

2003 ANNUAL REPORT

Highlights

1. Triad Entrepreneurial Initiative's Fuel Competition experienced a 36% increase in entries, a significant increase in quality of plans, increased media coverage and broader geographical representation among entries.
2. Triad Entrepreneurial Initiative's companies attracted more venture capital than ever before.
3. The Nussbaum Center for Entrepreneurship, the state's largest business incubator, was at it highest occupancy to date.
4. The Nussbaum Center had generated 1,300 jobs at the end of 2003, and the cost per job created was a cost-efficient \$1,300.
5. The Tech Transfer Outreach Initiative, a partnership of NCA&TSU and UNCG, located at the Nussbaum Center impacted 82 businesses offering patent searches and market research. It marketed 36 NASA technologies to 331 North Carolina companies resulting in direct consultation between NASA field centers and five companies.
6. The Greensboro Economic Council completed its first year of operation.
7. Action Greensboro underwrote the \$23,600 cost of a "Community Image Survey" for the Greensboro Economic Development Partnership.
8. Action Greensboro underwrote the \$56,500 cost of a "Business Retention Survey" for the Greensboro Economic Development Partnership as well as \$95,000 for the Partnership to jump-start its business retention program.
9. Action Greensboro funded a study, "Benchmark Analysis for Greensboro and Select Cities," by Dr. Keith Debbage of the UNCG Geography department, measuring these community performance criteria: net population change, economic diversity, per capita income, median earnings, high school dropout rates, percentage enrolled in post-secondary education, home ownership, poverty rate, infant mortality rate, and teenage pregnancy rate. A baseline comparison of Greensboro and 17 competing cities has been established, allowing future measurement of economic development progress.
10. With co-sponsorship by US Trust, Action Greensboro brought Dr. Richard Florida, Carnegie Mellon Professor of Regional Economic Development, and Kirk Watson, a former mayor of Austin, TX, to Greensboro in October. They conducted free public workshops on the economic development principles described in Florida's book, *The Rise of the Creative Class*, and met with elected city and county officials to discuss how the ideas be put into practice by local governments. Prior to their arrival, four task forces were formed around the concepts of Technology, Talent, Tolerance and Territorial Assets, and volunteers researched and inventoried Greensboro's threats and opportunities.
11. Action Greensboro sent 11 young adults to the Memphis Manifesto conference in April.

12. Four hundred local companies were surveyed about their experience hiring and retaining young adults.
13. The second annual Get Down! Town was held in August to welcome back Greensboro's college students.
14. synerG, the young adults council, launched its web page.
15. In December, the Future Fund of the Community Foundation of Greater Greensboro granted synerG funding to market a Wi-Fi project in Center City Greensboro.
16. In December, the Future Fund granted Cable Channel 8 money to collaborate with synerG on production of a 12-part series, "Creative Living".
17. Greensboro Connects continued for its second year with: Cooper & Secrest telephone poll which found that Greensboro residents are generally satisfied with their quality of life; "Greensboro: Visions of Our Community," an art competition promoting Greensboro's assets; a new website; a new non-traditional volunteer base called Greensboro Connectors; and a new television series, "Greensboro Connect TV," airing on Cable Channel 13.
18. Commitment to Excellence completed its third year with: Celebration of Excellence recognizing the 15 most improved schools; an Academic All-Stars Camp for 220 of the school system's brightest rising 9th and 10th graders; college scholarships for students at Dudley and Andrews academies who will teach four-years in the Guilford County School System; the UNCG Cohort Doctoral Program in Education Leadership for School administrators (2/3 of the cost paid by Action Greensboro).
19. On May 16, ground was broken on the North Eugene site for the downtown ballpark.
20. Workshops resulted in completion of plans for the Bellemeade Neighborhood in Center City.
21. Phase I of the Center City Park opened in December.
22. In October, 59% of voters voted not to change downtown zoning, demonstrating support for the new ballpark.
23. In December, the Guilford County Health Department and Department of Social Services prepared to move to their new building at 1203 Maple Street, constructed to permit demolition of their old buildings on the ballpark site.
24. Downtown Greensboro Incorporated continued to manage the Downtown Residential Fund providing interest on construction loans on new residential unites for sale or lease from the time of completion until the units are sold or leased whichever is shortest. As of November, 52 units had been funded.

