



Town of Benson, NC: Economic Development Strategic Plan

2017



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Overview

The Town of Benson's Economic Development Strategic Plan (EDSP) provides a baseline assessment of the existing conditions that drive the economy of the city. The plan intends to help town staff and other stakeholders implement strategies to improve Benson's economic condition. This document also serves as a reference tool for Benson's land use plan. The EDSP includes strategic recommendations to improve the business climate of Benson, ensure the financial condition of the community, and support economic growth in a manner consistent with the town's character. Ultimately, 18 objectives were created. Throughout this study, these objects are provided in context of the different goals that make up the economic mission. A consolidated listing of these objectives that have been given a recommended prioritization across all goals has been provided in the report's summary.

Given the constant shifts in the economy, the EDSP focuses on a shorter time frame than the general strategic plan that was adopted by the town in 2009. The goals and objectives that have emerged from the EDSP process should be viewed in the context of a five-year time frame. The goals and objectives were derived from an evaluation of the issues and opportunities associated with the key economic drivers of Benson and North Carolina as a whole.

Study Approach

In preparation for the creation of a strategic plan to address the economy of the town, the Economic Development Committee for the Town of Benson issued a call for proposals during the fall of 2016. Based on this call, two consultants, Bruce McDonald, Ph.D. and Jeffrey Diebold, Ph.D. from the School of Public and International Affairs at NC State University, were retained by the committee to lead the town through the process of developing a strategic economic development plan.

The timeline for completing the plan was set for January 9, 2017 through April 30, 2017. During this time, the consultants held a monthly meeting with the Economic Development Committee to discuss the condition of Benson's economy. Each of the meetings was focused on a particular issue or set of issues. This meeting was then complimented with a town hall meeting later in the month where the consultants' workshopped strategic ways with the public to address the issues at hand. The focus of this two-step process was to establish the town's conditions and problems in the first meeting and to develop key strategies to solve these problems in the second. Throughout the process, particular attention was paid towards leading the town through a conversation about solutions rather than to develop solutions externally.

The schedule for the monthly topics of focus was as follows:

- January: Establishing a foundation for Benson's economy
- February: Infrastructure, Transportation, and Logistics
- March: Property, Land Use, and Design
- April: Tourism, Marketing, and Branding

Guiding Principals

A review of Benson's economy, and that of the region, helped shape a series of principals that guided this process. These principals are:

- Ensure a community-wide benefit from growth and development;
- Explore collaborations and innovative programs that would increase job opportunities for Benson residents;
- Retain and attract successful businesses in the community;
- Build on the existing strength of the town in areas such as geographic location, access to transportation, and service provisions;
- Understand the limits of government and pursue partnerships to create economic opportunities;
- Market Benson to attract businesses, visitors and residents; and,
- Support growth of local businesses, both large and small, in the community.

What Makes a City Competitive?

In preparing the EDSP, a central consideration is what does it take for a town to be competitive. According to *The Economist Intelligence Unit* (2012), competitiveness is established across a series of factors in eight different areas. These are:

Economic Strength

- GDP per capita and cost of living
- Households spending
- Cumulative annual growth rate
- Free movement of goods, people, and capital

Financial Maturity

- Breadth and depth of the financial cluster

Physical Capital

- Quality of physical infrastructure
- Quality of public transport
- Quality of telecommunication infrastructure

Institutional Effectiveness

- Fair electoral process and population
- Local government fiscal autonomy
- Taxation
- Rule of law
- Government effectiveness and transparency

Environmental and Natural Hazards

- Risk of natural disaster
- Environmental governance

Social and Cultural Character

- Freedom of expression and human rights
- Openness and diversity
- Public safety (lack of crime)
- Cultural vibrancy

Human Capital

- Population growth
- Working age population
- Entrepreneurship and risk-taking
- Quality of education
- Quality of healthcare
- Hiring of foreign nationals

Global Appeal

- Home to Fortune 500 companies
- Frequency of international flights
- International conferences
- Leadership in higher education
- Globally renowned think tanks

Economic Past

Incorporated in 1887, the Town of Benson quickly emerged as a commercial center for farm products and supplies following the construction of the Wilmington and Weldon segment of the Atlantic railroad line that passed through the area where the town is located. Like most of North Carolina at the time, agriculture was the engine of Benson's economy, fueled by the production of tobacco and cotton. Since the Great Depression, decades of declining agricultural prices and mechanization reduced the number of family farms and farm jobs available in the area. While the area remains rural and agricultural, the town has experienced growth in commercial and residential development. Progress in each of these areas accelerated in Benson following the construction of Interstate 95 in the 1960s and Interstate 40 in the late 1980s. The town is auspiciously located where these two highways intersect.

