

EXECUTIVE SUMMARY

Background

Military growth communities across the nation are taking steps to address the impacts of a rapid influx of service members and their families. Some of this growth is attributable to the decisions of the 2005 Base Realignment and Closure Commission, while some results from the Army's "Grow the Army" (GTA) and the Marine Corps' "Grow the Force" (GTF) initiatives. These latter initiatives are the result of warfighting realities in Afghanistan and Iraq that require the deployment of ground forces beyond levels that the two services could sustain with their pre-war force structure.

Between the years 2006 and 2011, the Marine Corps will add 11,477 jobs at its eastern NC installations. These service members will bring with them an estimated 13,500 dependents. The combined totals of these two population groups are referred to as the "direct impact" growth. Using commonly accepted population projection practices, this study concludes that the direct impact growth will induce the influx of an approximately 15,000 new residents that arrive to reinforce the regional service industry in response to the increased military population and activity. This growth of approximately 40,000 new residents represents a 160% increase in the normal regional population growth of 25,157 in the same period, as forecast by the NC State Demographer before the announcement of GTF impacts.

Installation	Active Duty	Dependents	Total
Marine Corps Base, Camp Lejeune	8,581	10,093	18,674
Marine Corps Air Station, New River	1,411	1,660	3,071
Marine Corps Air Station, Cherry Point	1,485	1,746	3,231
Induced Growth (Est. / Service Industry)	//	//	15,110
Total	11,477	13,499	40,086

Marine Corps "Grow The Force" Population Increases Eastern North Carolina Installations

	1-Jan-07	1-Jul-07	1-Jan-08	1-Jul-08	1-Jan-09	1-Jul-09	1-Jan-10	1-Jul-10	1-Jan-11	1-Jul-11	31-Dec-11	Number Study Period Growth	AAG %
Carteret	63,360	63,294	63,551	63,807	64,118	64,428	64,685	64,942	65,173	65,404	65,636	2,276	0.71%
Craven	96,353	96,406	96,873	97,339	97,776	98,212	98,589	98,965	99,333	99,700	100,068	3,715	0.76%
Duplin	52,851	53,133	53,439	53,745	54,052	54,359	54,651	54,943	55,253	55,563	55,873	3,022	1.12%
Jones	10,277	10,315	10,343	10,370	10,391	10,411	10,408	10,404	10,403	10,402	10,401	124	0.24%
Onslow	167,918	169,302	170,296	171,289	172,375	173,460	174,207	174,953	175,399	175,844	176,289	8,371	0.98%
Pamlico	12,968	12,947	12,950	12,952	12,958	12,963	12,964	12,964	12,965	12,965	12,966	-2	0.00%
Pender	49,407	50,430	51,287	52,144	52,964	53,783	54,437	55,091	55,746	56,400	57,055	7,648	2.92%
Eastern Region	453,134	455,827	458,739	461,646	464,634	467,616	469,941	472,262	474,272	476,278	478,288	25,154	1.09%
NC	8,969,527	9,069,398	9,154,844	9,240,289	9,318,843	9,397,397	9,468,246	9,539,095	9,611,456	9,683,816	9,756,207	786,680	1.70%

County, Region and State Population and Projection 2007-2011

Source: Mid-year estimates are North Carolina Office of State Budget and Management, *County/State Annual Population Totals, June 2008*; and end-year estimates are Marstel-Day, January 2009

This growth report is not the subject of speculation, modeling, estimation or expectations. For eastern NC, the arrival of 11,477 new service members and civilian employees is a bona fide reality that has come to pass in a very short period of time. As affirmed by then-Lieutenant Governor Beverly Perdue in October, 2007, this influx of new growth represents the largest single job growth event in the state of North Carolina since the World War II era. Although many

military growth communities are grappling with these issues nationally, eastern North Carolina stands out as one of the most significantly impacted. The table below describes the net effect on area employment, among North Carolina communities as well as other comparable areas nationally, in the wake of BRAC, GTA and GTF decisions.