Original Goals and Expectations

Action Greensboro exists to bring more and better paying jobs to the Greensboro community at a time when Greensboro, the region, and the state of North Carolina are suffering terribly from a changing economy. Action Greensboro has been lead since November of 2001 by local foundations and they include:

- Joseph M. Bryan Foundation
- CEMALA Foundation
- Community Foundation of Greater Greensboro
- Tannenbuam-Sternberger Foundation
- TOLEO Foundation
- Weaver Foundation

Action Greensboro is dedicated to:

- Creating an economically vibrant community where individuals can find the foundation to build their lives;
- Fostering an environment that attracts business and industry and which stimulates business formation and development;
- Developing a dynamic urban center.

To accomplish this, in late Fall of 2001, Action Greensboro brought together a Core Committee of Greensboro's largest employers, key civic, higher education, and foundation executives to lead citizen volunteers to develop recommendations in six related areas that would bring about more and better paying jobs. The six areas of emphasis are:

- Enhancing the environment for small business development and entrepreneurship;
- Retaining, enhancing and recruiting business and industry;
- Attracting and retaining young professionals;
- Promoting Greensboro's brand/image to encourage a "can do" attitude in the community;
- Enhancing the public schools;
- Revitalizing Center City Greensboro.

In 2001, six task forces developed comprehensive recommendations addressing the focus areas listed above. Since 2001, Action Greensboro leaders and volunteers have worked to implement these recommendations. Some of the initiatives could take as long as 10 to 20 years to complete; however, a significant number are under way and in their second or third year of implementation. These are grouped into a Phase I implementation plan covering 2002, 2003 and 2004. Due to both determination and funding constraints, some Phase I recommendations were actually implemented in 2001 and others may linger into 2005 and 2006. Overall implementation has been highly successful.

Accomplishments

I. Enhancing the environment for small business development and entrepreneurship.

Perhaps this has been the most successful area to date. In the 1990's, medium and small companies accounted for all of the net job growth across the country. We know, too, that 80% of new jobs come from existing businesses. As the number of new project announcements shrinks, growing local businesses has become a top priority for successful communities.

- The Triad Entrepreneurial Initiative, a partnership between the Winston-Salem Alliance and Action Greensboro, completed its second year of business plan competitions in the summer of 2003. TEI is designed to nurture the development of high growth industries. The entry level business plan competition, called Spark, saw a 14% increase in contestants, and, in the opinion of the judges, a significant increase in quality of plans. Of the six winning companies, three represented biotechnology, two technology, and one education. The Fuel competition, which is the highest level of the competitions, was deemed the most successful in 2003, with a 36% increase in entries, a significant increase in quality of plans, increased media coverage, and broader geographical representation among entries. Sheila Lyons, Executive Director of TEI, says that the number one accomplishment of TEI is the generation of venture capital for its participating companies. Action Greensboro is contributing \$1 million to TEI over a five-year period. The Winston-Salem Alliance is making the same contribution.
- The Nussbaum Center for Entrepreneurship was at its highest occupancy to date at the end of 2003, with more than 50 companies representing for-profit, non-retail, service or light manufacturing enterprises. The Center has graduated 115 companies providing more than 1,000 jobs in the Triad. An additional 300 jobs were the result of the Center's end-of-2003 residing Associates. The cost per job created at the Nussbaum Center is \$1,300, making this one of the most cost effective means of job creation. The Mentoring Pool grew to 40 experienced men and women with skill sets in nine business areas. Although underutilized, the mentoring program has placed 17 mentors with seven companies as of October 30, 2003.

The Nussbaum Center is the state's largest business incubator, thanks to strong leadership from its Board of Directors, Executive Director Tom May, Assistant Director Bob Chiles, and the contributions of the Tannenbaum-Sternberger Foundation and Action Greensboro. Tannenbaum-Sternberger paid \$425,000 for the third-floor build-out. Action Greensboro has contributed \$75,000 a year for two years to fund the Assistant Director's position and affiliated expenses. Action Greensboro pledged to make this contribution for three years.

- The Tech Transfer Outreach Initiative formed by NC A&T and UNCG offers technology commercialization counseling to the community provided by fulltime technology assessment professionals and students from both universities.

Although each university has faculty and staff located on their respective campuses, there is a joint office at the Nussbaum Center. The program offers patent searches and market research to anyone in the area at no cost, and in its first 16 months of operation directly impacted 82 small businesses. Forty-four percent of clients were women and minority owned businesses and 28% were entrepreneurs in the Nussbaum Center. The Tech Transfer Outreach Initiative has marketed 36 NASA technologies to 331 North Carolina companies, resulting in direct consultations between NASA field centers and five companies, as well as an exclusive technology license to a company in the Nussbaum Center. Action Greensboro pledged \$165,000 a year for three years to Tech Transfer. The program began in September 2002.