The gradual pace of change that has characterized much of the economic, demographic, and social trends within the Town of Benson is unlikely to continue much further into future. The explosive population growth in neighboring Wake County will inevitably affect the town along each of these dimensions. Already, rising home prices and commercial competition has compelled many current and prospective Wake County residents and businesses to consider relocating or locating to surrounding areas. Over the past decade, the towns adjacent to the Research Triangle have had to manage the effect of unprecedented growth on their resources and infrastructure. As this grow continues to push outward, the Town of Benson should look to position itself to attract and accommodate businesses and residents that ensure that the town prospers while maintaining the values and charm that uniquely define it.

Today's Economy

Currently, the economic landscape in Benson is somewhat uneven, but is consistent with other similarly sized municipalities in the area. Like many rural areas, Benson struggles with acute problems of poverty and slightly higher prevailing rates of unemployment. In general, foremost among the interrelated factors that contribute to these problems is the loss of young adults, particularly the highly skilled. These workers often migrate to urban areas where economic and social opportunities tend to be more abundant. At the same time, many rural areas have become desirable locations for the retiring workers and the elderly. These general age selective migration trends are evident in Benson from the statistical profile of the town below that documents the recent increase in the median age of Benson residents despite the positive net migration to the town.

The statistical profile also suggests that skills and income are highly skewed within the town. Most striking is the relatively high levels of advanced educational attainment among residents, which is likely attributable, in part, to the town's proximity to Campbell University. Second, is the substantial the gap between the median and mean income, which suggests that income

Economic Profile of Benson and Its Competitors

	Municipality							
	Benson	Dunn	Erwin	Four Oaks	Angier	Coats	Smithfield	NC
Population								
Pop. Estimates	3,478	9,654	4,601	1,900	4,855	2,628	11,562	9.85M
Pop. Change (2010-2015)	7	5.8	5.8	1.8	17.3	24.1	5.4	6.2
Median Age (2015)	40.7	42.8	42.8	39	32.8	34.4	44.3	38
Median Age (2010)	31.2	40.3	41.9	37.5	37.9	42.8	45.3	37.1
Educational Attainment								
HS Diploma or Higher	74.4	79.5	81.4	71.8	85.3	84	80.3	85.8
Bachelor's or Higher	24.8	18.4	16.7	18.6	14.1	12.8	19.4	28.4
Household								
Owner-occupied rate	46.1	53.4	67	56.9	70.6	55	51.8	65.1
Median Home Value	117,600	108,400	89,000	118,200	147,100	97,500	127,100	154,900
Economy								
Median Household Income	30,618	29,364	46,006	28,457	43,010	34,732	30,995	57,856
Mean Household Income	51,065	45,908	58,112	49,659	53,004	44,843	46,251	77,040
Poverty Rate	36.1	26.6	22.2	33.2	9.6	32.8	28.9	17.4
Poverty Rate (< age 18)	73.8	41	32	45.9	7	49.1	55.7	24.7
Unemployment Rate	6.9	7.6	5.9	7.9	8.3	7.3	5.6	5.8

Town of Benson, NC

within the town is highly concentrated among relatively few households. Indeed, compared to other similarly sized towns in the area, Benson's poverty rate is the highest, particularly among those under age 18, and the share of residents who own their home is the lowest.

However, promising signs of economic development in Benson are evident. In January of 2017, the Leath Company broke ground on an 89-room hotel under the Hampton Inn brand that is scheduled to open in the fall. This hotel will add to and benefit from well-established economic activity within the town by catering to guests of weddings held at the Preston Woodall House, race fans attending events at the recently renovated GALOT Motorsports Park, and travelers along I-40 and I-95. The hotel owners hope to experience the same success enjoyed by other businesses new to Benson like JP's Pastry, the Broadslab Distillery, and Fin-Addict Marine.

Looking forward, through planning and investing for the long-term, the Town of Benson can leverage the economic and population growth occurring in the region to create economic opportunities for residents along the income distribution within the town. The questions before the town is how to identify, fosters, and accommodate these opportunities while being careful not compromise what the current residents love most about living in Benson.

