

Water and Economic Development

Presented by:

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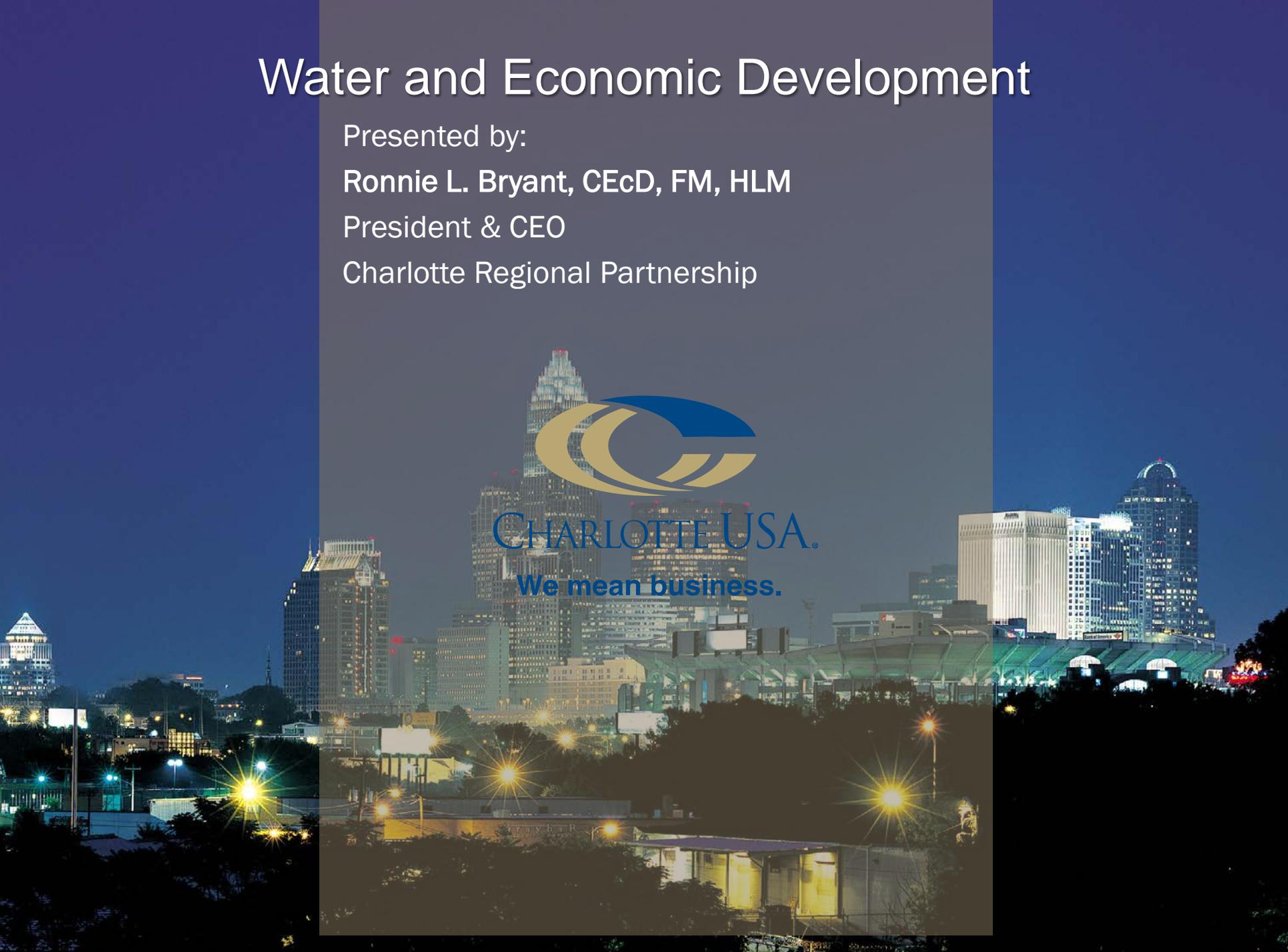
President & CEO

Charlotte Regional Partnership



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Charlotte Regional Partnership

- Private, non-profit economic development agency
- Founded in 1991
- Represent 16-counties in the Charlotte USA region
- Public and private funding
- Business development, project management, research, marketing and promotion



Topics of Discussion

- 1) Accessibility to Affordable, Clean Water
- 2) Water and Economic Development
- 3) Water: A Competitive Advantage
- 4) The Global Water Center
- 5) Q & A



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Accessibility to Affordable, Clean Water: *A Global Perspective*

