peachtree Street, NW, Suite 1820
Atlanta, GA 30208-3510

Dear Mr. Paradise,

This letter is to indicate Union County's concurrence with the Comprehensive Economic Development Strategy (2015) as prepared by the Catawba Economic Development District.

Union County appreciates the Economic Development Administration's (EDA) financial and planning assistance over the past years. Although our local economy continues to remain weak, some diversification has occurred and we are committed to improving the economic prospects for the citizens of our County. The help of agencies such as EDA still remains critical in order to make needed progress. We have completed an EDA grant project to build a QuickJobs Center to provide the necessary job training for companies in Union County. The QuickJobs Center continues to be a critical component in economic expansions in the County.

Again, thank you for your assistance to Union County and your support of the Catawba Economic Development District.

Sincerely,

Frank Hart
County Supervisor

York County
south carolina

York County Manager's Office
Post Office Box 66, York, S.C. 29745
(803) 684-8511 phone
(803) 684-8550 fax

September 9, 2015

H. Phillip Paradise, Regional Director
Economic Development Administration
401 West Peachtree Street, NW, Suite 1820
Atlanta, GA 30308-3510

Dear Mr. Paradise,

This letter is to indicate York County's concurrence with the Comprehensive Economic Development Strategy (2015) as prepared by the Catawba Economic Development District.

York County's goal is to have orderly and progressive growth throughout all areas of the County. We are also continuing to diversify our economic base. The programs of the Economic Development Administration (EDA) have been very helpful to us in the past and can serve us as we attempt to further strengthen our economy. Currently, the City of Rock Hill has an active EDA grant to build a new entrance road for the Ross Stores distribution facility that will create hundreds of new jobs for the local economy. This project should be completed in the near future.

Thanks again for your commitment to York County and the Catawba Economic Development District.

Sincerely,

William P. Shanahan, Jr.
County Manager

APPENDIX A

Total Employment, 1990-2011

Catawba Region

		% Growth	
Year	**Employment**	**Catawba**	**US**
1990	87,869		
1991	86,025	-2.1%	-1.6%
1992	86,932	1.1%	0.5%
1993	88,256	1.5%	1.9%
1994	91,041	3.2%	2.8%
1995	92,103	1.2%	2.6%
1996	92,355	0.3%	2.1%
1997	94,618	2.5%	2.7%
1998	97,204	2.7%	2.5%
1999	101,941	4.9%	2.3%
2000	103,138	1.2%	2.3%
2001	100,462	-2.6%	-0.2%
2002	99,798	-0.7%	-1.1%
2003	99,903	0.1%	-0.3%
2004	101,958	2.1%	1.2%
2005	103,317	1.3%	1.8%
2006	106,214	2.8%	1.7%
2007	106,557	0.3%	1.1%
2008	106,950	0.4%	-0.4%
2009	102,578	-4.1%	-4.6%
2010	102,593	0.0%	-0.6%
2011	104,750	2.1%	1.2%

Source: Bureau of Labor Statistics (CEW)

Employment by County

Catawba Region

Geography	2011 Employment	1-Year ('10-'11)		10-Year ('01-'11)	
		Net New	% Growth	Net New	% Growth
Chester County, SC	7,682	-51	-0.7%	-4,462	-36.7%
Lancaster County, SC	16,207	442	2.8%	-2,660	-14.1%
Union County, SC	6,308	410	7.0%	-3,505	-35.7%
York County, SC	74,553	1,356	1.9%	14,915	25.0%
Catawba Region	*104,750*	*2,157*	*2.1%*	*4,288*	*4.3%*

Source: Bureau of Labor Statistics (CEW)

Employment by Industry

Catawba Region

Industry	2011 Employment	1-Year ('10-'11) New Jobs	1-Year ('10-'11), % Growth	
			Catawba	US
Natural Resources and Mining	773	30	4.0%	5.1%
Construction	3,359	-102	-2.9%	-0.3%
Manufacturing	14,978	1,111	8.0%	1.9%
Trade, Transportation, and Utilities	22,472	499	2.3%	1.5%
Information	1,790	-55	-3.0%	-1.1%
Financial Activities	7,260	-453	-5.9%	0.2%
Professional and Business Services	11,014	1,110	11.2%	3.5%
Health Services & Private Education	11,493	475	4.3%	2.0%
Leisure and Hospitality	10,924	24	0.2%	2.2%
Other Services	2,397	81	3.5%	1.3%
Government	18,292	-561	-3.0%	-1.7%
All Industries	**104,752**	**2,159**	**2.1%**	**1.2%**

Source: Bureau of Labor Statistics (CEW)

Employment by Industry (cont.)

