



Charleston Regional Development Alliance

Annual Report to Investors

July 1, 2008 – June 30, 2009





Dear CRDA Investors:

While the fiscal year that ended June 30, 2009 presented some tough challenges for our region's economy, it also provided tremendous opportunities for strengthening our regional economic development efforts.

Few of us have experienced such a dismal economic environment as the one we've seen over the past 12-18 months. But as companies around the world shelved their expansion plans and reeled in expenses, businesses in our market stepped up their commitment to fund an aggressive, multi-year initiative to drive future economic prosperity throughout our three-county region.

The following pages provide a preview of this new initiative, as well as results from the past fiscal year and an audit of the CRDA's year-end financial position. As always, we appreciate your support of our regional economic development mission and look forward to your leadership in the years to come.

Sincerely,

Jim Bryan
2008-2009 Chairman

David T. Ginn
President & CEO



From left: David Ginn and Jim Bryan

Our Mission

To create improved opportunities for all people in the Charleston region by competing successfully in the global economy.

Announced Competitive Location / Expansion Projects ▼

7/19/08 – Cummins Turbo Technologies announced it will double assembly capacity and increase machining capacity to meet growing worldwide demand for its products.

11/26/08 – Delfin Group USA announced additional manufacturing capacity to serve both domestic and global markets.

12/19/08 – Zodiac of North American announced it is doubling the size of its boat manufacturing operation and relocating U.S. headquarters to the Charleston region.

2/12/09 – American Synthetics, a newly formed venture specializing in recyclable packaging for the pet food industry, announced it is siting its headquarters, manufacturing and distribution operations in the Charleston region.

4/02/09 – TRUMPF Medical Systems, a manufacturer of state-of-the-art medical equipment, announced a significant expansion of its corporate office, manufacturing operations and product showroom.

4/29/09 – American LaFrance announced a consolidation of its operations to its Berkeley County headquarters and production facility.

6/25/09 – Welded Tube-Berkeley announced an expansion of its local manufacturing operation to support its entry into a new market segment.





Local Impact of Announcements ▼

816 new direct jobs paying 3.4% above the regional average wage

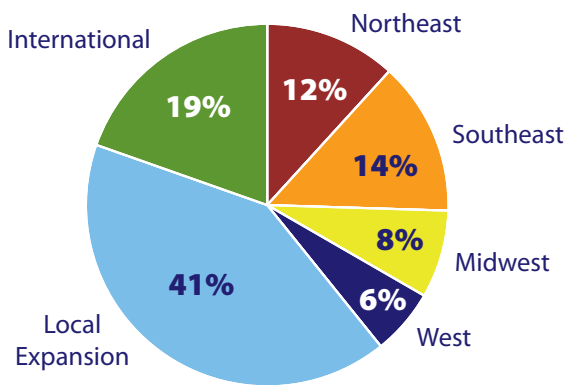
\$502M annual economic impact of new payroll

\$104.07M in new capital investment

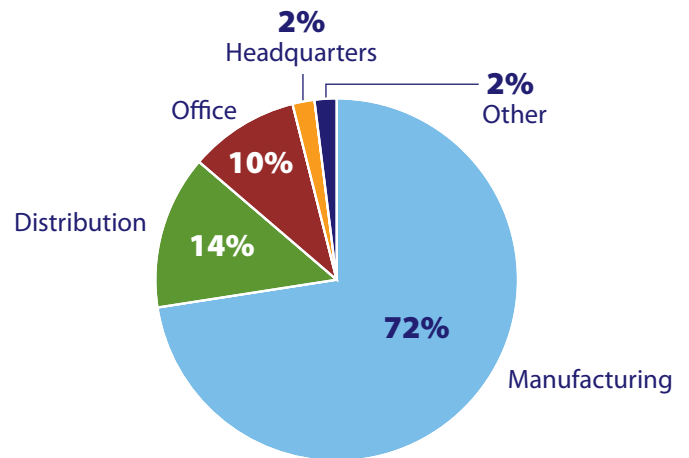
Project Activity ▼

Actively managed 51 projects throughout the year (compared to 62 in 07-08). Hosted 134 company visits representing a diverse range of projects, from energy-related equipment manufacturing to computer engineering (compared to 119 visits in 07-08).