Economic Mission

As part of the EDSP process, Economic Development Committee was asked to shape the economic direction of the Town of Benson. In developing this mission, committee members were asked to discuss several items in regard to Benson’s climate in an effort to establish a short and direct mission statement. Included in this discussion was how they view the current economic climate of Benson and what kind of climate they would the town to develop into. Based on the content of the discussion, a draft statement was created. To support the mission, the committee was asked to create a short set of goals that are both easy to understand and realistic in their ability to be pursued. After receiving feedback from committee members and key members of the town government, the economic mission was refined to focus on the core aspirations that best fit Benson.

Emerging from this process is a mission statement that can help guide Benson in its future economic development plans and four goals that help to align its activities with that mission. These four goals also service as the framework for the EDPS. Each of the subsequent sections of this report addresses one of the goals. In doing so, the current status of Benson is presented, along with the issues standing in Benson’s way of achieving the goal and opportunities for meeting it. The order of opportunities listed is done so based on the recommended prioritization of opportunities for each area.

Mission Statement

“We strive to grow the Town of Benson while providing a strong quality of life for its residents.”

Primary Goals

The primary goals of the EDSP are to:

1. Develop the infrastructure necessary to grow the community;
2. Manage the availability of property and land use regulation to design a positive environment;
3. Enhance opportunities for employment and workforce development; and,
4. Effectively market and brand the town.



Infrastructure and Services

Located 34 miles southeast of downtown Raleigh, Benson is well served by freeways, airports, and multiple transit networks. This includes I-40 and I-95, as well as I-540, which will soon be extended to the southern side of Raleigh. Benson is also unique to the region in that it owns the local water, sewer and electric utility companies. Through this ownership, the town is in a position to manage the pricing and delivery of services as well as respond to critical needs rapidly. Access to natural gas, as well as the relationship with its natural gas provider, is strong, providing a competitive advantage for economic development projects over neighboring communities. Storm drainage for Benson has experienced some challenges, which may distract prospective companies from the community, but the town has been actively working to address the problems and should be commended for these efforts.

In addition to the municipal infrastructure that supports the economy, the government of Benson provides a variety of local services and programs that provide a stable foundation for the local economy. This includes services such as police, fire protection, building safety, library resources, and town beautification, among others. Benson has been proactive in ensuring the needs of the community are met by the services it provides, as demonstrated by the town's efforts to purchase an additional engine for its fire department.

Two areas of concern are worthy of note. These are high speed or fiber optic internet access and road capacity as a result from town expansion. High-speed internet access is available in Benson

proper, though availability is limited to residents in the greater Benson area. This limitation hinders growth in the residential market as prospective residents are increasingly interested in access in their daily lives and constricts economic development as access is necessary for commerce. Issues of road capacity are a concern as economic expansion places more vehicles on the roads. Failure to address this increase leads to traffic and ultimately the perception of a community as less than desirable. Significant benefits can be earned for the town's economy by successfully addressing these two concerns. An overview of Benson's issues related to infrastructure and services, as well as the recommended opportunities to address these issues are provided below.

Issues

Traffic has increased without road system expansion
242 corridor needs widening
Interstate access bottleneck at I-95
Limited high speed internet throughout the greater Benson area
Storm water system maintenance and upgrades
Potential widening and tolling of I-95
Transfer truck traffic on Main Street and residential zones

Opportunities

Seek out opportunities for RPO representation and engagement
Collect data on traffic pattern and determine where problems exist
Prioritize smaller road projects with data
Seek out public-private partnerships and other opportunities to expand high speed internet access options for residents
Require traffic impact studies be completed for all new development
Continue to address problems with the storm water system
Create an alternate truck route to serve existing and future business needs
Establish and build relationships with NC DOT representation



Property, Land Use and Development

Benson is uniquely positioned at the crossroads of I-40 and I-95, making the town accessible to both Raleigh and Fayetteville. Its strategic location is also convenient for regional and national distribution. Evidence of its strategic location can be seen with the recent start of construction on a new hotel and the movement of several businesses to Benson whose focus is on providing service to an extended, multi-state customer base. This success is also reflected in opportunities in residential development, with many realtors in the area reporting that houses are typically under contract the same day they are listed.

Despite its proximity to resources, a number of issues stand in the way of additional property and land development. Chief among these is the availability of property. The town promotes property for development, but the website currently lists only 13 sites available and 1 building. Furthermore, utility services can be extended to these sites, but only 6 are considered as a shovel ready, certified site by the state of North Carolina. Other properties in the town are prime for development, but are hindered by the owners unwillingness to sell or utilize the space. A second issue is the perception of the town that potential developers may have based on how the available property shows and the condition of housing and other buildings located nearby.