Catawba Region

Industry	10-Year ('10-'11) New Jobs	10-Year ('01-'11), % Growth Catawba	US
Natural Resources and Mining	180	30.4%	10.8%
Construction	-1,706	-33.7%	-19.2%
Manufacturing	-9,841	-39.7%	-28.6%
Trade, Transportation, and Utilities	2,655	13.4%	-3.2%
Information	-5	-0.3%	-25.5%
Financial Activities	3,851	113.0%	-3.4%
Professional and Business Services	2,896	35.7%	5.9%
Health Services & Private Education	4,171	57.0%	28.1%
Leisure and Hospitality	1,663	18.0%	11.9%
Other Services	176	7.9%	4.8%
Government	460	2.6%	4.5%
All Industries	**4,500**	**4.3%**	**-0.2%**

Source: Bureau of Labor Statistics (CEW)

Salary by Industry

Catawba Region

Industry	2011 Average Salary Catawba	US	10-Year ('01-'11), % Growth Catawba	US
Natural Resources and Mining	$30,152	$53,688	3.8%	64.8%
Construction	$35,979	$50,692	31.9%	32.0%
Manufacturing	$51,820	$59,207	44.0%	37.8%
Trade, Transportation, and Utilities	$35,502	$40,224	30.0%	26.9%
Information	$53,829	$78,306	53.1%	36.7%
Financial Activities	$45,721	$77,366	6.4%	39.4%
Professional and Business Services	$41,343	$61,873	84.1%	42.0%
Health Services & Private Education	$39,116	$44,388	16.7%	35.7%
Leisure and Hospitality	$13,232	$19,765	23.7%	28.1%
Other Services	$25,018	$30,025	7.8%	29.3%
Government	$36,249	$49,187	28.4%	34.6%
All Industries	**$37,412**	**$48,040**	**30.0%**	**32.6%**

Source: Bureau of Labor Statistics (CEW)

Population Trend

Catawba Region

Year	Population	10-Year, % Growth Catawba	US
1910	133,704		
1920	142,925	6.9%	15.0%
1930	144,121	0.8%	16.2%
1940	156,144	8.3%	7.3%
1950	172,598	10.5%	14.5%
1960	179,015	3.7%	18.5%
1970	187,585	4.8%	13.3%
1980	220,980	17.8%	11.5%
1990	248,520	12.5%	9.8%
2000	289,914	16.7%	13.2%
2010	368,460	27.1%	9.7%

Source: US Census Bureau

Population Trend (cont.)

Catawba Region

Year	Population	1-Year, % Growth Catawba	US
2001	296,194	1.7%	1.0%
2002	301,823	1.9%	0.9%
2003	307,277	1.8%	0.9%
2004	313,043	1.9%	0.9%
2005	320,570	2.4%	0.9%
2006	332,172	3.6%	1.0%
2007	344,790	3.8%	1.0%
2008	356,555	3.4%	0.9%
2009	364,424	2.2%	0.8%
2010	368,460	1.1%	0.8%
2011	370,031	0.4%	0.8%

Source: US Census Bureau

Population by County

Catawba Region

	2011	10-Year ('01-'11)		1-Year ('10-'11)	
Geography	Population	Net New	% Growth	Net New	% Growth
Chester County, SC	32,916	-1,213	-3.6%	617	1.9%
Lancaster County, SC	77,908	16,481	26.8%	-674	-0.9%
Union County, SC	28,679	-1,239	-4.1%	1,595	5.9%
York County, SC	230,528	64,780	39.1%	33	0.0%
Catawba Region	**370,031**	**78,809**	**27.1%**	**1,571**	**0.4%**

Source: US Census Bureau

Age Distribution - 2010

Catawba Region

		% of Population	
Age Group	Population	Catawba	US
0-4	24,593	6.7%	6.5%
5-9	24,930	6.8%	6.6%
10-14	25,259	6.9%	6.7%
15-19	25,244	6.9%	7.1%
20-24	21,859	6.0%	7.0%
25-29	21,194	5.8%	6.8%
30-34	22,614	6.2%	6.5%
35-39	25,929	7.1%	6.5%
40-44	26,665	7.3%	6.8%
45-49	27,928	7.7%	7.4%
50-54	26,323	7.2%	7.2%
55-59	23,639	6.5%	6.4%
60-64	21,682	5.9%	5.4%
65-69	16,289	4.5%	4.0%
70-74	11,613	3.2%	3.0%
75-79	8,336	2.3%	2.4%
80-84	5,654	1.5%	1.9%
85+	5075	1.4%	1.8%

Source: US Census Bureau

Racial Distribution - 2010

Catawba Region

		% of Population		
Race	Population	Catawba	SC	US
White	256,597	70.3%	64.1%	63.7%
Black	82,141	22.5%	27.7%	12.2%
Hispanic	14,220	3.9%	5.1%	16.3%
Asian	4,069	1.1%	1.3%	4.7%
Other	7,799	2.1%	1.9%	3.0%