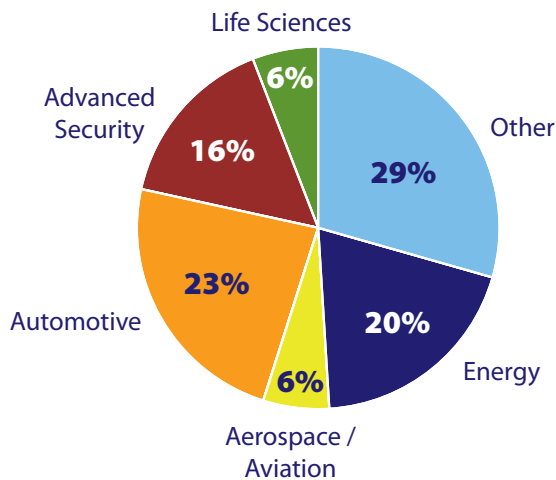
Client Origin



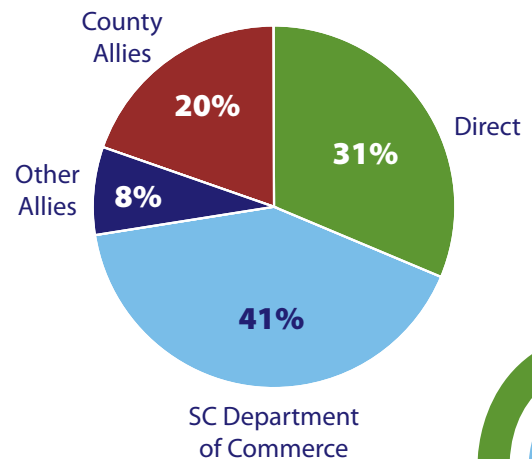
Project Type



Industry Sector



Project Source





Outbound Marketing Trips / Association Meetings ▼

SEUS / Japan Conference, Raleigh (October 2008)

IEDC Annual Conference, Atlanta (October 2008)

CoreNet Global Summit, Orlando (November 2008)

Area Development magazine's Consultants Forum, Scottsdale (December 2008)

Marketing mission to Washington DC (January 2009)

Retail Industry Leaders Association (RILA) Logistics Conference, Dallas (January 2009)

Tactical Vehicle Summit, McLean, VA (April 2009)

Business Facilities Live X-Change (consultants), Myrtle Beach (July 2009)

Consultant Hosting ▼

Hosted six site location consultants for regional familiarization tours and meetings with local business leaders. Three of these visits were held in conjunction with the Charleston Food & Wine Festival and the Family Circle Cup tennis tournament.

Significant National / International Media Coverage ▼

USA Today

Article about trends for home sales; noted Charleston region's "robust economy," the new Google data center & Global Aeronautica; 2.11M print circ (July 2, 2008)

GO (AirTran in-flight magazine)

Profiled Charleston area, including information on the local business climate; estimated 2M readers / month (August 2008)

Medical Products Outsourcing

Included Charleston among states / metros focused on the biosciences; 25K circ (August 2008)

The Economist

Featured an article about the Charleston region's economic transformation since 1995; 1.4M print circ; 5M unique online visitors / month (January 2009)

GO (AirTran in-flight publication)

Featured 2-page overview of Charleston; estimated 2M readers / month (January 2009)

Inc.

Included article about local entrepreneurial company, AbundaTrade, and its unique business model; touched on Charleston's vibrant culture; 69K print circ; 829K unique online visitors / month (June 2009)





National Rankings ▼

Inc.

“Top U.S. Cities for Doing Business”

Milken Institute

“Best Performing Cities: Where America's Jobs are Created”

Business Week

“Best Small Cities for Startups”

Forbes

“Best Cities for Technology Jobs”

Next Generation Consulting

“Next Cities: Best Places to Live & Work for Young Professionals”

U.S. Conference of Mayors

“Most Livable Cities in America”

CRDA Website Traffic ▼

Site Visits:

69,246 (on par with last fiscal year)

Enhancements to real estate search tool launched November 2008:

Resulted in **360%** more traffic with 7,891 visitors for the year. Plans in the works for Phase III enhancements including analytics tool, more data, etc.