A number of opportunities exist for Benson to further its progress in this area. First and foremost, a thriving and inviting downtown is necessary to attract new businesses and residents. The town

should consider whether it is able to offer incentives to encourage the revitalization of Main Street. These incentives could be tax based, but Benson’s ownership of its utility services opens the door to special pricing agreements. Second, dilapidated buildings and vacant properties discourage new development. To address problematic properties, the town should consider what tools has at its disposal to address the problem. This includes both incentives aimed at property owners, but also regulatory standards that can be used to enforce upkeep.

Third, Benson would benefit from a staff member whose sole focus is on economic development. This would allow for the establishment of relationships with outside developers that might view Benson as an opportunity. Although a new staff position may be cost prohibitive for the town alone,, the town is encouraged to seek out a partnership with the Benson Chamber of Commerce to cover the expense of the employment.

Issues

Regional competition for new development projects
Lack of property that is move-in ready or construction ready for commercial use and development
Land owners not wanting to sell property throughout the community and on Main Street
“Showability” of property available for development

Opportunities

Evaluate and communicate grants and incentives for businesses to encourage the continued revitalization of Main Street
Utilize regulatory standards which preserve and enhance aesthetic standards within and adjacent to the main corridors in town
Create a staff position that focuses only on economic development
Regularly maintain and publicize a building and sites listing of properties in or near Benson
Establish an economic development park to foster and coordinate industry expansion into the town
Incentivize or create flex space buildings on available properties

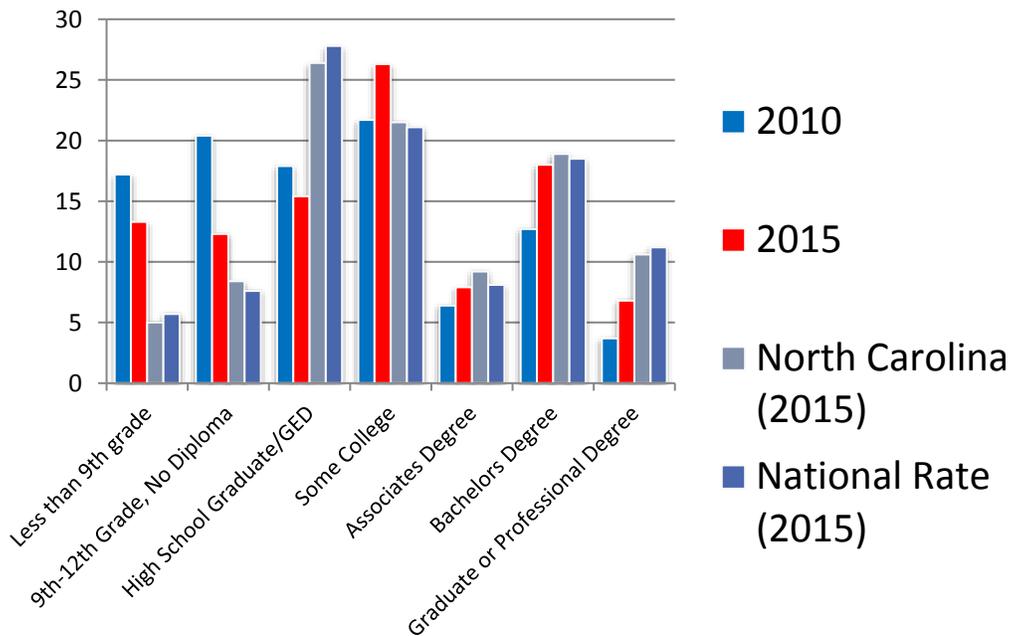


Employment and Workforce Development

Having a diverse and qualified workforce is a key resource that allows an economy to grow. Unfortunately, many employers believe that people young people entering the workforce and those seeking new employment opportunities are ill-prepared for the demands of today's workplace. It is important for the residents of Benson to have access to training and assistant when seeking employment in an effort to gain the skills needed to succeed in the workplace.