II. Retaining, enhancing and recruiting business and industry.

The year 2003 was the first one for the Greensboro Economic Council. In 2002 Action Greensboro brought Mac Holladay of Market Street Services in Atlanta to facilitate the creation of an economic development plan for Greensboro. The Operational Economic Development Plan was presented to the community on December 11, 2002. The structure of the Greensboro Economic Council brings together economic development groups that had worked independently and, at times, at cross purposes, to function as a team to strengthen efforts to attract and retain business and industry in Greensboro and the region. Chaired by the chairman of the board of the Greensboro Economic Development Partnership, the Council has oversight and responsibility for implementing this action plan with the support of five volunteer workgroups.

- In 2003, to aid the Greensboro Economic Development Partnership (GEDP) in strengthening the Greensboro region, Action Greensboro underwrote the \$23,600 cost of a “Community Image Survey” and \$56,500 for a “Business Retention Survey” conducted by Market Street Services. Action Greensboro also contributed \$95,000 to the GEDP to jump-start its business retention program.
- Action Greensboro funded a study by Dr. Keith Debbage of the UNCG Geography department, “Benchmark Analysis for Greensboro and Select Cities”, measuring the community performance criteria utilized in the Market Street Services plan: net population change, economic diversity, per capita income, median earnings, high school dropout rates, percentage enrolled in post-secondary education, home ownership, poverty rate, infant mortality rate, and teenage pregnancy rate. The study provides a baseline comparison of Greensboro and 17 competing cities, allowing future measurement of economic development progress. The report was presented to the community in September 2003.
- With co-sponsorship from US Trust, Action Greensboro brought Dr. Richard Florida, Carnegie Mellon Professor of Regional Economic Development, and Kirk Watson, a former mayor of Austin, TX, to Greensboro on October 30 and 31. They conducted free public workshops on the economic development principles described in Florida’s book, *The Rise of the Creative Class*, and met with elected city and county officials to discuss how the ideas might be put into practice by local governments. Prior to their arrival, four task forces were formed around the concepts of Technology, Talent, Tolerance and Territorial Assets, and volunteers

researched and inventoried Greensboro's threats and opportunities. A concerted effort was made to include broad a cross-section of the community, both on the task forces and as participants in the workshops, with over 3,000 people receiving personal invitations by mail. Almost 500 hundred people attended the October 30 talk by Florida and about 300 attended the 5-hour workshop on October 31. Evaluations of both presentations were 100% positive. This event provided an opportunity to examine new economic development strategies and assess their relevance to Greensboro.

III. Attracting and retaining young adults.

In May 2003, the Young Professionals Coordinator Jenny Stokes completed the first year in her position with a number of accomplishments for the year.

- After a citywide nomination process, Action Greensboro sent 11 young professionals to Memphis for a two-day Manifesto Summit in April designed to produce recommendations about how cities can use the "creative class" principles to enhance economic development. Since their return, members of the group have made presentations about the Creative Class to municipal and civic groups.
- Four hundred local companies were surveyed between April and August about their experience hiring and retaining young professionals.
- The second annual GET DOWN! TOWN was held August 23. This is an event designed to nurture a relationship with Greensboro's college and university students and encourage them to spend time downtown. Publicity was increased through a partnership with WTWB-TV; the placement of the stages was improved; and an exciting games area was added. The colleges and universities strengthened their participation and marketing activities for the event. Transportation was provided by the Greensboro Transit Authority through a shuttle service to all colleges, at no expense to the students. Students outnumbered the previous year's attendance.
- The young professionals council, previously called Vision Greensboro, was renamed synerG, and a synerG website debuted in August 2003.
- synerG volunteers assembled welcome packets and distributed them at no cost to local corporations and newcomers.
- In November, The Future Fund of the Community Foundation of Greater Greensboro granted funding to synerG to market a Wi-Fi (Wireless Fidelity) project in downtown Greensboro.
- In November, The Future Fund also provided funds for collaboration between Public Access Channel 8 and synerG on a twelve-month television series about the "creative class" in Greensboro called *Creative Community*. It airs on Tuesdays at 7:30 p.m. and Fridays at 7:00 a.m. throughout 2004, with a new program each month.
- Action Greensboro contributes about \$80,000 a year to the initiative to attract and retain young adults.

IV. Promoting Greensboro's brand/image to re-energize community spirit.

Action Greensboro's sponsorship of the "Greensboro: A Great Place To Connect" campaign completed its second of three years under the auspices of the Greensboro Chamber of Commerce. Action Greensboro is contributing about \$1 million over three years to support this campaign.