Matching Grants ▼

The Charleston Regional Development Alliance facilitated \$635,500 in private and public funds (one-to-one match) in accordance with the South Carolina Department of Commerce’s matching grant program (technically, the South Carolina General Appropriations Act). All of these funded projects are directly related to our region’s future sustainability and proactive attraction of new jobs and competitive business investment.

Johnson Development / Berkeley County — *Newton Way road improvements*

BCD-COG / New Carolina — *partial funding for cluster activation staff member*

Dorchester County — *F-1 Site Certification*

BCD-COG — *regional minority business study (recommendation in Forward Charleston / Angelou Economics study)*

DuPont / Berkeley County — *Epsilon site mitigation*

MWV / Dorchester County — *East Edisto site certification*

Center for Business Research / Charleston Metro Chamber — *regional wage & benefits study*

New Carolina / Creative Industry Cluster — *creative industries economic impact study (recommendation in Forward Charleston / Angelou Economics study)*





2010-2015 OpportunityNEXT Capital Campaign ▼

As Fiscal 2008-2009 marked the final year of the CRDA's five-year funding cycle, in July 2008 we initiated a multi-phase effort designed to secure new funding commitments through 2015. Following a three-month assessment of the CRDA's scope of work, leadership and overall performance, in January we launched OpportunityNEXT, a campaign to leverage our region's most valuable asset — our leaders.

The campaign's objectives include:

1. Engaging top-tier business leadership to drive the CRDA's agenda for a more prosperous, forward-thinking, globally competitive region.
2. Globally positioning the region to attract high-value / high-tech jobs and talent, entrepreneurs and capital investment.
3. Accelerating inbound investment and helping to facilitate local business expansions, especially among companies in the region's existing and emerging high-value industry clusters.
4. Aggressively leveraging the region's physical and intellectual assets to drive a sustainable, regional economic development strategy.

OPPORTUNITY *next* >>>>> > >

Leadership ▼

Board of Directors (July 1, 2008 – June 30, 2009)

Chairman

James C. (Jim) Bryan

SCANA Corporation
Berkeley County Chamber of Commerce

Incoming Chairman

J. Mitchell Bohannon

Thomas & Hutton Engineering Co.
Charleston Metro Chamber of Commerce

Immediate Past Chairman

Robert L. Pratt

Pratt & Co. at RE/MAX Professional Realty
Town of Summerville

Secretary / Treasurer

A. Taylor Clarkson

Community FirstBank of South Carolina
Dorchester County

Ivan (Andy) Anderson, Jr.

Evening Post Publishing Company
At-Large Member

Sean Bennett

Asset Integration Consultants
Dorchester County

Richard I. (Rick) Buckner

Radio Communications of Charleston, Inc.
City of Goose Creek

Elinor Cohen

Barron's Department Store
Berkeley County Chamber of Commerce

Robert O. (Bobby) Collins

PURE Insurance
Charleston Metro Chamber of Commerce



Leadership, cont. ▼

C. Ronald (Ron) Coward

Coward-Hund Construction
City of North Charleston

Richard D. (Dick) Elliott

Maverick Southern Kitchens
Charleston Metro Chamber of
Commerce

Mark Gaddy

Berkeley Electric Cooperative
Berkeley County

Rew A. (Skip) Godow, Jr., PhD

Lowcountry Graduate Center
Charleston County

Dwayne M. Green

Hampton Green, LLC
City of Charleston

Ronald F. (Ron) Green, PhD

Citadel School of Business
Administration
At-Large Member

Linda Haas

Haas Saw & Supply
Dorchester County

W. Chip Hood

MUSC Foundation for Research
Development
At-Large Member

Ellis McGaughy

DuPont, Cooper River Site
Berkeley County

Gayla McSwain

McSwain Law Firm
Berkeley County Chamber of
Commerce

William A. (Bill) Moody, Jr.