For Benson, the perception of the educational preparedness of its residents is problematic. In 2015, the share of its population aged 25 and over who do not have a high school diploma or better was nearly twice the national rate (25.6% compared to 13.3%). There are additional concerns regarding the preparedness of its workforce when looking at the share of the population with a Bachelor's degree. Roughly a quarter (24.8%) of Benson resident's have earned a Bachelor's degree compared to the national rate of 29.7%. Benson is showing improvement. From 2010 to 2015, Benson has seen positive growth in regard to a 26.2% decline in the share of the population that have not earned a high school diploma or whose highest degree is a high school diploma. During this time, Benson also saw positive growth in its workforce capacity with a 41.7% increase in its population share whose highest level of educational attainment is a Bachelor's degree and an 83.8% increase in its population share with a graduate or professional degree. This improvement in educational attainment reflects the growing capacity of the town to meet the needs of potential employers.

Educational Attainment – Population 25 years and over



Source: American Community Survey, 2017

Benson has several resources at its disposal to help bridge the skill gap between employers and job seekers. The Workforce Development Center at Johnston Community College provides programs that are designed to target the needs of local industries within the county and include areas of study such as pharmacy technology and bioprocess technology. South Johnston High School provides high school students the opportunity to earn their associates degree from the University of Mount Olive upon graduation from high school. Given its location, residents also have access to a number of colleges and universities, including Campbell University, Johnston Community College, and Central Carolina Community College.

Issues

- Ongoing need for a local network of stakeholders that support the creation of jobs and lead residents to these job opportunities
- Lack of workforce development programs directed to Benson residents
- Low educational attainment and high unemployment

Opportunities

- Create opportunities for employers to educate individuals on the current demands for today's workers
- Improve the availability of job training programs
- Encourage local population to pursue higher education



Tourism, Marketing and Branding

The appearance and reputation of a community not only influences the interest of tourists to come and visit, but also the willingness of business to locate in the area. To market the town, Benson has successfully worked to frame itself as the greatest small town in North Carolina. This framing is reflected throughout the community, as demonstrated by the anecdotes of how residents found Benson and why ultimately decided to stay, as well as by the materials produced by the town. To this latter issue, the town's logo, which is shown on the back cover of this report, gives a classic feel of Americana that resonates with those seeking a life outside of large cities.

The image of Benson as a great small town is also reflected in the word cloud that appears on the front cover of this report. The word cloud was created out of an exercise performed at the March 2017 town hall meeting. Meeting participants were asked to provide three words that describe the town. The size of a word directly reflects the frequency of which the word was reported. Overall, the image of Benson reported by its residents is strong and positive. Most of the words reflect a welcoming and friendly community, which bodes well for those seeking a new residence. Only a couple of the words, however, reflect what distinguishes Benson from other small towns. This distinction provides an opportunity for Benson to embrace its culture and to advertise that culture to external markets. Events such as Mule Days and the State Annual Singing Convention have long been part of the Benson community. In the eyes of the community, Mule Days is only marginally reflected in the word cloud and the gospel competition is left out entirely.

Benson has been making steps towards marketing itself, but it may be time for Benson to reconsider its marketing strategy. At its meeting in April 2017, the Economic Development Committee concluded that Benson does not have a clear and defined marketing plan. At the town hall meeting on tourism, marketing and branding in the same month, attendees had difficulty defining the composition of their internal and external markets. This uncertainty provides an opportunity for Benson to begin the process of defining itself as it moves forward. This process should begin with the undertaking of a branding study to first understand what Benson's brand and image are in the external market place. From there, the town will need to clarify how it would like to be viewed and develop a plan to promote the desired image.

Issues

The internal perception of Benson does not distinguish the town from other small communities
Benson does not have a clear and defined marketing plan for promoting the town to tourists

Opportunities

A branding study should to be conducted to establish what Benson's brand and image is in the external market
Clarify how Benson wants to be viewed by external markets
Seek opportunities to promote Benson events and businesses to outside communities
Continue to foster the relationship with the Johnston County Visitors Bureau to market generators such as: The Benson Museum of Local History, GALOT Motorsports Park, Broadslab Distillery, local wedding venues, and the Benson Parks system.

SWOT Analysis

In conjunction with the EDSP, an analysis of Benson’s economic characteristics was produced. A summary of these Strengths, Weaknesses, Opportunities, and Threats (SWOT) is presented below.