- Water Scarcity affects more than 40 percent of the world's population
- 1.7 billion people live in river basins where water use exceeds recharge
- 783 million people do not have access to clean water
- 1,000 children die every day from preventable sanitation and water-related disease
- **Economic development cannot occur without fundamental infrastructure to support a healthy population**

Accessibility to Affordable, Clean Water: *An American Perspective*

■ Failing Infrastructure

- *Flint Water Crisis: Inadequate water infrastructure led to a public health emergency for residents*

■ Natural Pressures

- *Drought in California: Most recently had a drought state of emergency from 2014 - 2017*
- *It is expected that as the climate continues to warm, water pressure will increase*

Accessibility to Affordable, Clean Water: *Rising Costs*

- Between 2010 – 2015, the average water bill rose 41 percent in 30 major metros surveyed
 - *If prices continue to increase at the current rate, the average water bill will go from \$120 to \$169 in five years*
- It is estimated that the percentage of US households which would find water unaffordable will go from 11.9 percent to 35.6 percent in five years
- With water prices increasing faster than the rate of other utilities, it is becoming a more prominent location driver

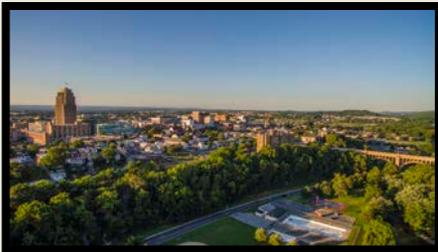
Water and Economic Development

- Water is becoming an increasing challenge for all types of economic development projects
 - *Over 80 percent “large consumer-goods companies” describe water quality and availability as a fundamental concern for their business*
 - *22 percent “predicted water problems would inhibit their business growth”*
 - *2015 Area Development Survey*

- “Within 5 or 6 years, the importance of water as a location factor is going to increase exponentially.”
 - *Gill Pezza, Director of Water Technology at the Michigan Economic Development Corporation, 2015*

Water and Economic Development

- Water-rich areas are increasingly using their water resources as a competitive advantage
 - *Lehigh Valley, Pennsylvania: high quality water helped foster a food and beverage cluster in the area*
 - *Memphis, Tennessee: the 99.8 trillion gallons of water from an aquifer with very high quality water gives the region a competitive advantage*
 - *Hamilton, Ohio: boasts of 1.5 trillion gallons of the “The Best Tasting Tap Water in the World” according to the Berkeley Springs International Water Tasting competitions*



Source: IEDC, City of Hamilton



Water and Economic Development

- How ample high quality water can affect the costs of an economic development project
 - Decreases the cost per gallon for the user
 - Allows manufacturers to reuse water in cooling towers many times the normal rate
 - Allows users with high water purity standards (research hospitals, laboratories, and manufacturers) to perform less water purification to reach its threshold of quality



Water and Economic Development



Asheville, NC

- 150 Jobs
- \$175 million in capital investment



Mills River, NC

- 175 Jobs
- \$107.5 million in capital investment



Richmond, VA

- 288 Jobs
- \$74 million in capital investment

Water and Economic Development

Water Technology Industry

- The Water Technology cluster in Milwaukee, Wisconsin
 - *Milwaukee has a strong history of brewing beer (Schlitz, Pabst, Miller, and Blatz) which has dwindled in recent years*
 - *The companies and suppliers who were in the brewing industry are now in the water technology industry*
 - *There are now 200+ water technology companies in Milwaukee creating a strong cluster for water technology*
 - *The Water Council: hosts an incubator called BREW (Business. Research. Entrepreneurship. In Wisconsin.) which fund water technology start-ups*

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Water Technology Industry

- The Water Council in Milwaukee, Wisconsin
 - *BREW attracts water technology start-ups from around the world*
 - *The Global Water Center, which hosts the The Water Council and BREW, houses 2 research facilities, 15 start-ups, 20 additional water companies, and 3 universities*
 - *The Global Water Center is part of a greater Water Technology District which contains the water utility, 17-acre Water Technology Park, and the University of Wisconsin's Milwaukee's School of Freshwater Science*
 - *Since the opening of the Global Water Center, there has been over \$221 in public and private investment*

Water and Economic Development

Summary

- Access to affordable, clean water is an increasingly serious issue both domestically and abroad
- Water access is becoming more important for businesses when making location decisions
- Water is becoming a significant competitive advantage for water-rich areas
- Given the market demand for clean water, and the decreasing supply, water technology will become an even stronger revenue generator
 - *Adapting industry clusters to the demands of the marketplace will allow communities to remain competitive*

Questions?