Dixon Hughes PLLC
Charleston County

Mark Pilgrim

Santee Cooper
Greater Summerville / Dorchester
County Chamber of Commerce

Tony Pope

State Farm Insurance
Greater Summerville / Dorchester
County Chamber of Commerce

Darryl Reyna

The Beach Company
Charleston County

Robert D. (Robby) Robbins

Robert D. Robbins, Attorney at
Law, LLC
Greater Summerville / Dorchester
County Chamber of Commerce

William (Ben) Seabrook

Southcoast Community Bank
Town of Mount Pleasant

Whitmarsh S. (Whit) Smith

Charleston Branch Pilots Association
At-Large Member

Tony Thomas

Carolina Land and Timber
Berkeley County

County Economic Development Managers

Gene Butler
Berkeley County

J. Steven Dykes, AICP
Charleston County

Jon Baggett
Dorchester County

CRDA Staff Members

David T. Ginn, CECd
President & CEO

Heyward Horton
Senior Project Management

Merle Johnson
Project Management

Stephen C. Warner
Business Development & Marketing
Strategy

Karen Kuchenbecker
Marketing Communications

Tara N. Spicer
Investor & Community Relations

Virginia Perry
Marketing Services Manager

Shelley Handler-Gordon
Executive Assistant & Office
Management





2008 – 2009 Investors ▼

County Investors

Berkeley County
Charleston County
Dorchester County

Platinum Level

Charleston Trident Association of Realtors®
Santee Cooper

Gold Level

AT&T
The Post and Courier
SCANA Corporation
Trident Health System

Silver Level

Berkeley Electric Cooperative
Carolina First
Charleston Development Board
Foundation
Charleston Water System
Dixon Hughes PLLC
First Federal of Charleston
Nexsen Pruet
Roper St. Francis Healthcare
Wachovia Bank

Bronze Level

Alcoa Mt. Holly
Alternative Staffing, Inc.
AstenJohnson, Inc.
Atlantic Coast Life Insurance Company
Banks Construction Company
BB&T
The Beach Company
Berenyi, Inc.
BlueCross BlueShield of South Carolina
Charleston Branch Pilots Association
Charleston Place Hotel
Charleston Regional Business Journal
Charleston Steel & Metal Company

CC&T Real Estate Services
Darby Development Company
East Cooper Regional Medical Center
Fennell Holdings
First Citizens Bank & Trust
Grubb & Ellis | Barkley Fraser
Haynsworth Sinkler Boyd, PA
Home Telephone Company
The InterTech Group
Johnson Development
Maverick Southern Kitchens
McNair Law Firm, PA
MeadWestvaco
NBSC – The National Bank of South Carolina
Parker Poe Adams & Bernstein LLP
Pattillo Construction
Quattlebaum Development
Regions Bank
Rivers Enterprises, Inc.
Robert Bosch Corporation
South Carolina Federal Credit Union
South Carolina Power Team
South Carolina State Ports Authority
SunTrust Bank
Thomas & Hutton Engineering
Trident Construction
The Woodlands Resort and Inn

Copper Level

AME, Inc.
Appalachian Springs
ATS Logistics, Inc.
Bank of South Carolina
C&C Warehouse & Distribution
Carolina Park
Charleston Symphony Orchestra
Community FirstBank
C.F. Evans & Company
Eastport Commerce Park
Edisto Electric Cooperative
Farmer's & Merchant's Bank of South Carolina
First National Bank of South Carolina
Fitts & Goodwin, Inc.

Francis Marion Hotel
Giant Cement Holdings
Heritage Trust Federal Credit Union
HSA Engineers & Scientists
The I'On Group
James Rowe Commercial Real Estate
Joe Griffith, Inc.
Liollo Architecture
Lowcountry Graduate Center
Mashburn Construction
Mills House Hotel
Moore & Van Allen, PLLC
Pratt & Co. at RE/MAX Professional Realty
Rawle Murdy Associates, Inc.
Residence Inn by Marriott – Charleston Airport
Saulisbury Business Machines
SCS Engineers
Spherion
Young Clement Rivers LLP

Contributors

A.G. Edwards
Apartment & Corporate Relocation Services
Batten and Moore LLC
Berlin G. Myers Lumber Corporation
CB Richard Ellis
Charles Foster Staffing
Chernoff Newman
Coward-Hund Construction Company, Inc.
Dunhill Staffing Systems
Embassy Suites – Convention Center
Gallman Personnel Services
The GEL Group, Inc.
Henry J. Smith Architects
Holcombe, Fair & Lane Real Estate
Infinger Furniture Company