Strengths

- Municipal infrastructure and services
- I-40/I-95 interstate accessibility
- Access to rail
- Proximity to Raleigh

Weaknesses

- Limited high speed internet access
- Lack of building space for economic expansion or new businesses
- Difficulty with surrounding Main Street property availability
- Limited marketable property for new economic development projects
- Lack of food and retail outlets to draw new customer base

Opportunities

- Development potential for park and flex space by town on the 242 corridor
- Create new position for employee focused on economic development
- Improve marketability of current properties available for development
- Actively engage NC Department of Transportation opportunities to improve town infrastructure

Threats

- Limited resources available for new development and re-development of existing properties
- Alternative regional location options for development projects
- Regional competition for retail
- Difficulty in encouraging owners of unused or underutilized property to sell for redevelopment

Summary

This economic development strategic plan (EDSP) was developed to address the concerns of the Town of Benson, NC on the future of its economic growth. Located at the crossroads of I-40 and I-95, the town is uniquely positioned for new economic opportunities, a positioning that is enhanced by its access to Raleigh and the extension of I-540 around the south side of Raleigh. While the town has seen success in recent years with its economic development, as evidenced by the introduction of new businesses to the area, Benson has sought to better position itself for new opportunities that may come.

This EDSP serves as a baseline assessment of the existing conditions that drive the economy of Benson. The plan intends to help town staff and other stakeholders implement strategies to improve Benson's economic condition and meet the four goals of the economic mission established by the Economic Development Committee at the start of the EDSP process. Throughout the process, particular attention was paid towards leading the town through a conversation about solutions rather than to develop solutions externally. The recommendations for actions that have emerged from this study are viewed as opportunities to address and improve the economic position of the community and improve the quality of life of its residents. Given the constant shifts in the economy, the EDSP focuses on a shorter time frame than the general strategic plan that was adopted by the town in 2009. The goals and objectives that have emerged from the EDSP process should be viewed in the context of a five-year time frame.

Economic Development Opportunities

Throughout this report, opportunities for action have been presented for Benson to consider in its work to address each of the economic development goals. Upon consideration of the town's climate, culture, and resources, we have provided a consolidated list of these opportunities below and encourage the Town of Benson to consider how they may be addressed. This list was constructed given the objectives, opportunity costs, and constraints in place at the time of this writing. Future changes in these determinants may require that the list be amended. With this in mind, the opportunities we identified include, but is not limited to, the following:

Transportation Infrastructure

1. Collect data on traffic pattern and determine where problems exist
 - a. Conduct a traffic improvement study in the next 12 months.
2. Prioritize smaller road projects with data
 - a. Focus on improvements to the Highway 242 corridor
 - b. Realignment and signalization of Dunn Street
3. Require traffic impact studies be completed for all new development
4. Create an alternate truck route to serve existing and future business needs

5. Establish and build relationships with NC DOT representation

Non-Transportation Infrastructure & Property, Land Use, and Development

6. Seek out public-private partnerships and other opportunities to expand high-speed internet access options for residents
7. Continue to address problems with the storm water system
 - a. Conduct a comprehensive storm water study
 - b. Resolve the infield storm system deficiencies
8. Establish an economic development park to foster and coordinate industry expansion into the town
9. Incentivize or create flex space buildings on available properties
10. Evaluate and communicate grants and incentives for businesses to encourage the continued revitalization of Main Street
11. Utilize regulatory standards which preserve and enhance aesthetic standards within and adjacent to the main corridors in town
12. Regularly maintain and publicize a building and sites listing of properties in or near Benson
 - a. Organize documents for requests for information (RFIs) from investors on available sites
 - b. Be able to respond to RFI's about these sites within 24-hours
13. Seek out opportunities for RPO representation and engagement

Employment and Workforce Development

14. Improve the availability of job training programs
 - a. Reach out to universities in the area about opportunities for branch campuses and satellite programs in Benson
15. Create opportunities for employers to educate individuals on the current demands for today's workers
 - a. Explore the academy approach as means to prepare Benson's future workforce for employment in desirable fields of study that require specialized skills
16. Encourage local population to pursue higher education

Tourism, Marketing, and Branding

17. Conduct a branding study to establish what Benson's brand and image is in the external market
 - a. Interview resident business owners who are new to Benson to understand the factors that influenced their decision to start or relocate their business in the area
 - b. Interview non-resident employees of local businesses to understand why they have chosen not to live in Benson
18. Clarify how Benson wants to be viewed by external markets
19. Seek opportunities to promote Benson events and businesses to outside communities as well as within the community itself

- a. Build on the recent success of the “I Love Benson” campaign to continue to foster a sense of community pride and to highlight Benson as an aspirational community
20. Continue to foster the relationship with the Johnston County Visitors Bureau to market generators such as: The Benson Museum of Local History, GALOT Motorsports Park, Broadslab Distillery, local wedding venues, and the Benson Parks system.

Implementation of Economic Development Agenda

21. Create a staff position that focuses only on economic development