Source: US Census Bureau

Educational Attainment - 2010

Catawba Region

Highest Educational Attainment, Population Aged 25+	**Population**	**% Highest Achievement Catawba**	**SC**	**US**
Less than high school degree	39,799	16.7%	16.3%	14.7%
High school degree or equivalent	74,900	31.3%	30.5%	28.4%
Some college, no degree	50,368	21.1%	20.5%	21.3%
Associate's degree	20,887	8.7%	8.5%	7.6%
Bachelor's degree	36,269	15.2%	15.6%	17.6%
Master's/Professional degree or higher	16,801	7.0%	8.6%	10.4%
Bachelor's or Higher	**53,070**	**22.2%**	**24.2%**	**28.0%**

Source: US Census Bureau

Unemployment Trends

Catawba Region

Year	Unemployed Population	Unemployment Rate Catawba	US
1990	6,963	5.4%	5.6%
1991	9,709	7.3%	6.8%
1992	10,663	7.8%	7.5%
1993	11,132	8.0%	6.9%
1994	8,634	6.2%	6.1%
1995	7,477	5.3%	5.6%
1996	8,723	6.1%	5.4%
1997	7,224	5.0%	4.9%
1998	6,514	4.5%	4.5%
1999	6,808	4.6%	4.2%
2000	5,418	3.6%	4.0%
2001	8,366	5.6%	4.7%
2002	10,803	7.3%	5.8%
2003	12,603	8.4%	6.0%
2004	12,517	8.2%	5.5%
2005	11,763	7.6%	5.1%
2006	12,015	7.5%	4.6%
2007	11,124	6.9%	4.6%
2008	13,972	8.5%	5.8%
2009	26,421	15.5%	9.3%
2010	27,431	16.0%	9.6%
2011	24,004	14.0%	8.9%

Source: Bureau of Labor Statistics (LAUS)

Unemployment Trends (cont.)

Catawba Region

Month	Unemployed Population	Unemployment Rate Catawba	Unemployment Rate US
10 - Jan	28,403	16.8%	10.6%
10 - Feb	26,446	16.4%	10.4%
10 - Mar	26,390	16.7%	10.2%
10 - Apr	23,788	16.6%	9.5%
10 - May	28,142	15.9%	9.3%
10 - Jun	28,570	16.2%	9.6%
10 - Jul	27,013	15.9%	9.7%
10 - Aug	28,024	16.5%	9.5%
10 - Sep	27,488	16.3%	9.2%
10 - Oct	28,786	14.0%	9.0%
10 - Nov	28,524	15.4%	9.3%
10 - Dec	27,604	15.4%	9.1%
11 - Jan	24,328	16.7%	9.8%
11 - Feb	24,222	15.6%	9.5%
11 - Mar	22,713	14.6%	9.2%
11 - Apr	21,092	14.0%	8.7%
11 - May	21,297	13.7%	8.7%
11 - Jun	22,344	13.4%	9.3%
11 - Jul	22,958	13.2%	9.3%
11 - Aug	29,207	14.1%	9.1%
11 - Sep	26,940	14.1%	8.8%
11 - Oct	25,270	13.3%	8.5%
11 - Nov	24,124	12.5%	8.2%
11 - Dec	23,554	12.6%	8.3%
12 - Jan	21,892	13.1%	8.8%
12 - Feb	20,648	12.2%	8.7%
12 - Mar	18,837	11.2%	8.4%
12 - Apr	18,895	11.2%	7.7%
12 - May	18,076	10.8%	7.9%

Source: Bureau of Labor Statistics (LAUS)

Per Capita Income

Catawba Region

Year	Per Capita Income Catawba	US	% Growth Catawba	US
2000	24,137	30,319		
2001	24,696	31,157	2.3%	2.8%
2002	25,321	31,481	2.5%	1.0%
2003	25,794	32,295	1.9%	2.6%
2004	26,872	33,909	4.2%	5.0%
2005	28,184	35,452	4.9%	4.6%
2006	29,634	37,725	5.1%	6.4%
2007	30,464	39,506	2.8%	4.7%
2008	30,962	40,947	1.6%	3.6%
2009	29,517	38,846	-4.7%	-5.1%
2010	30,223	39,937	2.4%	2.8%

Source: US Bureau of Labor Statistics

Poverty Rates

Catawba Region

Year	% in Poverty (18 and Under) Catawba Region	United States	% in Poverty (All Ages) Catawba Region	United States
2000	10.9%	11.3%	15.2%	16.2%
2001	11.7%	11.7%	16.4%	16.3%
2002	12.2%	12.1%	17.0%	16.7%
2003	12.5%	12.5%	18.0%	17.6%
2004	13.4%	12.7%	19.1%	17.8%
2005	13.7%	13.3%	19.9%	18.5%
2006	13.8%	13.3%	18.7%	18.3%
2007	14.6%	13.0%	19.8%	18.0%
2008	14.2%	13.2%	18.7%	18.2%
2009	15.3%	14.3%	21.9%	20.0%
2010	15.6%	15.3%	21.5%	21.6%

Source: US Census Bureau (SAIPE)