MSA (Installation) ¹	Impact Source	Net Employment Increase	Area Employment ¹	Percent Increase
Jacksonville, NC (Camp Lejeune/MCAS New River)	BRAC ¹ /GTF ²	8,806	91,677	9.6%
New Bern, NC (MCAS Cherry Point)	BRAC ¹ /GTF ²	1,184	66,366	1.8%
Goldsboro, NC (Seymour Johnson Air Force Base)	BRAC ¹	663	60,040	1.1%
Fayetteville, NC (Fort Bragg)	BRAC ¹ /GTA ³	1,843	195,370	0.9%
El Paso, TX (Ft Bliss)	BRAC ¹ /GTA ³	29,423	328,741	9.0%
Columbus, GA (Ft Benning)	BRAC ¹ /GTA ³	13,873	163,565	8.5%
Manhattan, KS (Ft Riley)	BRAC ¹ /GTA ³	5,988	72,434	8.3%
Colorado Springs, CO (Ft Carson)	BRAC ¹ /GTA ³	13,535	349,783	3.9%
Baltimore-Towson, MD (Aberdeen Proving Grounds)	BRAC ¹ /GTA ³	14,888	1,568,140	0.95%
San Antonio, TX (Ft Sam Houston)	BRAC ¹ /GTA ³	5,259	1,009,217	0.5%

References:

¹ US. Defense. *Base Closure and Realignment Closure Report May 2005*. 15 June 2009. <http://www.defenselink.mil/brac/pdf/pt1_01_covero.pdf>

² MGTF of NC's Eastern Region. *Growth Charts*. March 2009. 15 June 2009. <<http://nceastmgtf.org/documents/MCIEASTGrowthChartsMarch2009.pdf>>

³ US. Army. *Grow the Army*. 19 Dec. 1007. 15 June 2009. <<http://www.army.mil/growthearmy/>>

Accronyms:

BRAC = Base Realignment and Closure Commission, Final decision 2005

GTF = US Marine Corps "Grow the Force" Initiative

GTA: US Army "Grow the Army" Initiative

MSA = Metropolitan Statistical Area

Note: BRAC Commission uses "MSA" to measure economic impact, positive or negative, resulting from gain/loss of military jobs.

As previously mentioned, this growth was scheduled to occur over a five-year period—from 2006 to 2011. Exacerbating the communities' challenges to assimilate 40,000 new residents, the growth began long before the military's formal announcement, in October, 2007. Furthermore, the direct impact growth will be in place two years before the date initially forecast by the military. Among defense growth communities, it has become somewhat commonplace to receive growth as a result of decisions by the Base Realignment and Closure (BRAC) Commissions. The results of a Commission are released years before the new residents arrive at the "receiving" installation. During those years, communities and installations have time to construct new facilities, add classrooms, improve roads, etc. However, in the case of eastern North Carolina communities, they are in the words of one local Mayor "...building an airplane while we are flying it." Indeed, by July 2009, all but 170 of the 11,477 new service members and civilian employees had arrived in the region.

This Regional Growth Management Plan (RGMP) provides the results of a comprehensive analysis of the impacts of such rapid and unexpected regional growth. The findings are derived from multiple working group sessions among functional area subject matter experts (SME), a review of other existing and ongoing studies and analysis, field inspections, and inputs from community and industry leaders. A draft of this report was vetted by a special committee comprised of county and town managers and planners as well as stakeholders.

The SME working groups were organized around the functional areas of housing, infrastructure, education, workforce, quality of life, transportation, public safety and emergency services, and medical, health care and social services. For the purposes of study, the region is defined as the North Carolina counties of Carteret, Craven, Duplin, Jones, Onslow, Pamlico, and Pender. The study period includes the five years, from 01 January 2007 through 31 December 2011.

This report was prepared in response to a request by North Carolina's Eastern Region Military Growth Task Force (MGTF). The RGMP was completed during the months of January through September, 2009. Funding to support this study was

provided by the Department of Defense Office of Economic Adjustment, North Carolina's Eastern Region, and counties and cities in the region.

