As in many communities around North Carolina, plant closings and job losses left Kinston’s textile-based economy hanging by a thread by the mid-1990s. Hurricanes Fran and Floyd battered the small eastern North Carolina city in 1996 and 1999 and left the community reeling—widespread and repeated flooding destroyed homes and businesses, displacing residents and exacerbating the population loss that was already underway. In addition, a “silver tsunami”—referring to the many imminent baby boomer retirements—is placing demand on local governments to increase their capacity for future leadership, especially among mid-level managers. Coupled with the ill effects of an enduring recession, communities such as Kinston are finding themselves without adequate resources to effectively respond to emerging demands.

Now, thanks to funding from Local Government Federal Credit Union (LGFCU), the School of Government has initiated two innovative programs to assist Kinston and other communities across the state with both economic and leadership development. Over the next 10 years, a $7.1 million gift from LGFCU will provide critical operating funds for these two programs. The Development Finance Initiative (DFI) will provide local governments with specialized finance and development expertise for transformative development projects, and the LGFCU Fellows program will focus on building mid-level leadership capacity in local governments across the state.

DFI is working in Kinston to support the revitalization of businesses and buildings as well as neighborhoods. DFI team members are focused on uniting and supporting diverse stakeholders to help the town rediscover its economic and cultural vibrancy. Such on-the-ground community-building is complemented by DFI’s better known specialty: designing innovative ways to finance the revitalization of cities and towns. Begun with a separate LGFCU gift in 2011, DFI’s portfolio includes more than 50 projects in nearly 40 communities—ranging in scope from the commercial...
**NOTES FROM THE DEAN**

If you think the School of Government is located in Chapel Hill, you’re partly right. We hold most of our classes at the Knapp–Sanders building on the UNC–Chapel Hill campus, and our faculty and staff offices are located there.

But we’re also out there where you are. Faculty members hold workshops in communities across the state. Our MPA students provide staffing in local government offices through internships, and we work with local officials statewide on community projects such as those related to the Development Finance Initiative.

Thousands of public officials every year take our teachings into their local communities. Whether they graduate from the LGFCU Fellows program or any of the nearly 200 courses we offer annually, participants leave armed with information and skills that will help them back home. Grounded in knowledge, they make strategic decisions and create sustainable systems that improve the quality of life for their residents.

Public officials call or e-mail our faculty experts every day with immediate questions about local issues. Court and law enforcement officials use our mobile apps to find critical information in the moment. Our publications, blogs, and bulletins are trusted references for public professionals wherever they work—in city offices or courtrooms, boardrooms or construction sites.

Our work is most visible to the public officials who take our classes, read our books, or call our faculty members for advice. But the impact of our work is reflected in North Carolina communities—when deeds are properly recorded, taxes are legally collected and accounted for, water is available as needed, judges calculate accurate sentences, trash is collected, bike trails are built and paid for, traffic lights work as they should—when things that people take for granted every day simply work well.

It takes a conscious and informed effort by a lot of individuals to create a sense of community and optimism in a place. We know that the quality of the work of local governments makes a big difference to quality of life in a community. For the School of Government, our mission—our continuing commitment—is to serve public officials by helping them do their very best to serve our communities.

Michael R. Smith, Dean

**You CAN MAKE AN IMPACT**

Gifts to the School of Government support innovative new programs such as DFI or the LGFCU Fellows program. In addition, private donations support ongoing training, advising, and research that has served public officials and improved North Carolina communities for more than 80 years. Together, we can make a difference. To discuss how you can help, contact Johnny Burleson, associate dean for development, at burleson@sog.unc.edu or 919.966.9780.
restoration of individual historic properties to the redevelopment of entire municipal districts.

Since partnering with Kinston, the DFI team has performed extensive field surveys and mapping to identify underlying issues and inform their proposed solutions. They have guided a process designating the city’s historic Mitchelltown neighborhood an Urban Redevelopment Area, which will increase investment and accelerate new economic development opportunities. And they have helped residents and officials envision a new commercial corridor along Martin Luther King Jr. Boulevard and begin to bring it to life. DFI plans to transition into a role advising the city on a long-term revitalization strategy and leading the effort to secure investment in the emerging commercial corridor.

Like DFI, the LGFCU Fellows program grew from an initial 2011 LGFCU gift aimed at addressing growing leadership needs in the state. Since the program’s inception, 150 local officials have graduated from the multi-week course and returned to their jurisdictions with improved management skills, stronger professional networks, and increased confidence to assume both formal and informal leadership roles. The LGFCU investment will allow the Fellows program to grow by adding additional sessions but keeping each cohort intimate in size, which program director Willow Jacobson says is critical for individual success and meaningful network building.

LGFCU’s gift demonstrates a commitment to succession planning and the long-term success of the state in a way that a short-term gift cannot. With secure funding, the Fellows program will continue building strategic leadership capacity around the state.

In addition to funding DFI and the LGFCU Fellows program, LGFCU’s gift to the School of Government included undesignated funds. The School will use this grant to create an Innovation Fund to support projects that maximize the School’s impact and support its mission of improving the lives of North Carolinians.

MEET JOHNNY BURLESON
ASSOCIATE DEAN FOR DEVELOPMENT
UNC SCHOOL OF GOVERNMENT

Johnny Burleson joined the School of Government in February 2014. He has more than 13 years of experience in development and alumni relations and most recently served as associate vice chancellor for development and alumni relations at Appalachian State University. He is a North Carolina native and owner of a working Ashe County farm where he and his family cultivate blueberries and apples. Burleson holds a BS in textiles with a concentration in international business from North Carolina State University.

MEET MAURICE SMITH
PRESIDENT, LOCAL GOVERNMENT FEDERAL CREDIT UNION

Maurice Smith joined Local Government Federal Credit Union in 1992 and has been president since 1999. Since that time, he has expanded the credit union’s service to its members, including overseeing the development of new headquarters in 2007. He has also facilitated strategic investment in the School of Government. Smith received a BS in business administration from UNC Wilmington and a JD from NC Central University School of Law.

Thank you to Prudential Retirement for a gift of $100,000 to support the work of the Local Elected Leaders Academy. These funds will support scholarships for the Advanced Leadership Corps and other programs and further integrate the budget simulation exercises Budgetopolis and Bottom Line! into trainings for newly elected officials.
Building Local Leadership Capacity: LGFCU Fellows Program

Public officials who participate in the Local Government Federal Credit Union (LGFCU) Fellows program graduate with a deeper understanding of their individual leadership strengths, skills for improving their organizations, and a renewed passion for public service.

- **2012–2014**
  - **149 Fellows**
  - **48% Municipal Employees**
  - **44% County Employees**
  - **8% Special District Employees**
  - **120 North Carolina Communities**
  - **9 Years Average Local Government Experience**
  - **25% Promoted Since Completing the Program**

*Special districts are governmental units that exist independently from county or municipal governments.*

Rebuilding North Carolina Communities: Development Finance Initiative

The Development Finance Initiative (DFI) partners with local governments in North Carolina to attract private investment for transformative projects by providing specialized finance and development expertise.

- **2011–2013**
  - **50 DFI Projects**
  - **40 North Carolina Communities**
  - **$216,000 in Contracts and Grants Revenue**
  - **30 Graduate Students Completed Community Revitalization Course**
  - **6 Community Revitalization Fellows Provided Research and Analytic Support**

*Special districts are governmental units that exist independently from county or municipal governments.*