2008 – 2009 Investors, cont. ▼

Lockwood Greene Engineering
M.B. Kahn Construction Co., Inc.
Morris Sokol Furniture Co.
MTM Services
MUSC Foundation
Myers & Associates, LLC
Olsten Staffing Systems
O.L. Thompson Construction
Company
O'Neal, Inc.
Palmetto Ford
Pinckney-Carter Insurance Agency
Riser, McLaurin & Gibbons, LLP
Rogers & Brown
Ruscon Construction
Soil Consultants
Sonitrol Security Systems
Stephen Duvall Catering & Events
Taylor Consulting, Inc.
Thiem, Jackson & Pace CPA 's, PA
Tupperway Construction Co.
UBS Financial Services, Inc.
Wachovia Insurance Services
The Woody Law Firm

Fiscal 2008-2009 Financial Statements ▼

The following financial statements were excerpted from the audited financial statements prepared by Wilson & Quirk, LLC. These presented statements have been reviewed for accuracy by our auditor but do not include the disclosures or supplementary schedules which are included in the full audit. Additional information is available upon request.

Statement of Activities For the year ended June 30, 2009

	Unrestricted	Temporarily Restricted	Total
Public Support and Revenues			
County appropriations	\$ 898,436	\$ -	\$ 898,436
Private funding:			
Cash contributions	446,650	100,000	546,650
In-kind contributions	17,772	-	17,772
Interest	1,660	-	1,660
Other Income	15,936	-	15,936
Total support and revenues	1,380,454	100,000	1,480,454
Expenses			
Functional costs:			
Marketing	303,463	-	303,463
Supporting services:			
Personnel	642,616	-	642,616
Administrative	203,009	-	203,009
Fundraising	408,676	-	408,676
Training and conferences	12,200	-	12,200
Total expenses	1,569,964	-	1,569,964
Change in net assets	(189,510)	100,000	(89,510)
Net assets at beginning of year – as restated	451,818	-	451,818
Net Assets at end of year	\$ 262,308	\$ 100,000	\$ 362,308



Fiscal 2008-2009 Financial Statements, cont. ▼

Statement of Cash Flows

For the year ended June 30, 2009

Cash Flows From Operating Activities:

Change in net assets	\$ (89,510)
Adjustments to reconcile change in net assets provided by operating activities:	
Depreciation	16,188
(Increase) decrease in operating assets:	
Accounts receivable	(7,250)
Prepayments	763
Increase (decrease) in operating liabilities:	
Accounts payable	(6,416)
Agency funds payable	(18,250)
Payroll withholdings	65
Accrued expenses	12,846
Net cash (used in) operating activities	<u>(91,564)</u>

Cash Flows From Financing Activities

Payments of note payable	<u>(4,886)</u>
Net decrease in cash	(96,450)
Cash, beginning of year	<u>431,612</u>
Cash, end of year	<u><u>\$ 335,162</u></u>

Supplemental disclosure:

Cash paid for interest was \$3,718 for the year ended June 30, 2009.

Statement of Financial Position

As of June 30, 2009

ASSETS

Cash	\$ 335,165
Accounts Receivable	7,250
Deposit	55,000
Prepayments	17,865
Other assets	796
Property and equipment, at cost, net	<u>97,162</u>

Total Assets

\$ 513,238

LIABILITIES AND NET ASSETS

Liabilities

Short-term note	\$ 43,975
Accounts payable	6,811
Agency funds payable	76,200
Payroll withholdings	6,444
Accrued expenses	17,500
Total liabilities	<u>150,930</u>

Net Assets

Unrestricted	262,308
Temporarily restricted	<u>100,000</u>
Total net assets	<u>362,308</u>

Total Liabilities and Net Assets

\$ 513,238



**CHARLESTON REGIONAL
DEVELOPMENT ALLIANCE**
Berkeley, Charleston & Dorchester Counties

5300 International Blvd, Suite 103A | North Charleston, SC 29418 USA

T 843.767.9300 | F 843.760.4535

alliance@crda.org | charlestoneconomicdevelopment.com