Findings

This report identifies 108 regional needs that are associated with or directly generated by the requirement to assimilate growth. A complete list of the regional needs is found in **Appendix A**. From these needs, 467 specific recommendations for addressing shortfalls are provided. These recommendations are included in each of the functional area sections of the regional module and the specific county modules. Although all of these needs are considered important and related to the challenges of assimilating rapid population growth, some (outlined below) are urgent and directly and measurably attributable to military growth.

Infrastructure

The Onslow Water and Sewer Authority (ONWASA) provides water and sewer services to Camp Lejeune in the Dixon Region. New construction in the base's Stone Bay area to accommodate Marine Special Operations Command has created an urgent need for increased infrastructure capacity. Assistance with loans to help ONWASA meet this need without negative impacts to the remainder of the system would offer immediate assistance that would benefit both the installation and its community neighbors.

Education

It is difficult at this early date to determine how the military growth will impact area schools. In many cases, the service members' dependents have not yet arrived in the area. It will likely be 2011 before this growth is fully assimilated in the schools and precise impact can be reported. However, it is clear that the impacts will be substantial. In the case of Onslow County (where approximately 30% of the land – with an estimated assessed value of approximately \$3.7 billion – is federal and therefore untaxed), financial assistance through Section 8002 of the Federal Impact Aid Program could provide immediate relief.

Workforce

The regional workforce is well served by a number of community colleges that are tuned to the needs of the area job market, including the military. The Marine Corps' growth in the area represents more than a mere addition of jobs to this market, but a different kind of workplace in many respects. The new civilian jobs at Marine Special Operations Command (MARSOC) are different, as will be those associated with the introduction of the F-35B at Cherry Point, the increased use of unmanned aerial systems, and the full fielding of the MV-22 at MCAS New River. The military installations will need to work closely with community colleges and existing and emerging technological centers in Jones and Duplin Counties as they acquire and allocate resources to support and plan for additional capabilities that will contribute to emerging local industries.

The region has a substantial shortage of qualified child care specialists. Resources should be immediately applied to increasing training, certification, and facilities. Not only will this action provide direct employment to child care specialists, but also additional, indirect employment by freeing military spouses and single parents to seek employment and contribute to the service industry that has been sparked by military growth.

Quality of Life

Statistics related to quality of life amenities in the region demonstrate a well-below average ranking in all areas. Library space, cultural events, parks and playing fields, hotel options, meeting spaces, events and venues for single Marines, water access points, and retail venues that are important to both civilian and military residents lag behind state averages. Grant funding exists for the improvement of much of this shortfall while market demands will drive others. Regardless, improvement in this area is a vital element in the process of assimilating growth.

Transportation

Among the most urgent needs are transportation improvements around and between the military installations. The widening of the remaining two-lane section of US Highway 17 between Jacksonville and New Bern is essential to reduce the accident rate and ensure strategic mobility for the Marines. This remains the highest priority community action of the Commanding General, Marine Corps Installations East (MCI East.)

A new main gate at Camp Lejeune is being designed to alleviate the congestion along NC Highway 24, which is directly attributable to the increased growth on base. The safety, quality of life, and readiness issues associated with this congestion are characterized by increased accidents, travel times, and lost productivity. However, the opening of this new gate will not occur until 2014. The implementation of an Intelligent Traffic System in the City of Jacksonville would offer instant relief by monitoring and controlling key choke points on area roadways that connect the base to the neighborhoods where its employees live.

On US Highway 70 in Havelock, the Slocum Road Gate at MCAS Cherry Point is the source of similar congestion and safety shortfalls. In conjunction with the Air Station's internal improvements, a flyover that would direct eastbound traffic over the westbound lanes and into the base is an urgent need associated with assimilating the 11% growth in Cherry Point's workforce.

