Water and Economic Development

Presented by:
Ronnie L. Bryant, CEcD, FM, HLM
President & CEO
Charlotte Regional Partnership
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
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

Source: The United Nations
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

Source: California Water Science Center, NOAA, PBS
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

Source: Area Development
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

Source: IEDC, BusinessFacilities.com
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

Source: Richmond Times, Area Development, Forbes
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

Source: IEDC
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

Source: IEDC
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?