- In April the results of a Cooper & Secrest telephone poll of Greensboro residents found that the majority are generally satisfied with the city and would recommend that friends or family members move here. Seventy-nine percent rejected the idea that the city's best days are behind it.
- During the summer the "Greensboro: Visions of Our Community" project began with a visual art competition and children's art and photography contests.
- In September the Greensboro Connects website was launched.
- In early November an orientation session was held to launch the Greensboro Connectors, a program offering flexible, non-traditional volunteer opportunities.
- In November the television series, "Greensboro ConnectTV," began appearing six days a week on Government Access Channel 13. There is a new program each month and the programs can be seen as follows:
 - Mondays: 7:00 p.m. and 9:00 p.m.
 - Tuesdays: 9:30 a.m., 12:30 p.m., 3:00 p.m.
 - Wednesdays: 12:00 p.m., 6:00 p.m.
 - Fridays: 9:00 a.m., 11:30 p.m.
 - Saturdays: 6:30 p.m., 11:30 p.m.
 - Sundays: 9:00 a.m., 12:00 p.m., 6:30 p.m., 11:30 p.m.

V. Enhancing the public schools.

The Commitment to Excellence Fund, the first formal partnership of business and public education in Guilford County, completed its third year in 2003 and, in many people's opinion, helped establish the momentum that led to the passage of the year's \$300 million school bond. Over 30 companies have contributed \$2 million to Commitment to Excellence over three years. Funding supports the following programs:

- The third annual Celebration of Excellence, held August 21 at War Memorial Auditorium, recognized the 15 most academically improved schools with \$8,000 awards to each school and \$1,000 awards to 30 teachers.
- The third annual Academic All-Stars Camps were attended by about 220 of Guilford County Schools' brightest rising 9th and 10th graders. For three weeks students worked on projects designed to enhance their leadership and teamwork skills and to improve their performance on SAT exams. The goal of this program is to have more high school graduates receive more college scholarships.
- A new opportunity began in 2003: an education track available to students at Dudley and Andrews Academies utilizes \$350,000 from the Teach Guilford program for three-year full scholarships at NC A&T and UNCG. In return, scholarship students must commit to teach subjects such as math or special education, or teach at economically disadvantaged schools for a minimum of four years in the Guilford County Schools.

- The UNCG Cohort Doctoral Program in Educational Leadership for School Administrators is a leadership development program for principals designed by the School System, the Center For Creative Leadership, and UNCG. Principals receive their doctorates over three years, with two-thirds of the cost paid by the Commitment to Excellence Fund and 1/3 by the principal. This program is offered at a time when many principals are retiring and half of the remainder is under age 35 and likely to benefit from additional training.

Although it is not possible to take credit for the following achievements, Action Greensboro does take pride in the fact that:

- The achievement gap between minority and majority students is narrowing. From 2001 to 2003, African American students showed a 14.4% gain in Preliminary End of Grade reading scores and 14.6% gain in math results. Hispanic Students increased 9.2% in reading and 9% in math scores. Caucasian students increased reading scores by 5.1% and math by 4.8%.
- *Newsweek* magazine ranked all 14 of Guilford County's high schools in the top 4% of US high schools because of the strength of their Advanced Placement or International Baccalaureate programs.
- The high school dropout rate was lowered from 6.4% to 3.7% (that is, a 43% decrease) with innovative programs for at-risk students.
- The Guilford County School System had one of the best teacher retention rates in the State of North Carolina.

VI. Revitalizing the Center City.

The initiative to revitalize downtown Greensboro may well have reached a tipping point, as demonstrated by the success of the October referendum defeating a ban on stadiums in the central business district, the opening of the new Guilford County Social Services Building, and the Environmental Protection Agency's grant to the city to study Brownfield problems along South Elm Street below Lee Street and begin the redevelopment process. Other signs that Greensboro may have reached a tipping point include:

- An outdoor Farmer's Market was held at the corner of Davie and Washington Streets each Thursday morning, weather permitting, from May until October.
- On May 16 ground was broken on the North Eugene site of the downtown stadium; a utility building was placed there to house construction and supplies equipment. Site preparation began at the end of 2003.
- With coordination by Downtown Greensboro, Inc., community input on the Bellemeade Neighborhood was solicited at a series of workshops during the summer and the Bellemeade plan was finalized in the fall.
- Phase One of the Center City Park opened in November, with the first major event in the park being the Festival of Lights on December 6 and 7.
- The Downtown Residential Incentive Fund, established to reduce the risk of building new residential units downtown, provided grants to pay construction interest on new residential units for sale or lease from the time of completion until

the units are sold or leased. The funding lasts a maximum of two years or until the maximum grant award is used. As of November 2003, 52 units had been funded, with the average time interest was paid being 7.4 months.