Public Safety and Emergency Services

Regional law enforcement, public safety, and emergency service providers are experiencing delays in response times as a result of rapid population growth, particularly as it affects congestion on area roads. The Department of Homeland Security (DHS) has mandated that all providers comply with the Voice Interoperability Plan for Emergency Responders (VIPER) by 2010. Full implementation of this plan will significantly reduce emergency service response times. Although DHS has funded the construction of VIPER towers and other infrastructure, the purchase of compatible radios and integration measures has been left to the local communities to fund. Regionally, this funding shortfall is estimated at \$20 million. The rapid addition of 10% to the regional population has clearly and measurably exacerbated this issue. Federal assistance toward meeting this demand would contribute greatly to the ability of community service providers to satisfy the DHS mandate and continue to support its military population.

Medical and Health Care

The challenges associated with the shortage of medical providers in the area is exacerbated by military growth and aggravated by TRICARE reimbursement rates that are below those of MEDICAID and MEDICARE. Given the high percentage of TRICARE recipients in the region, this reality creates difficulty in recruiting medical professionals to serve in the area. Additionally, the closure of Naval Hospital, Cherry Point as a result of BRAC 2005 actions forced many military members and their families into the civilian healthcare system. A Department of Defense Locality Waiver that increases the TRICARE reimbursement rates in the region will help mitigate this dilemma.

Land Use and Compatibility

Among the tasks of this effort was to evaluate progress on the Joint Land Use Study (JLUS) recommendations for the Onslow County / Camp Lejeune / MCAS New River JLUS as well as the Craven County / Carteret County / MCAS Cherry Point JLUS. The Onslow County (Camp Lejeune) JLUS was completed in February, 2003 and the Eastern Carolina JLUS in November, 2002.

The status of JLUS program implementation for Onslow County and Eastern Carolina was ascertained through a series of interviews conducted during June, 2009 with Community Plans Liaison Officers for MCAS Cherry Point and Camp Lejeune and planners for the various counties and municipalities addressed in JLUS studies. Detailed findings related to the review of these studies can be found beginning in the Land Use and Compatibility module.

To summarize these findings, the military installations and their host communities have implemented many of the JLUS recommendations and continue to work toward accommodating those that remain. These steps have demonstrated the commitment of all parties to manage future land use, modify existing incompatible conditions and address potential friction with the clear objectives of preserving the utility of regional military bases and facilitating compatible community growth.

Strategy for Implementation

The 467 recommendations for addressing the impacts of military growth in the region are discussed throughout each module of the plan. Some are relatively easy to implement, can be accomplished quickly and incur little or no costs. Others are long-term, complex and very expensive. Many are still being developed, as accurate data is not yet available to establish timelines or costs. In the case of the latter category of these recommendations, it may be a year or more before reliable information exists that can support specific corrective action. For instance, the total population of dependents has not yet arrived and is therefore not fully assimilated in local schools, communities or workplace. Likewise, induced development throughout the service economy will lag behind the arrival of the service members and civilian employees that are already in place and cannot yet be accurately measured.

Although much work has been done to inform local, state and federal leaders of the growth impacts over the past two years, beginning with the release of this report the MGTf will formally embark on the Implementation Phase of its work. This will include increasing its staff and consultant support to effectively execute the vast array of tasks associated with the recommendations. Aside from the work that will be directly accomplished or facilitated by the MGTf and its supporting consultants, many of the tasks require action by local governments, agencies, organizations, military installations and service providers. The MGTf will increase its communications and outreach efforts to ensure that positive results are achieved that contribute to the smooth integration of the growth population into the region, with minimal negative impacts on the existing communities.

Conclusion

The demands placed on the region's seven counties are substantial and complex. They span all aspects of the region and affect area governments, school districts, service providers, regulators, businesses, residents, and the military installations. Although it will likely be years before the full measure of growth assimilation has been realized, there are immediate opportunities to act purposefully in addressing the most urgent needs – those with clearly defined mitigation strategies and implementation measures. This report is presented as a reference source from which that process can begin.