Lessons Learned

Leadership from the foundations is still critical. The willingness of the foundations to lead by example and, when necessary, stick their necks out, has given the rest of the community permission to take risks. There remains work to be done regarding the machinery for business and industry recruiting. The city and the county have been supportive, and many more opportunities for public-private partnerships are ahead of us. Corporate support is significant, but more is needed.

Information and involvement are important to this initiative. Action Greensboro continues to build a database of Groundbreakers (volunteers). At the end of 2003, 2200 citizens were in the database, receiving the opportunity to be engaged, informed and ready to participate as volunteer opportunities arise.

The universities should have a major role in strengthening economic development for our community. Cooperation and initiative shown by UNCG and NC A&T have been rewarded by the Legislature, which gave them the property of the Central School for the Deaf on which to build a shared Millennium Campus. UNCG has begun an outside-the-box economic initiative with the genomics project of Duke University and Moses Cone Health System. NC A&T's continued guidance of the fund raising efforts for the Civil Rights Museum has been crucial in moving that project toward a reality. If efforts are successful to persuade Elon University to establish a law school in downtown Greensboro, there will be a noticeable increase in downtown activity and further stimulus for downtown revitalization.

Striving for inclusiveness is noticed by the community and appreciated.

Many people who participated in and/or attended the Richard Florida "Creative Class" events commented on the diversity of those in attendance and commended Action Greensboro on the effort that was involved. Action Greensboro plans to try to keep this diverse group engaged in exploring creative class ideas for the economic benefit of Greensboro.

Population Served

The Action Greensboro project has the potential to benefit every citizen of Greensboro, Guilford County, and the Piedmont Triad. There are about 220,000 citizens in Greensboro, 400,000 in Guilford County, and over 1.2 million in the Piedmont Triad. A strong economy, a vibrant center city, and one of the top school systems in the South will benefit everyone.

Contributions to Action Greensboro

<i>Organization</i>	<i>Amount Contributed or Pledged</i>
Joseph M. Bryan Foundation	15,000,000
CEMALA Foundation	\$7,500,000
Weaver Foundation	\$3,000,000
Anonymous Foundation	\$500,000
Tannenbaum-Sternberger Foundation – renovation, 3 rd floor of Nussbaum Center	\$425,000
Community Foundation of Greater Greensboro	\$300,000
William A. Stern Foundation	\$75,000
Jefferson Pilot Financial	*2,500,000
United Guaranty Corporation	\$1,225,000
Bank of America	\$1,000,000
BB&T	\$750,000
Wachovia Bank	\$750,000
Moses Cone Health System	\$200,000
News & Record	\$150,000
William Hemphill	\$102,184
Cone Mills Corporation	\$50,000
Anonymous Corporation	\$1,000,000
Anonymous Gift	\$1,000,000
The Cross Family Fund	\$13,500
First Citizens	\$25,000
Thirty Companies' contributions to Commitment to Excellence for 2001, 02 & 03 include total United Guaranty and Jefferson Pilot funds mentioned above.	\$2,000,000
Anonymous Lecture Club	\$750
Anonymous Civic Club	\$500
SouthTrust Bank	\$500

*\$500,000 Challenge Grant if Action Greensboro receives \$1,000,000 from 5 other companies.

COMMITMENT TO EXCELLENCE FUND CORPORATE STAKEHOLDERS

TITANIUM (\$300,000 and above)

Jefferson Pilot Financial
VF Services, Inc.

PLATINUM (\$150,000 to \$299,999)

United Guaranty Corporation
Lorillard Tobacco Company
R. F. Micro Devices, Inc.
Anonymous

GOLD (\$75,000 to \$149,999)

Burlington Industries
Capsule Group, Inc.
Granville Capital, Inc.
Moses Cone Health Systems
News & Record
Pace Communications
UnitedHealthcare of North Carolina

SILVER (\$45,000 to \$74,999)

General Dynamics Advanced Technology Systems
Ernst & Young
Bank of America

BRONZE (\$15,000 to \$44,999)

Branch Banking and Trust Company
Central Carolina Bank Foundation
Samet Corporation
Brooks Pierce McLendon Humphrey & Leonard, LLP
Branch Banking & Trust
Duke Energy Foundation
Pratt Family Foundation
Smith Moore, LLP
Wachovia Bank & Trust Corporation
Syngenta Crop Protection
Koury Corporation
U. S. Trust Company of North Carolina

SUSTAINING (\$5,000 to \$14,999)

Bessemer Improvement Company
BellSouth Telecommunications, Inc.
Quaintance Weaver Hotels & Restaurants
WFMY/Gannett Foundation

FRIEND (\$4,999 and under)

Crown Automotive Management Company
The Honorable Henry Frye